



# Oregon

Theodore R. Kulongoski, Governor

## Department of Land Conservation and Development

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Salem, Oregon 97301-2524

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### NOTICE OF ADOPTED AMENDMENT



January 30, 2006

TO: Subscribers to Notice of Adopted Plan or Land Use Regulation Amendments

FROM: Mara Ulloa, Plan Amendment Program Specialist

SUBJECT: City of Hillsboro Plan Amendment  
DLCD File Number 010-05

The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Copies of the adopted plan amendment are available for review at DLCD offices in Salem, the applicable field office, and at the local government office.

Appeal Procedures\*

#### **DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: February 10, 2006**

This amendment was submitted to DLCD for review prior to adoption with less than the required 45-day notice. Pursuant to ORS 197.830 (2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

**\*NOTE: THE APPEAL DEADLINE IS BASED UPON THE DATE THE DECISION WAS MAILED BY LOCAL GOVERNMENT. A DECISION MAY HAVE BEEN MAILED TO YOU ON A DIFFERENT DATE THAN IT WAS MAILED TO DLCD. AS A RESULT YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE DATE SPECIFIED ABOVE.**

Cc: Gloria Gardiner, DLCD Urban Planning Specialist  
Meg Fernekees, DLCD Regional Representative  
Debbie Raber, City of Hillsboro

<paa> ya

FORM 2

DEPT OF

**DLCD NOTICE OF ADOPTION**

This form must be mailed to DLCD within 5 working days after the final decision per ORS 197.610, OAR Chapter 660 - Division 18.

JAN 23 2006

**LAND CONSERVATION AND DEVELOPMENT**

Jurisdiction: HILLSBORO Local File No.: HCP 5-05

Date of Adoption: 1/17/06 Date Mailed: 1/20/06

Date the Notice of Proposed Amendment was mailed to DLCD: 10/18/05

Comprehensive Plan Text Amendment  Comprehensive Plan Map Amendment  
 Land Use Regulation Amendment  Zoning Map Amendment  
 New Land Use Regulation  Other: \_\_\_\_\_

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached."

**TEXT AMENDMENT DELETES SPECIFIC FEES FROM COMPREHENSIVE PLAN ORDINANCE AND CREATES A SEPARATE FEE SCHEDULE ADOPTION PROCESS THROUGH CITY COUNCIL.**

Describe how the adopted amendment differs from the proposed amendment. If it is the same, write "Same." If you did not give notice for the proposed amendment, write "N/A."

**SAME**

Plan Map Changed from: N/A

To: N/A

Zone Map Changed from: N/A to N/A

Location: N/A Acres Involved: N/A

Specified Density: Previous: N/A New: N/A

Applicable Statewide Planning Goals: NONE

Was an Exception Proposed? Yes: \_\_\_\_\_ No: X

Did the Department of Land Conservation and Development receive a notice of Proposed Amendment

**FORTY FIVE (45) days prior to the first evidentiary hearing?** Yes X\* No \_\_\_\_\_

If no, do the Statewide Planning Goals apply? Yes \_\_\_\_\_ No \_\_\_\_\_

If no, did the Emergency Circumstances Require immediate adoption? Yes \_\_\_\_\_ No \_\_\_\_\_

Affected State or Federal Agencies, Local Governments or Special Districts: NONE

Local Contact: DEBBIE RABER Phone: 503-681-6155

Address: 150 E MAIN STREET City: HILLSBORO Zip Code + 4: 97123-4028

DLCD No. 010-05  
(14745)

\* HEARING CONTINUED FROM 11/9/05 TO 12/14/05.

ORDINANCE NO. 5597

HCP 5-05: DELETING SPECIFIC FEES

AN ORDINANCE AMENDING COMPREHENSIVE PLAN ORDINANCE NO. 2793, AS AMENDED, SECTION 1 PLANNING AND CITIZEN INVOLVEMENT, SUBSECTION (IV) (B) 2., TO DELETE SPECIFIC FEES FROM THE COMPREHENSIVE PLAN AND TO ESTABLISH A NEW FEE ADOPTION PROCESS.

WHEREAS, the fee for a minor Comprehensive Plan Land Use Map change is currently established in Comprehensive Plan Ordinance No. 2793, Section 1 (IV) (B) 2, and

WHEREAS, changes in the Comprehensive Plan Ordinance must be processed under the requirements of Oregon State Law, including a 45-day notice to the Department of Land Use and Conservation and a public hearing before the Planning Commission, and

WHEREAS, this extended process increases the difficulty of revising the Minor Comprehensive Plan Land Use Map change application fee in response to rising costs and changes in City budgeting policy, and

WHEREAS, the City establishes and revises other fees through resolutions adopted by the City Council following a public hearing, and

WHEREAS, the Planning Commission believed it was appropriate to amend the Comprehensive Plan Ordinance to delete the specific Minor Plan Change fee from the Ordinance and establish a separate process for revising fees, and

WHEREAS, the Planning Commission therefore adopted Resolution No. 1524-P on October 12, 2005, thereby initiating the proposed text amendment to the Comprehensive Plan, and

WHEREAS, the Planning Commission held a public hearing on the proposed amendment on November 9 and December 14, 2005, and adopted Resolution No. 1534-P on December 14, 2005, recommending City Council approval of the amendments, together with the staff reports dated November 4, December 7, and December 8, 2005 as supporting findings, which staff reports are attached as Attachments 1, 2, and 3 respectively, and

WHEREAS, the City Council considered the Planning Commission's recommendation on January 17, 2006, and voted to adopt the findings of the Planning Commission as their own in regard to the Comprehensive Plan Ordinance amendments.

NOW, THEREFORE, THE CITY OF HILLSBORO DOES ORDAIN AS FOLLOWS:

Section 1. Comprehensive Plan No. 2793, as amended, Section 1 Planning and Citizen Involvement, subsection (IV) (B) 2 is hereby amended to read as follows:

- (2) A complete application and supporting information addressing the specific criteria for Plan Map amendments shall be filed with the City Planning

Department. In order to defray the costs of processing, the application shall be accompanied by a fee as established by the City Council under Subsection (3) of this section,

Section 2. Comprehensive Plan No. 2793, as amended, Section 1 Planning and Citizen Involvement, subsection (IV) (B) is hereby also amended with the addition of a new subsection 3 to read as follows:

- (3) For the purpose of establishing or revising the fee cited in subsection (2) above, the City Council shall hold a public hearing. Notice of such hearing shall be published in the local newspaper, and the proposed fee schedule shall be available in the Planning Department and on the City's web site.

Section 3. The Plan Map amendment application fee currently required by Comprehensive Plan Section 1 (IV) (B) (2) remains in effect until modified by resolution of the City Council.

Section 4. Except as therein amended, Comprehensive Plan No. 2793, as amended, shall remain in full force and effect.

Passed by the Council this 17<sup>th</sup> day of January, 2006.

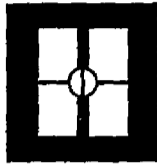
Approved by the Mayor this 17<sup>th</sup> day of January, 2006.

\_\_\_\_\_  
Mayor *Jon Hughes*

ATTEST: *Jail Waid*  
\_\_\_\_\_  
City Recorder

CITY OF HILLSBORO

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November 4, 2005

**STAFF REPORT**

TO: Planning Commission  
FROM: Planning Department

RE: Proposed Amendments to Comprehensive Plan Ordinance No. 2793, Zoning Ordinance No. 1945, and Subdivision Ordinance No. 2808, regarding land use application fees: Case Files No. HCP 5-05; ZOA 5-05; and SOA 1-05

**REQUEST**

The Planning Department requests that the Planning Commission approve amendments to the Comprehensive Plan, the Zoning Ordinance, and the Subdivision Ordinance, regarding land use application fees. The proposed amendments would remove the specific fee schedules from these ordinances, and allow land use application fees to be set by City Council resolution, similar to fees charged by other City departments.

