

MOTION

Open For Business Initiative

The City's fee structure for land use entitlements are updated from time to time to enable the City to fully recoup actual costs for the services that are provided. There needs to be full cost recovery for the planning and use services provided.

One of the challenges facing new small businesses and entrepreneurs are the required fees associated with the City permitting process. In order to obtain an alcohol license from the California Department of Alcoholic Beverage Control (ABC), business owners are required to first obtain a Conditional Use Permit (CUP) from the City. The approval process for small businesses and restaurants is associated with various construction, building, and land use permits, and these existing fees need to be carefully studied to make sure that the City is recouping for the costs related to the services provided.

The existing fee structure is the same across the board for Conditional Use Permits by the Zoning Administrator. For example, the fees for a new Conditional Use Permit for alcohol use is over \$6,500.

The high cost of the application fee can present a challenge to small business owners, particularly those that are just starting out or seeking minor modifications to the original permit to allow them to maintain a feasible business plan. Small businesses, particularly restaurants, need to have clarity as to the Conditional Use Permit fees and other application fees charged. We should consider the feasibility of having fees based on the square footage, number of employees and other unique factors of a small business operation.

I THEREFORE MOVE that the Council instruct the Planning Department, and the Department of Building and Safety, with the assistance of the City Administrative Officer, and in consultation with the City Attorney, to prepare a report with recommendations to revise the Conditional Use Permit fees that would be applicable to small business operations.

PRESENTED BY:


MITCH O'FARRELL
Councilmember, 13th District

SECONDED BY:



ORIGINAL

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