



Audit, Finance & Enterprise Committee Report

Date: April 14, 2016
To: Audit, Finance & Enterprise Committee
Through: Kari Kent, Assistant City Manager
From: Christine Zielonka, Development Services Director
Chase Carlile, Fiscal Analyst, Development Service Department
Subject: Proposed Changes to the Fee Schedule for the Development Services Department FY 2016/17 (Citywide)

Strategic Initiatives



Purpose and Recommendation

The purpose of this report is to recommend modifications to fees charged by the Development Services Department (DSD) for Fiscal Year (FY) 2016/17.

Background

DSD consists of three areas: Planning, Development Services (permitting, Civil and Building Plan Review and Building Inspections), and Code Compliance. DSD charges various fees for services related to the land development process in the areas of Planning and Development Services. Fees and fines are also assessed by the Code Compliance section for violation of the Zoning, Nuisance Codes and Building Codes. All fees are reviewed annually to insure they are aligned with the cost of providing the service, or, in the case of Code penalties, are proportionate to the violation. For FY 2016/2017, no changes are proposed for Code Compliance.

Discussion

PLANNING

The Department is not proposing any changes to the amount of any of the Planning Division's fees and charges. DSD is proposing clerical updates to some of the fee schedules.

DEVELOPMENT SERVICES

DSD proposes the following changes to the Development Services fee schedules:

1. Removal of the oversized drawings fee: With the launch of electronic plan

submittal, the Department is anticipating that fewer oversized drawings (i.e. larger than the standard 24" x 36" sheets) will be submitted, and proposes that the fee be removed. The expected fiscal impact of this change is projected to be a reduction in revenue of approximately \$1,800 in FY 2016/17.

2. Removal of the following from the miscellaneous permits, services and fees schedule:
 - a. Sign Insignia I.D. Tag: This fee is a remnant of an old inspection process no longer used by the City. The fee has not been charged for several years and DSD proposes eliminating the fee from the schedule. There is no anticipated fiscal impact.
 - b. Demolition of Pools: DSD proposes eliminating the pool demolition fee. This fee is redundant as the fee for a permit to demolish a pool is equal to a regular demolition permit (\$110.00). In the future, customers will be assessed a demolition permit fee to remove a swimming pool. Fiscal impact: \$0.00.
3. Interior Rental Inspection Repair Verification: DSD is proposing a new \$180 per dwelling unit "Interior Rental Inspection Repair Verification" fee under the Miscellaneous schedule to cover the cost of inspecting improvements made to unsafe residential structures. The amount of this fee covers the cost of staff time and equipment usage of a building inspector. Currently the Department does not charge for the follow-up inspection, which is inconsistent with the inspection charges for all other types of building permits and adds transparency for our customers. The fiscal impact of this clarification is anticipated to be approximately \$22,500.
4. DSD is also recommending modifying both the Mesa City Code at Section 5-13-2 and the associated fee schedule regarding the Solid Waste Residential Development Fee to exclude multi-family residential units of five (5) or more units, consistent with recently enacted Arizona State law. The anticipated impact is a reduction in revenue of \$62,000 for the Environmental and Sustainability Department. The fee is included with the Development Services Fee Schedule as it is collected as part of the residential development process.

Alternatives

Alternatives to the recommended fee modifications could include increasing, decreasing or making no changes to the various fees.

Fiscal Impact

If the fee modifications recommended under by the Development Services Department are not implemented it would make the relationship to the actual cost of providing the services less accurate.

Total estimated FY16/17 fiscal impact for Planning is \$0.

Total estimated FY16/17 fiscal impact for Development Services is \$20,700.

Total estimated FY16/17 fiscal impact Environmental and Sustainability is (\$62,000).

