



# South Bay Area Cost of Development Survey 2005-2006

HOME  
BUILDERS  
ASSOCIATION



OF NORTHERN CALIFORNIA

## Welcome to our Survey Readers!

The Home Builders Association of Northern California is enthusiastic about this continuing partnership with the Planning, Building and Code Enforcement Department of the City of San Jose in the preparation of this survey. Our organization is a professional association of home builders, developers, trade contractors, suppliers and related industry businesses who are dedicated to the advancement of the home building industry. Many of our 1,000 members do business in the South Bay.

The survey you are about to read is an innovative product. This is the third year we've summarized the key fees costs incurred during the development and construction process of a South Bay home, condominium or commercial building. The information presented is a compilation of city fees as well as data about other costs imposed by public bodies, such as development taxes and impact and capacity fees (park, library, street trees and sewage fees). This broader analysis of the real cost of doing business gives an overall perspective and provides comparative jurisdictional information about development costs to our members, elected officials and public agencies.

Fees and charges vary from year to year, so it is important that the data be kept current, thus enhancing its value to both the private and public sectors. We intend to update the survey as the data changes.

Our sincere thanks to Joe Horwedel, Acting Director of the San Jose Planning, Building and Code Enforcement Department, and Administrative Officer Phil Prince for their commitment of staff support to make this study a reality. Particular credit is owed to Page Benway, Senior Analyst, San Jose Planning, Building and Code Enforcement Department for his tireless efforts at data collection and analysis.

Finally, we thank the cities of Fremont, Gilroy, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara and Sunnyvale for participating in this survey. We are confident that the information that they have shared will be valued and appreciated. We would appreciate those of you doing business with these cities to express your gratitude to them as well. We hope that additional communities will join them in providing data for future studies.



Joseph Perkins  
President and Chief Executive Officer  
Home Builders Association of Northern California

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OF NORTHERN CALIFORNIA

# 2005-06 South Bay Area Cost of Development Survey

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## 2005-06 South Bay Area Cost of Development Survey Overview

Eight South Bay cities – Fremont, Gilroy, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, and Sunnyvale participated in the third annual South Bay Area Cost of Development Survey. Each city calculated development fees, impact/capacity fees, and development taxes on 5 sample projects. The sample projects are 1) a residential addition/alteration, 2) a 50-unit single-family residential tract development, 3) a 96-unit multi-family (townhouse) residential project, 4) a commercial tenant improvement project, and 5) an industrial research and development facility. For the first time in this survey, two cities also calculated costs on an optional 6<sup>th</sup> sample project – a high-rise residential development with ground level commercial uses.

While the survey can be used as a starting point for determining the cost obligations that can be expected in different jurisdictions, it is not intended to be a definitive comparison. The dollar figures themselves tell only part of the story, as there are significant differences in fee methodology, assumptions and levels of service from agency to agency. Among the variables that make direct comparison difficult are:

1. Differences in the percentage of cost that fees are intended to recover and actual recovery rates
2. Some agencies charge flat fees for service, while others accept an initial deposit and charge more when the deposited funds are depleted
3. Various locations within jurisdictions may have different cost burdens

4. Differences between agencies in performance targets and performance achieved

**Organizational Structures and Fee Categories** - While acknowledging the limitations these variables place on direct comparison, some background information on the participating agencies is helpful in providing context for the survey results. The cities' organizational structures vary considerably with functions distributed differently across departments and divisions. For this reason development fees are classified in this survey as "entitlement fees" and "construction fees" instead of being labeled by department (such as Planning fees, Building fees or Public Works fees). The other cost categories are "impact/capacity fees" and "development taxes". While this four cost-category scheme does not work perfectly, it does allow for more consistency for comparison purposes:

1. **Entitlement Fees** include fees for land use approval and environmental clearance
2. **Construction Fees** include the various building permit, plan check, and public improvement fees related to the construction process.
3. **Impact/Capacity Fees** are fees charged to development projects to mitigate the costs that new development places on community infrastructure or to fund quality of life improvements. Examples include fees for increased sewage volume, parks, libraries, and street trees. School fees are not included this year.

## 2005-06 South Bay Area Cost of Development Survey Overview

### Organizational Structures and Fee Categories (Cont'd)

4. **Development Taxes** are tax assessments on development projects – commonly based on project valuation.

**Cost Recovery and Fee Increases** – Most of the cities participating in this survey have fee structures that are intended to recover the full cost of providing service (see chart, pg 4). The exception among this year's participants is the City of Mountain View, where only the Building Inspection Division (which includes Fire plan checking and permitting) fees are intended to recover 100% of its costs.

Other cities with fee structures that are intended to be cost recovery are not meeting that goal because of revenue shortfalls in certain sectors. Gilroy's Planning (90%) section is not fully recovering costs. Santa Clara's fee structure is currently around 80% cost recovery. Fremont, Palo Alto, San Jose, and Sunnyvale are anticipating overall 100% cost recovery for 2005-06. Four of the agencies – Gilroy, San Jose, Santa Clara and Sunnyvale – are proposing fee increases for 2006-07 to maintain or move closer to full cost recovery. Fremont, Mountain View, and Palo Alto are not proposing service fee increases for 2006-07, but Fremont and Palo Alto do anticipate an increase in impact fees. While San Jose is proposing 2006-07 service fee increases ranging from 4.5% to 7%, a methodology change for Building commercial and industrial projects is expected to decrease fees in these sectors from 10% to 30%, more than offsetting the 7% hourly rate increase.

**Fee Structures** – Most of the south bay cities surveyed have set fees that are based on an analysis of the cost of service. Fremont's initial Planning fees are deposits. This model requires applicants to pay additional fees if the value of the time and materials provided exceeds the initial deposit. San Jose has a fee structure for residential building permits and plan check in which the initial fees are charged based on a historic analysis of the average plan review time and number of inspections for the various project types. When the value of the services provided (based on an hourly rate) exceeds the initial fee, additional service time must be purchased.

**Other Issues** – In some areas, such as noticing requirements, the cities have similar policies that meet the mandated 300' radius threshold for most projects with wider noticing for more complex or controversial uses. However, there are very significant differences between agencies in other areas. Perhaps the most unique condition is in Morgan Hill, which has growth control (approx. 250 new dwelling units/yr.) The annual limitation on what can be built sometimes results in developers voluntarily paying 2 to 3 times the regular fees to improve the point total for their project in the competition for the limited development opportunities.

San Jose has significantly higher development taxes on all projects than other agencies and will be considering an increase in park fees in 2006-2007.

**Other Issues (Continued)** - All of the participating agencies have below market rate (BMR) housing requirements on

## 2005-06 South Bay Area Cost of Development Survey Overview

residential projects. The BMR requirements are summarized by city below:

1. Fremont – Inclusionary Housing Ordinance that requires all new residential projects of seven units or more to set-aside at least 15% of all units as affordable.
2. Gilroy – A new Neighborhood District Policy includes a mandatory 15% BMR requirement.
3. Morgan Hill – A 5% low, and 8% median income affordable requirement on residential development.
4. Mountain View – 10% of the units must be BMR with developers having an option to pay an in-lieu fee.
5. Palo Alto – The City (not the developer) determines the BMR requirement from a number of options. For residential projects of 5 or more acres, a developer owes a 20% BMR component. The City could require either a land dedication equal to 20% of the land area, that 20% of the lots be BMR, or an in-lieu fee equal to 10% of the sales price of the homes. Non-residential projects are also subject to a BMR requirement using the following formula –  $(\text{gross square footage} / 350) \times .017 = \# \text{ of units required}$ . Optionally, a Housing Impact Fee may be paid at \$15.70 per square foot.
6. San Jose – A 20% requirement in Redevelopment Agency areas only.
7. Santa Clara – A 10%-of-units requirement on projects with 10 or more units.
8. Sunnyvale – A 12.5% BMR requirement for ownership units and 10% for rental units on projects of 9 or more units. Projects with between 9 and 19 units can opt for an in-lieu fee.

The cost to developers of these below market rate housing requirements can be very substantial, but are NOT reflected in this survey because of the difficulty of quantifying that cost on project samples that are not site specific.

In January 2003, state legislation was adopted that allows agencies to include an increment of cost on development fees to pay for the preparation and revision of General Plans. To date, Fremont (10% on building permits), Morgan Hill (5% maintenance fee on development permits), San Jose (1.25% on entitlement and building permits), and Sunnyvale (maintenance fee of 0.05% of construction valuation) have implemented this fee. Gilroy, Palo Alto, and Santa Clara do not currently have General Plan Update fees.

Every effort has been made to include complete cost information for each city. Due to time and resource constraints, some data elements may be missing where noted.

## 2005-06 South Bay Area Cost of Development Survey Overview

### Development Service Fee Cost Recovery Status

	05-06 Cost Recovery	06-07 Fee Increase
<b>Fremont</b>	100%	Annual inflationary adjustment to Development Impact Fee Program only
<b>Gilroy</b> Building & Engineering Planning	100%  Range is between 90% & 100%	Building Fee COLA on 6/1/06 Planning and impact fee increase based on Construction Cost Index – Jan. 1, 07
<b>Morgan Hill</b>	100%	An automatic CPI increase to Planning fees
<b>Mountain View</b> Building and Fire Inspection and Plan Check Public Works Planning	100% 75% varies 52-60%	No Increase No Increase No Increase
<b>Palo Alto</b>	100%	Service Fees – No / Impact Fees ~ 2%
<b>San Jose*</b>	100%	7% for Plng, Bldg & PW / 4.5% for Fire Bldg Fee decrease - Comm/Ind projects
<b>Santa Clara</b>	80%	Across the board increases; 20% for Public Works fees
<b>Sunnyvale</b>	100% average	Approximately 3.7% COLA
* San Jose's new Building fee methodology for commercial/industrial projects is expected to reduce fees 10% to 30% in these sectors in 2006-2007 despite a 7% hourly rate increase.		

***SUMMARY OF SURVEY RESULTS***

**2005-06 South Bay Area Cost of Development Survey  
Project Sample 1 - Single Family Home Remodel and Alteration**

**Project Specifications**

Valuation: \$120,000

Major Kitchen Remodel

Remodel 2 Bathrooms

500 sq ft room addition

Fixture Changes:

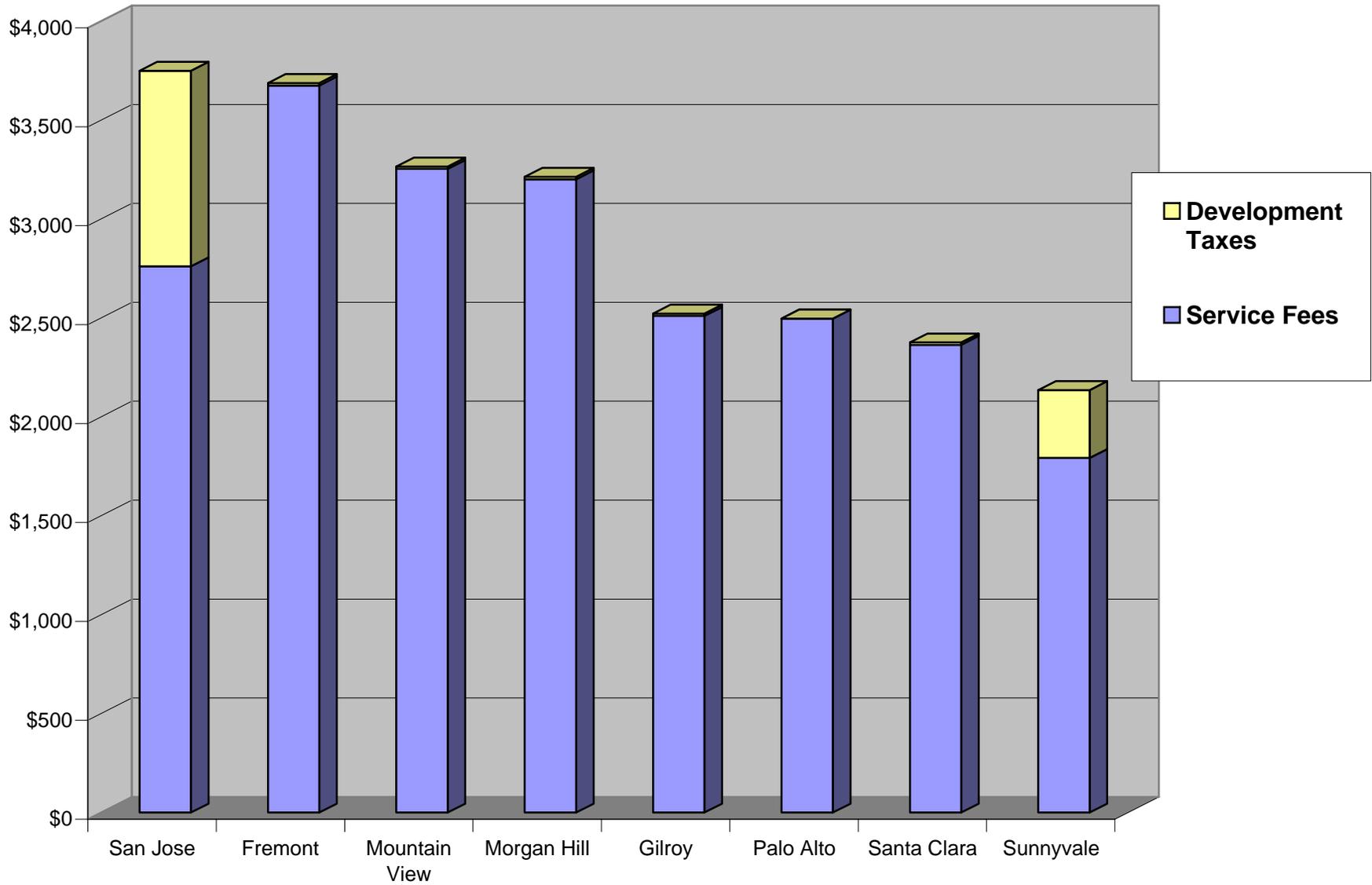
Kitchen - 2 sinks, 2 disposals, Dish Washer, Micro, Double Oven, Range, Exhaust hood

