



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 4/14/2026

To: Sonoma County Board of Supervisors

Department or Agency Name(s): Permit Sonoma

Staff Name and Phone Number: Scott Orr, Director (707) 565-1925, Michelle Arellano, Assistant Director (707) 565-2296

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

FY 2026-27 Fees for Permit Sonoma (Second Reading)

Recommended Action:

Adopt an Ordinance increasing and adjusting fees for development applications, permits, and services provided by Permit Sonoma to attain a level of cost recovery that better approaches the reasonable costs of providing the related services effective July 1, 2026.

Executive Summary:

Permit Sonoma provides land use planning, permitting services, and plan check and inspections for: planning, building, engineering, fire prevention, hazardous materials, natural resources, and code enforcement for the unincorporated areas of Sonoma County.

Fees for services are associated with the review, approval, and inspection of construction, land use, and development projects covering a range of activities, including permit fees for residential, commercial, or industrial construction projects, land use applications, zoning requests, and other planning-related activities, environmental impact assessments or compliance with environmental regulations, reviewing plans and conducting on-site inspections to ensure compliance with local codes. The department is proposing increases to fees based on projected increases to labor and services and supplies costs. The department is also proposing fee modifications and the establishment of a new fee, discussed in more detail below. If approved the proposed changes will become effective July 1, 2026, or sixty (60) days from passage of the ordinance(s), whichever is greater.

Discussion:

Permit Sonoma is Sonoma County's consolidated land use planning and development permitting agency. Land development or construction that takes place in the unincorporated area of Sonoma County is reviewed, permitted, and inspected by Permit Sonoma. The department fees for services are organized by division as follows: Planning,

Engineering and Construction (including County Surveyor, Engineering, Well and Septic, and Building plan check and inspection services), Code Enforcement, and Fire Prevention and Hazardous Materials.

Proposed Fee Increases

FY 2026-27 proposed adjustments reflect projected increases in salaries and benefits, and services and

supplies including higher permit management software costs associated with the seven-year Accela Subscription Services Agreement entered into in May 2024. Under the terms of the agreement, the department made advanced payment for the first two years of the agreement as a condition of securing the negotiated reduced price, utilizing County discretionary funding. Beginning in FY 2026-27, the department will assume ongoing permit management software subscription costs of approximately \$296,000 annually.

Department fees have historically not been set at full cost recovery in accordance with long-standing Board policy to subsidize a portion with General Fund. The most recent comprehensive fee study, completed six years ago, identified that cost recovery levels vary by program. Since that time, fee increases have largely been limited to cost-of-living adjustments and as a result, fees continue not to meet department revenue requirements. This revenue gap has widened over time, necessitating increased General Fund support beyond the baseline contribution to balance the department budget at year end. These challenges have been further compounded by changes in code enforcement program approach as recommended by the Code Enforcement Ad Hoc Committee (2025), the conclusion of temporary General Fund support for management review efforts, and declining permit activity due to the economic slowdown over the past three years. The department's FY 2025-26 mid-year estimates project a budget shortfall of \$3.7 million by year end, with preliminary projections for FY 2026-27 reaching \$4.5 million. The department has made significant strides in implementing cost saving measures, estimated at approximately \$2.5 million by fiscal year end, which include managing vacancies and only filling essential positions, limiting overtime to critical needs, and suspending non-essential training and travel. Despite these measures and to address next fiscal year's budget shortfall, impactful operational adjustments including staffing reductions and leaving vacant positions unfunded will be required. The department will continue to explore additional fiscal strategies, including possible request of one-time funds, to mitigate these impacts. Permit Sonoma will include an update on the department's long-term fiscal sustainability to the Board for discussion during Budget Workshops. In parallel efforts, the department will be initiating a comprehensive fee study in spring 2026 as a key tool to evaluate and improve cost recovery.

Based on the department's aggregate cost recovery analysis, estimated program level cost recovery ranges from 64% to 97% of costs. These estimates will be refined through the upcoming comprehensive fee study however it will not be completed in time to inform the FY 2026-27 budget. Interim fee increases are proposed not only to address the cost-of-living adjustments, but also to begin narrowing the existing cost recovery gap and reduce the burden on the General Fund to balance the department's budget. Based on current estimates, the proposed adjustments are expected to incrementally improve cost recovery across programs, while remaining at or largely below full cost recovery until the fee study is completed.