Fee Recommendation Schedule

Department: ~~Development & Sustainability~~ Development Services
Planning
Proposed Changes to Fees and Charges

Document of Change: Resolution

Description of Services:	Current Fee/Charge	Unit	Proposed Fee/Charge	Date Last Revised	16/17 Fiscal Impact	Notes
PLANNING SERVICES FEES:						
Annexation:						
Application Fee	\$1,300.00	plus \$130 for each additional lot/parcel		07/01/08		
Annexation Equity Fee	Shall equal the sum of adding all the Mesa Development Impact Fees (Parks, Library, Fire, Public Safety, Storm Water, Solid Waste Residential Development Tax Fee), except Water and Waste Water, that would be imposed if the existing development on the annexing property were presently occurring within the City. This sum shall be based on the fees in effect as of the date the annexation petitions are released.			07/01/13		Per Ordinance 5305

Plus Transaction Privilege (Sales) Tax, where applicable

Fee Recommendation Schedule

**Department: ~~Development & Sustainability~~ Development Services
Proposed Changes to Fees and Charges**

Document of Change: Resolution

Description of Services:	Current Fee/Charge	Unit	Proposed Fee/Charge	Date Last Revised	16/17 Fiscal Impact	Notes
RESIDENTIAL SECTOR:						
ON-SITE LANDSCAPING PLANS AND DETAILS				07/01/10		
	Up to 24" x 36" sheets		Larger than 24" x 36" sheets			
	\$390.00	sheet	\$585.00	sheet		Transitioning to electronic plans submittal
CIVIL ENGINEERING RATE TABLE:				07/01/10		
Cover Sheets; Single Public Utility Plan/Profiles; Dual Public Utility Plan/Profiles; Grading/Site Plans and Details;	Up to 24" x 36" sheets		Larger than 24" x 36" sheets			
R-O-W Landscaping Plans and Details; Street Lighting/Traffic Signal Plans and Details; Street Improvement Plan/Profiles and Details	\$710.00	sheet	\$1,065.00	sheet		
Combination Street Improvement and Utility Plan/Profiles and	\$1,840.00	sheet	\$2,760.00	sheet		
For civil engineering work that does not require the submission of drawings, the Civil Engineering Fee shall be \$320.00						
COMMERCIAL SECTOR:						
ON-SITE LANDSCAPING PLANS AND DETAILS				07/01/10		
	Up to 24" x36" sheets		Larger than 24" x 36" sheets			
	\$390.00	sheet	\$585.00	sheet		
CIVIL ENGINEERING RATE TABLE:				07/01/10		
Cover Sheets; Single Public Utility Plan/Profiles; Dual Public Utility Plan/Profiles; Grading/Site Plans and Details;	Up to 24" x 36" sheets		Larger than 24" x 36" sheets			
R-O-W Landscaping Plans and Details; Street Lighting/Traffic Signal Plans and Details; Street Improvement Plan/Profiles and Details	\$710.00	sheet	\$1,065.00	sheet		
Combination Street Improvement and Utility Plan/Profiles and	\$1,840.00	sheet	\$2,760.00	sheet		
For civil engineering work that does not require the submission of drawings, the Civil Engineering Fee shall be \$320.00.						
MISCELLANEOUS PERMITS, SERVICES AND FEES:				07/01/07		
Sign Permits:						
Sign permits shall be charged in addition to applicable Building and Civil Engineering Permits.						
Base Sign Permits	\$102.40					
	+3% (0.03) of sign valuation					
	+\$.30/sq. ft. of sign area					
Electrical For Signs	\$18.25	each				
Sign Insignia I.D. Tag	\$1.35	each				
Plus Transaction Privilege (Sales) Tax, where applicable					\$0	Fee is no longer being charged

Fee Recommendation Schedule

Department: **Development & Sustainability Development Services** Proposed Changes to Fees and Charges

