

# FY 2025-26 Fee Schedule Update

May 06, 2025



CUPERTINO

# Agenda

- Background
  - What is a Fee?
  - Fee Study
  - Fee Rates
- Fiscal Impact
- Staff Recommendation

## Background - What is a Fee?

A fee or rate charged to an individual or group that receives a *private benefit* from services provided by the City.

# **Background – Fee Study**

## **2016 & 2023 Fee Studies**

## **Cost Allocation Plan**

## **User Fee Cost Recovery Policy**

- Adopted in 2024
- Cost of Services -Sets the cap on city-provided services

# Background - Fees for City Services

Fee Schedule	Description
Schedule A - General Fees	Miscellaneous fees not associated with one department(abatement fees, false alarms, PRA request, etc.)
Schedule B - Engineering Fees	Public Works – Engineering: Design and Inspection Services
Schedule C - Planning Fees	Community Development – Planning: Current, Mid, and Long-Term Planning
Schedule D - Building Fees	Community Development – Building: General Building, Construction Plan Check, and Building Code Enforcement

# Fiscal Impact

Fee Schedule	Estimated Additional Revenue	Factor and Basis
Schedule A – General Fees	\$971	Cost-recovery plus 2.7% CPI
Schedule B – Engineering Fees	\$136,082	Cost-recovery plus -0.79% CCI, 9.7% Labor
Schedule C – Planning Fees	\$106,255	Cost-recovery plus 2.7% CPI, 9.7% Labor
Schedule D – Building Fees	\$542,175	Cost-recovery plus 9.7% Labor

# **Staff Recommendation**

Adopt Resolution approving FY 2025-26 Fee  
Schedules, effective July 6, 2025



# **Schedule E – Parks & Recreation Fees**

Effective Date: July 19, 2023

## **Teen Center**

- Removed from the schedule due to permanent closure

## **Security Staff**

- Update rate to: \$43



# Background – Fee Rates



Consumer Price  
Index (CPI)

**5.3%**



Construction Cost  
Index (CCI)

**7.1%**



Labor Cost

**9.0%**



# Background – Fee Rates

Fiscal Year	Schedule A – General Fees	Schedule B – Engineering Fees	Schedule C – Planning Fees	Schedule D – Building Fees
2023-24 (proposed)	5.3% CPI	7.1% CCI 9.0% Labor	5.3% CPI 9.0% Labor	9.0% Labor
2022-23	5.2% CPI	9.8% CCI 1.0% Labor	5.2% CPI 1.0% Labor	1.0% Labor
2021-22	1.6% CPI	2.5% CCI 5.7% Labor	1.6% CPI 5.7% Labor	5.7% Labor
2020-21	2.9% CPI	6.3% CCI 17.3% Labor	17.3% Labor	17.3% Labor

# User Fee Cost Recovery Policy

## Incorporated Elements

- Cost Allocation Plan and User Fee Study Cycle
- Annual update mechanism
- Phase-in period
- Target Cost Recovery Ranges

# User Fee Cost Recovery Policy

## Cost Recovery Range

Schedule/Service Area	Target Cost Recovery Range
Schedule A – General	100%
Schedule B – Engineering (PW)	75-100%
Schedule C – Building	80-100%
Schedule D – Planning	50-80%
Schedule E – Recreation*	Market-driven