AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

AgendaTitle:
Public Hearing; Gunnison County Plan Review Fees; Resolution; Amending Resolution No. 11-16 to Revise the Calculation of Building Permit Plan Review Fees

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:
A proposed resolution to change the way plan review fees are calculated on building permits, from an hourly rate to a percentage of the building permit fee.

Fiscal Impact:

Submitted by: Crystal Lambert **Submitter's Email Address:** clambert@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:

I agree with the fee structure identified in the resolution.

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 3/16/2015

County Attorney Review: (●) Required ( ) Not Required

Comments:

Reviewed by: GUNCOUNTY1\atrezise Discharge Date: 3/16/2015 Certificate of Insurance Required Yes ( ) No (●)

County Manager Review:

Comments:

Reviewed by: GUNCOUNTY1\mbirnie Discharge Date: 3/17/2015

( ) Consent Agenda (●) Regular Agenda ( ) Worksession Time Allotted: 15 minutes

Agenda Date: 4/7/2015 Follow Up Agenda Date:

Revised April 2013

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

RESOLUTION NO: 15-___

A RESOLUTION AMENDING RESOLUTION NO. 11-16 TO REVISE THE CALCULATION OF BUILDING PERMIT PLAN REVIEW FEES

WHEREAS, on April 19, 2011 the Board of County Commissioners of the County of Gunnison, Colorado (herein the "Board") adopted the 2009 Editions of the "International Building Code", the "International Residential Code for One and Two Family Dwellings", the "International Energy Conservation Code", the "Fuel Gas Code" and the "International Mechanical Code" and amendments thereto through Resolution No: 11-16; and

WHEREAS, Resolution No: 11-16 is recorded in the records of the Office of the Clerk and Recorder of Gunnison County, Colorado on April 27, 2011, bearing Reception No. 604948; and

WHEREAS, Resolution No: 11-16, Appendix A, AMENDMENTS TO 2009 INTERNATIONAL BUILDING CODE, Section 109.5.2 Plan review fees currently states:

> "A plan review fee shall be paid to cover the cost of review by Gunnison County Community Development Department at a rate of $42.00 per hour, to verify the code compliance requirements of the building or structure proposed in the application. If an independent plan review is required by the Building Official, the actual cost of such review along with reasonable costs of administration will be charged. When the submittal documents are incomplete or changed so as to require additional plan review an additional plan review fee shall be charged", and

WHEREAS, Resolution No: 11-16, Appendix B, AMENDMENTS TO 2009 INTERNATIONAL RESIDENTIAL CODE, Section R108.4.2 Plan review fees currently states:

> "A plan review fee shall be paid to cover the cost of review by Gunnison County Community Development Department at a rate of $42.00 per hour, to verify the code compliance requirements of the building or structure proposed in the application. If an independent plan review is required by the Building Official, the actual cost of such review along with reasonable costs of administration will be charged. When the submittal documents are incomplete or changed so as to require additional plan review an additional plan review fee shall be charged.
>
> No plan review fee shall be assessed on a single-family residential dwelling of

less than 2000 square feet of floor area, excluding garages, so long as, in the opinion of the Building Official, the dwelling does not deviate from conventional framing practices or conventional log wall construction", and

WHEREAS, the current cost fee structure does not pay for the cost of conducting plan reviews and inspections; and

WHEREAS, the Board understands that a plan review fee calculated as a percentage of the building permit fee is the calculation method utilized by adjacent and similar jurisdictions and would provide the customer with a consistent and fair fee; and

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Gunnison County, Colorado that:

1. Resolution No: 11-16, Appendix A, AMENDMENTS TO 2009 INTERNATIONAL BUILDING CODE, Section 109.5.2 Plan review fees shall be and hereby is amended as follows:

   "A plan review fee shall be paid to cover the cost of review by Gunnison County Community Development Department. The plan review fee shall be 65% of the building permit fee. Additional plan review required by changes, additions or revisions to plans shall be charged a fee of $150.00 and review time beyond two hours shall be assessed at a rate of $100 per hour. If an independent plan review is required by the Building Official, the actual cost of such review along with administrative costs assessed at a rate of $75.00 per hour will be charged."

2. Resolution No: 11-16, Appendix B, AMENDMENTS TO 2009 INTERNATIONAL RESIDENTIAL CODE, Section R108.4.2 Plan review fees shall be and hereby is amended as follows:

   "A plan review fee shall be paid to cover the cost of review by Gunnison County Community Development Department. The plan review fee shall be 30% of the building permit fee. Additional plan review required by changes, additions or revisions to plans shall be charged a fee of $150.00 and review time beyond two hours shall be assessed at a rate of $100 per hour. If an independent plan review is required by the Building Official, the actual cost of such review along with administrative costs assessed at a rate of $75.00 per hour will be charged."

INTRODUCED by Commissioner_____, seconded by Commissioner _____, and adopted this ____ day of _____, 2015.

