

Navigating the Residential Building Permit Process

Service, Time, and Money

Summary

Since the Santa Cruz County Planning Department has been a subject of multiple Grand Jury reports in the past, the 2012-2013 Grand Jury is pleased to observe that the Planning Department has made great strides in recent months to streamline the residential building permit process. However, there is room for improvement. Further simplifying the process will encourage more citizens to obtain permits for residential construction projects. This will benefit the citizens of Santa Cruz County in many ways. First, homeowners will have greater confidence that work on their homes will be completed in compliance with building, safety, and health codes. Moreover, work completed in compliance with codes increases the value of homes; unpermitted construction negatively impacts resale value. Second, with more building permits issued, the Planning Department will earn additional revenue. Streamlining procedures, especially those for the over-the-counter permits, will allow the Planning Department to support the increased activity without hiring additional staff. The combination of increased revenue and reduced costs may allow the County to reduce some permit fees. In the end, citizens will be more likely to appreciate the role the Planning Department plays in keeping Santa Cruz County beautiful and safe.

Background

In 1991, the County of Santa Cruz adopted Resolution No. 437-91, sometimes referred to as the “Applicants’ Bill of Rights,” establishing County policies for permit processing. It stated that “more progress needs to be made concerning permit processing reform.” It also said that the County needed to “provide clear and helpful information to applicants for permits.”^[1] Despite this resolution, the 2003-04 Grand Jury expressed continued concern about the Planning Department. In its final report the Grand Jury stated:

Planning and building regulations that are too complex and difficult to understand may deter people from building. In some cases, people may build illegally as they perceive it too difficult to deal with these government agencies. This illegal growth may pose safety hazards to occupants and neighbors, as well as affecting the community as a whole. Revenue is also lost as these structures are not assessed and people do not pay their share of taxes on these illegal structures.^[2]

For many years, the Santa Cruz County Planning Department has been criticized by developers, contractors, architects, and homeowners for poor customer service, long delays in issuing permits, and excessive costs. The Santa Cruz County amendments to the California Building Code^[3] have been criticized by some members of the public as

well as county staff for being convoluted and open to multiple interpretations.^[4] Many of these criticisms were captured in a series of public forums for which the Planning Department issued its report, “Responses to Public Comments Received at Winter 2010/2011 Community Forums and Focus Groups” (Report).^[4]

The 2012-2013 Grand Jury was interested in determining the progress the Planning Department has made since the Grand Jury report of 2003-2004.

Scope

The Grand Jury interviewed individuals in the Planning Department as well as other county agencies that interact with that department such as local fire districts, Public Works, and Environmental Health. In addition, we interviewed contractors, engineers, homeowners, and architects. With the cooperation of the Planning Department, we also applied for a mock building permit to experience the process firsthand.

Investigation

For our mock permit we chose a 700 square foot addition which would attach a new bedroom and bathroom to an existing 2830 square foot home. The existing home was on sewer and had adequate parking. Due to the location, size of the project, and the fact that the property was on sewer, this mock permit was not subject to outside review from Environmental Health, Public Works, or the jurisdictional fire district. We chose these parameters in order to avoid additional staff time. Regarding residential construction, Environmental Health primarily deals with septic and well regulations. Public Works becomes involved if the project affects public roads, right-of-ways, drainage, or public sewers. Fire district review is required only when a project exceeds 50% of existing square footage.

The Planning Department consists of three sections: Zoning Plan Check, Environmental Planning, and Building and Safety. Zoning involves determining the allowable usage of the property, setbacks, height limitations, and lot coverage. Environmental Planning reviews any potential conflicts with natural habitats, riparian corridors, endangered species, erosion, and grading. The primary goal of the Building and Safety section is to protect the health, life, and safety of all people in the County of Santa Cruz by applying minimum code requirements and verifying that they are met. It also is concerned with the environment, accessibility, energy, drainage, and mitigating geological, wind, tidal, and seismic hazards.

We began with the Zoning Prescreen to determine if the mock project fit within existing zoning regulations. This procedure also determines the proper setbacks and lot coverage allowed. The Zoning Prescreen establishes whether the project must be reviewed by other departments such as Environmental Planning. Since our project was more than a 500 square foot addition, we were required to obtain a soils report to be reviewed by Environmental Planning. We were also subject to a Capital Improvement

Fee for adding a bedroom. This fee is set aside for future capital improvements to the infrastructure of the County.

