



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: January 21, 2014

To: Honorable Mayor & City Council

From: Jonathan Lait, AICP, City Planner/ Assistant Community Development Director

Subject: Request to Consider Proposed Sign Permit Fee Changes

Attachments: 1. Letter from First Church of Christ, Scientist, Dated October 7, 2013

INTRODUCTION

On November 5, 2013 a representative from the First Church of Christ, Scientist in Beverly Hills appeared before the City Council and requested that the City waive the permit fees for a proposed monument sign to be erected on church property that would require a Sign Accommodation and, therefore review by the Architectural Commission. A letter from the Church regarding this request is included as Attachment 1. The City Council directed staff to place the matter of permit fee waivers on a future City Council agenda for consideration. Currently, there are no provisions in the Beverly Hills Municipal Code that allow for a waiver of permit fees for new development projects submitted to the City and all proposed projects are subject to the review processes and development standards outlined in the code¹.

DISCUSSION

Permit Fees

Permit fees are intended to provide full cost recovery for the staff time and materials required to process permit applications. A proposed new sign requires architectural review of the design

¹Resolution 95-R-9289 adopted in 1995 waived the Conditional Use Permit fee for certain classes of uses that were established prior to 1995 without obtaining a Conditional Use Permit in order to encourage compliance with City regulations.

and a building permit. Architectural review permit fees² for signs vary depending on the type of review required. Fees for projects that are reviewed by the Architectural Commission total approximately \$6,000. Fees for signs that are reviewed at the staff level are approximately \$350. The Architectural Commission reviews signs that require an accommodation from the City's sign regulations. Applicants also pay a building permit fee for signs based on the size of the proposed sign (\$5.40 per square foot plus a permit issuance fee of approximately \$50.00).

Legal Considerations

Pursuant to the California Constitution, the legislature cannot "authorize the making of any gift of any public money or thing of value to any individual, municipal or other corporation whatever; ..." (Cal. Const. Art. XVI, Sec. 6.) In determining whether a use of public funds constitutes a gift, the City would consider whether the funds are used for a public purpose for the City or for private purposes. Barring some articulated public purpose, waiving permit fees for a particular applicant could be construed a gift of the City services without recovering the costs as set forth in the City's fee resolution, and thus could become problematic.

In addition, the California Constitution provides that no city "shall ever make an appropriation, or pay from any public fund whatever, or grant anything to or in aid of any religious sect, church, creed, or sectarian purpose...." (Cal. Const. Art. XVI, Sec. 5.)

The Council could, however, consider a policy allowing for the reduction of sign fees for specific types of uses, including setting the fees at zero dollars, again provided that there is a public purpose for doing so. The Council could, for example, find that there it is a benefit to the public to be able to locate non-profit entities in the City, and thus a desire to encourage such signs by reducing the processing fees. Any such policy should be made applicable to all non-profit entities.

Fee Reduction

In order to address the cost of sign permit fees, the Council could consider the following options:

- Decrease sign permit fees for non-profits, or,
- Decrease sign permit fees for all applicants.

Given the legal considerations outlined above and the fact that signs requiring commission level review have the most costly permit application fees, the Council may wish to consider reducing the fees only for Architectural Commission review of signs for non-profit entities. This reduction could be specified in the City Schedule of Taxes, Fees & Charges. The City Schedule of Taxes, Fees & Charges for Fiscal Year 2014/2015 is expected to be reviewed by the Council in February or March 2014 and fees adopted will go into effect in July 2014.

NEXT STEPS

Based on City Council direction, staff would return with a report outlining pros and cons of establishing an alternate sign permit fee schedule or waiving sign permit fees for specific classes of uses in the City.

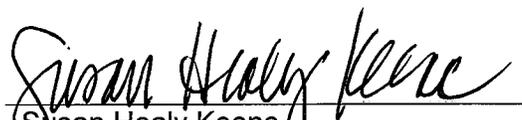
² Fees include: staff or commission level review, plan maintenance fee, technology fee, and environmental review fee as set forth in the Fiscal Year 2013/2014 Schedule of Taxes, Fees & Charges

FISCAL IMPACTS

The fiscal impacts of any policy reducing sign permit fees would depend on the specifics of the policy (i.e. amount of fee reduction). Preliminary analysis suggests that reducing commission level architectural review fees for non-profit organizations would not constitute a significant fiscal impact to the City due to the limited number of non-profit entities that apply for sign accommodations. Out of 34 sign accommodations considered by the Architectural Commission in 2013, none were for non-profit organizations. Upon receiving direction from City Council, staff will conduct a more thorough fiscal analysis of potential policies if the Council wishes to move forward with this item.

RECOMMENDATION

Provide direction to staff regarding sign permit fees for specific classes of uses.



Susan Healy Keene
Director of Community Development

Attachment 1

Letter from First Church of Christ,
Scientist, Dated October 7, 2013

OCTOBER 7, 2013

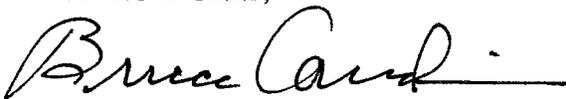
MR. JEFF KOLIN
CITY MANAGER
BEVERLY HILLS, CA
90210

DEAR MR. KOLIN,

THE FIRST CHURCH OF CHRIST, SCIENTIST, BEVERLY HILLS, 141 S. REXFORD DRIVE, WOULD LIKE TO PETITION THE CITY TO WAIVE THE PERMIT FEES FOR A MONUMENT SIGN, TO BE ERECTED ON THE CHURCH PROPERTY, VISIBLE TO PASSERSBY, EITHER DRIVING OR WALKING. THIS SIGN WOULD CONTAIN THE DAYS AND TIMES OF THE SERVICES WE CONDUCT, AS WELL AS THE FACT WE HAVE A SUNDAY SCHOOL AND A READING ROOM--ALL THESE FUNCTIONS ARE OPEN TO THE PUBLIC. OF COURSE THE SIGN WOULD CONFORM TO ALL CODES MANDATED BY THE CITY.

OUR CHURCH HAS BEEN ESTABLISHED IN BEVERLY HILLS FOR 60 YEARS. WE ARE A NON-PROFIT ORGANIZATION. IN THIS REGARD WE WOULD LIKE TO BE PUT ON THE AGENDA FOR A CITY COUNCIL MEETING, IN ORDER TO PRESENT OUR CASE TO YOU AND THE CITY COUNCIL MEMBERS, AS WELL AS SUSAN HEALY KEEN, DIRECTOR OF COMMUNITY DEVELOPMENT, CINDY GORDON, ASSOCIATE PLANNER, DEPT OF COMMUNITY DEVELOPMENT AND ANY OTHER PERSONS YOU FEEL WOULD BE APPROPRIATE. I HAVE SPOKEN PERSONALLY ABOUT OUR SIGNAGE DESIRES TO ALL OF THE ABOVE-MENTIONED INDIVIDUALS, AS WELL AS COUNCIL MEMBER NANCY KRASNE.

RESPECTFULLY,



BRUCE CARRADINE
EXECUTIVE BOARD MEMBER
FIRST CHURCH OF CHRIST, SCIENTIST, BEVERLY HILLS, CA
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CC: SUSAN HEALY KEEN, DIRECTOR OF COMMUNITY DEVELOPMENT
CINDY GORDON, ASSOCIATE PLANNER, COMMUNITY DEVELOPMENT
NANCY KRASNE, CITY COUNCIL MEMBER