

Proposed Development Fee Changes

FY2021

CITY COUNCIL BUDGET WORKSHOP

September 3, 2020

Purpose

- Review proposed FY21 **development fee changes**, effective October 1, 2020 and April 1, 2021, per consensus with Development Advisory Committee and Real Estate Council.
- Respond to **questions and comments** prior to City Council action on fee M&Cs scheduled for September 15 and 22.

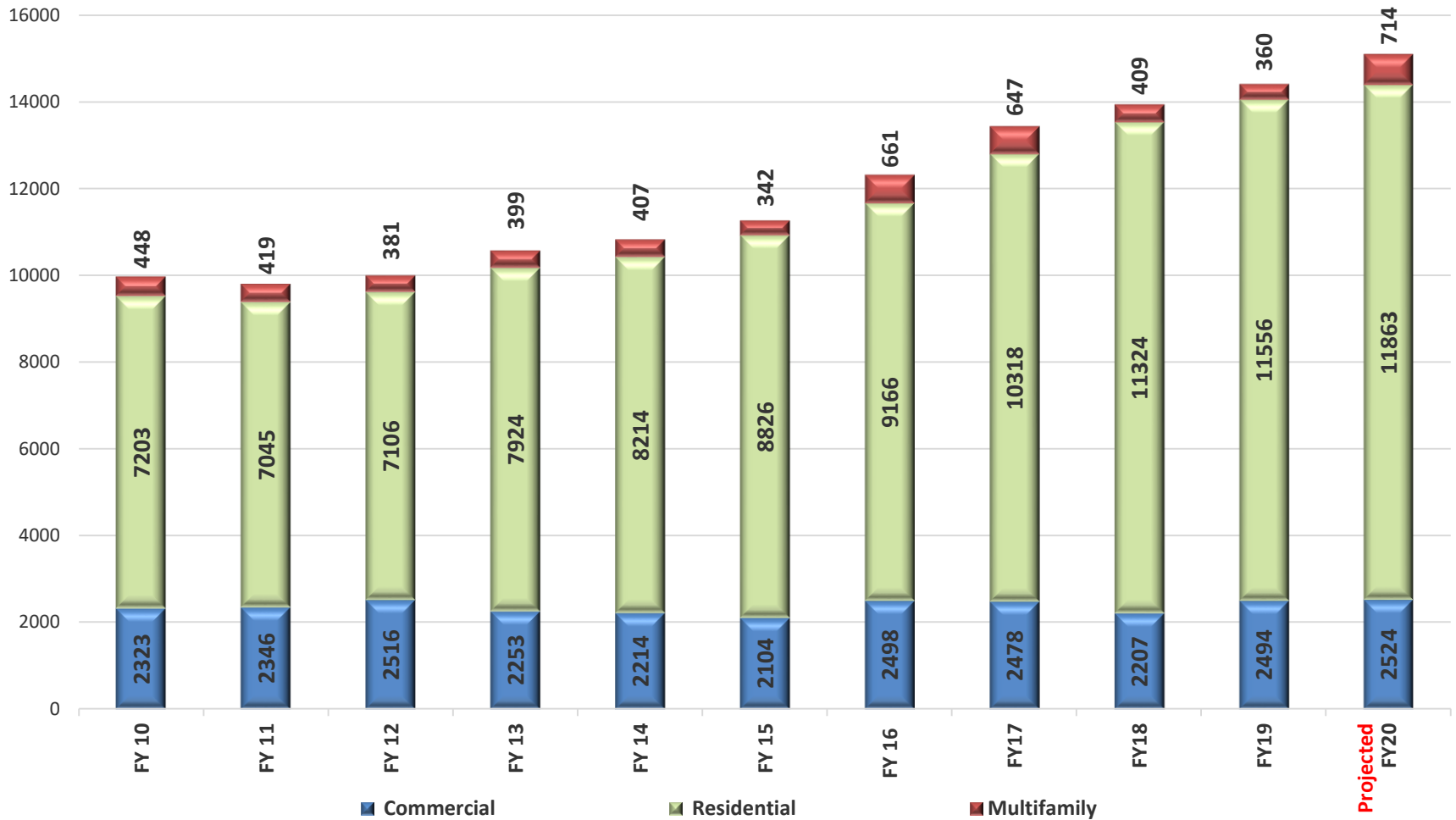
Fee Review Process

- Fees are reviewed biennially
- Fee analysis
 - Fees are recuperated at the department level vs. section or function level
 - Benchmark with Texas peer cities and stay within median
 - Development fees pay for development services
- Presented financial and fee data to DAC and REC starting January 2020
 - Discussed/negotiated analysis and resource availability
 - Reached consensus on fees and deferral of majority of fees to April 1, 2021

Why Propose Fee Increases in FY21?