According to the Report, there are two types of permit applications.^[4] A “ministerial” application for a building permit is reviewed for compliance with a fixed set of rules and standards. If the proposal meets the standards then a permit can be issued. A “discretionary” permit involves a “judgment about whether the proposal is consistent with criteria that are not as clearly defined as ministerial criteria.”^[4] Our mock permit fell under the ministerial category. The Building Counter staff then prepared an estimate of fees based upon the information provided.

The Planning Department website has a Building Permit Fee Estimate Worksheet^[5] which an applicant can access to obtain a general idea of fees. However, there is a disclaimer that the applicant should not assume all variables will be covered on this estimate, because according to the Planning Department, each building project can have its own unique characteristics. Moreover, clients who go to the counter for an estimate are given a different form with different terms, making it difficult to compare the two (Appendix A). We learned that experienced applicants do not rely on this worksheet as the estimates may vary widely from actual fees.

We also learned from several sources that information provided at the initial Zoning Prescreen was not always reliable. On occasion after preparing plans and drawings, applicants have been denied approval based on information contradictory to their first prescreen meeting. The applicant is then left with expenses that cannot be recouped. Most seasoned contractors and architects have learned to go back to the planning department several times for additional meetings to confirm that the information given to them has not changed. While the online estimator does have a disclaimer, the Zoning Prescreen does not.

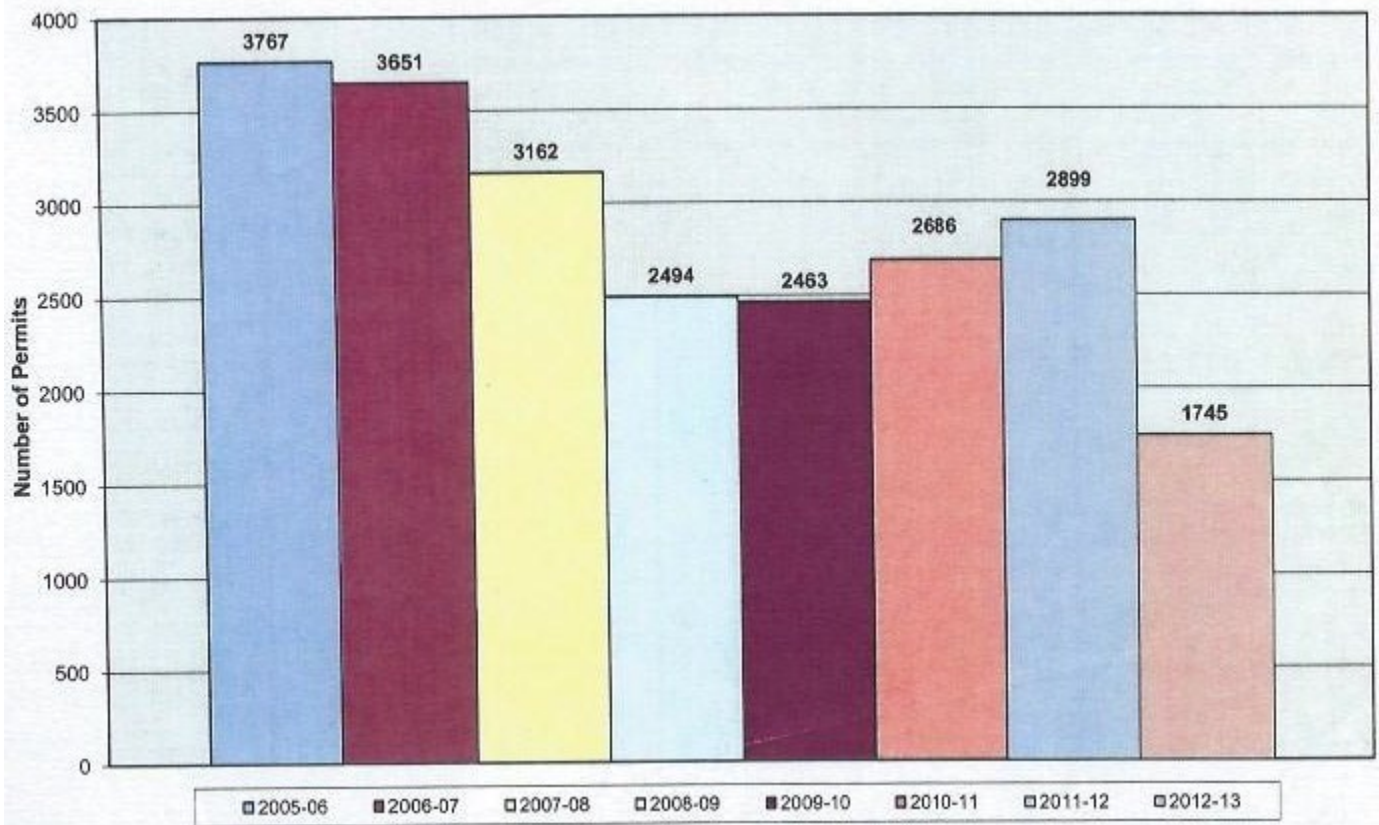
In the course of our investigation, we discovered that the Planning Department held a series of public forums from November 2010 to February 2011. During these forums, it solicited public comments and input about aspects of its services. While we commend the Planning Department for initiating these forums, we question why it has taken over two years to publish the findings. The Grand Jury began its investigation in November of 2012, and the Department’s report titled “Responses to Public Comments Received at Winter 2010/2011 Community Forums and Focus Groups” (Report)^[4] was made public on the Planning Department website on March 1, 2013. Based on our study of the Report and our interviews, we would like to bring attention to several areas:

