



# COUNTY OF MENDOCINO

## DEPARTMENT OF PLANNING AND BUILDING SERVICES

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## MEMORANDUM

**DATE:** April 21, 2026  
**TO:** The Honorable Board of Supervisors  
**FROM:** Julia Krog, Director *Julia Krog*  
**SUBJECT:** Fee Hearing Justification and Information

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### INTRODUCTION

The Mendocino County Planning and Building Services Department remains committed to improving efficiency and streamlining processes to better serve the public, in alignment with the direction provided by the Board of Supervisors. The proposed fee updates primarily are focused on updating hourly rates across both Building and Planning Divisions as retirement costs are reduced from what was expected in the Department's last fee update. Several Building Division fees have seen a slight increase due to time tracking demonstrating a higher amount of administrative staff time in processing permits. Planning Division primarily has reductions in the overall fee rates, with the exception of Mendocino Historical Review Board Permits which are proposed to increase based upon time tracking.

### BACKGROUND

The Board of Supervisors has directed the Planning and Building Services Department to structure its fee schedule to better recover the costs associated with permit processing after streamlining operations. In response, the Department is focused on aligning fees with the actual costs incurred in reviewing and processing construction permits through the Building Division and discretionary permits through the Planning Division. However, the Department also provides several essential services that do not fit neatly within a fee-based model. These include the operations of the Code Enforcement Division, the availability of a Planner and Building Inspector of the Day to assist the public with inquiries and application navigation, and administrative support for various Boards and Commissions. Historically, the costs of these services have not been covered by applicant fees but have instead been funded through the County's General Fund. As the Department refines its cost-recovery approach, balancing fee adjustments with the need to maintain these critical public services remains a key consideration.

### CODE ENFORCEMENT

Overall, the Code Enforcement Division is **not** requesting any update to the fee schedule.

The primary objective of the Code Enforcement Division is to achieve code compliance through education, outreach, and corrective action rather than relying on punitive citations or fees as a means of cost recovery. While Mendocino County Code Section 18.08.030 authorizes the use of fees to offset enforcement costs, including staff education, these fees are incorporated into the fee schedule but recover only a small fraction of the Division's overall budget. The majority of Code Enforcement efforts are funded through the County's General Fund, ensuring that the Division remains focused on achieving voluntary compliance, resolving community concerns, and promoting public safety rather than generating revenue.

## BUILDING DIVISION

Overall, the Building Division is requesting a fee schedule that represents an approximate average **increase** of 2% in applicant cost.

The Building Division is proposing to update the Building Valuation Table utilized in determining required fees from the 2021 to the 2024 International Code Council Building Valuation Data Table. The Building Division is also proposing two new valuations, one for foundation only projects and the second for carport/pre-fabricated structures.

The Building Division is proposing a reduction of the Education Fee authorized by Health and Safety Code section 18949.31 from 6% to 1% of the building permit and plancheck fee (an 83.3% decrease). This proposed reduction is to align the fee with current costs for education and training for the Division. Adjustments may be required in the future to this fee to account for any increases in education and training expenses.

### New Fee Highlights:

- Flood Plain Permit – proposed at staff time x weighted rate. This fee will cover the staff time associated with review of Flood Plain Permits for development located within designated flood hazard areas.

## PLANNING DIVISION

Overall, the Planning Division is requesting a fee schedule that represents an approximate average **decrease** of 2% in applicant cost.

The Planning Division aims to minimize permit fee increases to avoid stifling economic development and discouraging housing production by imposing excessive financial barriers on builders and developers. Rather than implementing a steep fee increase to offset operational costs, the Division proposes maintaining a fee model that incorporates billable hours rather than solely flat fees. This approach ensures that applicants are charged only for the actual time and resources required to process their projects over the base fee amount, promoting fairness and cost-effectiveness. Additionally, this method aligns with California Government Code section 66014, which mandates that fees for services, such as permit processing, must not exceed the estimated reasonable cost of providing those services. Several Northern California counties, including Mono, Sonoma, Napa, and Sacramento, utilize a similar time and materials fee structure, requiring applicants to submit deposits toward the actual costs incurred during permit processing, with additional fees assessed as necessary. This structure not only ensures compliance with state law but also enhances transparency, making the permitting process more predictable and tailored to individual project needs.