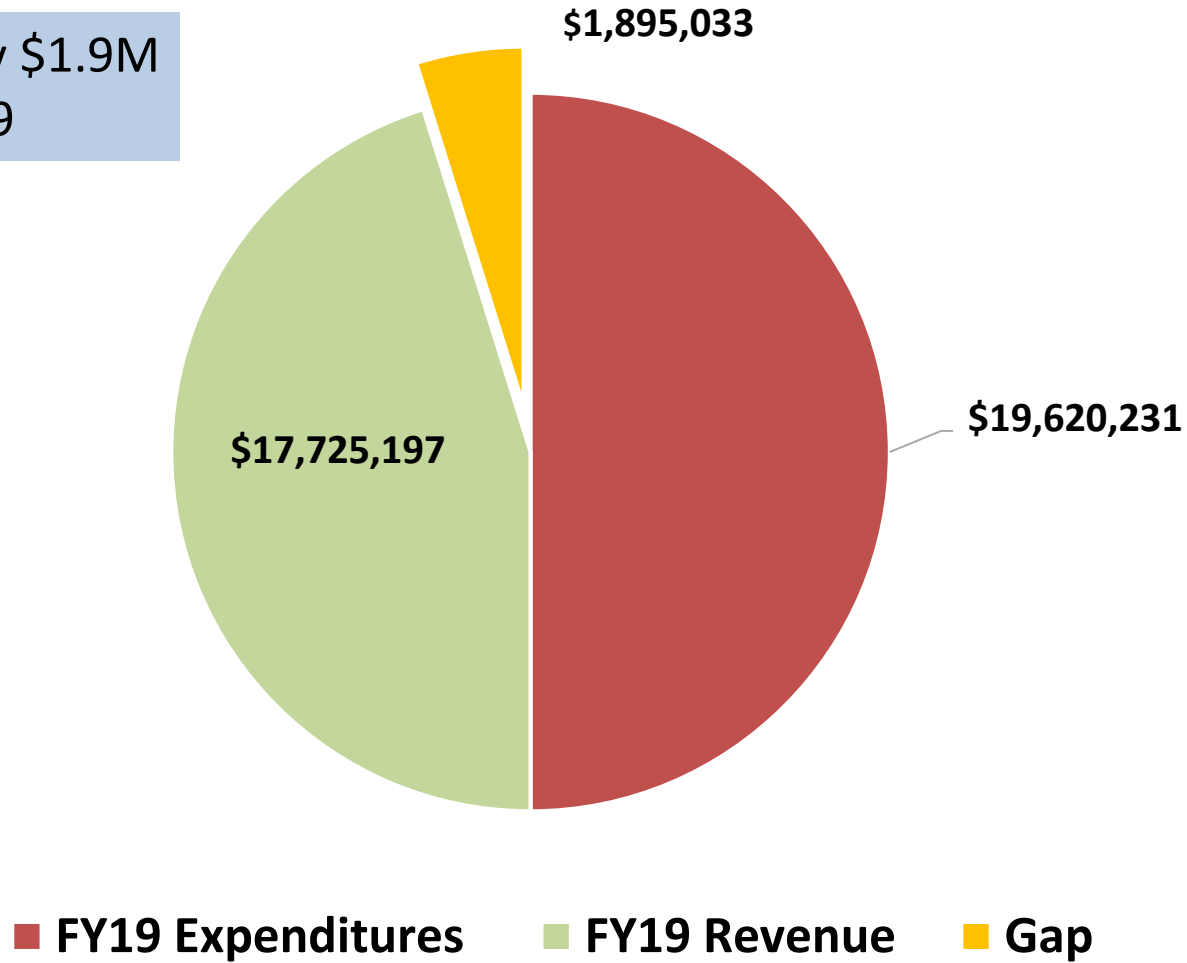
- Development activity and demand for service have remained steady despite COVID
- Expenditures continue to exceed revenue
 - TPW staff merge has widened gap
- DAC prefers higher fees over cuts in services and delays
- We review fees every two years and proposed fees are still competitive with peer cities
- Fees are deferred until April 1, 2021 to address potential COVID downturn

