



Legislation Details (With Text)

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Title:	Consideration of a Resolution to Adopt the Department of Code Administration FY 2018 Permit Fee Schedule. [ROLL-CALL VOTE]		
Sponsors:			
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Attachments:	1. 16-6288_Resolution_Code_Fee_Adjustments.pdf, 2. 16-6288_Code_Schedule_of_Fees_FY18.pdf, 3. 16-6288_After Items		

Date	Ver.	Action By	Action	Result
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City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 26, 2017

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of a Resolution to Adopt the Department of Code Administration FY 2018 Permit Fee Schedule. [ROLL-CALL VOTE]

ISSUE: Resolution to adopt Code Administration permit fee increases and changes.

RECOMMENDATION: That the City Council adopt the attached Resolution (Attachment 1). The new fees would be effective June 1, 2017.

BACKGROUND: This memo provides detailed information regarding proposed Code fee adjustments for FY 2018. Fees have remained without increase since FY 2014. The fee adjustment requests also include technical amendments. The proposed fee increases are designed to handle the anticipated increase in development in the City and to continue to assure the cost for building permit and inspection activity are paid by the users of the service. Code and related permit services continue to be paid from user fees, but in recent years with less development activity existing user fee balances have been substantially drawn down. Post budget adoption, the

Office of Management and Budget and Code Administration will begin an extensive analysis of future revenues and expenses to ensure this service remains 100% fee funded. In addition, the proposal includes corrections in the language related to alterations of existing buildings. The increases and proposed changes will allow revenue influxes to be closer to current market value while keeping the City of Alexandria fees at a lower rate than many of our surrounding jurisdictions. The proposed changes in the fee structure will increase the special revenue fund by \$243,016 or 4%.

DISCUSSION: The City of Alexandria permit fees in general have continued to be priced less than many jurisdictions in Northern Virginia when looking at site plan, building permit and impact fees. When compared to Prince William, Arlington and Fairfax Counties, Alexandria is consistently in the middle to low end of the fee structure. These fee increases/adjustments will bring City fees closer to the fees in Arlington. However, with the proposed changes, Alexandria's fee structure will remain lower in most areas compared to Prince William and Fairfax Counties. The City's fee schedule is simple and straightforward with no hidden plan review or inspection fees. In addition, our goal is to have a strong customer service orientation that helps both the novice and the experienced builder get through the system as quickly as possible. This can translate into time and money savings for the customer.

We reviewed our current fee schedule and recommend the following adjustments:

1. Plan Revisions and Amendments language change to include adjustment for Market Rate. Revised permit fee language to include any future revisions to the estimated costs of construction. Currently, these fees are in the fee schedule.
 - a. \$100 per trade discipline - The fee to revise drawings for new commercial, single family, and multi-family construction shall be \$100 per trade discipline. If the revision results in a change in the estimated cost of construction, the permit fee shall be revised to account for the revised estimated cost in addition to the \$100 revision fee.
 - b. \$50 per trade discipline - The fee to revise drawings for an alteration to an existing residential and commercial occupancy shall be \$50 per trade discipline. If the revision results in a change in the estimated cost of construction, the permit fee shall be revised to account for the revised estimated cost in addition to the \$50 revision fee.
2. Non-Residential Tenant Improvement, Alterations and Repairs language change to include adjustment for Market Rate. Market Rate-Fee language change to include clarification of whichever is greater. Change from \$0.48 per square foot or \$19.75 per \$1,000 of the total construction cost to \$0.48 per square foot or \$19.75 per \$1,000 of total construction cost; or minimum permit fee; whichever is greater.
3. Residential Alterations, repairs fee language change to include adjustment for Market Rate. Market Rate-Fee language change to include clarification of whichever is greater. Change from \$0.30 per square foot or \$18 per \$1,000 of the total construction cost to \$0.30 per square foot; \$18 per \$1,000 of the total construction cost; or minimum permit fee whichever is greater.
4. Non-residential special construction language change to include adjustment for Market Rate. Market Rate-Fee language change to include clarification of whichever is greater. Change from \$0.215/sq. ft. gross floor area or \$19.75 per \$1,000 of the total construction cost to \$0.215/sq. ft. gross floor area; \$19.75 per \$1,000 of the total construction cost; or minimum permit fee whichever is greater.
5. Increase Non-residential re-roofing by \$0.19 to include adjustment for Market Rate. Change from \$0.03 per square foot or (min. permit fee, whichever is greater) to \$0.22/ sq. ft. gross floor area or minimum permit fee; whichever is greater.
6. Increase all Certificate of Occupancy to capture the required Temporary Certificate of Occupancy conversion fee that is currently required to pay later. Code Administration has noticed a loss in this area as the conversion fee is often not paid.

