



# Permit Fee Code Modifications

City of Tacoma | Planning and Development Services

**Government Performance and Finance Committee Presentation**

**March 6<sup>th</sup>, 2018**

**ITEM #**





# AGENDA



- Overview
- Stakeholder Input
- Financial Policies
- Fee Code Changes
  - Dedicated Funds Restructuring
  - Creation of Reserve Fund
  - New Fee Schedule & New Single Family Fees



# OVERVIEW



- 2010 – Created Enterprise Fund
- 2014 – New PDS Department/ Organizational Changes
- 2015 – Fee Study, Process Improvements
- 2016 – Accela Implementation
- 2017 - Stakeholder Engagement

# STAKEHOLDER INPUT



- Development Customers
  - MBA– Pierce County
- Business Owners
- Residents/Visitors
- City Staff





# FINANCIAL POLICIES



- Financial Principles
- Expenditure Controls
- Cost Recovery and Revenues
- Fee Adjustments and Service Levels
- Management of Dedicated Funds
  - Reserve Fund Policies
- Performance Monitoring



# FEE CODE CHANGES



- TMC 2.09 Revisions
  - New Fee Schedule
  - Restructure Dedicated Funds
  - Creation of Reserve Fund
- PDS Fee Schedule
- New Single-family Fees
- Minor Revisions TMC 3.02, TMC 2.19