The affected sections of these Ordinances are as follows:

Comprehensive Plan: Planning and Citizen Involvement, Section 1.IV.B.2

Zoning Ordinance: Planned Unit Development, Sections 127.V.B.1. and 27.V.C.  
Application Fees, Section 129

Subdivision Ordinance: Tentative Subdivision Application, Article II.1.C. and II.8  
Final Plat Procedure, Article III.2.  
Major Partition Procedures, Article IV. 2.  
Minor Partition, Article V.1.

The Planning Commission initiated the proposed amendments through adoption of Resolutions No. 1524-P, 1525-P, and 1526-P on October 12, 2005.

**MINOR PLAN AMENDMENT PROCEDURES**

Pursuant to Comprehensive Plan Section 1 (IV), Minor Plan Amendments, minor amendments to the text of the Plan may be initiated by the Planning Commission and processed as follows:

**(A) Minor Plan Amendment: Plan Text.**

On its own volition, the City Council or Planning Commission may initiate a minor plan amendment to the text of the Comprehensive Plan by resolution whenever a need for such a revision is documented. A minor plan amendment, proposing a change to the text of the Comprehensive Plan, shall be processed pursuant to legislative notice and procedures.

- (1) Notice of any public hearing on a minor plan amendment to the Comprehensive Plan text shall be by two (2) publications in a newspaper of general circulation in the City of Hillsboro not less than five (5) days, nor more than twenty (20) days prior to the date of the hearing.

**(C) Minor Plan Amendment - General Procedures.**

- (1) A public hearing shall be held by the Planning Commission on any minor plan amendment.
- (2) Recess of hearing. The Planning Commission may recess a hearing in order to obtain further information or provide additional notification. Upon recessing for these purposes, the Commission shall announce the time and date when the hearing will be resumed.
- (3) After hearing the proposed minor plan amendment, the Planning Commission shall deny or forward a recommendation of approval or approval with modifications to the City Council.
- (4) Any party to a proceeding on a minor plan amendment may appeal the recommendation on the amendment of the Planning Commission to the City Council by filing such an appeal with the City Recorder within fifteen (15) days of the mailing date of the Planning Commission's Notice of Decision on the amendment.
- (5) The City Council may hold a hearing on the proposed minor plan amendment. The Council shall hold a hearing on any appeal of a Planning Commission decision on a minor plan amendment. If a public hearing is held, notice for such a hearing shall comply with the applicable notice requirements relating to minor amendments to the Plan text or to the Plan Map as set forth above. After consideration of a proposal or an appeal, the City Council may adopt or deny the minor plan amendment or uphold, reject or modify the recommendation of the Planning Commission.

**ZONING ORDINANCE AMENDMENT PROCEDURES**

Pursuant to Zoning Ordinance Section 116, Zoning Ordinance amendments may be initiated by the Planning Commission and processed as follows:

**Section 116. Public Hearing on an Amendment.** Before taking action on a proposed amendment to this Ordinance, the Planning and Zoning Hearings Board or the Planning Commission shall hold a public hearing thereon within 40 calendar days after receiving the application.

- (1) Notice of hearing. Notice of time, place, and purpose of the public hearing before the Planning Commission or the Planning and Zoning Hearings Board, on a proposed amendment shall be given by the City Recorder in the following manner:
  - a. If an amendment to the text of this Ordinance is proposed, notice shall be by three publications in a newspaper of general circulation in the City, the first to be not more than 30 calendar days and the last not more than 10 calendar days prior to the date of hearing.
- (2) Recess of hearing. The Planning Commission or the Board may recess a hearing in order to obtain additional information or to serve further notice upon other property owners or persons it decides may be interested in the proposed amendment. Upon recessing for this purpose, the Commission or the Board shall announce the time and date when the hearing will be resumed or other manner, such as written evidence, in which additional information will be considered.
- (3) Action of the Planning Commission or Planning and Zoning Hearings Board. A decision by the Commission or Board to deny an amendment shall be final unless appealed to the City Council according to the provisions of this Ordinance. An action favoring an amendment shall be in the form of a recommendation to the City Council. The City Council may, on its own initiative or upon appeal, hold such hearing as it deems appropriate upon a proposed amendment. The City Council may pass an ordinance amending the Zoning Ordinance text or map based upon the recommendation of the Commission or Board, or based on findings of the Council.

#### **SUBDIVISION ORDINANCE AMENDMENT PROCEDURES**

Pursuant to Article VII, Subdivision Ordinance amendments may be initiated by the Planning Commission and processed as follows:

##### **ARTICLE VIII: Amendments**

**Section 1. Amendment.** Amendment to this ordinance may be initiated by the City Council or the Planning Commission. Before consideration of an amendment by the City Council, the Planning Commission shall hold a public hearing on the proposed amendment. Notice of the hearing shall be by three

publications in a newspaper of general circulation in the City, the first to be at least 10 but not more than 20 days prior to the date of hearing, and the last not more than 10 days prior to the date of the hearing. Upon conclusion of the hearing, the Commission shall forward a recommendation regarding the proposed amendment to the City Council. The Council may consider the proposed amendment without public hearing, or may wish to call a hearing on the matter. In the event Council elects to consider the matter at a public hearing, notice of such hearing shall be the same as for hearing before the Planning Commission.

Notices of the proposed Comprehensive Plan amendment, Zoning Ordinance amendment, and Subdivision Ordinance amendment have been published in the Hillsboro Argus as required by the respective Ordinances.

#### **BACKGROUND: PREVIOUS FEE STUDIES**

The City conducted a full Land Use Application Fee Study in 1991, and as a result, raised most application fees in 1993. Additional fee increases were adopted in 1994 (establishing a fee for Development Review); in 1996 (increasing Development Review fees, based on project value); in 1997 (increasing fees for ZCs, CUs, VARs and NCUs to reflect rising Hearings Officer fees charged to the City); and 1998 (adding fees for final PUD approvals).

In 2003, the Planning Department conducted a second fee study, which included previously uncounted building overhead and costs incurred by other City departments during review of applications. Planning staff costs were determined by estimating the average number of hours spent on each type of application, and multiplying those hours by the hourly rates (salary plus benefits) of the Planning staff who typically work on that type of application. Time for other City departments (Administration, Engineering, Water, Fire, Building, Police, and Parks) was also calculated on based on hourly rates (salary plus benefits) for the individuals most often responsible for reviewing the applications.

Building overhead expenses were estimated by the Finance Department. 50% of that cost was attributed to the Current Planning Division (which includes eight of the 16 members of the Department), and distributed among the various types of applications, based on the number and complexity of each type of application received in FY 2001-2002. Finally, the 2003 Study proposed fees for Significant Natural Resource Permits, a new application type which did not exist in 1993. The new fees schedule was approved by both the Planning Commission and the City Council and took effect in January 2004.

The 2003 Fee Study estimated that the Current Planning Division accounted for approximately \$698,000 or 43%, of the total Department budget for FY 2002-2003. In the three years previous to the study, application fees totaled approximately \$145,000 and \$209,000 per year, recovering between roughly 21% and 30% estimated Current Division costs.

In FY 2004-2005, the first full fiscal year during which the new fees were in effect, application fees totaled approximately \$296,000. However, Current Division costs are estimated for FY 2005-2006 at over \$810,000.



Following lowered projections for general fund revenue, the City Council and Administration directed City departments to assess new means for both cost reduction and revenue enhancement. This directive to increase cost recovery was the basis for the 2005 Fee Study.

### **2005 FEE STUDY**

As discussed earlier, the 1991 and 2003 fee studies determined costs by individual application type. The 2005 study is based on a methodology involving two factors: overall Current Planning Division costs attributable to application processing; and a comparison with other jurisdictions of similar fees. After analyses of these factors are complete, Planning staff proposes to begin a stakeholders' outreach process.