- Minor Exceptions Provisions state that minor deviations such as changed setback, height, or lot coverage may be considered for approval as exceptions by planning staff as long as the project does not fall into a Planned Unit Development (PUD) or Common Interest Development (CID), which have further restrictions. This policy still leaves decisions open to individual interpretation.^[4]
- Construction Unpermitted - Recover Enforcement Costs (CUREC): This allows for the doubling of plan check, processing, and inspection fees when unpermitted

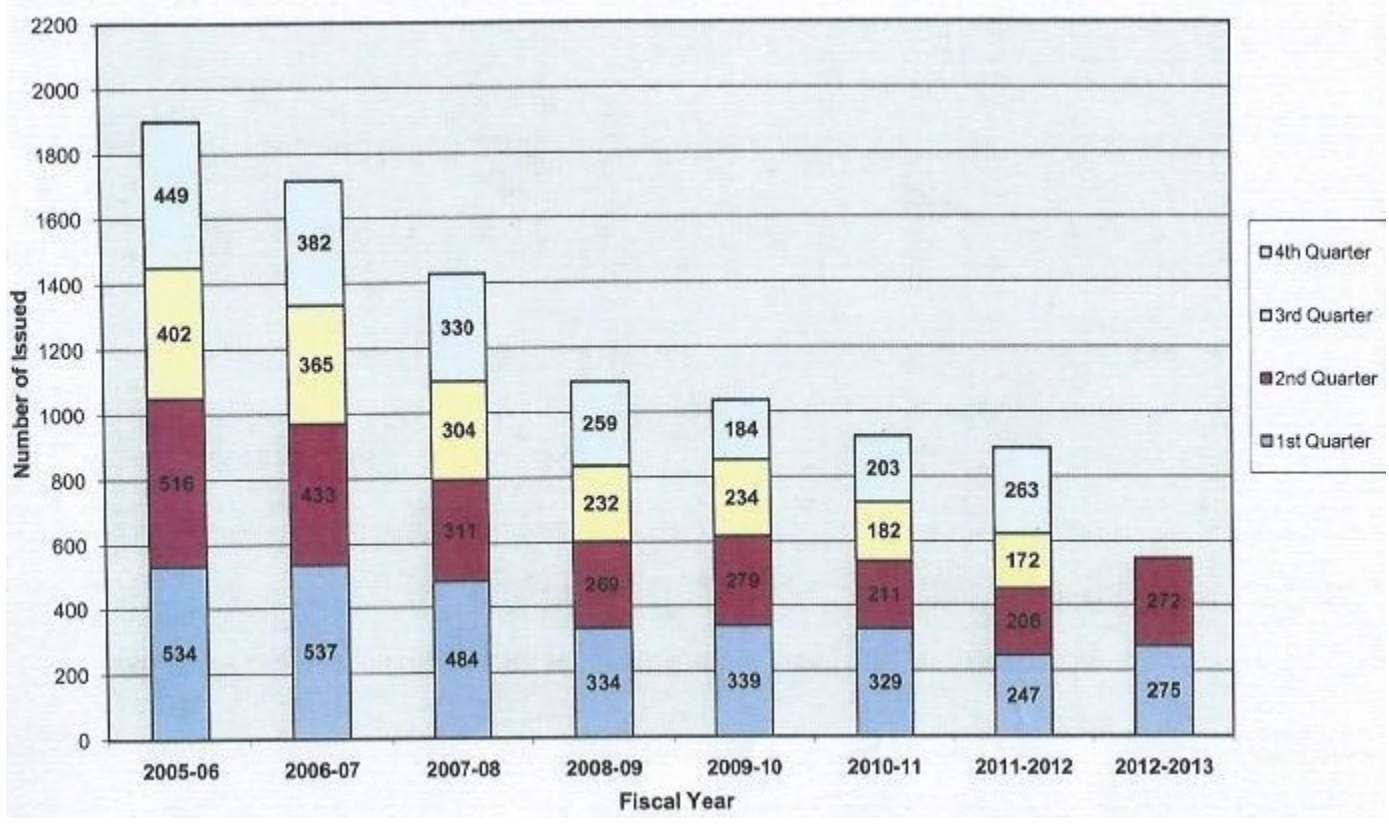
work is noticed and a stop work order is posted. This fee is meant to discourage unpermitted projects. We are interested in seeing how the Department tracks the effectiveness of this initiative.^[4]