1st bath - Tub/shower, Lav, WC

2nd bath - Shower, Jacuzzi Tub, Lav, WC

<b>Cost Component</b>	<b>Fremont</b>	<b>Gilroy</b>	<b>Morgan Hill</b>	<b>Mtn View</b>	<b>Palo Alto</b>	<b>San Jose</b>	<b>Santa Clara</b>	<b>Sunnyvale</b>
<b>Entitlement Fees</b>	-	-	-	-	-	18	-	32
<b>Construction Fees</b>	3,675	2,510	3,201	3,253	2,497	2,743	2,364	1,760
<b>Impact/Capacity Fees</b>	-	-	-	12	-	-	-	-
<b>Development Taxes</b>	12	12	12	-	-	988	12	343
<b>Total Cost</b>	\$ 3,687	\$ 2,522	\$ 3,213	\$ 3,265	\$ 2,497	\$ 3,749	\$ 2,376	\$ 2,135

### Project 1 - Residential Addition / Alteration (Valuation \$120,000)



## 2005-06 South Bay Area Cost of Development Survey Project Sample 2 - Single Family Residential Development

### Project Specifications

#### Construction Assumptions:

Acreage	8		
Lots/Units	50		
# of Models - 3	Model A	Model B	Model C
# of each Model	20	15	15
Square Footage	1,600	2,000	2,400
Square Footage each Model	32,000	30,000	36,000
Total Square Footage	98,000	-	-
Stories	2	2	2
Bedrooms	3	3	4
Restrooms	2	2.5	3
Garage Sq. Ft.	500	500	500
Construction Type	Type V N		
Streets	Public		
Sprinklers	No		
Conditioned (HVAC)	Yes		

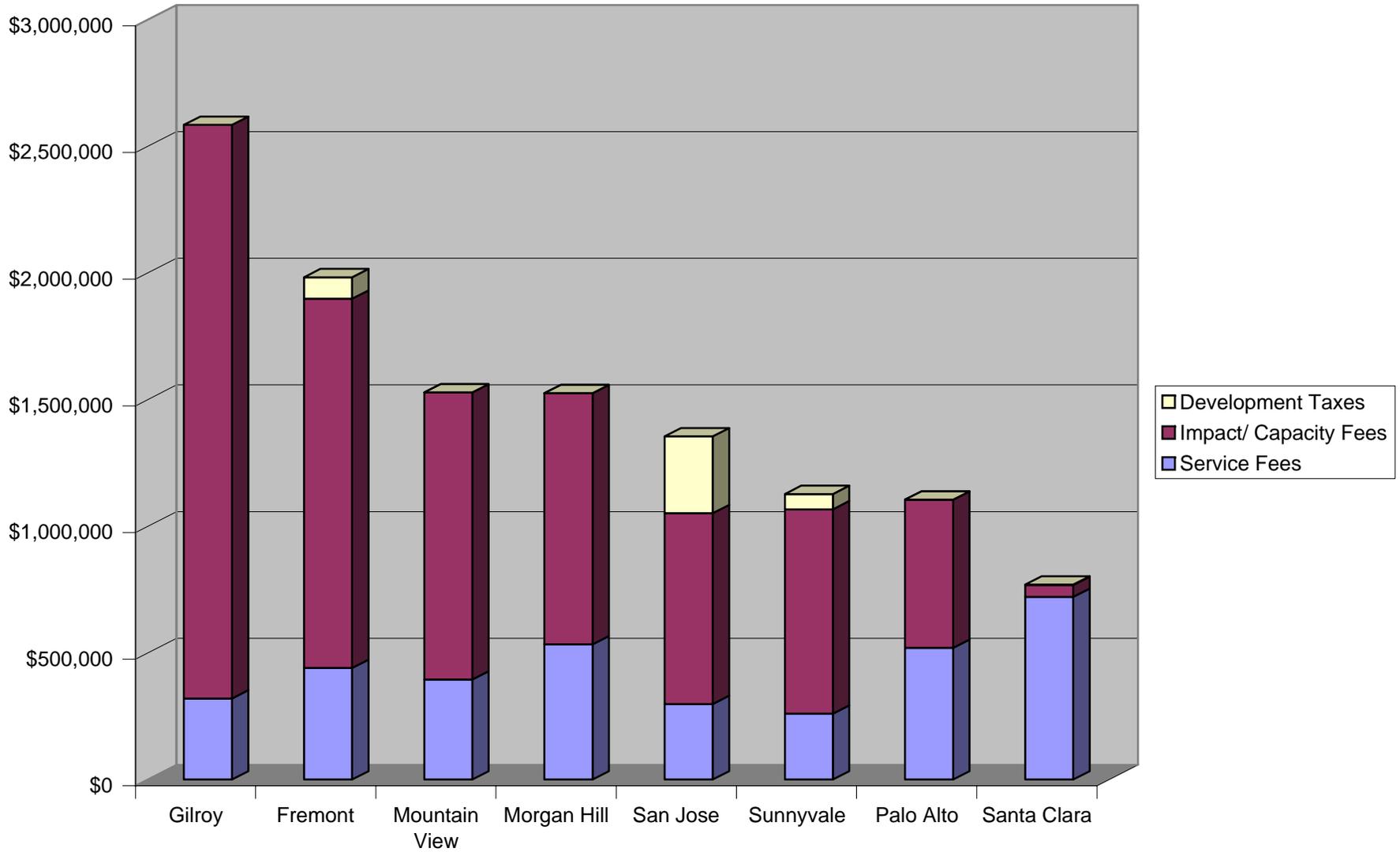
#### Planning and Public Works Assumptions:

Project Requires Planned Development Zoning, Planned Development Permit, and Tentative Map, All Medium Complexity  
 Project Generates 50 Peak Hour Trips  
 Significant Grading work (10,000CY), Type 1 Erosion/Sediment Control  
 Construction of New Public Streets, \$1,300,000 in Public Improvements  
 No Public Landscaping  
 No Traffic Signal Work

**San Jose Assumptions:**  
 Blossom Valley Park Fee Rate of \$12,550/Unit.  
 Range is \$4,700 (Alviso) to \$15,700 (Willow Glen)  
 Located in San Jose Muni Water Area

Cost Component	Fremont	Gilroy	Morgan Hill	Mtn View	Palo Alto	San Jose	Santa Clara	Sunnyvale
<b>Entitlement Fees</b>	24,750	44,402	36,567	19,219	-	34,849	7,300	20,115
<b>Construction Fees</b>	415,641	275,521	496,914	375,229	504,950	265,538	713,410	239,870
<b>Impact/Capacity Fees</b>	1,457,950	2,264,776	991,700	1,134,000	585,100	752,950	47,500	806,671
<b>Development Taxes</b>	84,746	75	-	-	-	303,433	1,325	60,404
<b>Total Cost</b>	<b>\$ 1,983,087</b>	<b>\$ 2,584,774</b>	<b>\$ 1,525,181</b>	<b>\$ 1,528,448</b>	<b>\$ 1,090,050</b>	<b>\$ 1,356,770</b>	<b>\$ 769,535</b>	<b>\$ 1,127,060</b>
<b>Per Unit Cost</b>	<b>\$ 39,662</b>	<b>\$ 51,695</b>	<b>\$ 30,504</b>	<b>\$ 30,569</b>	<b>\$ 21,801</b>	<b>\$ 27,135</b>	<b>\$ 15,391</b>	<b>\$ 22,541</b>

### Project 2 - Single Family Residential Development



## 2005-06 South Bay Area Cost of Development Survey Project Sample 3 - Multi-Family Residential Development

### Project Specifications

#### Construction Assumptions:

Acreage	6		
Lots/Units	96 Units in 16 Buildings		
# of Models - 3	Model A	Model B	Model C
# of each Model	28	34	34
Square Footage	1,250	1,500	1,750
Square Footage each Model	35,000	51,000	59,500
Total Square Footage	145,500		
Stories	2	2	2
Bedrooms	2	3	3
Restrooms	2	2	2.5
Garage Sq. Ft.	500	500	500
Construction Type	Type V N		
Streets	Public / Private		
Sprinklers	No		
Conditioned (HVAC)	Yes		

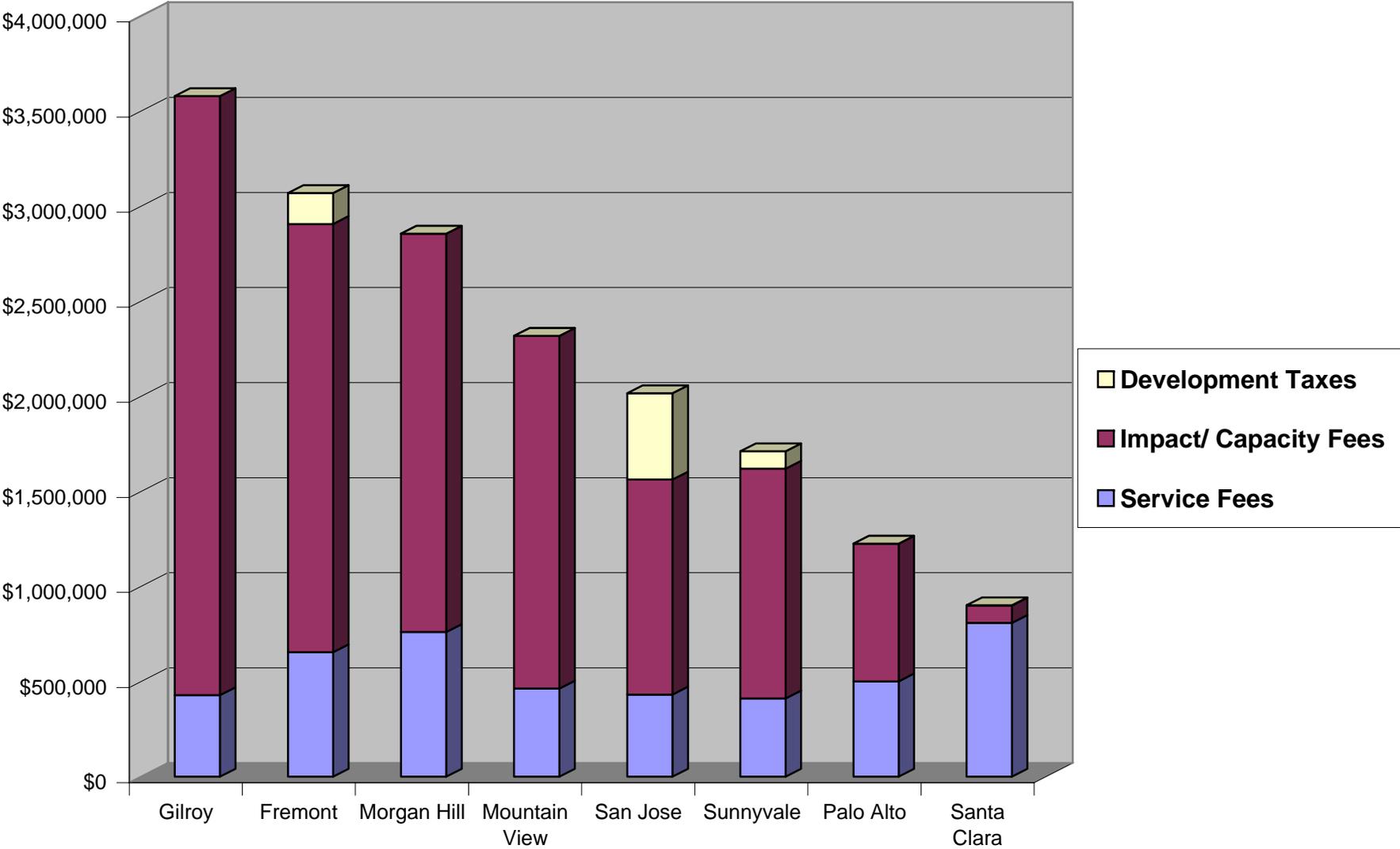
#### Planning and Public Works Assumptions:

Project Requires Planned Development Zoning, Planned Development Permit, and Tentative Map, All High Complexity  
 Project Generates 72 Peak Hour Trips  
 Significant Grading Work (5,000CY), Type 1 Erosion/Sediment Control  
 Existing Public Street Frontage, Need \$400,000 of Frontage Improvements (half street reconstruction)  
 Construction of New Private Streets, \$600,000 in Private Improvements  
 No Public Landscaping  
 No Traffic Signal Work

**San Jose Assumptions:**  
 Blossom Valley Park Fee Rate of \$10,600/Unit.  
 Range is \$3,150 (Alviso) to \$13,250 (Willow Glen)  
 Located in San Jose Muni Water Area