- a. Certificate of Occupancy-Residential- change from \$141.75 to \$156.75 (Increase of \$15)
- b. Certificate of Occupancy Commercial space 1000 sq. ft. or less - change from \$157.50 to \$177.50 (Increase of \$20)
- c. Certificate of Occupancy-Commercial space 1001 sq. ft. to 2500 sq. ft. change from \$183.75 to \$203.75 (Increase of \$20)
- d. Certificate of Occupancy-Commercial space greater than 2500 sq. ft. change from \$210 to \$230 (Increase of \$20)
- e. Certificate of Occupancy-core and shell change from \$525 to \$545 (Increase of \$20)
7. Remove Temporary Certificate of Occupancy or Temporary Certificate of Completion Conversion Fee- 50% of the original temporary certificate of occupancy. This fee will now be captured in the certificate of occupancy.
8. Electrical Permit Fees -alterations, repairs, reconstruction, tenant fit out, specialty items and additions; all uses language change to include adjustment for Market Rate. Market Rate-Fee language change to include clarification of whichever is greater. Change from \$19.50/\$1,000 of total construction cost or minimum permit fee to \$19.50/\$1,000 of total construction cost or minimum permit fee; whichever is greater.
9. Plumbing Permit Fees -alterations, repairs, reconstruction, tenant fit out, specialty items and additions; all uses language change to include adjustment for Market Rate. Market Rate-Fee language change to include clarification of whichever is greater. Change from \$19.50/\$1,000 of total construction cost or minimum permit fee to \$19.50/\$1,000 of total construction cost or minimum permit fee; whichever is greater.
10. Reduce Mechanical Permit Fees-New Residential by removing the \$42 additional per zone. Change from \$194 per unit plus an additional \$42 per zone to \$194 per unit.
11. Mechanical Permit Fees -alterations, repairs, reconstruction, tenant fit out, specialty items and additions; all uses language change to include adjustment for Market Rate. Market Rate-Fee language change to include clarification of whichever is greater. Change from \$19.50/\$1,000 of total construction cost or minimum permit fee to \$19.50/\$1,000 of total construction cost or minimum permit fee; whichever is greater.
12. Increase Stop Work Order fee-residential to include adjustment for Market Rate. Change from \$125 to \$250 (Increase of \$125).
13. Stop Work Order fee-non-residential to include adjustment for Market Rate. Change from \$250 to \$500 (Increase of \$250).
14. Increase Registration of vacant building fee per City Code Section 8-1-130. Change from \$25 to \$100 (Increase of \$75)

FISCAL IMPACT: The proposed budget increases the City revenue budget for Permit Center fees by \$243,016 due to fee schedule modifications proposed based on new constructions and alterations to remain competitive with other localities and to maintain regional consistency. These fee increases and changes will better align service with cost of administration ensuring that the department can meet the needs of applicants, as well as offset the cost of a consolidated full service Permit Center staff. Thus, the proposed Permit Center fee increase of \$243,016 will be used to offset the above mentioned departmental cost increases.

ATTACHMENTS:

Attachment 1 - Resolution

Attachment 2 - Code Administration Revised Fee Schedule

STAFF:

Emily A. Baker, P.E., Deputy City Manager
Morgan Routt, Director, Office of Management and Budget
Gregg Fields, Director, Code Administration
Diane Best, Administrative Services Division Chief