Introduced by \_\_\_\_\_ First Reading \_\_\_\_\_ Second Reading

Ordinance No. \_\_\_\_\_ Council Bill No. \_\_\_\_\_B 206-12\_\_\_\_\_

# AN ORDINANCE

amending Chapter 6 of the City Code relating to building permit fees; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. Chapter 6 of the Code of Ordinances of the City of Columbia, Missouri, is hereby amended as follows:

Material to be deleted in strikeout; material to be added underlined.

Sec. 6-17. Amendments.

The code adopted by this article is hereby amended by substituting the following sections in lieu of those sections with corresponding numbers in the code, or, where there is no corresponding section in the code, the following sections shall be enacted as additions to the code:

. . .

109.2 Schedule of p Permit fees: A fee for each plan examination, building permit and inspection shall be paid in accordance with the following schedule:

New construction (one- and two-family only):

0 to 3,000 square feet -	\$0.0513 per square foot with minimum \$21.60
3,000 to 10,000 square feet -	\$153.90 plus \$0.0432 per square foot for area over
	<del>3,000 square feet</del>
Over 10,000 square feet -	\$456.30 plus \$0.0351 per square foot for area over
·	10,000 square feet
For unfinished basements -	\$0.027 per square foot

New construction (except one- and two-family dwellings) and all remodeling, alterations and repairs:

Permit fees for new construction and additions (except for one- and two-family dwellings) shall be based upon the value of the construction as determined by the Division of Building and Site Development using the <u>latest August publication of the International Code Council</u> Building Valuation Data which shall be effective as of October 1<sup>st</sup> of the year it is published BOCA (Building Officials and Code Administrators International, Inc.) Building Valuation Data Report as published in the BOCA magazine November/December 1991 issue. Remodeling, alterations and repair valuations shall be computed using fifty (50) percent of the value for new construction.

\$0.00 to \$50,000.00 -	\$3.78 per thousand (minimum fee \$21.60)
\$50,000.01 to \$100,000.00 -	\$189.00 plus \$2.16 per thousand over \$50,000.00
\$100,000.01 to \$150,000.00 -	\$297 plus \$1.62 per thousand over \$100,000.00
Over \$150,000.00 -	\$378.00 plus \$1.08 per thousand over \$150,000.00

. . .

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

PASSED this \_\_\_\_\_\_ day of \_\_\_\_\_\_, 2012.

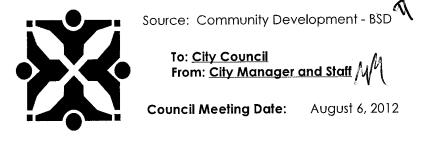
ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor



**Re:** Amending Chapter 6 of the City's Code of Ordinances to revise building permit fees.

### EXECUTIVE SUMMARY:

Building permit fees have not been increased since FY1996. To achieve a budget target of 75% cost recovery, staff recommends a permit fee increase in FY2013. There are three components to the change. The first modifies the method by which the fees are calculated and updates the valuation source to International Code Council (ICC) standards. The second bases both residential and commercial construction permits on valuation; currently one and two family dwellings are based on a fee per square foot with only commercial construction based on valuation. The third change is a simplification of the fee structure that replaces tiered fees with a uniform \$2.25 per thousand dollars of estimated valuation.

Agenda Item No:

#### DISCUSSION:

Current building valuations (with the exception of 1 and 2 family residential) are based on the Building Valuation Data Report as published in the Building Officials and Code Administrators (BOCA) magazine November/December 1991 issue. Staff proposes using the ICC Building Valuations Data - August 2012 and updating that each year to the latest valuations as part of the budget process. The average increase in valuations across all use groups and construction types between 1991 and 2012 is 252% or approximately 2.5 times what is currently used.

One and two family residential permit fees are currently based on a set cost per square foot which is approximately one-third lower than the fee calculated using the 1991 BOCA valuations. All other permit fees are currently calculated using the 1991 BOCA valuation to determine construction value which is multiplied by a set cost to determine the permit fee. Staff proposes basing the permit fee, for both residential and commercial construction, on a goal of recouping 75% of the Building and Site Development budget and the total annual construction value within the City.

Site Development plan review and inspection, land and infrastructure improvements outside of the buildings themselves, has historically been considered a Public Works service to ensure that privately constructed public infrastructure met City specifications and standards. Common examples of site plan reviews and inspections are the grading, erosion and sediment control, roadway improvements, storm sewer, and sidewalks associated with new residential subdivisions, apartment complexes, commercial buildings, etc. This has grown to include landscaping, tree preservation, stream buffer, water quality, stormwater detention, and soil stockpiles. Sanitary sewer review and inspection was retained by Public Works as part of the reorganization in FY2012. Currently the only fees collected based on site plan review and inspection are a \$200 land disturbance permit and a \$10 right of way permit fee. The fee changes propose recouping 75% of the Site Development plan review and inspection costs through building permit fees.

Based on calculations using FY2011 and estimated FY2012 numbers staff recommends a permit fee multiplier of \$2.25 per thousand dollars of valuation for FY2013. This equation is based on an ICC standard, is simpler to understand and regulate, and treats commercial and residential construction the same.

#### FISCAL IMPACT:

Staff estimates that this change will result in \$826,000 of total revenue in FY2013 from building permit and plan review fees or an increase of \$564,000 over previous projections.

#### **VISION IMPACT:**

http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php

### SUGGESTED COUNCIL ACTIONS:

## Approval of the ordinance.

FISCAL and VISION NOTES:							
<b>City Fiscal Impact</b> Enter all that apply		Program Impact		Mandates			
City's current net FY cost	\$0.00	New Program/ Agency?		Federal or State mandated?			
Amount of funds already appropriated	\$0.00	Duplicates/Expands an existing program?		Vision Implementation impact			
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	Enter all that apply: Refer to Web site				
Estimated 2 yea	ar net costs:	Resources Required		Vision Impact?			
One Time	\$0.00	Requires add'l FTE Personnel?		Primary Vision, Strategy and/or Goal Item #			
Operating/ Ongoing	\$0.00	Requires add'I facilities?		Secondary Vision, Strategy and/or Goal Item #			
		Requires add'l capital equipment?		Fiscal year implementation Task #			