The FY 2026-27 proposed rate increases above current fees are as follows:

- Planning fees increase by 7% to increase cost recovery from 82% to 89%. Planning fees recover the cost for processing applications related to land use and development.
- Engineering & Survey fees increase by 15% to increase cost recovery from 64% to 79%. Engineering fees are assessed on plan check and inspection services for encroachments, grading, storm water, and water and sewer systems, as well as transportation and special event permits. Survey fees are assessed on activities performed for land surveys, boundary surveys, topographic surveys, or property assessments. The fee study conducted six years ago identified that Engineering and Survey fees were recovering only about 53% of costs. While subsequent adjustments have generally kept pace with cost-of-living increases, they have done little to close the gap between revenues and the actual cost of providing services.
- Well and Septic fees increase by 3% to increase cost recovery from 95% to 98%. Well and Septic fees

for services include evaluating site suitability for well or septic system installation, conducting inspections, and ensuring compliance with local health regulations.

- Building fees increase by 3% to increase cost recovery from 97% to 100%. Building plan check and inspection services include review and approval of building plans, as well as for the inspection of construction work to ensure it complies with local codes and regulations. Fees for services also include electrical, mechanical, and plumbing permits.
- Fire fees increase by 12% to increase cost recovery from 76% to 88%. Fire Prevention fees cover the cost of fire inspection services, fire investigations, construction plan checks and issuing operational permits to ensure compliance with the fire code. The Hazardous Materials program (Certified Unified Program Agency) fees recover the cost associated with ensuring businesses that generate or store hazardous materials comply with environmental laws and regulations. This Special Revenue Fund is intended to operate at full cost recovery without General Fund support. Recent staff reviews identified that the prior fee study's labor analysis did not fully capture the administrative time required to provide fire services thus resulting in fee study calculations that overstated cost recovery. As a result, the fees adopted in FY 2022-23 were lower than required, significantly impacting revenues which do not reflect the full cost of delivering the program.

Customer Service Fees - Staff Hourly Labor Rates

Staff hourly rates are used to set fees and to bill staff hourly charges to At-Cost projects and contracts. These rates are calculated based on employees' salaries and benefits costs. The department is proposing to increase administrative staff hourly rates by 3% in FY 2026-27 based on projected increases to salaries and benefits and indirect costs. Proposed increases are as follows:

	FY 25-26 Adopted	FY 26-27 Proposed
Accountant	\$137	\$141
Building Inspector	\$203	\$209
Clerical	\$119	\$123
Code Enforcement Inspector	\$203	\$209
Customer Service	\$155	\$160
Division Manager	\$278	\$286
Engineer	\$213	\$219
Engineering Technician	\$172	\$177
Environmental Health Specialist	\$187	\$193
Environmental Specialist	\$192	\$198
Fire Prevention & Hazardous Materials	\$273	\$281
Information Systems	\$164	\$169
Plan Check	\$208	\$214
Planner I, II & Tech	\$181	\$186
Planner III	\$207	\$213
Senior Engineer	\$253	\$261

Surveyor	\$244	\$251
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Code Enforcement Services Fees

The Code Enforcement Division handles violations of the County's building, zoning, and health regulations. The department is proposing to increase Code Enforcement fees for services by 3% in FY 2026-27 based on projected increases to salaries and benefits and indirect costs. These fees are one-time fees provided for services. Proposed increases are as follows:

	FY 25-26 Adopted	FY 26-27 Proposed
Code Enforcement Reinspection (each)	\$306	\$315
Abatement Repair Permit	\$696	\$717
Building Board and Secure	\$140	\$144
Hearing Officer Related Fees:		
County Staff Support	\$545	\$561
Hearing Officer - Hearing	\$2,556	\$2,633
Hearing Officer - Drive Time	\$240	\$247
Court Reporter	\$652	\$672

Proposed New Fees & Fee Modifications

Professional Geologist Hourly Rate - Proposed New Fee \$252 per hour

The Professional Geologist performs billable, state-mandated services for the County's Aggregate Resource Management (ARM) program, including mining facility inspections and permit and reclamation plan reviews. It also provides technical and environmental review services including seismic, hydrogeology, geothermal, water resource management, and land use planning for the County of Sonoma and other public agencies such as Sonoma Water, Agriculture and Open Space District, and the Santa Rosa Plain, Petaluma Valley, and Sonoma Valley Groundwater Sustainability Agencies. Existing revenue agreements and billable work for these services have relied on an hourly rate comparable to the Planner III hourly rate, however that rate does not reflect the full salary and benefits associated with the Professional Geologist position. At the Planner III hourly rate, the General Fund subsidizes 15% of the billable hours by the Professional Geologist position. The establishment of an hourly rate for Professional Geologist will enable the department to fully recover costs associated with billable work and technical service requests from outside entities. The proposed fee was calculated based on base salary, benefits and indirect costs.