Document of Change: Resolution

Description of Services:	Current Fee/Charge	Unit	Proposed Fee/Charge	Date Last Revised	16/17 Fiscal Impact	Notes
Oversized Drawings: Building permit drawings submitted on larger than 24" x 36" sheets shall be subject to a premium of \$200.00 per sheet, as applicable, except for projects submitted electronically. Oversized civil engineering drawings are subject to a premium as shown in the rate table.					\$ (1,800.00)	Transitioning to electronic plans submittal
Other Miscellaneous Fees:						
Residential Swimming Pools and in ground Spas (all inclusive)	\$330.00	each		07/01/08		
Above Ground Spas (all inclusive)	\$300.00	each		07/01/15		
House Moving	\$110.00	each				
Demolition (no fee required for condemnation)	\$110.00	each				
Temporary Electrical Service	\$200.00	each		07/01/15		
Re-Inspections	\$110.00	inspection trip				
After-Hours Inspections at Night or Weekends (2 hour minimum)	\$110.00	hour		07/01/11		
Damage Repair Inspection Fee (in additional to repair permit) (number of inspection trips determined by the Building Inspector in conjunction with the damage inspection process)	\$110.00	inspection trip		07/01/08		
After Hours Work Permit	\$110.00	each		07/01/15		
Code Modification (Includes 1 hour of review)	\$250.00	each		07/01/07		
Additional review time at \$110 per hour	\$110.00	hour		07/01/15		
Code Studies	\$90.00	hour		07/01/08		
Desert Uplands Temporary Residential Fence Permit	\$110.00	inspection				
Building Board of Appeals Owner/Builder of a Single Residence only (Code Appeals)	\$0.00	appeal		07/01/12		
Building Board of Appeals (Condemnation Appeals)	\$110.00	appeal		07/01/08		
Building Board of Appeals (All Other Appeals)	\$220.00	appeal		07/01/12		
Arizona Department of Health Services (ADHS): City Authority Clearance Form	\$110.00	each		07/01/15		
Demolition of Pools	\$110.00	each		07/01/08		Same as Demolition fee above
Holiday Sales Lots	\$200.00	each		07/01/15		
with Temporary Electrical Service (additional fee)	\$110.00	each				
with Night Watchman Quarter (additional fee)	\$110.00	each				
Model Home Complex (Building Permit-In Addition to Use)	\$200.00	each		07/01/15		
Construction Trailer	\$110.00	each				
Construction Storage Unit	\$110.00	each				
Customer Generated Refund Requests	\$90.00	per hour		07/01/11		
INTERIOR RENTAL INSPECTION REPAIR VERIFICATION FEE	\$180.00	DWELLING UNIT			\$ 22,500	Fee broken out to clarify rental dwelling

Plus Transaction Privilege (Sales) Tax, where applicable

Fee Recommendation Schedule

Department: **Development & Sustainability Development Services**
Proposed Changes to Fees and Charges

Document of Change: Resolution

Description of Services:	Current Fee/Charge	Unit	Proposed Fee/Charge	Date Last Revised	16/17 Fiscal Impact	Notes
Solid Waste Residential Development Fee:				07/01/14		
Title 5, Chapter 13, Section 5-13-2 of the Mesa City Code requires the Development and Sustainability Director to levy a Solid Waste Residential Development Fee to defray the cost of providing solid waste services to new residential development as follows:						
Single-Residence (attached & detached)	\$227.00	dwelling unit		07/01/15		
Manufactured Home or Recreational Vehicle	\$62.00	dwelling unit				
Multi-Family Dwelling (two or more units per building)	\$62.00	dwelling unit				
*Excluding apartments of 5 or more units as defined in Ordinance 5305					\$ (62,000)	Per Ordinance 5305
OUTSIDE CITY UTILITY SERVICE REQUESTS:						
CITY SERVICE APPLICATION FEE	\$1,300.00	parcel		7/1/2009		
UTILITY SERVICE FEE				07/01/13		
Shall equal the sum of adding all the Mesa Development Impact Fees (Parks, Library, Fire, Public Safety, Storm Water, Solid Waste Residential Development Tax Fee), except Water and Waste Water, that would be imposed if the existing development on the property were presently occurring within the City. This sum shall be based on the fees in effect as of the date the service connection is requested.						Per Ordinance 5305

Plus Transaction Privilege (Sales) Tax, where applicable