Cost Component	Fremont	Gilroy	Morgan Hill	Mtn View	Palo Alto	San Jose	Santa Clara	Sunnyvale
<b>Entitlement Fees</b>	24,750	59,812	43,993	19,219	14,407	50,149	8,250	30,557
<b>Construction Fees</b>	630,558	369,286	717,024	444,352	487,079	382,218	800,360	381,592
<b>Impact/Capacity Fees</b>	2,251,296	3,149,706	2,094,124	1,854,720	724,416	1,130,300	91,200	1,207,330
<b>Development Taxes</b>	162,051	113	-	-	-	454,015	2,260	91,328
<b>Total Cost</b>	<b>\$ 3,068,655</b>	<b>\$3,578,917</b>	<b>\$ 2,855,141</b>	<b>\$ 2,318,291</b>	<b>\$ 1,225,902</b>	<b>\$ 2,016,682</b>	<b>\$ 902,070</b>	<b>\$ 1,710,807</b>
<b>Per Unit Cost</b>	<b>\$ 31,965</b>	<b>\$ 37,280</b>	<b>\$ 29,741</b>	<b>\$ 24,149</b>	<b>\$ 12,770</b>	<b>\$ 21,007</b>	<b>\$ 9,397</b>	<b>\$ 17,821</b>

### Project 3 - Multi-Family Residential Development



**2005-06 South Bay Area Cost of Development Survey  
Project Sample 4 - Tenant Improvement in Commercial Building**

**Project Specifications**

**Construction Assumptions:**

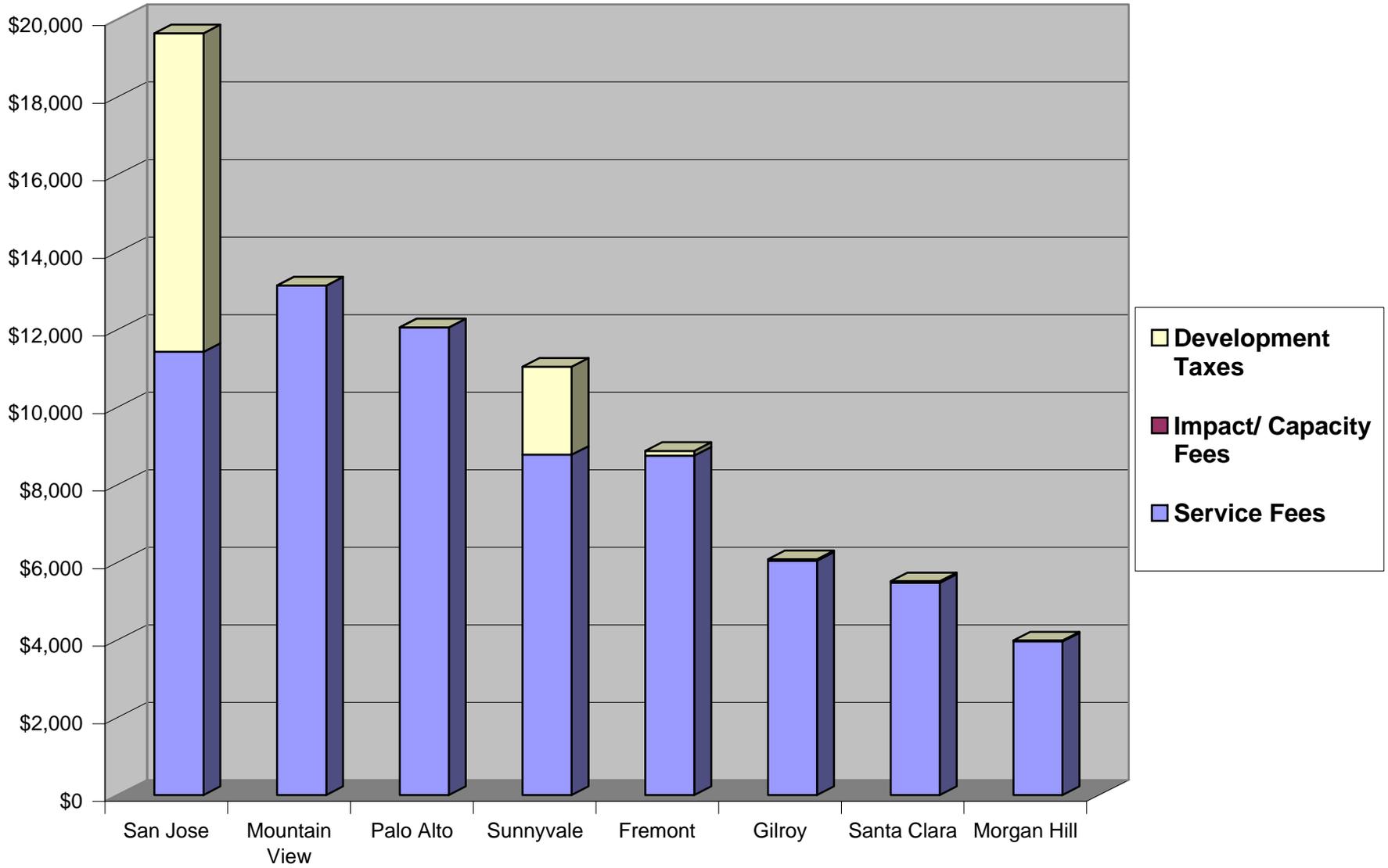
<b>Acreage</b>	3.5
<b>Lots</b>	1
<b>Use</b>	Retail
<b>Square Footage</b>	Improvements on 10,000 of 50,000 sq ft Bldg
<b>Stories</b>	1
<b>Restrooms</b>	Improve 2 of 10 restrooms
<b>Parking</b>	250 Spaces
<b>Construction Type</b>	Type III 1hr
<b>Streets</b>	Public
<b>Sprinklers</b>	Yes
<b>Conditioned (HVAC)</b>	Modify

**Sign Approval and Public Works Assumptions:**

ADA Upgrades to Site and Restrooms  
Move Electrical Outlets  
Sewage Fees Based on Retail Use

<b>Cost Component</b>	<b>Fremont</b>	<b>Gilroy</b>	<b>Morgan Hill</b>	<b>Mtn View</b>	<b>Palo Alto</b>	<b>San Jose</b>	<b>Santa Clara</b>	<b>Sunnyvale</b>
<b>Entitlement Fees</b>	-	85	759	800	-	75	-	-
<b>Construction Fees</b>	8,751	5,956	3,201	12,336	12,057	11,350	5,470	8,776
<b>Impact/Capacity Fees</b>	-	-	-	-	-	-	-	-
<b>Development Taxes</b>	123	40	25	-	-	8,215	42	2,268
<b>Total Cost</b>	\$ 8,874	\$ 6,081	\$ 3,985	\$ 13,136	\$ 12,057	\$ 19,639	\$ 5,512	\$ 11,044

### Project 4 - Commercial Tenant Improvement



**2005-06 South Bay Area Cost of Development Survey  
Project Sample 5 - Industrial Research and Development Building**

**Project Specifications**

**Construction Assumptions:**

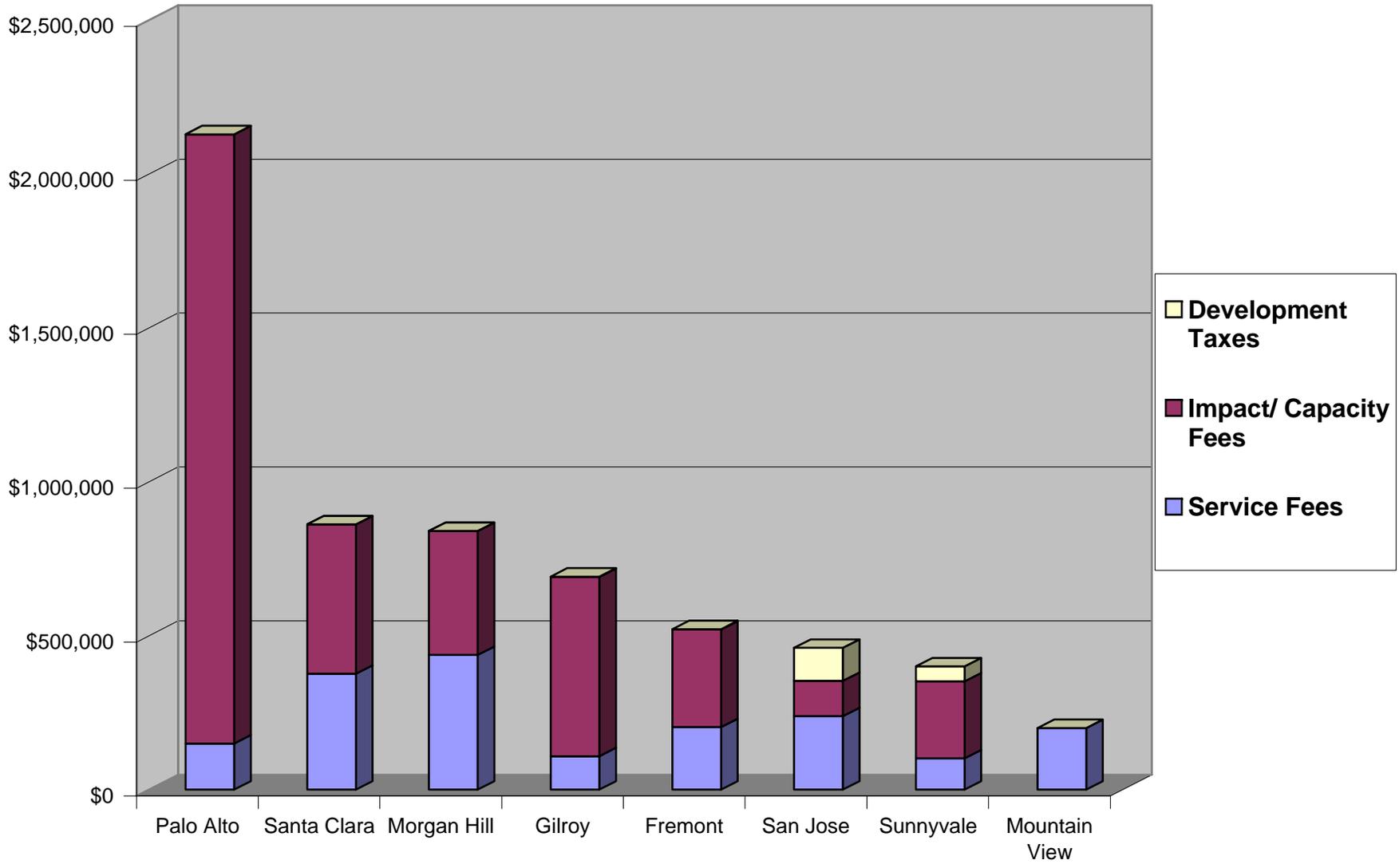
<b>Acreage</b>	4.5
<b>Lots</b>	1
<b>Use</b>	R & D
<b>Square Footage</b>	100,000
<b>Stories</b>	3
<b>Restrooms</b>	10
<b>Parking</b>	300 Spaces
<b>Construction Type</b>	Type III 1hr
<b>Streets</b>	Public
<b>Sprinklers</b>	Yes
<b>Conditioned (HVAC)</b>	Yes

**Planning and Public Works Assumptions:**

Project Requires Site Development Permit, Medium Complexity  
 Project Generates 128 Peak Hour Trips  
 Minor Grading work (1000CY), Type 2 Erosion/Sediment Control  
 Existing Public Street Frontage, Need \$200,000 of Frontage  
 Improvements (repair & upgrades)  
 No Public Landscaping  
 No Traffic Signal Work  
 Sewage Fees Based on R&D Use  
**San Jose Assumptions:**  
 Located in San Jose Muni Water Area

<b>Cost Component</b>	<b>Fremont</b>	<b>Gilroy</b>	<b>Morgan Hill</b>	<b>Mtn View</b>	<b>Palo Alto</b>	<b>San Jose</b>	<b>Santa Clara</b>	<b>Sunnyvale</b>
<b>Entitlement Fees</b>	6,350	7,150	12,305	4,636	6,000	35,290	6,600	3,230
<b>Construction Fees</b>	196,883	101,654	425,618	195,257	144,150	203,093	370,017	98,676
<b>Impact/Capacity Fees</b>	316,900	583,292	402,476	-	1,978,800	114,767	485,200	250,083
<b>Development Taxes</b>	1,228	1,007	-	480	-	107,486	-	48,600
<b>Total Cost</b>	<b>\$ 521,361</b>	<b>\$ 693,103</b>	<b>\$ 840,399</b>	<b>\$ 200,373</b>	<b>\$ 2,128,950</b>	<b>\$ 460,636</b>	<b>\$ 861,817</b>	<b>\$ 400,589</b>

**Project 5 - Industrial R&D Building**



# *Project 1 Detail by Agency*

## *RESIDENTIAL ADDITION / ALTERATION*

Valuation: \$120,000

Major Kitchen Remodel

Remodel 2 Bathrooms

500 sq ft room addition

Fixture Changes:

Kitchen - 2 sinks, 2 disposals, Dish Washer, Micro, Double Oven, Range, Exhaust hood

