



## Legislation Details (With Text)

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**Title:** Discuss changes to the permit fee structure due to recent action of the State Legislature

**Sponsors:**

**Indexes:**

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**Attachments:** 1. Permit fee changes - HB852

Date	Ver.	Action By	Action	Result
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### Discuss changes to the permit fee structure due to recent action of the State Legislature

#### **BACKGROUND:**

The City has established and continuously used a value of construction-based permit fee structure in excess of twenty years. On May 21<sup>st</sup> of this year the 86<sup>th</sup> State Legislature passed H.B. 852 which went into effect immediately with no grace period. H.B. 852 refers only to residential dwellings and now prohibits City's from asking for, (1) the value of the dwelling and/or (2) the cost of construction for the purpose of determining a permit or inspection fee.

#### **DISCUSSION:**

Based on a cost recovery model, staff has proposed:

- New residential construction = \$1.20/sf
- Remodel/renovated construction = \$0.60/sf
- New MEP associated with residential construction = \$0.15/sf
- Remodel/renovated MEP associated with residential construction = \$0.10/sf

This amendment to Appendix A will address the new rules of H.B. 852 while aligning the project size with the correlating amount of time anticipated to perform an inspection.

#### **FISCAL IMPACT:**

With significant residential development occurring on the West side and an uptick in housing renovations, the subsequent residential permit fees generated as a result of these amendments should be revenue neutral.

#### **RECOMMENDATION:**

Staff recommends approval of Ordinances 3576 and 3577

#### **POSSIBLE COUNCIL ACTION:**

1. I move to approve Ordinance 3576 and 3577 as presented.
2. I move to approve Ordinance 3576 and 3577, with the following modifications.

3. I move to table the issue for further study or take no action.

**ATTACHMENT(S):**

1. Permit fee presentation