

Staff Report to the El Dorado County Board of Supervisor

Recommendation to approve one year extension to certain building permits

With the downturn in the housing market and because of current economic conditions it is difficult for builders to sale homes. Property owners have obtained permits expecting to build but have chosen to postpone construction until home sales improve. As a result, permits obtained in the last few years are now expiring.

Building permits are valid for two years plus permits can be renewed twice for one year each time. There are fees required to renew a permit. The fees vary depending on the amount of work done on the project. This table shows renewal and reactivation fees if work has not started on the building.

Original fee	Renewal fee	Reactivation fee
\$2277	\$1261	\$4299

Currently if a permit expires and the building construction has not started the property owner must reactivate the permit. Reactivation requires new plans meeting the current codes. This can be very costly for the property owner and for the department because the plan review must be done again.

The Development Services Department is recommending that the Board of Supervisors approve another option for people with permits that have recently expired or will expire over the next year. The proposal is to allow a one year extension with a \$100.00 administration fee. At the end of the one year extension the permittee will still be eligible for the two one year renewals or reactivation. By approving a one year extension the same plans will be used for construction thereby avoiding the expense of preparing and plan reviewing new plans.

By approving a one year extension it is believed that there will be very little if any revenue lost because the projects will continue but on a delayed schedule. Therefore, the revenue is not lost but delayed because the projects will be built on a normal construction schedule as home sales increase. Revenue in fiscal year 07/08 for new single family dwelling permit renewal was approximately \$43,000.00.