1st bath - Tub/shower, Lav, WC

2nd bath - Shower, Jacuzzi Tub, Lav, WC

**2005-06 South Bay Area Cost of Development Survey  
Project Sample 1 - Residential Addition/Alteration Fee Detail**

City/Jurisdiction	Cost Element	Cost	City/Jurisdiction	Cost Element	Cost
<b>Fremont</b>			<b>Palo Alto</b>		
	Building Permit Application Fee	62		Building Permit/PME Permits	576
	Building Inspection Fee	1,152		Plan Check	1883
	Plan Check Fee	979		Microfilm/Permit Automation	26
	Electrical/Mechanical/Plumbing Inspection	490		SMIP	12
	Kitchen/Bath Remodel Application	62		<b>Palo Alto Total \$</b>	<b>2,497</b>
	Kitchen/Bath Remodel Fee	538	<b>San Jose</b>		
	Insulation Application Fees	62		General Plan Update Fee	18
	Community Planning Fees	324		Building Permit Fee	830
	DO Fee	5		Electrical/Mechanical/Plumbing Permit	636
	SMIP	12		Permit Processing Fee (all trades-BEPM)	110
	<b>Fremont Total</b>	<b>3,687</b>		Record Retention Fee	147
<b>Gilroy</b>				Building Plan Check Fee	1,020
	Permits, Plan Check	1,947		Building & Structure Tax	982
	Electrical/Mechanical/Plumbing Permits	165		SMIPA Tax (res.)	6
	Special Public Works Service	398		<b>San Jose Total</b>	<b>3,749</b>
	SMIP	12	<b>Santa Clara</b>		
	<b>Gilroy Total</b>	<b>2,522</b>		Building Permit Fees	2364
<b>Morgan Hill</b>				SMIP	12
	Plan Check Fee	1,462		<b>Santa Clara Total</b>	<b>2,376</b>
	GPA	150	<b>Sunnyvale</b>		
	Permit	1,539		Permit Issuance Fee	22
	Microfilm Fee	50		Building Permit (includes SMIP)	868
	Seismic Fee (SMIP)	12		Electrical/Mechanical/Plumbing Permits	201
	<b>Morgan Hill Total</b>	<b>3,213</b>		Plan Check	608
<b>Mountain View</b>				Energy Plan Check	61
	Building Permit/Plan Check/PME Permits	3,253		General Plan Maintenance Fee	32
	SMIP	12		Construction Tax	343
	<b>Mountain View Total</b>	<b>3,265</b>		<b>Sunnyvale Total</b>	<b>2,135</b>

# Project 2 Detail by Agency

## SINGLE FAMILY RESIDENTIAL DEVELOPMENT (50 Units)

Acreage	8			Project Requires Planned Development Zoning, Planned Development Permit, and Tentative Map, All Medium Complexity Project Generates 50 Peak Hour Trips Significant Grading work (10,000CY), Type 1 Erosion/Sediment Control Construction of New Public Streets, \$1,300,000 in Public Improvements No Public Landscaping No Traffic Signal Work <b>San Jose Assumptions:</b> Blossom Valley Park Fee Rate of \$12,550/Unit. Range is \$4,700 (Alviso) to \$15,700 (Willow Glen) Located in San Jose Muni Water Area
Lots/Units	50			
# of Models - 3	Model A	Model B	Model C	
# of each Model	20	15	15	
Square Footage	1,600	2,000	2,400	
Square Footage each Model	32,000	30,000	36,000	
Total Square Footage	98,000	-	-	
Stories	2	2	2	
Bedrooms	3	3	4	
Restrooms	2	2.5	3	
Garage Sq. Ft.	500	500	500	
Construction Type	Type V N			
Sprinklers	No			
Conditioned (HVAC)	Yes			

**Fremont**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 2 - Single Family Tract Development**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>
<b>Entitlement Fees</b>				Mechanical Inspection Fees	1,656		
PRP Review	1,700			Plumbing Inspection Fees	1,656		
PD Preliminary	1,000			Insulation Fees	1,346		
PD Precise	2,300			DO Fee	75		
Preliminary Grading Plan	1,600			Community Planning Fees	4,651		
Tentative Tract Map	1,900			<b>Subtotal Model C</b>	<b>53,310</b>		
Plan Review Deposit	4,000			<b>Alameda County Water District Fees</b>			
Improvement Plan Review	11,500			Water Acreage Charge (ACWD)	64,928		
Environmental Impact Assessment	750			Water Front Foot/Meter/Engnrng (ACWD)	26,529		
<b>Entitlement Fees Total:</b>	<b>24,750</b>	<b>495</b>	<b>1.2%</b>	<b>Subtotal ACWD</b>	<b>91,457</b>		
				<b>Union Sanitary District Fees</b>			
<b>Construction Fees</b>				Union Sanitary District Sewer Connection	172,552		
Model A (20 Units):				<b>Subtotal USD Fees</b>	<b>172,552</b>		
Permit Application Fees	2,346			County Flood Control Permit	74		
Building Inspection Fees	32,847			County Flood Control Inspection	450		
Plan Check Fees	2,183			County Flood Control Review	5,000		
Electrical Inspection Fees	1,920			Fire Engineering and Inspection - TBD			
Mechanical Inspection Fees	2,208			<b>Construction Fees Total:</b>	<b>415,641</b>	<b>8,313</b>	<b>21.0%</b>
Plumbing Inspection Fees	2,208						
Insulation Fees	1,794			<b>Impact / Capacity Fees</b>			
DO Fee	100			Park Facilities Fees	366,350		
Community Planning Fees	4,275			Park Dedication Fees	555,950		
<b>Subtotal Model A</b>	<b>49,880</b>			Capital Improvement Fees	132,950		
Model B (15 Units):				Traffic Impact Fees	111,000		
Permit Application Fees	1,760			Fire Protection Fees	14,400		
Building Inspection Fees	28,713			Water Facilities Connection (ACWD)	277,300		
Plan Check Fees	2,207			<b>Impact / Capacity Fees Total:</b>	<b>1,457,950</b>	<b>29,159</b>	<b>73.5%</b>
Electrical Inspection Fees	1,800						
Mechanical Inspection Fees	1,656			<b>Development Taxes</b>			
Plumbing Inspection Fees	1,656			SMIP Assessment	1,296		
Insulation Fees	1,346			Construction Tax	83,450		
DO Fee	75			<b>Development Taxes Total:</b>	<b>84,746</b>	<b>1,695</b>	<b>4.3%</b>
Community Planning Fees	3,707						
<b>Subtotal Model B</b>	<b>42,919</b>						
Model C (15 Units):							
Permit Application Fees	1,760						
Building Inspection Fees	37,312						
Plan Check Fees	2,694						
Electrical Inspection Fees	2,160			<b>Total Project Costs</b>	<b>1,983,087</b>	<b>39,662</b>	<b>100%</b>

**Gilroy**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 2 - Single Family Tract Development**

Cost Components:	Project Cost	Per Unit	%	Cost Components:	Project Cost	Per Unit	%
<b>Entitlement Fees</b>				<b>Impact / Capacity Fees</b>			
TENTATIVE MAP	13,335			STORM DEVELOPMENT	5,176		
PLANNED UNIT DEVELOPMENT	5,790			TRAFFIC IMPACT	477,250		
ARCH & SITE	15,755			SEWER DEVELOPMENT	588,900		
LEGAL NOTICE PUBLICATIONS	220			WATER DEVELOPMENT	178,950		
INITIAL STUDY REVIEW (*)	4,626			PUBLIC FACILITY IMPACT	1,014,500		
ZONING CHANGE APPLICATION	4,626						
NOD County Clerk Recording Charge	50						
(*) DOES NOT INCLUDE COST OF PREPARATION OF INITIAL STUDY OR EIR							
<b>Entitlement Fees Total:</b>	<b>44,402</b>	<b>888</b>	<b>1.7%</b>	<b>Impact / Capacity Fees Total:</b>	<b>2,264,776</b>	<b>45,296</b>	<b>87.6%</b>
<b>Construction Fees</b>				<b>Development Taxes</b>			
<b>ENGINEERING APPLICATION FEES:</b>				State of California SMIP Assessment	75		
PLAN CHECK AND INSPECTION	115,330						
FINAL MAP, R/O/W REVIEWS, GRADING	10,592						
CONSTRUCTION WATER	1,345						
<b>BUILDING FEES FOR 20 MODEL "A" LOTS:</b>							
PERMITS, PLAN CHECK, SMIP	40,108						
ELECTRICAL PERMITS	2,350						
MECHANICAL PERMITS	670						
PLUMBING PERMITS	2,310						
WATER METER	7,968						
<b>BUILDING FEES FOR 15 MODEL "B" LOTS:</b>							
PERMITS, PLAN CHECK, SMIP	34,588						
ELECTRICAL PERMITS	2,497						
MECHANICAL PERMITS	503						
PLUMBING PERMITS	1,793						
WATER METER	5,976						
<b>BUILDING FEES FOR 15 MODEL "C" LOTS:</b>							
PERMITS, PLAN CHECK, SMIP	38,887						
ELECTRICAL PERMITS	2,513						
MECHANICAL PERMITS	503						
PLUMBING PERMITS	1,793						
WATER METER	5,796						
<b>Construction Fees Total:</b>	<b>275,521</b>	<b>5,510</b>	<b>10.7%</b>				
PROJECT WOULD ALSO BE REQUIRED TO FILE A PAYMENT BOND AND A PERFORMANCE BOND OF \$1.3 MILLION EACH							
				<b>Total Project Costs</b>	<b>2,584,774</b>	<b>51,695</b>	<b>100%</b>





**Palo Alto**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 2 - Single Family Tract Development**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>
<b>Entitlement Fees</b>				<i>Model C - 15 units</i>			
Deposit - PC Zone Change*	6,000			Permit Automation Fee		2	
Deposit - Tentative Map *	5,691			Building Permit Fee		3653	
Deposit - EIR or Neg Declaration *	-			Plan Check - Building		2922	
Final Map	2,716			Plan Check - Zoning		1096	
				Plan Check - Fire		1644	
<i>* 100% of costs billed to applicant, including contract &amp; staff costs, in addition to deposit</i>				Plan Check - Public Works		438	
				Microfilm (3.00/page, 30 pages)		60	
				Recycle (C&D) program		225	
				PME		576	
				SMIP		39	
<b>Entitlement Fees Total:</b>	<b>14,407</b>	<b>288</b>	<b>1.3%</b>	<i>Subtotal, Model C</i>	<b>159,825</b>	<b>10,655</b>	
<b>Construction Fees</b>				<i>Garage</i>			
<i>Model A - 20 units</i>				Permit Automation Fee		2	
Permit Automation Fee		2		Plan Check - Building		437	
Building Permit Fee		2,634		Plan Check - Zoning		164	
Plan Check - Building		2,107		Plan Check - Fire		246	
Plan Check - Zoning		790		Plan Check - Public Works		66	
Plan Check - Fire		1,185		Electric		97	
Plan Check - Public Works		316		SMIP		2	
Microfilm (3.00/page, 30 pages)		60		<i>Subtotal, Garage</i>	<b>50,700</b>	<b>1,014</b>	
Recycle (C&D) program		225					
PME		456		<b>Construction Fees Total:</b>	<b>504,950</b>	<b>10,099</b>	<b>45.7%</b>
SMIP		26					
<i>Subtotal, Model A</i>	<b>156,020</b>	<b>7,801</b>		<b>Impact / Capacity Fees</b>			
<i>Model B - 15 units</i>				Parks	433,500	8670	
Permit Automation Fee		2		Libraries	39,200	784	
Building Permit Fee		3,143		Community Centers	112,400	2248	
Plan Check - Building		2,515					
Plan Check - Zoning		943		<b>Impact / Capacity Fees Total:</b>	<b>585,100</b>	<b>11,702</b>	<b>53.0%</b>
Plan Check - Fire		1,414					
Plan Check - Public Works		377		<b>Development Taxes</b>			
Microfilm (3.00/page, 30 pages)		60		<b>Development Taxes Total:</b>	<b>-</b>		<b>0.0%</b>
Recycle (C&D) program		225					
PME		516		<b>Total Project Costs</b>	<b>1,104,457</b>	<b>22,089</b>	<b>100%</b>
SMIP		32					
<i>Subtotal, Model B</i>	<b>138,405</b>	<b>9227</b>					