- An expanded over-the-counter (OTC) permit process is now available during public counter hours. In most cases, it is still necessary to go to the Planning Department in person. The County does have the ability to collect payments via credit card, debit card, or electronic check; however, the Planning Department has not adopted these payment options.^[6]
- There are inconsistent interpretations of County zoning and building regulations by different staff members. The Report states that this can result in an applicant “getting wrong answers.” Simplification and modernization of the codes were also suggested in the Report. This process is underway.^[4]
- With reduction in staff members in the past four years from 100 to 60, the Planning Department has to do the same work with less staff. While the number of issued permits have not appreciably changed over the past few years, the average cost of a permit is smaller as projects have been scaled down. For example, from fiscal year 2005-06 to 2012-13 the percentage of OTC building permits has risen from 50% to almost 70% (Graphs 1-3).

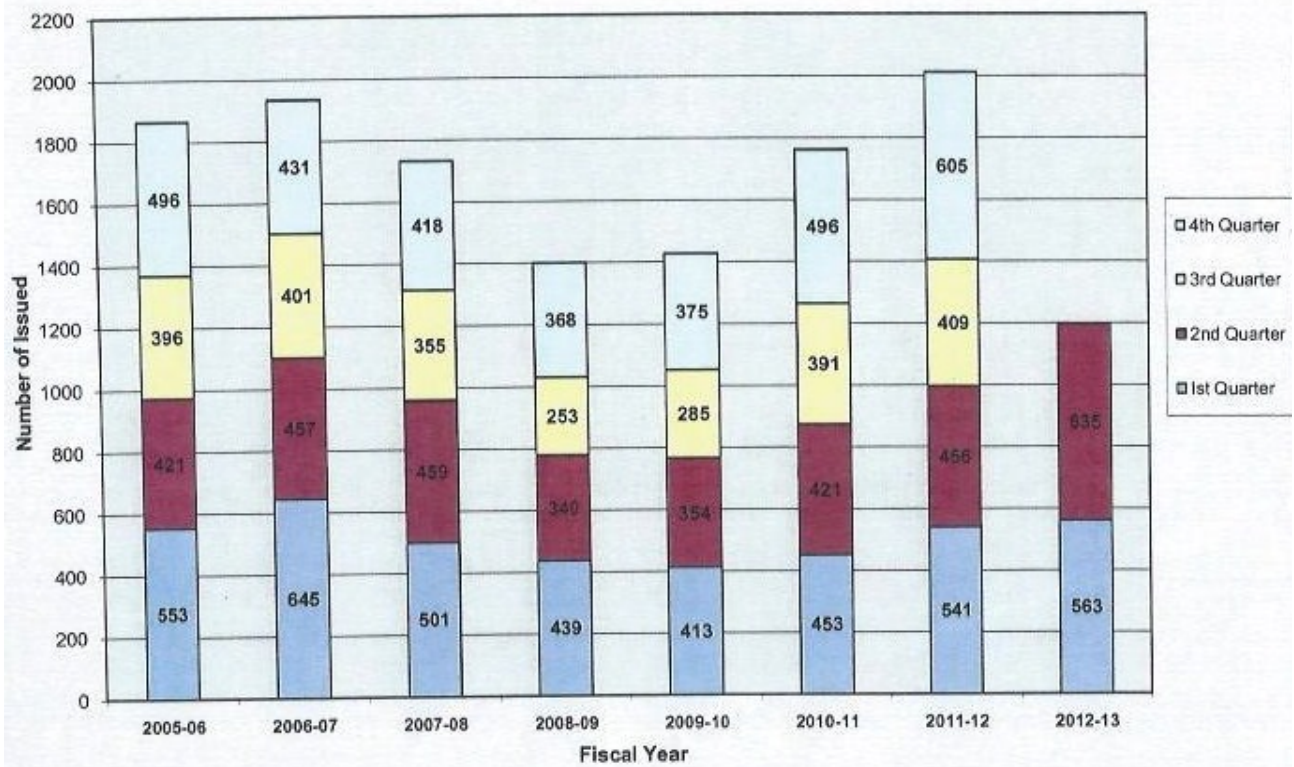
Graph 1. Total Building Permits Issued by the Santa Cruz County Planning Department, 2005-06 Fiscal Year through December 2012 (Note: 2012 - 2013 is for the first six months, July through December 2012)