The 2005 Fee Study also assumes the following parameters:

1. Within the context of the City's cost recovery goals, land use application fees should offset processing costs.
2. Hillsboro's land use application fees should be comparable (in the mid range) with those charged by other jurisdictions.
3. Land use application fees should not be at a level which creates a hardship to individuals seeking approvals for small scale improvements, or dissuades property owners from seeking the appropriate permits.

### **Overall Current Planning Division costs:**

Current Division personnel costs are estimated for FY 2005-2006 at \$814,461. Based on an informal time study done in early September (and estimating time spent by the Planning Technician I), approximately 67.74% of the personnel cost can be attributed to land use application processing, for an "application processing internal personnel cost" of \$548,606.

Total application processing costs can be considered to include a variety of additional costs, including the following:

- Additional Division Labor (including Planning Intern, County staff (on annexations), overtime, and accrued vacation)
- Materials and supplies
- Facilities and Equipment charges and depreciation
- Audio/Visual support
- City Attorney time attributable to application processing
- City Support Departments personnel costs attributable to Current Planning (proportional share of Administration / Finance / Human Resources / Information Services / Capital Planning)
- Other Departments' personnel costs attributable to application review (Engineering / Fire / Water / Building)

**Comparison with Other Jurisdictions:**

In June 2005 Planning staff conducted an application fee survey among six other metro-area jurisdictions: Beaverton; Tigard; Gresham; Tualatin; Washington County; and Clackamas County. These jurisdictions (rather than others) were selected for proximity or similarity in size, geography, or demographics. The results of the survey are shown on the attached table, titled Land Use Application Fee Schedule, which includes current Hillsboro fees in the first column for comparison.

The table below compares current Hillsboro fees and "Regional Rough Averages" (RRAs), calculated by eliminating the highest and lowest fees from the six selected jurisdictions.

Application Type	Current fees	Regional Rough Average Fees
Minor Comp Plan Map Change	1850	4410
Zone Change	1500	1956
Conditional Use	1550	2805
Variance < \$10K project value	500	479
Variance >\$10K project value	1250	1498
Expansion of Non Conforming Use	1250	
PUD preliminary development plan	2100	4544
PUD final development plan	950	2548
PUD modification through PC	950	(no equivalent)
PUD admin. modification	700	(no equivalent)
FA FP Alteration or Special Use	1100	738
SNR Sig. Nat. Res. Permit 1a	100	1366.67
SNR Sig. Nat. Res. Permit 1b	500	2051.67
SNR Sig. Nat. Res. Permit 2	1100	1969.33
Development Review		
\$100 to \$5K project value -	300	
\$5K to \$25K project value	550	466.50
\$25K to \$100K project value	800	1987
\$100K to \$500K project value	1050	2508.09
\$500K to \$1M project value	1400	3889
\$1M to \$5M project value	1750	4969.55
Over \$5M project value	3000	5967.42
Development Rev. in Conserv. Dist.	½ normal	
Concept Development Plan	= PUD	4544
Detailed Development Plan (= DR)	= DR	(see development review)
Fences	30	
Subdivision preliminary plat		
3 to 10 lots	1000	4031.25
11 to 24 lots	1800 +/-	4031.25
25 or more lots	2500	3451.50
Subdivision final plat	¾ prelim fee	
3 to 10 lots	750	1028
11 to 24 lots	1350	1019
25 or more lots	1875	1271

Application Type	Current fees	Regional Rough Average Fees
Subdivision Modification	900	0
Major Partition preliminary	1050	0
Major Partition final	600	0
Minor Partition preliminary	625	2872
Minor Partition final	500	882
Appeals	½ orig. fee	
Sign Permit	20 / face	56
TU < 90 days	15	303.75
TU > 90 days	100	0
Annex < .33 acre	300	1679
Annex > .33 acre	600	1679

#### Stakeholders' Outreach Process:

Beginning the week of November 7<sup>th</sup>, Planning staff will send written notice of the Fee Study process to a stakeholders group consisting of consulting firms, land developers, and the Home Builders Association. Staff also hopes to meet directly with some of the most affected stakeholders such as the Home Builders Association. Following completion of the outreach process in early December, Planning staff will return to the Planning Commission with a report on the outcome of the City's discussion with the stakeholders.

#### RECOMMENDATION

Planning staff requests that the Planning Commission open the public hearings on the proposed text amendments to the Comprehensive Plan, the Zoning Ordinance and the Subdivision Ordinance at their regular meeting of November 9<sup>th</sup>, for discussion and to receive any public testimony. Staff recommends the Commission then continue the public hearings to their December 14<sup>th</sup> meeting, at which point staff anticipates having completed the stakeholders' outreach process and prepared an updated fee schedule for the Commissioners' review.

Respectfully submitted,

CITY OF HILLSBORO PLANNING DEPARTMENT



Deborah A. Raber AICP  
Planning Project Manager

Attachment: table entitled "Land Use Application Fee Schedule"

# LAND USE APPLICATION FEE SCHEDULE

## Hypothetical Comparison with Metro Region Municipalities

Based on permits issued by the City of Hillsboro from November 1, 2003 to October 31, 2004

Application Type	Permits *	Hillsboro		Beaverton		Tigard		Gresham		Tualatin		Washington County		Clackamas County	
		Fee	Total	Fee	Total	Fee	Total	Fee	Total	Fee	Total	Fee	Total	Fee	Total
<b>COMPREHENSIVE PLAN</b>															
Minor Comp. Plan Amendment	4	\$1,850	\$7,400	\$4,650	\$18,600	\$8,187	\$32,748	\$0	\$0	\$1,545	\$8,160	\$3,000	\$12,000	\$1,803	\$7,212
<b>TOTAL</b>			\$7,400		\$18,600		\$32,748		\$0		\$8,160		\$12,000		\$7,212
<b>ZONING ORDINANCE</b>															
<b>Zone Change (ZC)</b>															
Legislative	0	\$0	\$0	\$2,096	\$0	\$3,218	\$0	\$8,831	\$0	\$1,545	\$0	\$3,000	\$0	\$1,809	\$0
Quasi-Judicial	38	\$1,500	\$57,000	\$2,888	\$101,308	\$2,949	\$112,082	\$8,831	\$335,578	\$1,545	\$58,710	\$3,000	\$114,000	\$1,608	\$81,142
Conditional Use (CU)	14	\$1,550	\$21,700	\$2,548	\$35,672	\$4,790	\$67,060	\$4,756	\$68,584	\$1,056	\$14,784	\$2,182	\$30,268	\$1,754	\$24,558
<b>Variances (VAR)</b>															
Project Value < \$10,000	4	\$500	\$2,000	\$810	\$2,440	\$248	\$988	\$844	\$3,376	\$213	\$852	\$2,484	\$9,876	\$172	\$688
Project Value > \$10,000	10	\$1,250	\$12,500	\$1,878	\$18,780	\$586	\$5,860	\$4,077	\$40,770	\$1,056	\$10,560	\$2,484	\$24,840	\$172	\$1,720
Expansion of Non-Conforming Use	0	\$1,250	\$0			\$248	\$0	\$1,020	\$0	\$1,056	\$0	\$2,182	\$0	\$371	\$0
<b>Planned Unit Development (PUD)</b>															
Preliminary Development Plan	22	\$2,100	\$46,200	\$2,548	\$56,058	\$8,540	\$143,880	\$8,152	\$178,344	\$0	\$0	\$1,920	\$42,240	\$0	\$0
Final Development Plan	19	\$950	\$18,050	\$2,548	\$48,412	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Special Use in the Floodplain/Alteration</b>															
SNR Permit Type 1a	7	\$100	\$700	\$100	\$700	\$2,217	\$15,519	\$1,358	\$9,513	\$0	\$0	\$2,182	\$15,134	\$587	\$3,888
SNR Permit Type 1b	1	\$500	\$500	\$1,808	\$1,808	\$2,387	\$2,387	\$1,358	\$1,358	\$0	\$0	\$2,182	\$2,182	\$587	\$587
SNR Permit Type 2	1	\$1,100	\$1,100	\$3,532	\$3,532	\$2,387	\$2,387	\$1,358	\$1,358	\$0	\$0	\$2,182	\$2,182	\$587	\$587
<b>Development Review (DR)/Detailed Development Plan (DDP)</b>															