**San Jose**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 2 - Single Family Tract Development**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>
<b>Entitlement Fees</b>				<b>Costruction Fees (Cont'd)</b>			
Zoning (PDC) - Res	9,850			<b>Model C - 15 units</b>			
Mitigation Monitoring Fee Res	370			Bldg Prmt - NR	17,430		
Environmental Clearance - Res	2,175			Elect Prmt - NR	4,980		
Public Noticing	145			Mech Prmt - NR	2,490		
Noticing (Up to 4 Sheets)	129			Plbg Prmt - NR	4,980		
Newspaper Noticing	680			Bldg PC - NR	2,125		
NOD County Clerk Recording Charge	50			Record Ret/Dup	2,988		
PD Permit - Res	6,100			Plot Plan Review	638		
Public Noticing	145			Permit Issuance - NR	1,650		
T-Map/ VT Amend - Res	6,070			Grading Permit	2,007		
Public Noticing	145			Erosion / Sediment Control	2,575		
Newspaper Noticing	55			Tract Map	3,142		
Planning Permits Review (PDC, PD, PT)	5,850			Construction E&I	106,622		
Traffic Report Review Fee	1,545			Water Meter / Engineering & Inspection	24,764		
General Plan Update Fee	1,540			Fire - Arch Plan Review & Inspection	2,868		
<b>Entitlement Fees Total:</b>	<b>34,849</b>	<b>697</b>	<b>2.6%</b>	<b>Construction Fees Total:</b>	<b>265,538</b>	<b>5,311</b>	<b>19.6%</b>
<b>Construction Fees</b>				<b>Impact / Capacity Fees</b>			
<b>Model A - 20 units</b>				Parkland Dedication In-Lieu Fees	627,500		
Bldg Prmt - NR	23,240			Water Area and Frontage Fee	14,000		
Elect Prmt - NR	6,640			Major Water Facilities Fee	27,250		
Mech Prmt - NR	3,320			Storm and Sanitary Sewer Fees	74,850		
Plbg Prmt - NR	6,640			D.O.T. Street Tree Fees	9,350		
Bldg PC - NR	2,125			CDDD Solid Waste Deposit A - 8,400			
Record Ret/Dup	3,984			CDDD Solid Waste Deposit B - 7,500			
Plot Plan Review	850			CDDD Solid Waste Deposit C - 8,700			
Permit Issuance - NR	2,200			<b>Impact / Capacity Fee Total:</b>	<b>752,950</b>	<b>15,059</b>	<b>55.5%</b>
<b>Model B - 15 units</b>				<b>Development Taxes</b>			
Bldg Prmt - NR	17,430			Bldg & Struct Tax A+B+C	111,304		
Elect Prmt - NR	4,980			Const Tax Dist X A+B+C	7,500		
Mech Prmt - NR	2,490			CRMP Tax Residential A+B+C	174,906		
Plbg Prmt - NR	4,980			Res. Const. Tax A+B+C	9,000		
Bldg PC - NR	2,125			SMIPA - Residential A+B+C	723		
Record Ret/Dup	2,988			<b>Development Taxes Total:</b>	<b>303,433</b>	<b>6,069</b>	<b>22.4%</b>
Plot Plan Review	638						
Permit Issuance - NR	1,650			<b>Total Project Costs</b>	<b>1,356,770</b>	<b>27,135</b>	<b>100%</b>

**Santa Clara**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 2 - Single Family Tract Development**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>
<b>Entitlement Fees</b>				<b>Impact / Capacity Fees</b>			
Rezoning	4,600			Sewer Connection Fee (Sewer Treatment Plant Capacity/Maintenance: \$790 x 50)	47,500		
Tentative Subdivision Map	1,650						
Negative Declaration	1,000						
County Notice of Determination Recording	50						
<b>Entitlement Fees Total:</b>	<b>7,300</b>	<b>146</b>	<b>0.9%</b>	<b>Impact / Capacity Fees Total:</b>	<b>47,500</b>	<b>950</b>	<b>6.2%</b>
<b>Construction Fees</b>				<b>Development Taxes</b>			
Tract Map Checking Fee (\$1,120, plus \$20.00 per lot over 5 lots)	2,424			Bedroom Tax	1,325		
Engineering & Inspection Fee (6.5% x \$1,300,000)	91,000			SMIP Assessment			
Storm Drain Outlet Charge (\$4,360/net acre x 6 net acres; assume 2 acre dedicated for public right-of-way)	27,600						
Sanitary Sewer Outlet Charge (\$963/lot x 50Lots)	50,850			<b>Development Taxes Total:</b>	<b>1,325</b>	<b>27</b>	<b>0.2%</b>
Water Main (\$52/LF frontage x 2,500 LF frontage; assume 2,500 lf of public street frontage) includes Fire Service	135,000						
Water Service & Meters (\$1,970/service-mtr x 50 service-meter + \$2,800 irrig)	128,870						
Street Light (\$10.94/LF frontage x (2,500-590) LF frontage)	21,086						
Electric Service (\$1,059.50/lot x 50 lots)	53,505						
Street Pavement (existing street frontage: 590 LF x \$52.00)	32,450						
Curb & Gutter (existing street frontage: 590 LF x \$15.95)	9,942						
Sidewalk (existing street frontage: 590 LF x 4.5 x \$5.35)	15,001						
Street Light (\$16.25/LF existing frontage x 590 LF)	9,682						
Building Fees	136,000						
<b>Construction Fees Total:</b>	<b>713,410</b>	<b>14,268</b>	<b>92.7%</b>	<b>Total Project Costs</b>	<b>769,535</b>	<b>15,391</b>	<b>100.0%</b>



# Project 3 Detail by Agency

## MULTI-FAMILY TOWNHOUSE DEVELOPMENT (96 Units)

Acreage	6			<p>Project Requires Planned Development Zoning, Planned Development Permit, and Tentative Map, All High Complexity</p> <p>Project Generates 72 Peak Hour Trips</p> <p>Significant Grading Work (5,000CY), Type 1 Erosion/Sediment Control</p> <p>Existing Public Street Frontage, Need \$400,000 of Frontage Improvements (half street reconstruction)</p> <p>Construction of New Private Streets, \$600,000 in Private Improvements</p> <p>No Public Landscaping</p> <p>No Traffic Signal Work</p> <p><b>San Jose Assumptions:</b></p> <p>Blossom Valley Park Fee Rate of \$10,600/Unit. Range is \$3,150 (Alviso) to \$13,250 (Willow Glen)</p>
Lots/Units	96 Units in 16 Buildings			
# of Models - 3	Model A	Model B	Model C	
# of each Model	28	34	34	
Square Footage	1,250	1,500	1,750	
Square Footage each Model	35,000	51,000	59,500	
Total Square Footage	145,500			
Stories	2	2	2	
Bedrooms	2	3	3	
Restrooms	2	2	2.5	
Garage Sq. Ft.	500	500	500	
Construction Type	Type V N			
Sprinklers	No			
Conditioned (HVAC)	Yes			

**Fremont**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 3 - Multi-Family (Townhouse) Development**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>
<b>Entitlement Fees</b>				Mechanical Inspection Fees	3,754		
PRP Review	1,700			Plumbing Inspection Fees	3,754		
Preliminary Grading Plan	1,600			Insulation Inspection Fees	3,050		
PD Preliminary	1,000			DO Fee	170		
PD Precise	2,300			Community Planning Fees	7,491		
Tentative Tract Map	1,900			<b>Subtotal Model C</b>	<b>87,262</b>		
Plan Review Deposit	4,000			<b>Alameda County Water District Fees</b>			
Environmental Impact Assessment	750			Water Acreage Charge (ACWD)	48,696		
Improvement Plan Review	11,500			Water Front Foot/Meter/Engnrng (ACWD)	24,704		
<b>Entitlement Fees Total:</b>	<b>24,750</b>	<b>258</b>	<b>0.8%</b>	<b>Subtotal ACWD</b>	<b>73,400</b>		
				<b>Union Sanitary District Fees</b>			
<b>Construction Fees</b>				Union Sanitary District Sewer Connection	324,077		
Model A (28 units):				<b>Subtotal USD Fees</b>	<b>324,077</b>		
Permit Application Fees	3,284			County Flood Control Permit	74		
Building Inspection Fees	39,036			County Flood Control Inspection	450		
Plan Check Fees	2,303			County Flood Control Review	4,000		
Electrical Inspection Fees	2,100			Fire Engineering and Inspection - TBD			
Mechanical Inspection Fees	3,091			<b>Construction Fees Total:</b>	<b>630,558</b>	<b>6,568</b>	<b>0.2055</b>
Plumbing Inspection Fees	3,091						
Insulation Inspection Fees	2,512			<b>Impact / Capacity Fees</b>			
DO Fee	140			Park Facilities Fees	552,096		
Community Planning Fees	5,155			Park Dedication Fees	837,888		
<b>Subtotal Model A</b>	<b>60,712</b>			Capital Improvement Fees	200,448		
Model B (34 units):				Traffic Impact Fees	213,120		
Permit Application Fees	3,988			Fire Impact Fees	21,600		
Building Inspection Fees	53,228			Water Facilities Connection (ACWD)	426,144		
Plan Check Fees	2,697			<b>Impact / Capacity Fees Total:</b>	<b>2,251,296</b>	<b>23,451</b>	<b>73.4%</b>
Electrical Inspection Fees	3,060						
Mechanical Inspection Fees	3,754			<b>Development Taxes</b>			
Plumbing Inspection Fees	3,754			SMIP Fees	1,827		
Insulation Inspection Fees	3,050			Construction Tax	160,224		
DO Fee	170			<b>Development Taxes Total:</b>	<b>162,051</b>	<b>1,688</b>	<b>5.3%</b>
Community Planning Fees	6,884						
<b>Subtotal Model B</b>	<b>80,583</b>						
Model C (34 units)							
Permit Application Fees	3,988						
Building Inspection Fees	58,653						
Plan Check Fees	2,833						
Electrical Inspection Fees	3,570			<b>Total Project Costs</b>	<b>3,068,655</b>	<b>31,965</b>	<b>100%</b>

**Gilroy**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 3 - Multi-Family (Townhouse) Development**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>
<b>Entitlement Fees</b>				<b>Impact / Capacity Fees</b>			
TENTATIVE MAP	17,015			STORM DEVELOPMENT	6,090		
PLANNED UNIT DEVELOPMENT	5,790			TRAFFIC IMPACT	742,752		
ARCH & SITE	27,485			SEWER DEVELOPMENT	611,904		
LEGAL NOTICE PUBLICATIONS	220			WATER DEVELOPMENT	138,912		
INITIAL STUDY REVIEW (*)	4,626			PUBLIC FACILITY IMPACT	1,650,048		
ZONING CHANGE APPLICATION	4,626						
NOD County Clerk Recording Charge	50						
(*) DOES NOT INCLUDE COST OF PREPARATION OF INITIAL STUDY OR EIR							
<b>Entitlement Fees Total:</b>	<b>59,812</b>	<b>623</b>	<b>1.7%</b>	<b>Impact / Capacity Fees Total:</b>	<b>3,149,706</b>	<b>32,809</b>	<b>88.0%</b>
<b>Construction Fees</b>				<b>Development Taxes</b>			
<b>ENGINEERING APPLICATION FEES:</b>				State of California SMIP Fees	113		
PLAN CHECK AND INSPECTION	91,330						
FINAL MAP, R/O/W REVIEWS, GRADING	10,252						
CONSTRUCTION WATER	1,009						
<b>BUILDING FEES FOR 20 MODEL "A" UNITS:</b>							
PERMITS, PLAN CHECK, SMIP	34,995						
ELECTRICAL PERMITS	4,369						
FIRE INSPECTIONS AND PLAN CHECKS	1,111						
MECHANICAL PERMITS	3,941						
PLUMBING PERMITS	15,889						
WATER METER	17,402						
<b>BUILDING FEES FOR 34 MODEL "B" UNITS:</b>							
PERMITS, PLAN CHECK, SMIP	42,545			Note: Gilroy Unified School District Impact Fees:			
ELECTRICAL PERMITS	5,305			Residential of any type - \$2.63/sq. ft.			
FIRE INSPECTIONS AND PLAN CHECKS	1,349			Commercial and industrial - \$0.42/sq.ft.			
MECHANICAL PERMITS	4,786			rates are applied to sq.ft. of net new construction			
PLUMBING PERMITS	19,293						
WATER METER	21,131						
<b>BUILDING FEES FOR 34 MODEL "C" UNITS:</b>							
PERMITS, PLAN CHECK, SMIP	42,545						
ELECTRICAL PERMITS	5,331						
FIRE INSPECTIONS AND PLAN CHECKS	1,349						
MECHANICAL PERMITS	4,828						
PLUMBING PERMITS	19,397						
WATER METER	21,131						
<b>Construction Fees Total:</b>	<b>369,286</b>	<b>3,847</b>	<b>10.3%</b>				
				<b>Total Project Costs</b>	<b>3,578,917</b>	<b>37,280</b>	<b>100%</b>







