



CITY OF GARDEN GROVE

OFFICE OF THE CITY CLERK

*Safeguard all official records of the City.
Conduct municipal elections and oversee legislative administration.
Provide reliable, accurate, and timely information to the
City Council, staff, and the general public.*

February 18, 2020

Re: Request #5439

Steven R. Jones
Mayor
Stephanie Klopfenstein
Mayor Pro Tem - District 5
George S. Brietigam
Council Member - District 1
John R. O'Neill
Council Member - District 2
Thu-Ha Nguyen
Council Member - District 3
Patrick Phat Bui
Council Member - District 4
Kim Bernice Nguyen
Council Member - District 6

Per the City of Garden Grove's Business Tax Supervisor,

Q: What was the last year that the fee charged by the City covered the actual cost of issuing the permit?

A: Cost information is only available since 2017 due to personnel and process changes. The fee was not sufficient to cover the cost of administering the program since 2017.

Q: Since that year, how much has the City lost on EACH permit, listed by year.

A: Based on current year's fully burdened rate, the average program administration cost is \$1,420.00 per permit. Prior fee was set at \$500.

Q: How many permits has the issued for each year, listed by year.

A: 2017 - 45 permits, 2018 - 39 permits, 2019 - 37 permits.

Q: How much is the City projected to lose in FY2020 because of this 'fee deficiency'?

A: The amount will be dependent upon the number of permit applications reviewed/processed. At this point, the City does not have this information.

Q: Does the Finance Department know of ANY other permits that the City is issuing that results in a net loss to the City?

A: Fees are reviewed periodically due to multiple factors including legislation changes, organizational changes, and other factors that significantly impact the cost of performing such duties. The City has not conducted a comprehensive fee study in recent years to identify if there are any fees that cannot achieve full cost recovery.

For any further questions, please contact the Business Tax Office at: (714) 741-5073

Sincerely,
City of Garden Grove
City Clerk's Office