Graph 2. Issued Building Permits (not including OTC) by the Santa Cruz County Planning Department, 2005-06 Fiscal Year through December 2012



Graph 3. Over-the-Counter Permits Issued by the Santa Cruz County Planning Department, 2005-06 Fiscal Year through December 2012



A summary of the information shown in the previous graphs is in the following table.

Table 1. Over-the-Counter (OTC) Permits Issued Compared to Total Permits Issued

Year	Total OTC issued	Total permits Issued	Percentage OTC
2005 - 06	1,866	3,767	49.5
2006 - 07	1,934	3,651	53
2007 - 08	1,733	3,162	55
2008 - 09	1,400	2,494	56
2009 - 10	1,427	2,463	58
2010 - 11	1,761	2,686	65
2011 - 12	2,011	2,899	69
7/1/12 - 12/31/12	1,198	1,745	69

OTC permits apply to the following types of projects:

- Re-roofing
- Demolition
- Water heater replacement
- Photovoltaic systems (solar panels)
- Sheetrock
- Siding
- Window replacement

The complete list of OTC permit types is on the Planning Department's website.^[7] Having reviewed the range of permits issued, the Grand Jury became interested in how fees are set for those permits. We learned that the Department generally sets fees at a level that will cover its projected costs.^[8] The Planning Department had difficulty providing the Grand Jury with revenue, expense, and other permit-related information in a timely manner. Furthermore, the information provided contained inconsistencies. Therefore, it was difficult to tell whether the department was meeting its mandate to be revenue-neutral. Even when full cost recovery fee levels are adopted by the Board of Supervisors, the Building and Safety Section is dependent on actual activity to cover total costs. Therefore, some years the Department has a deficit, and in other years a surplus. The overall intent is to balance these costs and fees over time. The Department has more control over fixed costs such as salaries and wages, and has lowered these costs over the last few years. In the future, permit revenue is expected to increase due to the new CUREC policy of doubled fees, and to overall economic improvement.

After analyzing the fiscal reports provided to the Grand Jury by the Planning Department, we suggest that if the Department can continue to streamline the processes of obtaining a building permit, especially OTC permits, and maintain the same level of expenditures, then the overall costs of permits should decline. Decreased permit costs, along with more efficient procedures, will improve the permit experience for both staff and customers.

Findings

F1. Based on our investigation and the comments made at the public forums, it appears that the permit process requires excessive staff time and creates unnecessary foot traffic to the Department counters.

F2. Some Santa Cruz County building code amendments are difficult for both staff and clients to navigate, which leaves the code open to interpretation by individual staff members.

F3. The new cost recovery fee called Construction Unpermitted-Recovery Enforcement Costs (CUREC) will potentially bring more people to the Planning Department for permits.

F4. Inconsistency of provided information, most often concerning Zoning and Building code interpretation, exists between members of Planning staff and results in frustration between staff and the public.

F5. The Planning Department was not able to provide us with clear documentation that supported that it was meeting its mandate to be revenue-neutral.