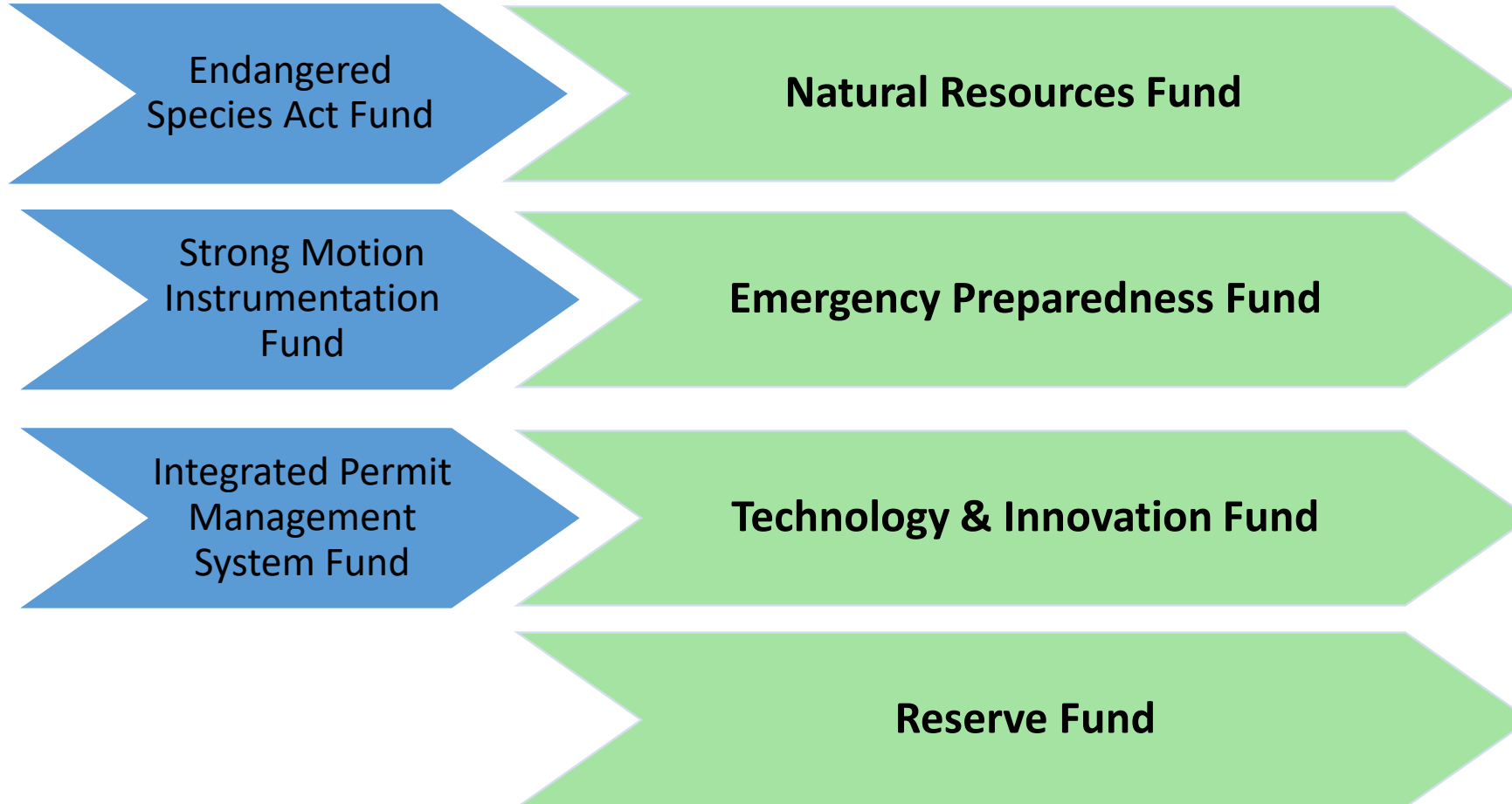
# FUND RESTRUCTURE



## CURRENT FUNDS



## PROPOSED FUNDS



# ● ● ● NEW SINGLE FAMILY FEES – Phase I & II



- New Single Family House – Valuation based
- Building Permit = Phase I: Valuation \* 1.11%
- Phase II: Valuation \* approx. 1.31%
  - Building Review is 45% of Building Permit
  - Site Review is 45% of Building Permit
  - Site Permit is 65% of Building Permit
- Up Next: Fee Examples for New Single Family Homes



# ● ● ● NEW SINGLE FAMILY FEES - Examples



- Phase I: Valuation \* 1.11%
- Phase II: Valuation \* approx. 1.31%

| Residential - New Building                                 |     | SFR @ 2000 SQ FT |         |          |
|--|-----|------------------|---------|----------|
|  | Fee | Current          | Phase I | Phase II |
| Minimum Counter Fee  |     | \$81             | \$138   | \$195    |
| New Permit Fee Multiplier                                  |     |                  | 1.11%   | 1.31%    |
| New Building Permit Fee (includes Plumbing and Mechanical) |     | \$3,299          | \$2,352 | \$2,776  |
| Building Plan Review Fee                                   | 45% | \$302            | \$1,059 | \$1,249  |
| Site Plan Review Fee                                       | 45% | \$0              | \$1,059 | \$1,249  |
| Site Development Permit Fee                                | 65% | \$1,890          | \$1,529 | \$1,805  |
| Total  |     | \$5,491          | \$5,998 | \$7,079  |

\*\*\*Land Use Permit Fees Not Included

# COMPARISON — NEW HOME DEVELOPMENT

## New SFR Project

Includes Permits: Building, Site Development, Driveway, Water Connection (from house to main only), Sewer Connection, Storm Connection, Impact Fees (when applicable)

Excludes: Land Use Permit Fees, Service Utility Connections, New Water and Power Service Installation and Permit Charges from TPU

| Square Footage & Valuation of Project |                 |            |                           |                               |                            | Current Tacoma Fees | Proposed Tacoma Fees Phase I | Proposed Tacoma Fees Phase II | Lakewood Fees | Gig Harbor Fees | Kitsap County Fees | Olympia Fees | Vancouver Fees | King County | Pierce County Fees | Puyallup |
|---------------------------------------|-----------------|------------|---------------------------|-------------------------------|----------------------------|---------------------|------------------------------|-------------------------------|---------------|-----------------|--------------------|--------------|----------------|-------------|--------------------|----------|
| Living Area                           | Attached Garage | Total SQFT | Valuation for Living Area | Valuation for Attached Garage | Total Calculated Valuation | Total Current Fees  | Total Proposed SFR Fees      | Total Proposed SFR Fees       |               |                 |                    |              |                |             |                    |          |
| 1200                                  | 300             | 1500       | 139,380                   | 14,468                        | 153,848                    | \$4,741             | \$4,355                      | \$5,139                       | \$8,848       | \$29,298        | \$9,994            | \$33,280     | \$17,353       | \$19,051    | \$19,838           | \$19,467 |
| 1475                                  | 300             | 1775       | 171,321                   | 14,468                        | 185,789                    | \$5,060             | \$5,259                      | \$6,206                       | \$9,223       | \$29,728        | \$10,544           | \$33,684     | \$18,182       | \$19,339    | \$19,870           | \$19,756 |
| 1600                                  | 300             | 1900       | 185,840                   | 14,468                        | 200,308                    | \$5,206             | \$5,670                      | \$6,691                       | \$9,393       | \$29,936        | \$10,794           | \$33,866     | \$18,559       | \$19,471    | \$20,392           | \$19,927 |
| 1900                                  | 300             | 2200       | 220,685                   | 14,468                        | 235,153                    | \$5,554             | \$6,656                      | \$7,855                       | \$9,801       | \$30,411        | \$11,394           | \$34,309     | \$19,464       | \$19,786    | \$20,505           | \$20,243 |
| 2000                                  | 300             | 2300       | 232,300                   | 14,468                        | 246,768                    | \$5,839             | \$6,985                      | \$8,243                       | \$9,938       | \$30,574        | \$11,594           | \$34,465     | \$19,766       | \$19,891    | \$20,566           | \$20,348 |
| 2200                                  | 300             | 2500       | 319,413                   | 14,468                        | 333,880                    | \$6,710             | \$9,450                      | \$11,153                      | \$10,210      | \$30,886        | \$11,994           | \$35,382     | \$20,369       | \$20,101    | \$20,936           | \$20,599 |
| 2400                                  | 300             | 2700       | 348,450                   | 14,468                        | 362,918                    | \$7,001             | \$10,272                     | \$12,123                      | \$10,482      | \$31,213        | \$12,395           | \$35,415     | \$20,972       | \$20,311    | \$21,368           | \$20,809 |
| 2500                                  | 400             | 2900       | 362,969                   | 19,290                        | 382,259                    | \$7,194             | \$10,820                     | \$12,769                      | \$10,673      | \$31,421        | \$12,674           | \$35,520     | \$21,393       | \$20,521    | \$21,491           | \$20,956 |



