

Single-Story Combining District Application Fees and History – The Single-Story Combining District (SSCD) was created in 2000. Three neighborhoods have applied for an SSCD; all three were approved. The first neighborhood, Fairorchard, near Wright Avenue, was approved in 2001. In May 2001, when the application was filed, the application fee was \$2,989; there were 54 properties in the rezoning area. In March 2002, when the second application was filed (Country Lane Tract near Bobolink Circle and Bobwhite Avenue), the application fee was \$1,925; there were 25 properties in the rezoning area. These two areas were approved under the earlier rules when the SSCD would sunset (disappear) after seven years if not renewed. Before expiration of the SSCD for the first neighborhood, Council amended the zoning code to make any new rezoning permanent and to exempt from fees the two neighborhoods with the expiring zoning if they applied for permanent status. Both of these neighborhoods renewed. The third neighborhood, near Trenton and Ticonderoga, was for 116 properties. Their total application fee was \$13,572 or \$117 per lot. Each year the fee per lot has increased based on the cost of living index.

A SSCD rezoning application differs from other rezoning requests in that these typically involve one applicant whereas a SSCD request has multiple applicants. Because the proposed rezoning area should encompass a logical boundary, affected properties usually include some residents who do not support the majority opinion of their neighbors. This requires more staff time to work with multiple residents to answer questions and respond to concerns about the implications of the rezoning. Most residents are unfamiliar with a SSCD and will likely have many questions about the process and terminology associated with the application. While some information can be shared efficiently with a letter or email, residents may have different questions and concerns, and staff will engage in individual responses or meetings with residents as needed.

The application fee for a SSCD application scales with the number of lots for the proposed rezoning. The currently adopted fee is \$143 per lot; a minimum 20-lot application would have a fee of \$2,860. The current fee is based on an estimate of staff time and materials to process the application. The processing of a SSCD application is more extensive than a typical rezoning application and includes: verifying that the minimum number of property owners have signed the application; verifying the number of existing or approved two-story homes; reviewing the boundaries for the proposed zoning; meeting with property owners; answering questions of property owners throughout the process; scheduling of public hearings and staff time to prepare, publishing and mailing all the required legal notices; preparing the draft and final rezoning ordinance; reviewing project for CEQA compliance; writing the staff report and attending the Planning Commission and City Council public hearings; preparing the minutes of the public hearings; and closing the file. Participating in the review are staff from Community Development Department, Office of the City Manager and the Office of the City Attorney.

Council does not have the authority to waive fees on an ad hoc basis. If Council wishes to modify the fee structure, such action would need to be scheduled as a regular agenda item, following applicable noticing requirements. The action would be by resolution to amend the City's fee schedule. Development related fees are effective 60 days after adoption. Development Services fees are generally set to cover the costs of a service, although some planning fees, such as appeal fees, are set below the cost of service as a matter of public interest. (As a note, appeal fees are the same as the per lot fee for a SSCD rezoning application.)

The Council has inquired about possible options for reducing the fee. One consideration is that the number of lots for such a rezoning application might not be directly proportionally to the amount of staff time required process the application. For instance, processing an application for rezoning 100 lots may not require double the staff hours as an application for 50 lots. A modified fee could be examined, such as setting a base fee plus an incremental fee for each lot. With such a fee structure, the fee per lot could be lower as the number of lots in a rezoning application increases. Another option would be to charge the same fee as any other rezoning application (currently \$5,617), but staff believes that processing a SSCD rezoning requires more staff time than other rezoning applications. It is difficult to project the additional time required as each application has varied depending on specific circumstances and involved property owners.

Council also asked if the fee could be phased. Allowing phased payment of application fees is not a current City practice. Fees must be paid in full when an application is filed. If Council would like to allow phasing the fee payment for a SSCD rezoning application, one possibility is requiring half the fee to be paid at the time of filing an application and the other half to be paid prior to noticing the item for a public hearing. For more information on this topic, contact Trudi Ryan, Planning Officer at tryan@sunnyvale.ca.gov or 408-730-7435.