**San Jose**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 3 - Multi-Family (Townhouse) Development**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>
<b>Entitlement Fees</b>				<b>Costruction Fees (Cont'd)</b>			
Zoning (PDC) - Res	13,668			<b>Buildings 15-16 3B units 3C units</b>			
Mitigation Monitoring Fee Res	370			Bldg Prmt - NR	11,080		
Environmental Clearance - Res	2,175			Elect Prmt - NR	2,822		
Public Noticing	145			Mech Prmt - NR	2,116		
Noticing (Up to 4 Sheets)	129			Plbg Prmt - NR	2,822		
Newspaper Noticing	680			Record Ret/Dup	1,884		
NOD County Clerk Recording Charge	50			Bldg/Plmb/Mech/Elect Permit Issue - NR	220		
PD Permit - Res	8,584			Grading Permit	1,680		
Public Noticing	145			Erosion / Sediment Control	2,575		
T-Map/ VT Amend - Res	8,370			Tract Map	1,030		
Public Noticing	145			Construction E&I	106,830		
Newspaper Noticing	55			Water Meter / Engineering & Inspection	37,427		
Planning Permits Review (PDC, PD, PT)	11,259			FE-Arch Plan Review & Inspection	21,222		
Traffic Report Review Fee	2,194			Fire Sprinkler Permit	7,296		
General Plan Update Fee	2,180			Fire Alarm (Sprinkler Monitoring) Permit	5,664		
<b>Entitlement Fees Total:</b>	<b>50,149</b>	<b>522</b>	<b>2.5%</b>	<b>Construction Fees Total:</b>	<b>382,218</b>	<b>3,981</b>	<b>19.0%</b>
<b>Construction Fees</b>				<b>Impact / Capacity Fees</b>			
Bldg PC - NR	35,400			Parkland Dedication In-Lieu Fees	1,017,600		
Elect PC - NR	1,423			Water Area and Frontage Fee	12,000		
Mech PC - NR	763			Major Water Facilities Fee	21,600		
Plbg PC - NR	1,017			Storm and Sanitary Sewer Fees	75,360		
<b>Buildings 1-7 4A units 2B units</b>				D.O.T. Street Tree Fees	3,740		
Bldg Prmt - NR	34,371			CDDD Solid Waste Deposit A - 15,400			
Elect Prmt - NR	8,520			CDDD Solid Waste Deposit B - 18,200			
Mech Prmt - NR	6,390			CDDD Solid Waste Deposit C - 5,100			
Plbg Prmt - NR	8,520			<b>Impact / Capacity Fee Total:</b>	<b>1,130,300</b>	<b>11,774</b>	<b>56.0%</b>
Record Ret/Dup	5,780			<b>Development Taxes</b>			
Bldg/Plmb/Mech/Elect Permit Issue - NR	770			Bldg & Struct Tax A+B+C	169,358		
<b>Buildings 8-14 2B units 4C units</b>				Const Tax Dist X A+B+C	7,920		
Bldg Prmt - NR	39,416			CRMP Tax Residential A+B+C	266,133		
Elect Prmt - NR	10,072			Res. Const. Tax A+B+C	9,504		
Mech Prmt - NR	7,554			SMIPA - Residential A+B+C	1,100		
Plbg Prmt - NR	10,072			<b>Development Taxes Total:</b>	<b>454,015</b>	<b>4,729</b>	<b>22.5%</b>
Record Ret/Dup	6,711			<b>Total Project Costs</b>	<b>2,016,682</b>	<b>21,007</b>	<b>100%</b>
Bldg/Plmb/Mech/Elect Permit Issue - NR	770						

**Santa Clara**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 3 - Multi-Family (Townhouse) Development**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>Per Unit</b>	<b>%</b>
<b>Entitlement Fees</b>				<b>Impact / Capacity Fees</b>			
Rezoning	4,600			Sewer Connection Fee (Sewer Treatment Plant Capacity/Maintenance: \$790 x 96)	91,200		
Tentative Subdivision Map	1,650						
Negative Declaration	1,000						
Architectural Review	950						
County Notice of Determination Recording	50						
<b>Entitlement Fees Total:</b>	<b>8,250</b>	<b>86</b>	<b>0.9%</b>	<b>Impact / Capacity Fees Total:</b>	<b>91,200</b>	<b>950</b>	<b>10.1%</b>
<b>Construction Fees</b>				<b>Development Taxes</b>			
Tract Map Checking Fee (\$1,120, plus \$20.00 per lot over 5 lots)	3,528			Bedroom Tax (\$20 x 28 + \$25 x 68)	2,260		
Engineering & Inspection Fee (6.5% x \$400,000)	28,000			SMIP Assessment			
Storm Drain Outlet Charge (\$4,360/net acre x 6 net acres; assume 2 acre dedicated for public right-of-way)	27,600						
Sanitary Sewer Outlet Charge (\$4,360/acre x 6 acres)	27,600			<b>Development Taxes Total:</b>	<b>2,260</b>	<b>24</b>	<b>0.3%</b>
Water Main (\$52/LF frontage x 511LF, plus \$104/LF of on-site main x 533 LF; assume 511 lf of public street frontage and 533 LF of on-site main)-incl Fire Svc	85,158						
Water Service & Meters (\$1,970/service-mtr x 96 service-meter + \$2,800 irrig)	244,330						
Street Light (\$16.25/LF frontage x 511LF frontage; private street lighting by Developer)	8,386						
Electric Service (\$945.20/lot x 96 lots)	91,646						
Street Pavement (existing street frontage: 511LF x \$52.00)	28,105						
Curb & Gutter (existing street frontage: 511LF x \$15.95)	8,610						
Sidewalk (existing street frontage: 511LF x 4.5 x \$5.35)	12,992						
Building Fees	214,000						
Fire Dept. Building Review	16,405						
Fire Sprinklers (13R Systems)	4,000						
<b>Construction Fees Total:</b>	<b>800,360</b>	<b>8,337</b>	<b>88.7%</b>	<b>Total Project Costs</b>	<b>902,070</b>	<b>9,397</b>	<b>100.0%</b>



# *Project 4 Detail by Agency*

## **COMMERCIAL TENANT IMPROVEMENT (RETAIL)**

<b>Acreage</b>	3.5	ADA Upgrades to Site and Restrooms Move Electrical Outlets Sewage Fees Based on Retail Use
<b>Lots</b>	1	
<b>Use</b>	Retail	
<b>Square Footage</b>	Improvements on 10,000 of 50,000 sq ft Bldg	
<b>Stories</b>	1	
<b>Restrooms</b>	Improve 2 of 10 restrooms	
<b>Parking</b>	250 Spaces	
<b>Construction Type</b>	Type III 1hr	
<b>Streets</b>	Public	
<b>Sprinklers</b>	Yes	
<b>Conditioned (HVAC)</b>	Modify	

















# *Project 5 Detail by Agency*

## ***INDUSTRIAL RESEARCH AND DEVELOPMENT BUILDING***

### **Construction Assumptions:**

<b>Acreage</b>	4.5
<b>Lots</b>	1
<b>Use</b>	R & D
<b>Square Footage</b>	100,000
<b>Stories</b>	3
<b>Restrooms</b>	10
<b>Parking</b>	300 Spaces
<b>Construction Type</b>	Type III 1hr
<b>Streets</b>	Public
<b>Sprinklers</b>	Yes
<b>Conditioned (HVAC)</b>	Yes

### **Planning and Public Works Assumptions:**

Project Requires Site Development Permit, Medium Complexity  
Project Generates 128 Peak Hour Trips  
Minor Grading work (1000CY), Type 2 Erosion/Sediment Control  
Existing Public Street Frontage, Need \$200,000 of Frontage  
Improvements (repair & upgrades)  
No Public Landscaping  
No Traffic Signal Work  
Sewage Fees Based on R&D Use











**San Jose**

**2005-06 South Bay Area Cost of Development Survey  
Sample Project 5 - Industrial Research and Development Building**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>%</b>
<b>Entitlement Fees</b>			<b>Impact / Capacity Fees</b>		
Site Dev Permit (H/HA) - Nres	22,285		CDDD Solid Waste Deposit Shell - 10,000		
Additional Fees Res	370		CDDD Solid Waste Deposit FI - 14,000		
Environmental Clearance - Nres	2,175		Water Area and Frontage Fee	14,000	
Public Noticing	145		Major Water Facilities Fee	25,000	
ND Noticing (Up to 4 Sheets)	129		Storm and Sanitary Sewer Fees	75,767	
Newspaper Noticing	680				
County Clerk Recording Charge	50		<b>San Jose Assumptions:</b>		
Planning Permit Review	4,014		Located in San Jose Muni Water Area		
Traffic Report Review Fee	3,837				
General Plan Update Fee	1,605				
<b>Entitlement Fees Total:</b>	<b>35,290</b>	<b>7.7%</b>	<b>Impact / Capacity Fees Total:</b>	<b>114,767</b>	<b>24.9%</b>
<b>Construction Fees</b>			<b>Development Taxes</b>		
Grading Permit	1,433		Bldg & Struct Tax Shell	97,440	
Erosion / Sediment Control	876		Const Tax Dist X	8,000	
Construction E&I	37,557		SMIPA - Industrial	2,046	
Bldg Prmt - AO 100,000 SqFt Shell Building	37,565				
Elect Prmt - AO	15,000				
Mech Prmt - AO	15,000				
Bldg PC - AO	31,555				
Plbg Prmt - AO	15,000				
Record Ret/Dup	2,000				
Elect PC - AO	5,250				
Mech PC - AO	3,750				
Plbg PC - AO	3,750				
Permit Issuance - Bldg/Plumb/Mech/Elect	110				
Fire Plan Review	9,558				
Water Meter / Engineering & Inspection	16,715				
Fire Arch Eng. Building Inspection	2,522				
Fire Sprinkler Permit	5,098				
Fire Alarm Permit	354				
<b>Construction Fees Total:</b>	<b>203,093</b>	<b>44.1%</b>	<b>Development Taxes Total:</b>	<b>107,486</b>	<b>23.3%</b>
			<b>Total Project Costs</b>	<b>460,636</b>	<b>100%</b>

**Santa Clara**

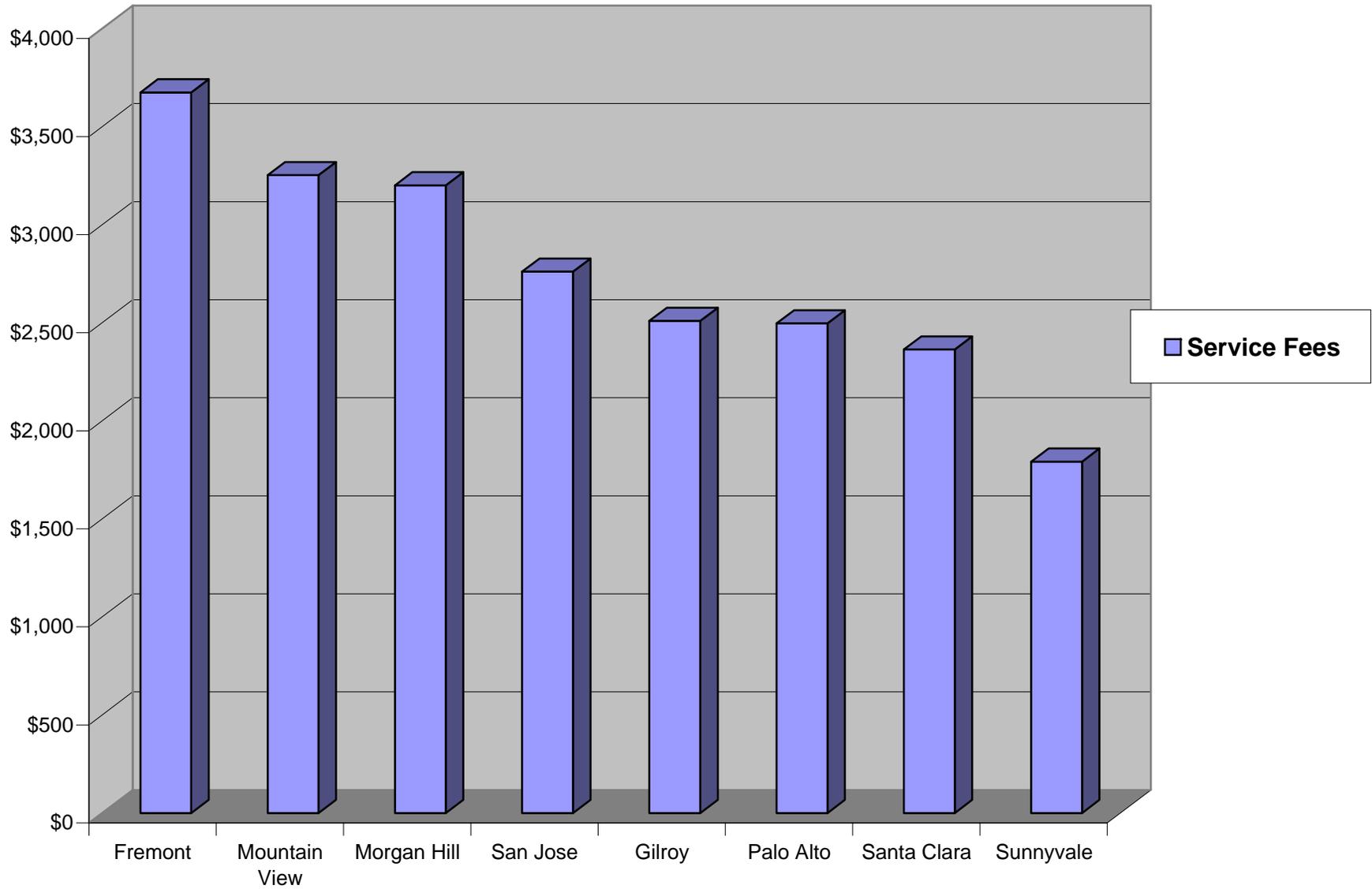
**2005-06 South Bay Area Cost of Development Survey  
Sample Project 5 - Industrial Research and Development Building**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>%</b>
<b>Entitlement Fees</b>			<b>Impact / Capacity Fees</b>		
Rezoning if necessary	4,600		Sewer Connection Fee (Sewer Treatment Plant	385,200	
Negative Declaration	1,000		Capacity/Maintenance: \$3.00/GPD x 100,000SF		
Architectural Review	950		x 1.07 GPD/SF)		
County Notice of Determination Filing Fee	50		Traffic Impact Fee (Local: \$1.0 x 100,000 SF)	100,000	
<b>Entitlement Fees Total:</b>	<b>6,600</b>	<b>0.8%</b>	<b>Impact / Capacity Fees Total:</b>	<b>485,200</b>	<b>56.3%</b>
<b>Construction Fees</b>			<b>Development Taxes</b>		
Engineering & Inspection Fee (6.5% x \$200,000)	14,000		SMIP Assessment		
Storm Drain Outlet Charge (\$4,360/net acre x 4.5 net acres; assume 0 acre dedicated for public right-of-way)	20,700				
Sanitary Sewer Outlet Charge (\$4,360/acre x 4.5 acres)	20,700				
Water Main (\$52/LF frontage x 443LF; assume 443 lf of public street frontage)	23,922				
Water Service & Meters (\$4,810 per 2" service-mtr x 2 each, plus \$3,350 irrig)	14,820				
Fire Service (\$15,930 per 8" service)	16,430				
Street Light (\$16.25/LF frontage x 443LF frontage)	7,270				
Electric Service (\$87/KVA x 1,000 KVA; assume 1,000 KVA load)	88,580				
Street Pavement (existing street frontage: 443LF x \$80.00)	37,212				
Curb & Gutter (existing street frontage: 443LF x \$15.95)	7,465				
Sidewalk (existing street frontage: 443LF x 4.5 x \$5.35)	11,263				
Plan Check	34,771				
Building Permit	36,600				
Misc	26,094				
Fire Dept. Building Review	9,140				
Fire Sprinklers (13 System)	600				
Underground Fire Services	450				
<b>Construction Fees Total:</b>	<b>370,017</b>	<b>42.9%</b>	<b>Development Taxes Total:</b>	<b>-</b>	<b>0.0%</b>
			<b>Total Project Costs</b>	<b>861,817</b>	<b>100%</b>