## CITY OF HILLSBORO



December 7, 2005

**SUPPLEMENTAL STAFF REPORT**

TO: Planning Commission  
FROM: Planning Department

RE: Proposed Amendments to Comprehensive Plan Ordinance No. 2793, Zoning Ordinance No. 1945, and Subdivision Ordinance No. 2808, regarding land use application fees: Case Files No. HCP 5-05; ZOA 5-05; and SOA 1-05

**REQUEST**

The Planning Department requests that the Planning Commission approve amendments to the Comprehensive Plan, the Zoning Ordinance, and the Subdivision Ordinance, regarding land use application fees. The proposed amendments would remove the specific fee schedules from these ordinances, and allow land use application fees to be set by City Council resolution, similar to fees charged by other City departments.

The affected sections of these Ordinances are as follows:

Comprehensive Plan: Planning and Citizen Involvement, Section 1.IV.B.2

Zoning Ordinance: Planned Unit Development, Sections 127.V.B.1. and 27.V.C.  
Application Fees, Section 129

Subdivision Ordinance: Tentative Subdivision Application, Article II.1.C. and II.8  
Final Plat Procedure, Article III.2.  
Major Partition Procedures, Article IV. 2.  
Minor Partition, Article V.1.

The Planning Commission initiated the proposed amendments through adoption of Resolutions No. 1524-P, 1525-P, and 1526-P on October 12, 2005. The Commission opened the public hearing on the proposed amendments on November 9, 2005. Following a brief staff report, the Commission continued its consideration to December 14<sup>th</sup>, to allow opportunity for comments by the development community in response to a letter mailed earlier.

The Planning Commission previously received a staff report dated November 4, 2005, which included citations of the amendment processes for the Comprehensive Plan, Zoning Ordinance, and Subdivision Ordinance. That staff report also summarized previous fee studies and the 2005 Fee Study which is the basis for the current fee increase proposals.

**LANGUAGE OF PROPOSED TEXT AMENDMENTS**

**Comprehensive Plan:** Amendments are proposed to Comprehensive Plan Ordinance No. 2793, Section 1 Planning and Citizen Involvement, subsection (IV) (B). The proposed amendments would modify Subsection (IV) (B) 2, and add a new Subsection (IV) (B) 3, as shown below (added language in **bold italics**; deleted language in ~~everstrike~~ typeface)

- (2) A complete application and supporting information addressing the specific criteria for Plan Map amendments shall be filed with the City Planning Department. ***In order to defray the costs of processing, the application*** and shall be accompanied by a fee of ~~\$1850.00~~, ***as established by the City Council under Subsection (3) of this section,***
- (3) ***For the purpose of establishing or revising the fee cited in subsection (2) above, the City Council shall hold a public hearing. Notice of such hearing shall be published in the local newspaper, and the proposed fee schedule shall be available in the Planning Department and on the City's web site.***

**Zoning Ordinance:** Amendments are proposed to Zoning Ordinance No. 1945, Section 127 (V) (B) (1) and (V) (C) and Section 129, as shown below (added language in **bold italics**; deleted language in ~~everstrike~~ typeface)

- B. Action on the Final Development Plan shall be ministerial and taken by the Planning Director, and
  1. The Planning Director shall approve the Final Development Plan upon finding that the final plan substantially conforms with the preliminary plan approved, or approved with conditions by the Commission or the City Council. If the Final Development Plan does not substantially conform, the applicant may request an administrative modification from the approved Preliminary Plan. Requests for administrative modifications shall be accompanied by a fee of ~~\$700.00~~ ***as established by the City Council to defray the costs of processing the application***. The Planning Director may approve a request for administrative modification only upon finding that all of the following criteria are met:
- C. Substantial modifications made to the approved Preliminary Plan will require a public hearing as provided by Section 116. The applicant must pay an ~~additional deposit of \$950.00~~ ***a fee as established by the City Council*** to defer costs to the City of a public hearing held for this purpose.

Section 129. **Application Fees.** For the purpose of defraying the costs incurred by the City in processing applications, each application initiated by a property owner or authorized agent of the owner shall be accompanied by the fees hereinafter listed ***as established by the City Council. The Council shall hold a public hearing to establish land use application fees. Notice of such***

**hearing shall be published in the local newspaper, and the proposed fee schedule shall be available in the Planning Department and on the City's web site.**

- (1) ~~Planned Unit Developments~~
  - ~~Preliminary Development Plan~~ \$2100.00
  - ~~Final Development Plan~~ \$950.00
- (2) ~~Zone Changes~~ \$1500.00
- (3) ~~Floodplain Alteration~~ \$1100.00
- (4) ~~SNR Permit Type 1a~~ \$ 100.00
- (5) ~~SNR Permit Type 1b~~ \$ 500.00
- (6) ~~SNR Permit Type 2~~ \$1000.00
- (7) ~~Conditional Uses~~ \$1550.00
- (8) ~~Variances~~ \$1250.00
- (9) ~~Expansion of Non-Conforming Uses~~ \$1250.00
- (10) ~~Fence Construction Permit~~ \$ 30.00
- (11) ~~Development Review; based on the construction value of the project using the following schedule:~~

Value of Project	Fee
\$ 0 - 4,999	\$300
\$ 5,000 - 24,999	\$550
\$ 25,000 - 99,999	\$800
\$ 100,000 - 499,999	\$1050
\$ 500,000 - 999,999	\$1400
\$ 1,000,000 - 4,999,999	\$ 1,750
\$ 5,000,000+	\$ 3,000

**Subdivision Ordinance:** Amendments are proposed to Subdivision Ordinance No. 2808, Article II, Section 1 (C) and Section 8; Article III Final Plat Procedure, Section 2; Article IV Major Partition Procedures, Section 2 and Section 3 (f); and Article V Minor Partition, Section 1, as shown below.

[Article II]

(1)(C) ***In order to defray the costs of processing***, a A filing fee must be submitted with the application. ~~The base for said fee shall be \$100.00 per lot. The minimum filing fee shall be \$1000.00, the maximum fee \$2500.00.~~ ***Said filing fee shall be established by the City Council, under Article IX of this Ordinance.***

Section 8. Modification of Tentative Plat Approval. Application for modifications in the lotting pattern and/or the conditions of approval of an approved tentative subdivision plat shall be reviewed by the Planning Commission pursuant to the procedures specified in Sections 2, 3, and 4 of this article. ***In order to defray the costs of processing***, Applications for modification of an approved tentative

subdivision plat shall be accompanied by payment of a ~~\$900.00~~ fee as **established by the City Council under Article IX of this Ordinance**. The Commission shall approve a proposed modification of an approved tentative plat only upon finding that the proposed modification equally or better complies with the subdivision approval criteria listed in Section 4 (A) of this Article. The Commission may impose such approval conditions on the modification as it deems necessary to assure compliance with those standards. The Commission may deny the proposed modification if it finds that the modification does not equally or better comply with the standards in Section 4 (A).

[Article III] -

Section 2. Final Plat Check Fee. At the time of submission of a final plat for approval, an application fee **as established by the City Council under Article IX of this Ordinance** shall be paid to the City ~~equal to three-quarters the application fee paid for the original tentative subdivision application~~ **in order to defray the costs of processing the application**.