F6. The online fee estimator is not the same as the official fee calculator used by Building and Safety staff. The two forms use different terminology.

F7. The information provided in the Zoning Prescreen is not binding; it fails to warn the applicant that interpretation could change later.

Recommendations

R1. The Planning Department should continue to streamline the county building code amendments, with a target completion date of June, 2014.

R2. The Department should allow routine OTC permits to be applied for, paid for, and printed out in the applicant's home or office.

R3. The Planning Department should adopt a set policy for Zoning and Building Code interpretations.

R4. The Planning Department should adopt the Minor Exceptions Provisions into the code.

R5. The Planning Department should adopt a system to analyze data and track performance.

R6. The Planning Department should have the web fee estimator match the one used at the Building Counter.

R7. The Planning Department should include a disclaimer on the Zoning Prescreen indicating the nonbinding nature of the document.

Commendation

We commend the staff of the Planning Department for recognizing the need for more interaction with building professionals and homeowners in order to create a permit process streamlined to save time and money. We would like to see the public forums continued.

Responses Required

Respondent	Findings	Recommendations	Respond Within/ Respond By
Director, Santa Cruz County Planning Department	F1 - F7	R1 - R7	90 Days October 1, 2013
Santa Cruz County Board of Supervisors	F1 - F7	R1 - R7	90 Days October 1, 2013

Definitions

- **Building Counter:** The physical location where the Building and Safety Department interacts with the public.
- **CID:** *Common Interest Development* - A coordinated real estate development where common areas are shared and maintained by an owner's association or other entity. It usually has rules regarding homebuilding that are more specific than those of the local government.
- **CUREC:** *Construction Unpermitted - Recover Enforcement Costs* - A cost recovery fee adopted by the Board of Supervisors relating to unpermitted construction in progress.
- **Discretionary permit:** A "discretionary" permit means the decision whether or not a permit will be granted involves a judgment whether the proposal is consistent with criteria that are not as clearly defined as ministerial.
- **Ministerial permit:** A "ministerial" application for a building permit is reviewed for compliance with a fixed set of rules and standards.
- **OTC:** *Over the Counter* - A process for obtaining building permits that does not require submitting plans.
- **PUD:** *Planned Unit Development* - This term is used interchangeably with CID.
- **Zoning Prescreen:** The first step in having a building project evaluated for feasibility. This involves zoning information only, and does not include an estimate of fees.


Sources

1. County of Santa Cruz Planning Department. 2012. Resolution. "Applicant's Rights." November 11. Accessed May 11, 2013.
http://www.sccoplanning.com/LinkClick.aspx?fileticket=ff6szlal_cw%3D&tabid=1386
2. Santa Cruz County Grand Jury. 2004. "Planning and Building Departments' Relationship to Illegal Building." Report for 2003-2004. Accessed May 13, 2013.
<http://www.co.santa-cruz.ca.us/grandjury/GJ2004/2%20-%201%20PlanningReportfinal.htm>

3. Board of Supervisors of the County of Santa Cruz. 2011. "An Ordinance Amending Chapter 12.10 and Repealing Chapter 13.38 of the Santa Cruz County Code to Adopt the 2010 California Building Standards Codes." January 11. Accessed May 3, 2013. http://www.sccoplanning.com/LinkClick.aspx?fileticket=BOEEEEO_yVAo%3d&tabid=1189
4. County of Santa Cruz Planning Department. 2013. "Responses to Public Comments Received at Winter 2010/2011 Community Forums and Focus Groups." March 1. Accessed May 13, 2013. <http://www.sccoplanning.com/LinkClick.aspx?fileticket=b1yBbX5oYac%3d&tabid=878>
5. County of Santa Cruz Planning Department. 2012. "Building Permit Fee Estimate Worksheet." Accessed May 3, 2013. <http://www.sccoplanning.com/PlanningHome/BuildingSafety/Fees/BuildingPermitFeeEstimateWorksheet.aspx>
6. County of Santa Cruz Treasurer-Tax Collector. 2013. "Online Tax Payments." Accessed May 3, 2013. <http://ttc.co.santa-cruz.ca.us/TaxBills/>
7. County of Santa Cruz Planning Department. 2012. "Over-the-Counter Building Permit Fees." Accessed May 3, 2013. <http://www.sccoplanning.com/PlanningHome/BuildingSafety/Fees/OvertheCounterBuildingPermitFees.aspx>
8. County of Santa Cruz Planning Department. 2013. Memo "Budget to Actual for Building Function 2010-11 and 2011-12." Dated April 24.