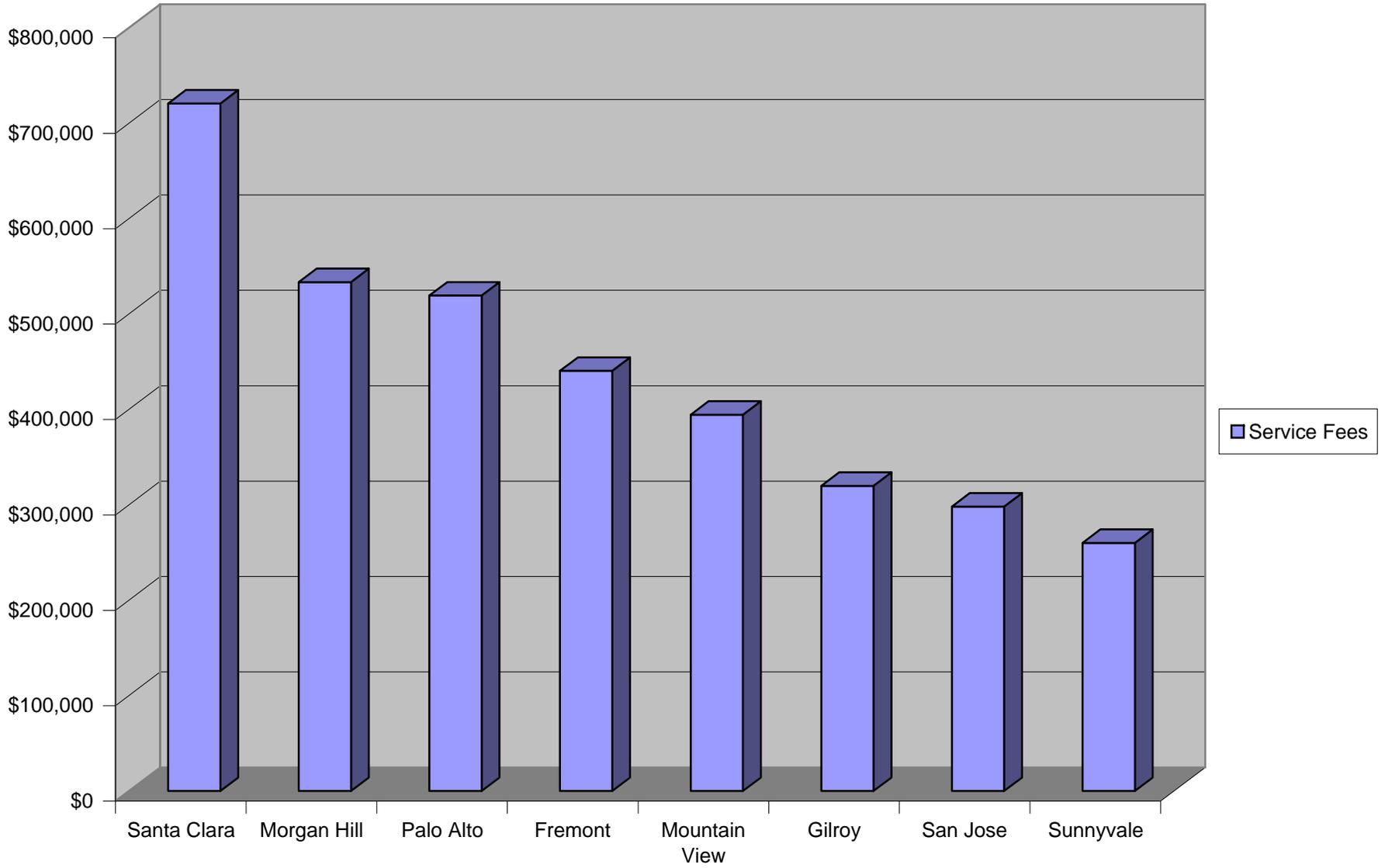


***Service Fee Comparison Charts***

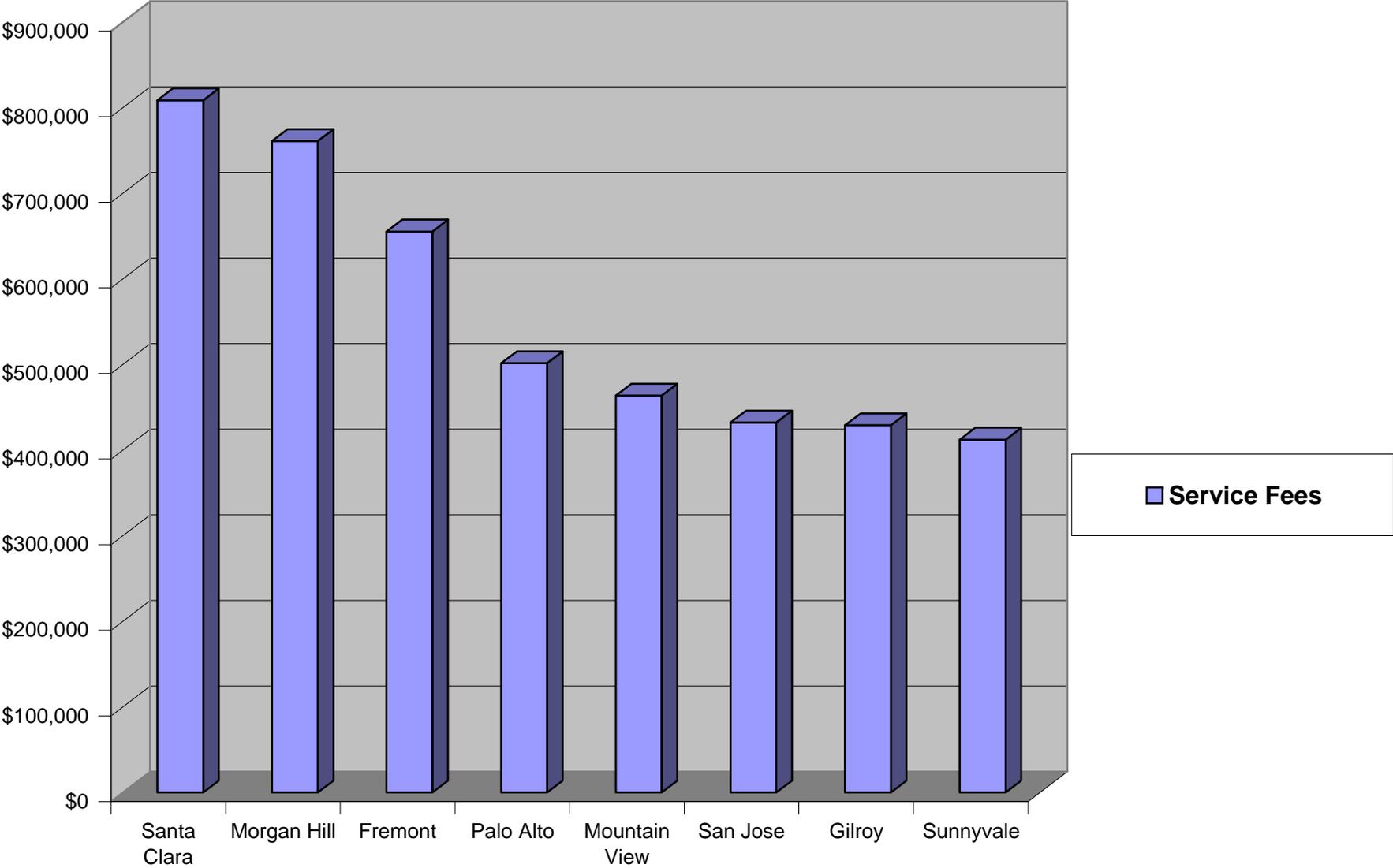
### Project 1 - Residential Addition / Alteration (Valuation \$120,000)



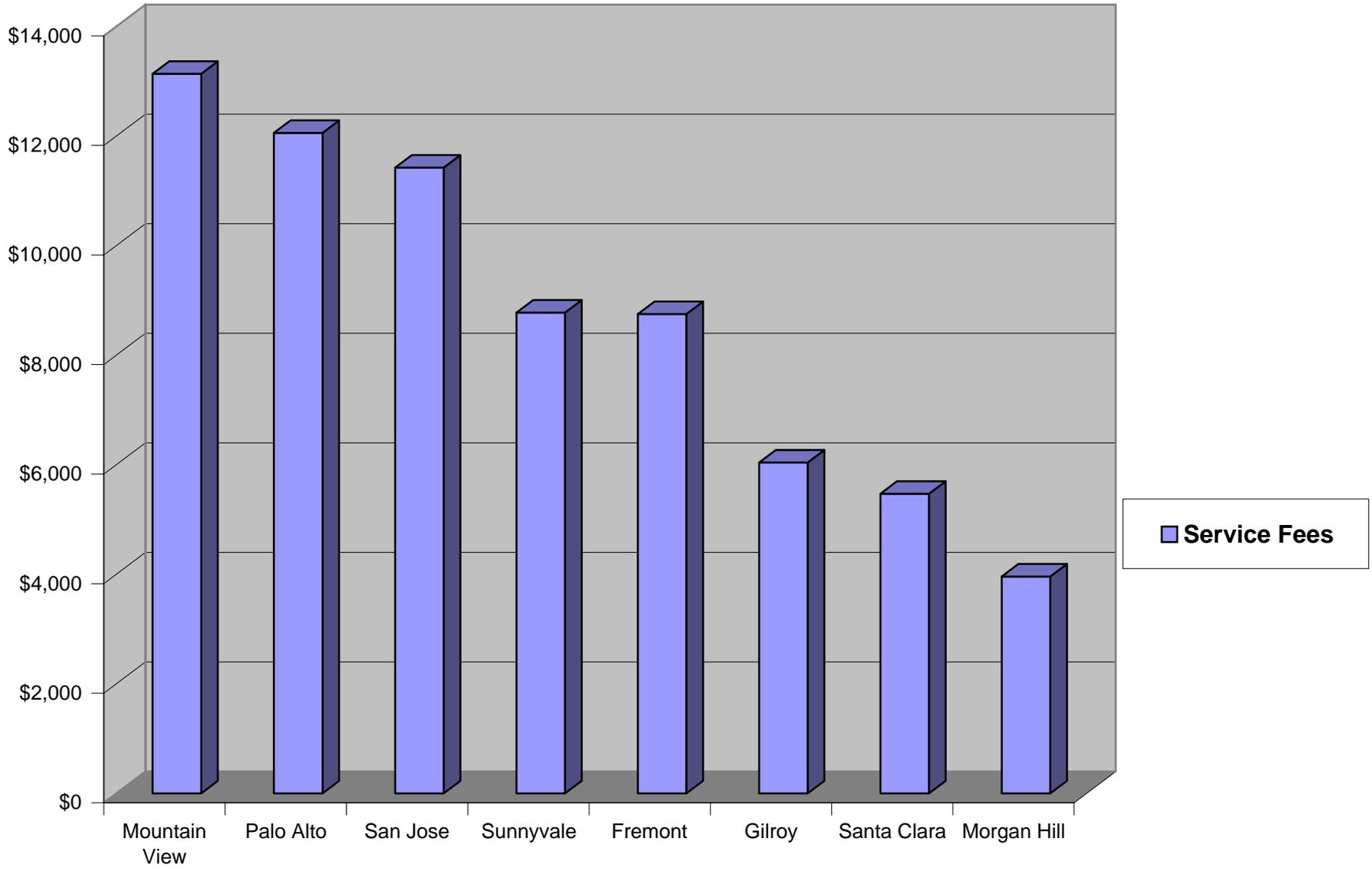
### Project 2 - Single Family Residential Development