[Article IV] -

Section 2. Major Partition Map Filing Fee. Applicable for a Major Partition. An application fee of ~~\$1050.00~~ **as established by the City Council under Article IX of this Ordinance** shall be paid to the City of Hillsboro by the applicant at the time of submission of the application for a major partition, **in order to defray the costs of processing the application**. All recording costs for legal instruments required by the City must also be paid by the applicant.

- (3)(f) Place the major partition proposal on the next regular agenda of the Planning Commission. The Planning Commission shall consider the proposal based on the criteria listed in (d) above and shall either approve, conditionally approve or deny the proposed partition. If the Commission votes to deny such a request, it must first adopt findings stating the reasons for denial. After the Commission has reached a decision on the partition, the Planning Director shall notify the applicant in writing of the decision. In case of denial, the notification shall include the findings of the Commission and a summary of the appeal provisions. If the partition is approved, the Planning Director shall so note on the map and return said map to the applicant for recording with the County. If the partition is approved with conditions, the Planning Director shall so note on the map. When the conditions have been met, **and upon payment of a fee of \$600.00 as established by the City Council under Article IX of this Ordinance to defray the costs of processing the application**, he shall release the map to the applicant for filing of surveys and recording of deeds with the County and filing of the approved partition map with the City Recorder. Any decision of the Commission may be appealed pursuant to Article VII of this ordinance.



[Article V] -

Section 1. Administrative Procedure. Minor partitions shall be reviewed, approved, approved with conditions, or denied by the Planning Director under administrative rules approved by the Planning Commission. In addition to these rules, the Planning Director shall required that minor partition applications include geotechnical investigation reports as specified in Article II, Section (1) (E) (6). Unless the Planning Director determines that a geotechnical investigation is warranted due to site-specific characteristics, projects meeting all of the following criteria are exempt from this requirement: the construction value of the project is \$150,000 or less; the project will not involve the import, export, and/or on-site movement of more than 100 cubic yards of earth; there is no evidence of any previous fill on the site to a depth exceeding one foot; the project does not include proposed fill on the site to a depth exceeding one foot; and no portion of the site has a slope in excess of ten percent (10%). Approval, conditional approval, or denial will be made based on conformance of a preliminary partition plat with applicable standards, statutes, rules and ordinances. Approval of the final partition plat shall be based upon conformance with any applicable conditions, and shall be evidenced by the signature thereon of the Planning Director, with the date of such approval. Any decision of the Planning Director may be appealed according to the provisions of Article VII of this Ordinance. For purposes of defraying the cost incurred by the City in processing preliminary and final plats for minor partition applications, each application by a property owner or the authorized agent of the owner for preliminary *or final* partition plat approval shall be accompanied by a fee of ~~\$625.00~~, and the application for final plat approval shall be accompanied by a fee of ~~\$500.00~~ **fees as established by the City Council under Article IX of this Ordinance.** All recording costs for legal instruments required by the City must also be paid by the applicant.

In addition to these amendments, Subdivision Ordinance No. 2808 is also proposed to be amended with the addition of a new Article IX to read as follows:

#### **ARTICLE IX**

##### **Fees**

**Section 1. Fees. The City Council shall hold a public hearing to in order to establish or revise the subdivision or partition fees referenced in this Ordinance. Notice of such hearing shall be published in the local newspaper, and the proposed fee schedule shall be available in the Planning Department and on the City's web site.**

#### **PROPOSED FEE SCHEDULE**

As indicated by Planning staff at the November 9<sup>th</sup> hearing, the intent of the proposed amendments is to remove the specific fee schedules from these ordinances, and allow land use application fees to be set by City Council resolution, similar to fees charged by other City departments.

At the November 9<sup>th</sup> hearing, Planning staff recommended that the Planning Commission continue its consideration of the amendments for a one month, to allow opportunity for comments by stakeholders. On November 10<sup>th</sup> the new fee schedule was sent to 62 developers, consultants, and interested parties, with a request for comments no later than December 7<sup>th</sup>. A copy of the letter, fee schedule, and list of interested parties is attached for the Commissioners' review. In addition, the background analysis for the Fee Study (also attached for the Commissioners' review) was posted on the City's website at:

[http://www.ci.hillsboro.or.us/Planning\\_Department/documents/2005.Fee.Study.pdf](http://www.ci.hillsboro.or.us/Planning_Department/documents/2005.Fee.Study.pdf)

Planning staff notes that to date, only two oral comments have been received from those parties notified of the proposed fee increases. One party expressed concern but not opposition, and the second requested additional information regarding the adoption schedule. No interested parties have submitted any written comments.


Planning staff will also schedule the Fee Study as an informational item at the December 13<sup>th</sup> meeting of the Finance Committee, a sub-committee of the City Council. Any comments from the Finance Committee will be forwarded to the Planning Commission at the Commission's December 14<sup>th</sup> meeting.

#### RECOMMENDATION

Planning staff requests that the Planning Commission continue the public hearings on the proposed text amendments to the Comprehensive Plan, the Zoning Ordinance and the Subdivision Ordinance at their regular meeting of December 14<sup>th</sup>, for discussion and to receive any public testimony. Following testimony, Staff requests that the Commissioners' adopt the three attached draft resolutions, recommending approval of the proposed text amendments. The November 4<sup>th</sup> and December 5<sup>th</sup> staff reports are cited in the resolutions and would be adopted as supporting findings by reference.

Respectfully submitted,

CITY OF HILLSBORO PLANNING DEPARTMENT



Deborah A. Raber AICP  
Planning Project Manager

Attachments: November 10<sup>th</sup> letter to interested parties, with attached Fee Schedule, affidavit of mailing, and list of interested parties  
2005 Fee Study  
Draft Resolutions for HCP 5-05, ZOA 5-05, and SOA 1-05

CITY OF HILLSBORO



CITY OF HILLSBORO PLANNING DEPARTMENT

FILE NO. MISC. 1-05

PROJECT/APPLICANT NAME 2005 LAND USE APPLICATION

**AFFIDAVIT OF NOTICE OF MAILING**

I, Lisa Califf, being duly sworn, say that I gave notice of mailing for a proposed

FEE STUDY affecting land described as Lot(s) N/A

on Washington County Tax Map N/A; or as attached hereto and

described hereinbelow; and that, pursuant to City Ordinance 2793-4-77, Section 1(III);

Ordinance 1945, Sections 80, 109, 116, 118 or 127 as applicable; or Ordinance No.

2808-7-77, Articles II-VI, I did give notice of mailing to those persons or entities listed

on the attached mail list, on or before the 10th day of November, 2005, the


deadline date determined by relevant statute or ordinance controlling notice provisions for

this matter. The attachments to which this affidavit are:


2005 LAND USE APPLICATION FEE STUDY

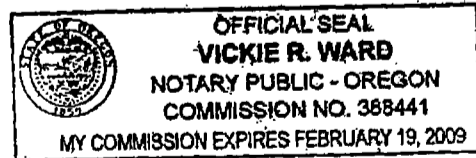
Mail List

Dated this 10th day of November, 2005

  
\_\_\_\_\_  
Signature

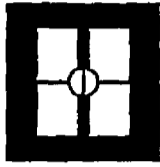
Subscribed and sworn to before met this 10th day of November, 2005

  
\_\_\_\_\_  
Notary Public for the State of Oregon



## CITY OF HILLSBORO

---



November 10, 2005

TO: Interested Parties  
FROM: Hillsboro Planning Department

RE: 2005 Land Use Application Fee Study

The Hillsboro Planning Department is currently conducting a Land Use Application Fee Study to determine to what extent land use application fees should cover the City's costs of processing land use applications.