Permit Activity, FY10-FY20



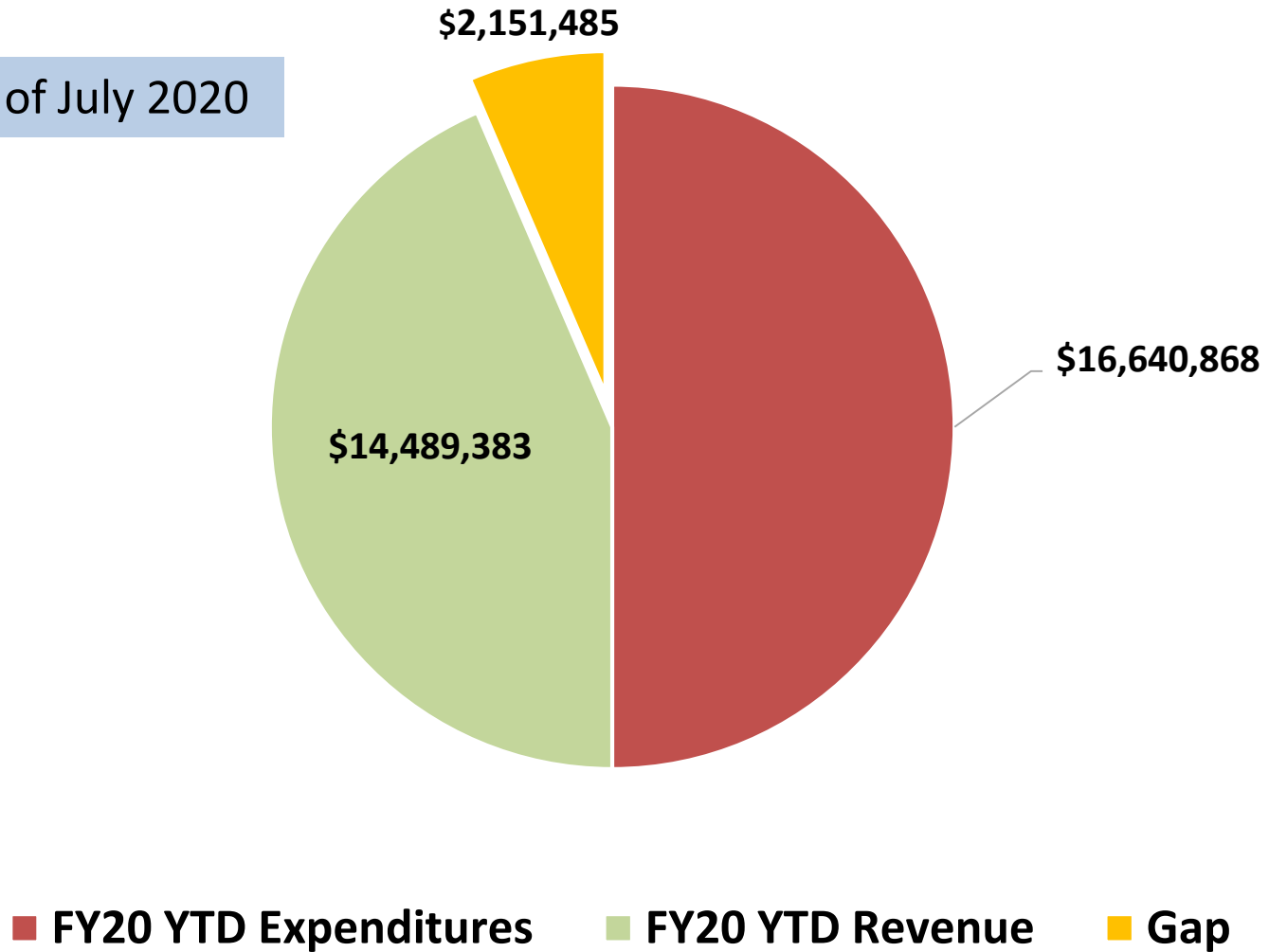
FY19 Actuals

Approximately \$1.9M
gap for FY2019



FY20 Year to Date

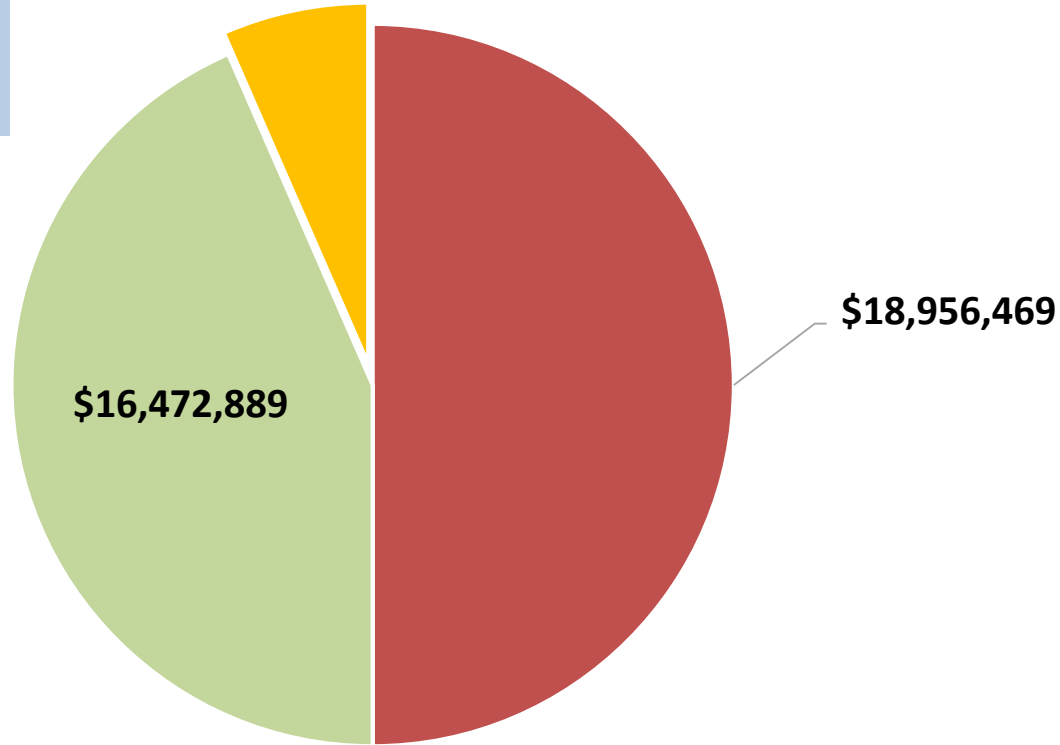
YTD as of July 2020



Projected for FY21

\$2,483,580

\$2.48M gap without fee increase



■ **FY21 Expenditure Budget**

■ **FY21 Projected Revenue**

■ **Gap**

Revenue from Fee Increases Effective in Second Half of FY21 =
\$1,556,891

Proposed Fee Increases

- Building Permits
 - Have not been increased since 2006
- Credit Access Business Fee
- Infrastructure Plan Review
- Zoning
- Permanent Encroachments
- Urban Forestry
- Technology Fee



Proposed Fees Effective October 1st M&C on September 15 Council Agenda

Building Permits		
Fee Name	Proposed Fee	Description of Change
Sexually Oriented Businesses Application	\$1,000	Increase of \$300 per application
Sexually Oriented Business Renewal	\$1,000	Increase of \$500 per renewal
Building Permit – 2 nd Addition and Revisions	\$100	New Fee
Building Permit – 3 rd and 4 th Additions and Revisions	\$200	New Fee
Building Permit – 5 th Revision and Up	\$300	New Fee
Building Permit – Third Party Plan Revisions	\$35	Increase of \$2 per hour
Technology Fee	\$15	Increase of \$10 per application

Proposed Fees Effective April 1st

M&C on September 22 Council agenda

Building Permits

Fee Name	Proposed Fee	Description of Change
Credit Access Business	\$100 application and renewal	New
Building Permit	Variable	12% increase
Ordinance Inspection	\$50	Increase of \$20

Zoning

Fee Name	Proposed Fee	Description of Change
Zoning Change, < 1 acre	\$1,200	NO CHANGE
Zoning Change, 1-5 acres	\$1,800	Increase of \$300
