

February 22, 2010: Building Division Proposed Fee Schedule Discussion.

Section A Permit Fees: Building permit fees are charged at approximately 1 percent of the value of the structure. The values of a structure can be calculated from the contract value or the value using the National Construction Estimator. The “roughly 1 percent” is the amount collected by the Building Division. This factor was 1.06 percent prior to 2007, and increased (for non-TIM fee building permits) to 1.25 percent.

The current fee schedule identifies this value modifier as .0106 for permits subject to TIM fees and .0125 for permits not subject to TIM fees. The proposed fee schedule removes the lower (.0106) modifier and replaces it with the higher (.0125) modifier.

This Section also adds a 25 percent regional cost modifier to address additional construction and inspection costs in this region. This Section also sets the minimum building permit fees at \$330 and \$240, depending on permit type. The current minimum fee is \$100. The minimum fee increase is proposed to address the cost of providing the minimum service on a permit. Each of the minor building permits requires administrative handling (averaging one hour), plan checking (averaging one hour), and inspection (averaging one hour). Using the current hourly rate of \$100 per hour, the proposed minimum fee will more closely cover the cost of permit services than the current fee schedule.

Section B Manufactured Buildings: Permit fees are currently \$100. The Proposed fee schedule increases the fees to \$120 to \$480, depending on the permit type. These permits are often easier to review plans, but often require multiple inspections not covered in the current fee.

This Section also clarifies the permit fees for “shipping containers” (\$240).

Section C Site Development/Grading and Road Encroachment Permit Fees: The current fees are \$435. The proposed fee schedule converts residential grading projects exceeding 1000 cubic yards (down from 1500 cubic yards in the current fee schedule) to be charged as non-residential grading projects.

Driveway encroachment permits are proposed to increase from \$273 to \$360 to cover the costs of administration and inspection. Encroachments are typically one of the last components of the building permit and have traditionally required extra handling and multiple inspections.

The building permit fee “breakdown” is clarified in this section: One third of permit costs are established as “permit processing; one third as “plan review”; and one-third as “inspections.” This facilitates the calculation and timing of permit collections as well as refunds.

Part 2: Miscellaneous Fees: A number of minor and major changes are proposed, as noted below:

Section A Investigation Fees: Investigation fees are collected for permits issued to correct work that was done without a permit

The Investigation Fee is currently equal to the amount of the permit fee. The minimum is currently \$100 and is proposed to be \$300. The proposed fee schedule increases the Investigation Fee to “triple” the amount of the permit fee. This fee can be waived when the owner is voluntarily revealing work done without a permit. The “tripling” of the Investigation Fee is intended to encourage improved compliance with permit codes and increase revenue for Code Enforcement staffing and hearings.

Section D Business License Inspection Fees: A new fee is proposed to handle inspections for some commercial business licenses (\$100 per hour).

Section E Records Research Fees: The current fee is \$25 per hour with a minimum \$12.50 charge and the proposed fee is \$60 per hour with a minimum \$30 charge.

Section H Dishonored Check: The current fee is \$25 and the proposed fee is \$60.

Sections J and N: Records Archiving and LMIS Usage Fee. These new fees are intended on defraying costs associated with the permit activity to each category. Total fee is up to \$35.

Section K Notice of Compliance Fee/Notice of Cancellation Fee: New fee of \$120 is proposed to process the Notice of Compliance (NOC). A “Notice of Non-Compliance” is recorded on a property if a building permit is not completed or expires. The NOC is used to “lift” the Notice of Non-Compliance after actions to correct have occurred.

Section O Review of Alternate Methods and Materials: This is a new \$100 fee to cover the service for the Building Official to approve alternate building materials.

Section P Consultation Fee: This is a new fee, similar to the Pre-Application in Planning, where the Building Division can provide consultation and advice at the adopted hourly rate.

Section Q Administrative Hearing fee: This is a fee increase from \$100 to \$200 for Code Enforcement hearings. This fee needs to be increased to defray some of the increased costs for the hearing officer.

Part 3: Fee Refunds: The refund section is revised in conjunction with Part 1, Section C so that refunds reflect the work completed by the Building Division. The proposed fee schedule increases the refund administrative fee from \$100 to \$120.

Part 4: Unpaid Fees: Unpaid fees that are over 90 days past due are typically sent to Revenue Recovery. An additional 15% surcharge is proposed to cover the costs associated with handling the unpaid fees.