Hillsboro last increased its land use application fees in 2003. Although the 2003 increases did result in higher revenue, the Planning Department remains dependent on general fund and other revenue sources for a majority of its funding. Following lowered projections for general fund revenue, the City Council and Administration directed City departments to assess new means for both cost reduction and revenue enhancement. This directive to increase cost recovery was the basis for the 2005 Fee Study.

The parameters and assumptions underlying the 2005 Fee Study are threefold:

1. Within the context of the City's cost recovery goals, land use application fees should offset processing costs.
2. Hillsboro's land use application fees should be comparable (in the mid range) with those charged by other jurisdictions.
3. Land use application fees should not be at a level which creates a hardship to individuals seeking approvals for small scale improvements, or dissuades property owners from seeking the appropriate permits.

The 2003 Fee Study determined costs by individual application type. The 2005 Study is based on a methodology involving two factors: overall Current Planning Division costs attributable to application processing; and a comparison with other jurisdictions of similar fees.

Current Planning Division personnel costs attributable to land use application processing are estimated for Fiscal Year 2005-2006 at \$548,606. However, total application processing costs can be considered to include a variety of additional costs, including the following:

- Additional Division Labor (including Planning Intern, County staff (on annexations), overtime, and accrued vacation
- Materials and supplies

**Hillsboro 2005 Fee Study: Current Fees, Regional Rough Average Fees and Proposed Fees on Charged Applications**

Application Type	Current Hillsboro fees	Regional Rough Average Fees	Proposed Hillsboro Fees
Minor Comp Plan Map Change	1850	4410	4000
Zone Change	1500	1956	2500
Conditional Use	1550	2805	2500
Variance < \$10K project value	500	479	500
Variance > \$10K project value	1250	1498	1700
Expansion of Non Conforming Use	1250		1250
PUD preliminary development plan	2100	4544	5000
PUD final development plan	950	2548	2000
PUD modification through Planning Comm	950		1500
PUD admin. modification	700		500
Floodplain Alteration or Special Use	1100	738	1500
Significant Natural Resource Permit 1a	100	1366.67	750
Significant Natural Resource Permit 1b	500	2051.67	1250
Significant Natural Resource Permit 2	1100	1969.33	2000
Development Review			
\$100 to \$5K project value	300		300
\$5K to \$25K project value	550	466.50	550
\$25K to \$100K project value	800	1987	1750
\$100K to \$500K project value	1050	2508.09	2500
\$500K to \$1M project value	1400	3889	3750
\$1M to \$5M project value	1750	4969.55	4500
Over \$5M project value	3000	5967.42	5500
Development Rev. in Conservation. Dist.	½ normal		½ normal
Concept Development Plan	= PUD	4544	5000
Detailed Development Plan (= DR)	= DR		= DR
Fences	30		40
Subdivision preliminary plat			
3 to 10 lots	1000 (min.)	4031.25	2000 (min.)
11 to 24 lots	100 / lot	4031.25	200 / lot
25 or more lots	2500	3451.50	4500 (max.)
Subdivision final plat	¾ prelim fee		
3 to 10 lots	750	1028	1500 (10 lots)
11 to 24 lots	1350	1019	2700 (18 lots)
25 or more lots	1875	1271	3375 (25 lots)
Subdivision Modification	900	0	1500
Major Partition preliminary	1050	0	1500
Major Partition final	600	0	750
Minor Partition preliminary	625	2872	1500
Minor Partition final	500	882	750
Appeals	½ orig. fee		½ original fee
Sign Permit	20 / face	56	50
Temporary Use < 90 days	15	303.75	100
Temporary Use > 90 days	100	0	500
Annex < .33 acre	300	1679	1200
Annex > .33 acre	600	1679	1200

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## **2005 LAND USE APPLICATION FEE STUDY**

**Purpose:** To determine the levels of land use application fees necessary to cover the costs of application processing by the Current Planning Division of the Planning Department.

### **Parameters and Assumptions:**

1. Demands on general fund revenues have increased, while actual revenue has declined. To the extent possible, within parameters, land use application fees should offset processing costs and reduce reliance on general fund revenues.
2. On average, fees charged by other jurisdictions in the region for standard types of land use applications are substantially higher than Hillsboro's. Given the similarity in service provided, Hillsboro's land use application fees should be comparable (in the mid range) with those charged by other jurisdictions.
3. Other parameters and assumptions notwithstanding, land use application fees should not be at a level which creates a hardship to individuals seeking approvals for small scale improvements, or dissuades property owners from seeking the appropriate permits.

### **Background and Existing Fee Structure:**

The City conducted a full Land Use Application Fee Study in 1991, and as a result, raised most application fees in 1993. Additional fee increases were adopted in 1994 (establishing a fee for Development Review); in 1996 (increasing Development Review fees, based on project value); in 1997 (increasing fees for ZCs, CUs, VARs and NCUs to reflect rising Hearings Officer fees charged to the City); and 1998 (adding fees for final PUD approvals).

In 2003, the Planning Department conducted a second fee study, which included previously uncounted building overhead and costs incurred by other City departments during review of applications. Planning staff costs were calculated for each type of application, as were hours spent by other City departments. Costs were based on salary plus benefits. Fifty percent (50%) of building overhead expenses (estimated by the Finance Department) was distributed among the various types of applications, based on complexity and number of each type of application received. The 2003 Study also proposed fees for Significant Natural Resource Permits, a new application type which did not exist in 1993.

The new fee schedule was approved by both the Planning Commission and the City Council and took effect in January 2004. In FY 2004-2005, the first full fiscal year during which the new fees were in effect, application fees totaled approximately \$296,000. However, Current Division costs are estimated for FY 2005-2006 at \$804,475. Application fees for the previous year would recover only approximately 37% of that cost.

Although the 2003 fee increases did result in higher revenue, the Planning Department remains dependent on general fund and other revenue sources for a majority of its funding. Following

lowered projections for general fund revenue, the City Council and Administration directed City departments to assess new means for both cost reduction and revenue enhancement. This directive to increase cost recovery and reduce reliance on the general fund was the basis for the 2005 Fee Study.

#### Fee Calculation Methodology:

As discussed earlier, the 1991 and 2003 fee studies determined costs by individual application type. Under this methodology however, fees collected have been substantially below processing costs, as previously described. The 2005 study is therefore based on a methodology involving two factors: overall Current Planning Division costs attributable to application processing; and a comparison with other jurisdictions of similar fees.

#### Overall Current Planning Division Costs:

The Current Planning Division proposes to add a Planning Technician I position mid-year in FY 2005-2006. Extrapolating that position to the full year, Current Division personnel costs are estimated for FY 2005-2006 at \$814,461. Based on a time study done in early September (and estimating time spent by the Planning Technician I), approximately 67.74% of the personnel cost can be attributed to land use application processing, for an "application processing internal personnel cost" of \$548,606. This information is shown on Table 1: 2005 Fee Study Current Planning Division Time Percentages.

With Current Division personnel costs as the largest factor, total application processing costs can be calculated with the addition of the following costs, some of which are reflected in Table 2: Support Services Internal Service Fund. Calculations for several of these costs extrapolate the 67.74% estimate of application processing time to materials costs, as shown below:

Current Division personnel costs	\$814,461 X 67.74%	\$548,606
Additional Labor:		
Planning Intern	\$ 10,464	
County staff (on Annexations)	1,000	
Overtime	1,651	
Accrued Vacation	+ 3,750	
	16,865 X 67.74%	\$ 11,302
Current Division Materials and Supplies	\$90,175 X 67.74%	\$ 61,085
Facilities & Equipment charges and depreciation		
Department total (from Finance Dept.)	\$114,706	
% attributable to Current Planning*	x 57.65%	
	66,128	
% attributable to application processing	x 67.74%	\$ 44,795
Audio/Visual support (\$30.87/hr. X 16 hrs. /mo. x 12 mos.)		\$ 5,927

Support Services costs**		
Department total (from Finance Dept.)	\$ 247,656	
% attributable to Current Planning*	<u>x 57.65%</u>	
	142,774	
% attributable to application processing	<u>x 67.74%</u>	
		<b>\$96,714</b>
Other Departments' personnel costs***attributable to application review		<b>\$ 36,046</b>
Total estimated costs of application processing		<b>\$804,475</b>

- \* Percentage of Planning Department Full Time Equivalent employees (FTEs) which are attributable to the Current Planning Division.
- \*\* Includes Mayor, City Council, and Legal; Administration; Capital Planning and Development; Human Resources; Information Services; Geographic Information Systems; Finance; Emergency Operations Services; Utility Billing; and Facilities Management.
- \*\*\* Includes hourly rates (plus benefits) for City Manager; City Engineer; Fire Marshal; Water Project Manager; Parks Project Manager; and Building Department Senior Plans Examiner.