# NEW SINGLE FAMILY FEES

- Alterations & Stand Alone Trade Permits
- Building Permit Multipliers:
  - Phase I 2.81%
  - Phase II approx. 3.31%
- Up Next: Fee Examples for Residential Alterations and Stand Alone Trade Permits

# NEW SINGLE FAMILY FEES - Examples

| Residential - Additions and Alteration                 |     | Remodel @ \$20k |         |          | Remodel @ \$30k |          |          | Addition @ \$30k |         |          |
|--|-----|-----------------|---------|----------|-----------------|----------|----------|------------------|---------|----------|
| (2018 CPI Updated 1/29/18)                             | Fee | Current         | Phase I | Phase II | Current         | Phase I  | Phase II | Current          | Phase I | Phase II |
| Minimum Counter Fee                                    |     | \$81            | \$138   | \$194    | \$81            | \$138    | \$194    | \$81             | \$138   | \$194    |
| New Permit Fee Multiplier                              |     |                 | 2.81%   | 3.31%    |                 | 2.81%    | 3.31%    |                  | 2.81%   | 3.31%    |
| Building Permit Fee (includes Plumbing and Mechanical) |     | \$551           | \$562   | \$662    | \$754           | \$843    | \$993    | \$754            | \$843   | \$993    |
| Building Plan Review Fee                               | 45% | \$116           | \$253   | \$298    | \$166           | \$379.35 | \$447    | \$166            | \$379   | \$447    |
| Site Plan Review Fee (Additions Only)                  | 45% | n/a             | n/a     | n/a      | \$0             | n/a      | n/a      | \$0              | \$379   | \$447    |
| Site Development Permit Fee (Additions Only)           | 65% | n/a             | n/a     | n/a      | \$0             | n/a      | n/a      | \$0              | \$548   | \$645.45 |
| Total  |     | \$667           | \$815   | \$960    | \$920           | \$1,222  | \$1,440  | \$920            | \$2,150 | \$2,532  |

| Standalone* Mechanical and Plumbing |  | Plumb or Mech @ \$500 |         |          | Plumb or Mech @ \$15,000 |         |          |
|-------------------------------------|--|-----------------------|---------|----------|--------------------------|---------|----------|
| (2018 CPI Updated 1/29/18)          |  | Current               | Phase I | Phase II | Current                  | Phase I | Phase II |
| New Permit Fee Multiplier           |  |                       | Min Fee | Min Fee  |                          | 2.81%   | 3.31%    |
| Plumbing Permit Fee                 |  | \$110                 | \$138   | \$194    | # of Fixtures            | \$422   | \$497    |
| Mechanical Permit Fee               |  | \$126**               | \$138   | \$194    | \$126**                  | \$422   | \$497    |

\*Standalone Permits are not associated with a new building or alteration permit.

\*\*Additional \$110 if gas unit

\*\*\*Land Use Permit Fees Not Included

# ● ● ● LEVEL-OF-SERVICES (LOS)



## Agreement with MBA

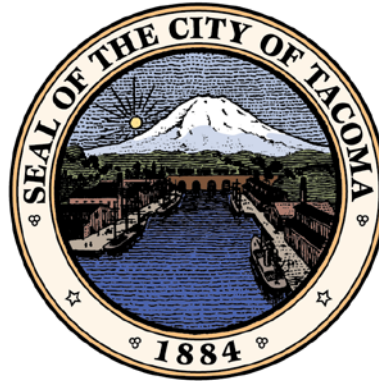
| Permit Type                  | First Review | Add'l Reviews | Percent Required |
|------------------------------|--------------|---------------|------------------|
|                              | in Days      | in Days       | to Meet LOS      |
| New Single Family            | 24           | 20            | 80%              |
| Residential Addition/Remodel | 16           | 14            | 80%              |
| Residential Demo             | 14           | 14            | 80%              |
| Residential Plumbing         | 6            | 6             | 80%              |
| Residential Mechanical       | 6            | 6             | 80%              |



# SCHEDULE



- April 3<sup>rd</sup>                      City Council Study Session  
First Reading of Ordinance
- April 10<sup>th</sup>                    Second Reading of Ordinance  
Fee Schedule Resolution



# Permit Fee Code Modifications

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**March 6<sup>th</sup>, 2018**

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