The cost-for-services model mirrors the approach used by the Building Division, ensuring a more equitable distribution of fees by invoicing applicants only when necessary to cover the cost of more complex projects. Furthermore, the Department anticipates that advances in permitting software and digital processing will help reduce staff time per application, ultimately decreasing the need for extensive cost recovery in the near future. By investing in modern technology and refining efficiency strategies, the Division remains committed to balancing fiscal responsibility with the County's development goals.

Since the last adjustment of Planning Division fees in April 2025, there have not been any significant changes in the time necessary to complete projects based upon latest time studies. Mendocino Historical Review Board Permits are the only permit types where the Department finds that the base fee collected is consistently insufficient for the staff time spent. The Department is proposing to increase the fees based upon updated time tracking since January 1, 2025; however, the Board may also choose to maintain the current hours used in the existing fees, acknowledging that all permits are subject to cost recovery based upon actual time spent. Table 1 contains a summary of the current and proposed fees and percentage increase.

**Table 1. Current vs. Proposed Mendocino Historical Review Board Permit Fees**

Permit Type	Current Fee	Proposed Fee	% Increase
Sign	\$ 276.00	\$ 447.00	62%
Minor*	\$ 797.00	\$ 1,311.00	64.5%
Intermediate*	\$ 1,131.00	\$ 1,311.00	15.9%
Major	\$ 1,630.00	\$ 2,010.00	23.3%

\* Minor and Intermediate permit types are proposed to be merged into a singular Minor permit type.

Table 2 is a summary of the Mendocino Historical Review Board actual time spent by Planning staff by permit type. The below summary also includes the sample size utilized, the hours that are currently planned into the existing fees, the proposed hours to be utilized, and the percentage of the sample size that required additional cost recovery.

**Table 2. Summary of Time Spent by Planning Staff on Mendocino Historical Review Board Permits**

Permit Type	Sample Size (Approved since 1/1/25)	Average Hours Spent (Planner II only)	Current Planner II Hours in Fee	Proposed Planner II Hours in Fee	% of Permits Requiring Additional Deposit
Sign	3	3.453	1.5	3	100%
Minor*	9	6.161	3.5	8	44%
Intermediate*	2	10.05	5	8	100%
Major	1	21.32	9	12	100%

\*Minor and Intermediate permit types are proposed to be merged into a singular Minor permit type. The average hours for Minor and Intermediate combined are 8.105 hours.

Several fees are proposed for merging and deletion within the Planning Division fees. As noted below Tables 1 and 2, the Mendocino Historical Review Board Minor and Intermediate fees are proposed to be merged into a singular Minor fee. In addition, the Planning Division proposes deletion of the Gualala Municipal Advisory Council (GMAC) referral fee of \$185. Based upon the documentation reviewed by County Staff when the fee was last increased in 2005, this fee was based upon the costs for the paid GMAC secretary to handle individual applications and mailing/postage costs. California Government Code section 66014(a) authorizes a local agency to charge fees provided those fees do not exceed the estimated reasonable cost of providing the service for which the fee is charged unless approved by two-thirds of electors voting on the issue. Since GMAC no longer has a paid secretary and most correspondence is digital, the \$185 fee is no longer aligned with the estimated reasonable cost of providing service. The Department notified the GMAC of the intention to delete the fee and has received no response to that notification as of the writing of this memorandum.

**New Fee Highlights:**

- Boundary Line Adjustment Merger Fee – proposed reduced fee for applications that propose a voluntary merger of parcels as less staff time is necessary in reviewing these permits since they propose removing parcel boundaries rather than adjusting them.