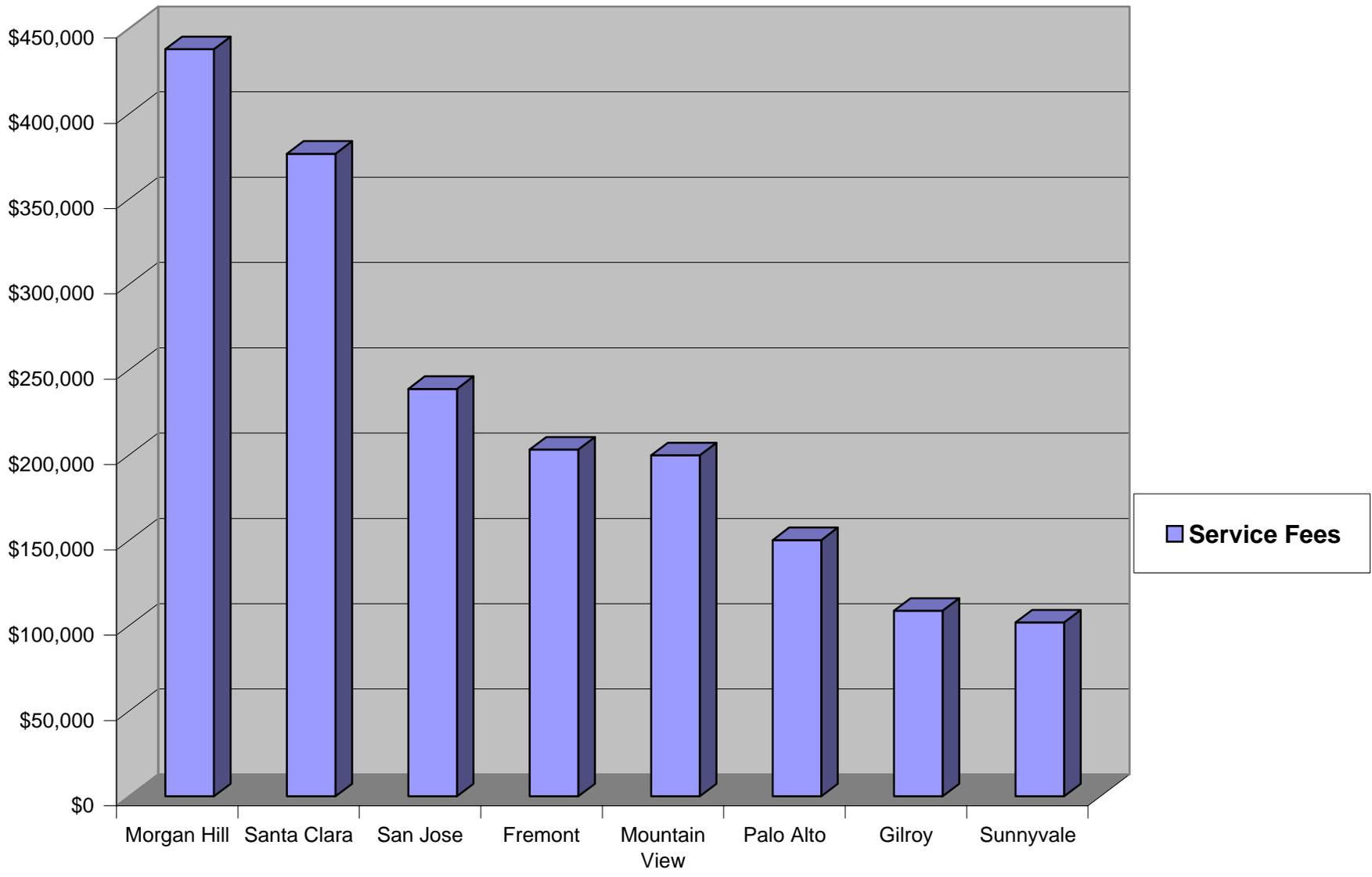
### Project 3 - Multi-Family Residential Development



### Project 4 - Commercial Tenant Improvement



### Project 5 - Industrial R&D Building



***APPENDIX***

***OPTIONAL PROJECT 6***

**2005-06 South Bay Area Cost of Development Survey  
Project Sample 6 - Residential High Rise Project (Optional)**

**Project Specifications**

**Construction Assumptions:**

<b>Acreage</b>	1.42
<b>Lots</b>	1
<b>Use</b>	Residential
<b>Square Footage</b>	584,837
<b>Stories</b>	22
<b>Residential Units</b>	330
<b>Use</b>	Commercial
<b>Square Footage</b>	8,000
<b>Parking*</b>	208,996 sq ft
<b>Construction Type</b>	Type I FR
<b>Streets</b>	Public
<b>Sprinklers</b>	Yes
<b>Conditioned (HVAC)</b>	Yes

\*5-level parking garage has 3 levels below grade, 1 level at grade and 1 level above grade

**Planning and Public Works Assumptions:**

Project Requires Site Development Permit, High Complexity  
(No Zoning Change)  
Project Generates 318 Peak Hour Trips  
Major Grading work (62,000CY),  
Type 2 Erosion/Sediment Control  
Landscaping - 16 Street Trees and Irrigation  
No Traffic Signal Work  
Sewage Fees Based on Residential Use

**Street Frontage and Parking Improvements:**  
Remove Curb and Gutter (745 LF)  
Remove Driveway (400 SF)  
Remove Sidewalk (7,600 SF)  
Sawcut (745 LF)  
6" Curb and Gutter (A2) (745 LF)  
AC Paving Overlay (1,490 SF)  
New Sidewalk (7,400 SF)  
Wheelchair Ramp (2 EA)  
New Driveways (R6) (810 SF)

**Sanitary Sewer**

8" Sewer Pipe (25 LF)  
10" Sewer Pipe (27 LF)  
Connect to Existing Manhole (1 EA)  
New Manhole over Existing Sewer System (1 EA)

**Storm Drain**

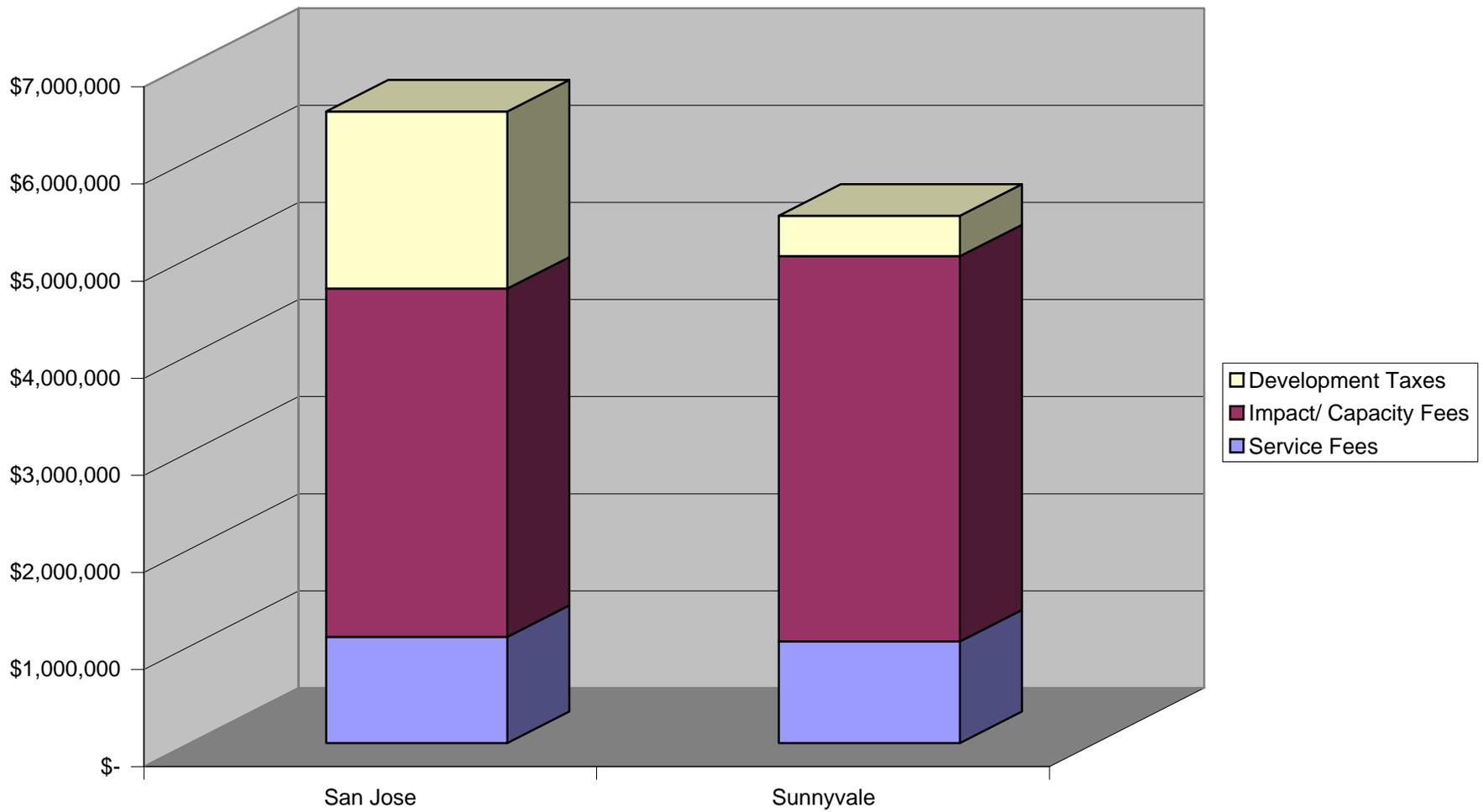
12" Storm Pipe (34 LF)  
Connect to Existing Manhole (1 EA)

**San Jose Assumptions:**

Downtown Park Fee Rate of \$10,500/Unit.  
Range is \$4,700 (Alviso) to \$15,700 (Willow Glen)  
Located in San Jose Muni Water Area

<b>Cost Component</b>	<b>San Jose</b>	<b>Sunnyvale</b>
<b>Entitlement Fees</b>	93,094	5,469
<b>Construction Fees</b>	999,949	1,041,000
<b>Impact/Capacity Fees</b>	3,586,920	3,967,296
<b>Development Taxes</b>	1,825,732	418,038
<b>Total Cost</b>	<b>\$ 6,505,695</b>	<b>\$ 5,431,804</b>

### Project 6 - Residential High Rise (Optional)



**San Jose**

**2005-06 South Bay Area Cost of Development Survey  
Project Sample 6 (Optional) - Residential High Rise Building**

<b>Cost Components:</b>	<b>Project Cost</b>	<b>%</b>	<b>Cost Components:</b>	<b>Project Cost</b>	<b>%</b>
<b>Entitlement Fees</b>			<b>Impact / Capacity Fees</b>		
Site Dev Permit (H/HA) - Nres	65,920		CDDD Total	20,000	
Permit recordation	13		Water Area and Frontage Fee	41,720	
Re-use of EIR	2,175		Major Water Facilities Fee	60,200	
Public Noticing	145				
Postcard Noticing	78				
Newspaper Noticing	680				
Geometric Plan Review	400				
Public Works review	4,431				
Fire Prevention	531				
General Plan Update Fee	884				
Planning Permits Review (H permit)	10,266				
Traffic Report Review Fee	7,571				
<b>Entitlement Fees Total:</b>	<b>93,094</b>	<b>1.4%</b>	<b>Impact / Capacity Fees Total:</b>	<b>121,920</b>	<b>1.9%</b>
<b>Construction Fees</b>			<b>Development Taxes</b>		
Grading Permit	6,779		Bldg & Struct Total	761,903	
Erosion / Sediment Control	2,575		Const Tax Dist X	1,484,227	
Construction E&I	40,412		SMIPA - Total	15,246	
Bldg Prmt - AO/NR	292,634		Parkland Dedication In-Lieu Fees	3,465,000	
Elect Prmt - AO/NR	91,278		Storm and Sanitary Sewer Fees	326,259	
Mech Prmt - AO/NR	66,983				
Bldg PC - AO/NR	153,369				
Plbg Prmt - AO/NR	91,278				
Record Ret/Dup	2,000				
Elect PC - AO/NR	31,947				
Mech PC - AO/NR	16,744				
Plbg PC - AO/NR	22,819				
Permit Issuance - Bldg/Plumb/Mech/Elect	110				
Water Meter / Engineering & Inspection	6,000				
FE-Arch Plan Review & Inspection	128,422				
Fire Sprinkler Permit	37,779				
Fire Alarm Permit	8,820				
<b>Construction Fees Total:</b>	<b>999,949</b>	<b>15.4%</b>	<b>Development Taxes Total:</b>	<b>5,290,732</b>	<b>81.3%</b>
			<b>Total Project Costs</b>	<b>6,505,695</b>	<b>100%</b>



## 2005-06 South Bay Area Cost of Development Survey

### ACKNOWLEDGEMENTS

Compiling this cost of development survey has proved to be challenging and time-consuming task for the agencies that participate. The Survey was distributed to 13 south bay cities and the County of Santa Clara on October 14, 2005. The cities included Campbell, Cupertino, East Palo Alto, Fremont, Gilroy, Los Gatos, Milpitas, Morgan Hill, Mountain View, Newark, Palo Alto, Salinas, San Jose, Santa Clara, Saratoga, and Sunnyvale. Responses deemed to be complete enough for inclusion were received from the eight cities represented in this survey. It should be acknowledged that, while requests from neighboring agencies for fee information is relatively common, the amount of work required to cost this survey's 5 sample projects and complete the supplemental questionnaire was considerable. In addition, follow up inquiries for clarification came during a very busy time of year for public agencies. For these reason the authors of this survey would like to thank the following individuals for their attention, assistance and going "above and beyond" to make this survey possible:

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		- Page Benway	
		City of San Jose	