Appendix A. Comparison of Online Estimator Worksheet with Permit Application used by Building Counter Staff

Form 1. Online Estimator Worksheet (two pages including instructions)

RESIDENTIAL BUILDING PERMIT FEE ESTIMATE		
County of Santa Cruz Planning Department		
Please enter the appropriate values in the cells highlighted in yellow and orange on this page. If not applicable, leave blank. Note that for the cells highlighted in orange a value must be entered. This is an estimate only. Actual fees may be higher or lower than indicated below.		
Project Information		
Enter Parcel Number (APN) with dashes (XXX-XXX-XX) ¹		
School District ²		
Located within Urban Services Line? ²		
Planning Area ²		
Flood Control District ²		
New SFD / Accessory Dwelling (ADU) / Addition		sq. feet
Is new square footage part of an Addition?		Y or N (this field must be filled in)
Is new square footage part of a new ADU?		Y or N (this field must be filled in)
Square footage of Existing Structure ³		sq. feet
Interior Remodel Square Footage ⁴		sq. feet
# of new bedrooms		each
Proposed Garage/storage		sq. feet
Proposed Carport		sq. feet
Proposed Uncovered deck		sq. feet
Proposed Covered deck		sq. feet
Proposed Swimming Pool		sq. feet
Proposed Foundation ⁵		sq. feet
Proposed Retaining Wall(s) Wood ⁶		sq. feet
Proposed Retaining Wall(s) Concrete ⁶		sq. feet
Proposed Barn		sq. feet
Proposed Grading		cubic yards
Other New Impervious Surfaces ⁷		sq. feet
Project Requires a Soils Report ⁸		Y or N
Fee Estimate Summary		
Processing		\$ -
Building Plan Check		\$ -
Green Building Plan Check		\$ -
Permit Fee (Inspections)		\$ -
CA Building Standard Admin		\$ -
Technical Training Fee		\$ -
CA Strong Motion Fee		\$ -
General Plan & Technology Fee		\$ -
Soils Report Review		\$ -
Environmental Plan Check		\$ -
Environmental Inspections		\$ -
Grading		\$ -
Zoning Plan Check		\$ -
Public Works Fees		\$ -
Roads Review		\$ -
Drainage Review		\$ -
Impervious Surface Fee		\$ -
Sewer / Sanitation Connection		\$ -
Roadside Improvement		\$ -
Transportation Improvement		\$ -
Environmental Health Review Fee ⁹		\$ -
Park Dedication Fees		\$ -
Child Care Fees (Human Services Department)		\$ -
Fire Review		\$ -
School Fees		\$ -
Records Management Fee		\$ -
Estimated Total Permit Cost		\$ -
Amount Due at Application Submittal		\$ -

Notes:


1. If you do not know your parcel number, click here: <http://sccounty01.co.santa-cruz.ca.us/ASR/>
2. If this box does not return a value, it is likely that your parcel number has recently changed. Try entering your old parcel number or a neighboring parcel number.
3. Only enter a value if you are adding square footage to the existing structure. Otherwise leave this cell blank.
4. For interior remodels, enter only the square footage of the portion of the structure planned to be remodeled.
5. Foundation square footage is calculated as the surface area of the foundation. For example if you are upgrading 200 feet of a foundation that is 1 foot wide, the square footage is 200' x 1' = 200 sq. ft.
6. The square footage of retaining walls is calculated as the area of the face of the wall.
7. Other impervious surfaces are areas that are paved, concrete, etc. Examples are driveways and concrete patios. Also note, if a square footage is added in another cell, don't duplicate it in this cell. Only enter other impervious surface area not accounted for in other cells.

Impervious surfaces fees are automatically calculated from the values entered in other cells of this worksheet (such as "New SFD"). Please note that square footage is calculated as the footprint of the new impervious surface. For example, for a new 2000 sf two story house with 1500 sf 1st floor and 500 sf 2nd floor, only the 1500 sf footprint is counted. If your project includes a new 2 story structure or a new addition over an existing structure, enter the 2nd story area as a negative number in this cell. For the example given here, "-500" would be entered.

