

## **COST RECOVERY RECOMMENDATION FOR APARTMENT INSPECTIONS**

Our survey found four agencies in Orange County charging for apartment inspections. They are Brea, Huntington Beach, Orange City, and Santa Ana. Using an example of a twenty unit apartment complex the fees provided by each agency are:

Brea	\$113
Huntington Beach	\$ 89
Orange City	\$500 (or \$25 per unit)
Santa Ana	\$238

This creates an average fee of \$235.

**Costa Mesa                \$60 (proposed)**

With the assistance of our Finance Department, we have determined our “cost recovery” fee to be at \$60 per half hour with a \$60 minimum.

There are about 218 apartment complexes in Costa Mesa. Should you determine to approve this apartment fee, we have completed some estimations for potential cost recovery income. The details of our estimations are provided below.

### **How was this figure determined?**

218 complexes X \$60 for the minimum of one/half hour = \$13,080

It is further anticipated other larger apartment complexes such as Villa Martinique, 3400 Avenue of the Arts, The Enclave, and a few others will require an additional amount of time, due to their large size, creating an estimated additional fee for added hours. We estimated 20 additional hours X \$60 = \$1200. This covers the entire city.

### **What is the estimated annual cost recovery?**

Based on our estimates, **we estimate total annual cost recovery revenue of \$14,280.**