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

By _____
Paula Swenson, Chairperson

By _____
Phil Chamberland, Vice Chairperson

By _____
Jonathan Houck, Commissioner

ATTEST:

_____
Deputy County Clerk

Gunnison County Community
Development Department
Offices of Planning, Building and Environmental Health
221 N. Wisconsin St., Ste. D
Gunnison, CO 81230
Phone: (970) 641-0360 Fax: (970)641-8585

April 7, 2015

TO: **Board of County Commissioners**
Matthew Birnie, County Manager
David Baumgarten, County Attorney
Russ Forrest, Community Development Director

FROM: **Crystal Lambert, Building Official**

SUBJECT: **Plan Review Fee**

A. PURPOSE:

The purpose of this item is to follow-up on direction received by the Board of County Commissioners on December 2nd, 2014. Staff is proposing an increase in plan review fees to reduce our operational net cost.

B. BACKGROUND:

For 2014, the projected total cost for the development and review process is $544,404 and the projected total revenue is $228,098. The projected net cost is $316,306. It should also be acknowledged that Community Development has reduced its cost over the last two years by approximately $100,000 through staff reorganization and other cost reductions. In reviewing costs and revenue compared to other jurisdictions, staff believes that we are charging significantly less than the actual cost as it relates to plan reviews for building permits.

C. CURRENT PLAN REVIEW FEES:

Gunnison County Resolution No: 11-16 states that a plan review fee shall be paid to cover the cost of review by Gunnison County Community Development Department at a rate of $42.00 per hour, to verify the code compliance requirements of the building or structure proposed in the application.

Staff has concluded that tracking hourly time for an application understates the full cost of administering the development and review process and is not the common practice when compared to other jurisdictions.

Below is a survey of the plan review fees assessed by nearby jurisdictions and similar jurisdictions.

Jurisdiction	Plan Review Fees Assessed
City of Gunnison	30% of building permit fee for residential & 65% for commercial
Pitkin County	65% of building permit fee (residential & commercial)
Eagle County	65% of building permit fee (residential & commercial)
Routt County	65% of building permit fee (residential & commercial)
Park County	$50 plan check fee
Fremont County	65% of building permit fee (residential & commercial)
Chaffee County	$250.00 plan check fee
Montrose County	65% of building permit fee (residential & commercial)

Gunnison County	Currently $42 per hour

Changing the plan review fee that is assessed on building permit applications from an hourly rate, which has proven difficult to accurately track, to a percentage of the building permit fee may successfully cover the actual cost to process and review applications and provide the customer with a consistent and fair fee and is also more consistent with the other municipalities in Gunnison County and around the state.

Below is an example of current building permit fees and the workforce housing linkage fees, based upon a range of square footages, for a single-family residence. The plan check fee is calculated at 30 percent of the building permit fee.

Square Feet	BP Fee	Workforce Housing Linkage Fee	Current Plan Review Fee-Typical	Total-Using Current Fees	Plan Review Fee-Based on 30% of BP Fee	Total-Including Plan Review Fee Based on 30% of BP Fee
1,500	$1,498.68	$480.61	$0	$1,979.29	$449.60	$2,428.89
2,200	$2,041.94	$1,185.53	$84	$3,311.47	$612.58	$3,840.05
3,500	$3,055.32	$5,546.23	$126	$8,727.55	$916.60	$9,518.15
5,000	$4,111.00	$10,987.23	$168	$15,266.23	$1,233.30	$16,331.53

Below is an example of current building permit fees and the workforce housing linkage fees, based upon a range of commercial building types, all 2,000 square feet. The plan check fee is calculated at 65 percent of the building permit fee.

Type of Use (all 2,000SF)	BP Fee	Workforce Housing Linkage Fee	Current Plan Review Fee-Typical	Total-Using Current Fees	Plan Review Fee-Based on 65% of BP Fee	Total-Including Plan Review Fee Based on 65% of BP Fee
Restaurant	$2,170.52	$3,570	$210	$5,950.52	$1,410.84	$7,151.36
Office	$2,042.56	$3,570	$210	$5,822.56	$1,327.66	$6,940.22
Factory	$1,234.20	$3,570	$210	$5,014.20	$802.23	$5,606.43
Storage	$1,126.40	$3,570	$210	$4,906.40	$732.16	$5,428.56
Motel	$1,742.96	$3,570	$210	$5,522.96	$1,132.92	$6,445.88

The two plan review fee examples above, 30% for residential and 65% for commercial, match the plan review fees assessed by the City of Gunnison.

A plan review fee of 30% for residential projects and 65% for commercial projects would provide an estimated annual additional revenue increase of $45,000, based upon 2014 building permit data. A 65% plan review fee applied to both residential and commercial projects would provide an estimated annual additional revenue increase of $85,000. Simple projects such as decks, barns, sheds, etc. have been excluded from the example.

D. STAFF RECOMMENDATION

Staff is proposing that the residential plan review fee be assessed at 30% of the building permit fee for residential projects and 65% of the building permit fee for commercial projects. In addition, staff is proposing that additional plan reviews required by additions or revisions to previously approved plans be charged a fee of $150.00 and review time beyond two hours be assessed at a rate of $100 per hour. The proposed resolution details the items recommended by staff.