#### Comparison with Other Jurisdictions:

In June 2005 Planning staff conducted an application fee survey among six other metro-area jurisdictions: Beaverton; Tigard; Gresham; Tualatin; Washington County; and Clackamas County. These jurisdictions were selected for proximity or similarity in size or demographics. The results of the survey are shown on Table 3: Land Use Application Fee Schedule, which includes current Hillsboro fees in the first column for comparison.

Table 4 Current Fees, Regional Rough Average Fees, Proposed Fees, and Resulting Revenues compares current Hillsboro fees; a "regional rough average" fee; and proposed new Hillsboro fees. Types of applications processed by the Planning Department are listed in the first column. The second column lists the "Actual Case Load": the number of cases of each type processed from November 2003 through October 2004. Current Hillsboro fees are listed in the third column. The numbers in the fourth column are the "Regional Rough Averages" (RRAs), calculated after eliminating the highest and lowest fees from the six selected jurisdictions. The fifth column shows proposed new Hillsboro fees, based on three factors: relativity to the regional adjusted average; staff experience regarding the time and expense of current application processing; and the goal of increased cost recovery. The sixth column shows the revenue theoretically generated by multiplying actual case load by the proposed fees, for each case type.

**Table 1: 2005 Fee Study – Current Planning Division Time Percentages**

Staff	Position	Salary + Benefits (Salary + Bs)	Percentage of Salary + Bs attributed to Current Planning	Current Planning	Percentage of time spent on applications*	Salary + Bs attributed to application costs
Brooks	Planning Director	\$131,956	50%	\$65,978	75%	\$49,483.50
Raber	Project Manager II	\$115,995	70%	\$81,197	16.7%	\$13,559.81
Estes	Planning Supervisor	\$103,832	100%	\$103,832	87.2%	\$90,541.50
Bieri	Urban Planner III	\$95,218	100%	\$95,218	87.5%	\$83,315.75
Wells	Urban Planner III	\$95,218	100%	\$95,218	89.5%	\$85,220.11
Klein	Urban Planner II	\$77,898	100%	\$77,898	77.6%	\$60,448.84
Stockton	Urban Planner II	\$72,534	100%	\$72,534	88.0%	\$63,829.92
Mackenzie	Urban Planner I	\$66,066	100%	\$66,066	51.4%	\$33,957.93
Ward	Admin. Serv. Coord.	\$73,657	80%	\$58,926	15.6%	\$9,192.39
Duray	Admin. Asst. II	\$59,510	80%	\$47,608	45.3%	\$21,566.42
<unknown>	Planning Tech. I	\$62,483	Estimate 80%**	\$49,986	Estimate 75%**	\$37,489.50
<b>Totals</b>		<b>\$954,376</b>		<b>\$814,461</b>	<b>67.74%</b>	<b>\$548,605.67</b>

\* Calculated by each staff member between August 29 and September 11, 2005

\*\* Estimate based on job description

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PORT SERVICES INTERNAL SERVICE FUND  
 FINANCIAL BUDGET  
 6-2006  
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Name	Classification	Salary with Benefits	Current Planning Division	Long Range Planning Division	Other	Check	Total
Planning Director		131,956	50%	65,978	50%	65,978	-
Project Manager II		115,995	70%	81,197	-	30% 34,798.5	-
Planning Supervisor							-
Planning Supervisor		103,832	100%	103,832			-
Planning Supervisor		108,547			100%	108,547	-
Urban Planner III							-
Urban Planner III		95,218	100%	95,218			-
Urban Planner III		95,218	100%	95,218			-
Urban Planner III		95,218			100%	95,218	-
Urban Planner II		72,534	100%	72,534			-
Urban Planner II		77,898	100%	77,898			-
Urban Planner II		83,662			100%	83,662	-
Urban Planner I - GIS		71,364			100%	71,364	-
Urban Planner I		66,066	100%	66,066			-
Planning Technician II		67,455			100%	67,455	-
Planning Database Coordinator		78,180			100%	78,180	-
Admin Svcs Coord		73,657	80%	58,926	20%	14,731	(0)
Admin Assistant II		59,510	80%	47,608	20%	11,902	-
Planning Intern - Part-Time		17,440	60%	10,464	40%	6,976	-
LABOR - ANNEXATIONS		2,000	50%	1,000	50%	1,000	-
OVERTIME		3,301	50%	1,651	50%	1,651	-
ACCRUED VACATION EXPENSE		7,500	50%	3,750	50%	3,750	-
<b>Total Personal Services</b>		<b>1,426,551</b>	<b>55%</b>	<b>781,339</b>	<b>43%</b>	<b>610,414</b>	<b>2%</b>
70-100-2-0-403-03-00	TRAVEL/TRAINING/DUES	16,000	50%	8,000	50%	8,000	-
70-100-2-0-404-04-00	AUTO MAINTENANCE	650	50%	325	50%	325	-
70-100-2-0-407-07-00	OFFICE SUPPLIES	12,000	50%	6,000	50%	6,000	-
70-100-2-0-407-08-00	PRINTING	30,000	67%	20,000	33%	10,000	-
70-100-2-0-408-08-00	POSTAGE	15,000	67%	10,000	33%	5,000	-
70-100-2-0-413-13-00	LONG DISTANCE & CELL PHONES	6,500	50%	3,250	50%	3,250	-
70-100-2-0-416-16-00	ADVERTISING AND LEGALS	15,000	80%	12,000	20%	3,000	-
70-100-2-0-769-69-00	HEARINGS OFFICER	30,000	100%	30,000	0%		-
70-100-2-0-774-74-00	CONTRACTUAL SERVICES	195,000	0%		100%	195,000	-
70-100-2-0-777-77-00	OFFICE EQUIPMENT MAINTENANCE	1,200	50%	600	50%	600	-
<b>Total Material &amp; Services</b>		<b>321,350</b>	<b>28%</b>	<b>90,175</b>	<b>72%</b>	<b>231,175</b>	
<b>Total Budget</b>		<b>1,747,901</b>	<b>50%</b>	<b>871,514</b>	<b>48%</b>	<b>841,589</b>	<b>2%</b>

Projected Revenues to 6/30/05 and costs recapture	29%	250,000
Current Planning Division Costs Not recaptured	71%	621,514
<b>Total</b>	<b>100%</b>	<b>871,514</b>

	Cost Recovery Model at		
	50%	75%	100%
Estimated Revenues	435,757	653,635	871,514
Current Year Projected Revenues	250,000	250,000	250,000
Additional Revenues	185,757	403,635	621,514
<b>Estimated Increase in Fees</b>	<b>74%</b>	<b>161%</b>	<b>249%</b>