Zoning Change, 5.01-10 acres	\$2,700	Increase of \$900
Zoning Change, 10.01-25 acres	\$3,300	Increase of \$1,100
Zoning Change, 25.01 acres or more (base fee)	\$3,300	Increase of \$1,100
Zoning Change, 25.01 acres or more (per acre additional fee not to exceed \$9,000)	\$75	Increase of \$25

Proposed Fees Effective April 1st

Zoning (cont.)

Fee Name	Proposed Fee	Description of Change
Planned Development (PD) or Conditional Use Permit (CUP), 0-5 acres	\$1,200 plus Zoning Change Fee	Increase of \$400
PD or CUP, 5.01-10 acres	\$2,700 plus Zoning Change Fee	Increase of \$1,900
PD or CUP, 10.01 acres or more (base fee)	\$3,300 plus Zoning Change Fee	Increase of \$2,500
PD or CUP 10.01 acres or more (per acre additional fee not to exceed \$9,000)	\$75	New
PD and CUP Waivers or Additional Conditions (average 7 waivers per PD)	\$750 for any amount of waivers	New
Urban Forestry Phased Project (base fee first 5 acres)	\$250	New
Urban Forestry Phased Project (per acre additional)	\$15	New

Proposed Fees Effective April 1st

Infrastructure Plan Review and Development Coordination

Fee Name	Proposed Fee	Description of Change
IPRC Design Review: Cost Per Design Page	\$387	\$75 increase
Transportation Impact Analysis	\$1,000	New
Drainage Study Review	\$1,250 + \$10 per acre over 1 acre	New
IPRC Pre/Post Submittal Conference	\$1,000	New
Permanent Encroachment: Application	\$700	\$200
Permanent Encroachment: Footage for ROW	\$2	\$0.56 increase
TPW/CFA Inspection Fee	\$250	\$5

Next Steps

- September 15 City Council vote on fee M&C for fees effective October 1, 2020
- September 22 City Council vote on fee M&C for fees effective April 1, 2021
Notice on City website and City News

Questions?