8. Check the County soils report guidelines to see if a soils report is required.

9. Additional Environmental Health fees may apply based upon the type of septic system, when it's an upgrade or new system, or whether new bedrooms are added. Please check with Environmental Health Services (831-454-2022) to see if additional fees apply.
10. This spreadsheet is an estimate only. Actual amounts may vary based upon the scope of your project that cannot be accurately reflected in this spreadsheet.

Form 2. Building Permit Application used at Building Counter (two pages)



County of Santa Cruz, PLANNING DEPARTMENT
Building Permit Application
701 Ocean Street, Santa Cruz, CA 95060 | TDD (831) 454-2260 1-4pm | Fax (831) 454-2131

Application Taken By: _____ **Application Date:** 01/11/2013
Print Date: 01/11/2013
Return Date / Initials: _____

Parcel No.: _____
Address: _____ A 95073

PROJECT DESCRIPTION

Construct a 700 sq ft addition to a existing 1-story SFD to include one new bedroom and one new bath room. Results in a 1-story 3529 sq ft SFD with 5 bedrooms, three bathrooms, living room, familyroom, laundry room with attached garage.

Related Applications: None

Applicant: _____

Agent: _____

Contractor: _____

Designer/Architect: _____

Engineer: _____

Owner: _____

APPLICATION INFORMATION

Work Type: Dwelling
Permit Type: RA
Occupancy Group(s): None
Valuation: \$75,026.00

Priority: _____

APPLICATION REVIEWS

- Building Plan Check Review
- Encroachment/Driveway Review
- Environmental Planning Review
- Public Works Storm Water
- Public Works Transportation
- Sanitation District
- Zoning Review

APPLICATION FEES

Date Paid	Fee Description	Fee Code	Amount
1/11/13	Building Permit Processing	ABB	
1/11/13	Building Plan Check	ABC	
1/11/13	DPW OTC Plan Check	W5B ✓	
1/11/13	DPW Rd Pln SFD Remod or Add_BdrmAdd	WE2 ✓	
1/11/13	Env Resource Plan Check - Regular	EPR ✓	
1/11/13	General Plan Maint Surcharge 4prcnt	AAA	
1/11/13	GeneralPlan & Tech Update 4prcnt	AAB	
1/11/13	Records Management Fee	RMF ✓	
1/11/13	Soils Report Review - Regular	ESR ✓	
1/11/13	State Bldg Standards Admin SB 1473	BSS	
1/11/13	Zoning PlanChck Sm Projects_Proj Rev	JP9 ✓	

01/11/2013 TOTAL FEES

NOTICE TO BUILDING PERMIT APPLICANT

1. For information regarding your Building Permit Application, you may e-mail the Building Counter of the Planning Department at: bidinfo@co.santa-cruz.ca.us, or you may call the Building Information Line at 831-454-2260 - Please visit our website for hours of operation.
2. When review of your Building Permit Application has been completed, you will be notified of the results: either that your application has been approved or, if any reviewer has not approved your application, their comments will be forwarded to you. Please see the information below relating to appeals.
3. Your application fees are not refundable, except as specified in the Planning Department Fee Schedule.
4. You must advise residents of the subject property that Planning Department staff may be visiting the site. The site must be clearly marked/staked for staff inspection. Incomplete directions or markings will delay the review of the project.
5. If you have begun any activity requiring County review or approval without first obtaining a permit, you will be charged for staff time incurred to investigate the violation and costs for staff time that accrue until the violation is resolved. Authority for these charges is found in Chapter 1.12 of the Santa Cruz County Code.
6. Actions by County staff regarding your Building Permit Application may be appealed. For guidance on how to file an appeal, contact the Building Counter of the Planning Department or refer to the brochure on our Web site at: http://www.sccoplanning.com/html/devrev/plnappeal_bldg.htm.
7. Extension Policy: You have until the expiration date of this application to resolve all deficiencies and obtain your permit. Per County Code, the expiration date is two years after the application date or six months from the date the application is approved whichever comes first. **Extensions of the expiration date are rarely granted and only in extreme cases where extenuating circumstances can be shown.**

SIGNATURES

The undersigned applicant hereby authorizes the filing of this application, and authorizes staff to visit the subject property. I understand that staff may visit the property both during the review process and following the issuance of the permit. I certify to the best of my ability that the above and attached information is true and correct, and that I have read and understood the above information.

Signature Of Applicant _____

APPLICATION TAKEN BY:
 PLANNING DEPARTMENT
 SUBMITTED AT: 701 OCEAN STREET