**Table 4:  
Current Fees, Regional Rough Average Fees, Proposed Fees, and Resulting Revenues**

Application Type	Actual Case Load .11/03 to 10/04	Current fees	Regional Rough Average Fees	Proposed Hillsboro Fees	Actual Case Load X Proposed Fees
Minor Comp Plan Map Change	4	1850	4410	4000	16,000
Zone Change	38	1500	1956	2500	95,000
Conditional Use	14	1550	2805	2500	35,000
Variance < \$10K project value	4	500	479	500	2000
Variance > \$10K project value	10	1250	1498	1700	17,000
Exp. of Non Conforming Use	0	1250			
PUD preliminary devel. plan	22	2100	4544	5000	110,000
PUD final development plan	19	950	2548	2000	38,000
PUD modification through PC	2	950		1500	3000
PUD admin. modification	10	700		500	5000
FA FP Alter. or Special Use	0	1100	738	1500	
SNR Sig. Nat. Res. Permit 1a	7	100	1366.67	750	5250
SNR Sig. Nat. Res. Permit 1b	1	500	2051.67	1250	1250
SNR Sig. Nat. Res. Permit 2	1	1100	1969.33	2000	2000
Development Review					
\$100 to \$5K proj. value -		300		300	
\$5K to \$25K proj. value	8	550	466.50	550	4400
\$25K to \$100K proj. value	9	800	1987	1750	15,750
\$100K to \$500K proj. value	19	1050	2508.09	2500	47,500
\$500K to \$1M proj. value	9	1400	3889	3750	33,750
\$1M to \$5M proj. value	12	1750	4969.55	4500	54,000
Over \$5M proj. value	3	3000	5967.42	5500	16,500
Devel. Rev. in Conserv. Dist.		½ normal			
Concept Development. Plan	2	= PUD	4544	5000	10,000
Detailed Devel. Plan (= DR)		= DR			
Fences	38	30		40	1520
Subdivision preliminary plat	10				
3 to 10 lots		1000	4031.25	2000 (10 lots)	36,000
11 to 24 lots		1800 +/-	4031.25	3600 (18 lots)	
25 or more lots		2500	3451.50	4500 (25 lots)	
Subdivision final plat	8	¾ prelim fee			
3 to 10 lots		750	1028	1500 (10 lots)	21,600
11 to 24 lots		1350	1019	2700 (18 lots)	
25 or more lots		1875	1271	3375 (25 lots)	
Subdivision Modification	2	900	0	1500	3000
Major Partition preliminary	0	1050	0	1500	
Major Partition final	0	600	0	750	
Minor Partition preliminary	23	625	2872	1500	34,500
Minor Partition final	9	500	882	750	6750
Appeals		½ orig. fee			
Sign Permit	179	20 / face	56	50	8950
TU < 90 days	20	15	303.75	100	2000
TU > 90 days		100	0	500	
Annex < .33 acre	10	300	1679	1200	12,000
Annex > .33 acre	15	600	1679	1200	18,000
<b>Total Revenues</b>					<b>655,720</b>

During the survey of other jurisdictions regarding fees, Planning staff also identified several types of land use applications or Planning Department services, currently provided by Hillsboro at no cost, for which other jurisdictions charge a fee. In Table 5 below, these applications and services are shown below with a Regional Rough Average figure and a potential new Hillsboro fee:

**Table 5. Regional Revenue and Theoretical Revenue on Uncharged Applications**

Application / Service type	Actual Case Load 1/1/03 to 10/04	Regional Rough Average Fee	Proposed new Hillsboro fee	Actual Case Load X proposed new fee
Single Family Residential building permit	652	62.00	35	22,820
Multi-Family Residential / Commercial / Industrial / Institutional Building Permits	44	225.33	150	6600
Hearing Re-notification	5	500	500	2500
Home Occupations	95	576.66	120	11,400
Property Line Adjustments	20	555.00	120	2400
Approval Extensions	2	388.50	300	600
Total new revenue				46,945

**Summary**

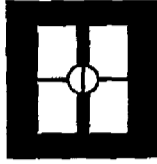
Under the 2005 calculation methodology, the total cost of application processing for the City, with the cited assumptions, is \$804,475. According to Table 4, "updated fees" would generate \$655,720 assuming the same case load which was processed from November 2003 to October 2004.

Were the City to begin charging fees for the applications and services shown in Table 5, an additional estimated revenue of \$46,945 would theoretically be generated under the November 2003 to October 2004 caseload. Together, the updating of existing fees plus addition of the new fees would theoretically generate \$702,665, or 87.34% of the estimated costs of processing land use applications.



CITY OF HILLSBORO

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December 8, 2005

**SUPPLEMENTAL STAFF REPORT**

TO: Planning Commission  
FROM: Planning Department

RE: Proposed Amendments to Comprehensive Plan Ordinance No. 2793, Zoning Ordinance No. 1945, and Subdivision Ordinance No. 2808, regarding land use application fees: Case Files No. HCP 5-05; ZOA 5-05; and SOA 1-05

**REQUEST AND BACKGROUND**

On December 14<sup>th</sup>, the Commission is scheduled to resume its deliberation on amendments to the Comprehensive Plan, the Zoning Ordinance, and the Subdivision Ordinance, regarding land use application fees. The proposed amendments would remove the specific fee schedules from these ordinances, and allow land use application fees to be set by City Council resolution, similar to fees charged by other City departments.

The Commission opened the public hearing on the proposed amendments on November 9, 2005. Following a brief staff report, the Commission continued its consideration, to allow opportunity for comments by the development community.

A letter to the development community was mailed on November 10<sup>th</sup>, requesting comments on the proposed Fee Schedule by December 7<sup>th</sup>. A single comment was received in response, from Mr. Chuck Spear of Spear Surveying Services,. Mr. Spears' e-mail is shown on the reverse of this report.

Respectfully submitted,

CITY OF HILLSBORO PLANNING DEPARTMENT

A handwritten signature in black ink, appearing to read "Deborah A. Raber".

Deborah A. Raber AICP  
Planning Project Manager

Attachments: November 6<sup>th</sup> e-mail from Chuck Spear

**Debbie Raber**

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**From:** Chuck Spear [spear.chuck@verizon.net]  
**Sent:** Tuesday, December 06, 2005 11:30 AM  
**To:** Debbie Raber  
**Subject:** Fee Study

Debbie,

I received your letter to interested parties concerning the proposed fee increases. As I am a Professional Land Surveyor conducting work within the City and County subject to some of these fees, I was particularly concerned.

I primarily work with the Minor Land Partitions so was naturally more interested in these fees. I notice that they are going to be substantially increased. In fact, DOUBLED. Which amounts to \$2250 just for the City review. The County Survey Department then charges approximately another \$1758 to review and record the Plat. This amount is currently less than what the City is proposing for their review.

I can understand the County's amount for review considering what they are checking. A complete mathematical review, Title Report review, procedure review, map preparation, satisfactory easements and right of way, recording, tax department, and cartography.

The City on the other hand does not do any of these checks, there is no need for duplication. The City needs to check and see that the proposal meets required lot size and configuration. I can understand each department checking for necessary utilities serving the area including the fire department as to fire hydrants and access in certain situations. The amount of \$2250 for Preliminary and Final Review amounts to quite a few man-hours. Are some of these departments logging unnecessary review time? The only area I see that substantiates a reasonable amount of time is the Planning review, and a lot of that review can and should be done by my technicians.

In conclusion:

I believe that the proposed fees are too high. The current fee's are high enough. Someone needs to take a closer look at how much time is being spent on some of these reviews and sharpen some pencils.

At a time when we are trying to accomplish infill on land in the City, these excessive fee's make it a hardship on some individuals to develop their small one to three lot partitions.

As I look at other fee's on the list, it appears that many of these fee's are being approximately doubled or more. Are we increasing these fee's just because other jurisdictions are increasing their fee's? It just keeps escalating upward just because the other guy is increasing their fee's. Take another approach and say "how can we reduce our fee's in comparison to other jurisdictions".

Thanks,

Chuck Spear  
Spear Surveying Services  
(503) 648-2879

12/06/2005