Sunset Resiliency Permit Center Fees

The Resiliency Permit Center (RPC) was established in 2018 to provide comprehensive permitting and inspection services for fire survivors rebuilding residential structures impacted by the 2017 Sonoma Complex Fire. The RPC was designed to provide an efficient process that allowed fire recovery projects to move forward quickly; because many of the permitting services were similar and repetitive, they required less staff time and cost less to perform. As a result, and as part of this effort, a reduced fire rebuild permit fee schedule was implemented, reflecting the reduced work required on already developed sites with existing driveways, wells,

septic systems, and other infrastructure. Reduced fees were applied across a wide range of permits and inspections, including residential and commercial plan checks, building permits, fire safety and sprinkler inspections, and septic systems fees. Reductions ranged from partial discounts of 40-75% to full waivers of 100%, reflecting support for disaster recovery following the fire disaster (See Attachment 4). These reduced fees have remained in effect since 2018 and have supported fire survivors through subsequent events including the 2019 Kincaid Fire, the 2020 Walbridge Fire, and the 2020 Glass Fire.

Over the last several years, fire rebuild activity has steadily declined, with fire rebuild permits and associated revenues decreasing as follows:

- FY 22-23: 3,118 permits; \$1,856,832 in revenue
- FY 23-24: 1,647 permits; \$1,088,993 in revenue
- FY 24-25: 1,221 permits; \$612,928 in revenue
- FY 25-26 YTD: 589 permits; \$253,495 revenue

As fire rebuild activity declined, staffing levels of the Resiliency Permit Center have also been reduced, from 4.5 time-limited positions originally added in FY 22-23 to support fire recovery activities, to one remaining position. Given this sustained and continued decline, the department proposes sunseting the reduced fire rebuild fees effective July 1, 2026. This approach reflects the decreasing demand for fire rebuild permitting services, aligns with the expiration of the remaining time-limited position, and transitions fire recovery work into regular operations.

Fee Description Changes

Permit Sonoma is recommending approval of six (6) description changes to planning fees. See Attachment 5 for details.

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

3/24/2026: The Board of Supervisors adopted a resolution introducing, reading the title and waiving further reading of a Proposed Ordinance increasing and adjusting fees for development applications, permits, and services provided by Permit Sonoma to attain a level of cost recovery that better approaches the reasonable costs of providing the related services effective July 1, 2026.

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses		\$1,275,701	
Additional Appropriation Requested			

Total Expenditures		\$1,275,701	
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other		\$1,275,701	
Use of Fund Balance			
General Fund Contingencies			
Total Sources		\$1,275,701	

Narrative Explanation of Fiscal Impacts:

The fee increases will become effective on July 1, 2026. The baseline net effect of fee changes without projected department workload increases is estimated to be approximately \$1,275,701. This amount will be included in Permit Sonoma’s projected total revenues as part of the FY 2026-27 Recommended Budget.

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

1. Permit Sonoma Fee Schedule Ordinance
2. Proposed FY 2026-27 Planning Fee Schedule
3. Proposed FY 2026-27 Engineering and Water Fee Schedule
4. Proposed FY 2026-27 Well & Septic Fee Schedule
5. Proposed FY 2026-27 Building Fee Schedule
6. Proposed FY 2026-27 Fire Prevention and Hazmat Fee Schedule
7. Proposed FY 2026-27 Permit Sonoma Services Fee Schedule
8. Proposed FY 2026-27 Code Enforcement Services Fee Schedule
9. Permit Sonoma Fee Cover Sheet FY 2026-27
10. Permit Sonoma Resiliency Center Fee Schedule
11. Permit Sonoma FY 2026-27 Fee Description Changes

Related Items “On File” with the Clerk of the Board:

N/A