



Fees and Charges Report

Date: June 19, 2023
To: City Council
Through: Natalie Lewis, Deputy City Manager
From: Nana Appiah, Development Services Director
Chase Carlile, Senior Fiscal Analyst
Subject: Development Services Department Update to Schedule of Fees and Charges, Citywide

Purpose and Recommendation

The purpose of this report is to recommend modifications to fees charged by the Development Services Department for fiscal year 2023/24. The Department consists of two areas: Planning, and Development Services (Permitting, Civil and Building Plan Review and Building Inspections).

Background

Various fees are charged for services related to the land development process in Planning and Development Services. Fees are reviewed regularly to ensure they are aligned with the cost of providing the service.

DEVELOPMENT SERVICES

Development Services is proposing the following fee changes:

1. Remove the Partial Certificate of Occupancy

The current Department schedule of fees and charges includes a \$500 fee collected for a partial certificate of occupancy. The City no longer provides this service and does not collect such fees. The department recommends removing this fee from the fee schedule.

Fiscal Impact: \$0.00

2. Increase the Solid Waste Residential Permit fee from \$227 to \$311 per home

Title 5, Chapter 13 of the Mesa City code requires the Development Services Director to levy a Solid Waste Residential Development Fee to recover the cost of providing solid waste services to new residential development.

This fee was last adjusted in 2015. Over the past 7 years the cost of providing this service has increased. The \$84 increase will cover the increased costs and ensure that the City of Mesa is recovering the full cost of this service.

Methodology - The total development cost per new weekly assignment is calculated from the cost of 1.2 Automated Side Loader (ASL) collection vehicles (to ensure a 20% spare ratio) and the cost of barrel set for 3,600 homes. Based on the increased cost of vehicles and materials, the total cost per home has increased by 37% to ensure cost recovery.

Fiscal Impact: \$170,000.00

Additionally, minor text and name changes are proposed to align the fees listed in the fee schedule. This change has no fiscal impact.

Alternatives

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

Fiscal Impact

Total estimated FY 2023/24 fiscal impact for Development Services is \$170,000.

Coordinated With

Development Services coordinated with Solid Waste.

Fees & Charges Schedule – Key

Heading Configuration

<u>Schedule of Fees & Charges</u>
Department
Contact Information
HEADING 1
HEADING 2
<i>Heading 3</i>
Description of Fee
Description of Fee 2

Font Indications

Font	Font Indications
Regular Font	Existing fee or language
Strikethrough	Fee or language will be deleted from the Fee Schedule
BOLD CAPS	Language is being added to Fee Schedule
Bold	New or increased Fee Amount

Schedule of Fees & Charges
Exhibit A – Development Services
Department: Development Services

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Revenue Source Code	Total Fiscal Impact	Notes
<u>MISCELLANEOUS PERMITS, SERVICES AND FEES:</u>						
<u>Use Permits:</u>						
<i>Certificates of Occupancy</i>						
Partial Certificate of Occupancy	\$500.		Each	1101-4299	0	Fee no longer collected
<u>Solid Waste Residential Development Fee</u>	\$227.00	\$311.00	Single-Residence (Attached & Detached)	3008-4304	\$170,000	
<u>SINGLE FAMILY AND DUPLEX DWELLINGS</u>						
Fees: The Building Permit Fee is calculated by applying the Total Valuation to the Residential Rate Table as indicated above. The minimum Building Permit Fee for projects less than \$25,000 is based upon the number of required inspections as determined by the Plans Examiner.						Eliminated language no longer applicable
<i>Miscellaneous Residential Construction (Renovations/Remodeling, Improvements, Accessory Buildings and Factory-Built Building Sets)</i>						
Fees: The Building Permit Fee is calculated by applying the Total Valuation to the Residential Rate Table as indicated above. The minimum Building Permit Fee for projects less than \$25,000 is based upon the number of required inspections as determined by the Plans Examiner.						Eliminated language no longer applicable

<u>NEW MULTI-FAMILY RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL PROJECTS AND ADDITIONS TO EXISTING BUILDINGS</u>						
<i>Valuation</i>						
Valuation=Building Area times the current building valuation data square foot Construction Costs per Square Foot.						Clarified language
<i>Fees</i>						
The Building Permit Fee is calculated by applying the Total Valuation to the Commercial Rate Table. The minimum Building Permit Fee for projects less than \$25,000 is based upon the number of required inspections as determined by the Plans Examiner.						Eliminated language no longer applicable
<i>Miscellaneous Residential Construction (Renovations/Remodeling, Improvements, Accessory Buildings and Factory-Built Building Sites)</i>						
<i>Fees</i>						
The Building Permit Fee is calculated by applying the Total Valuation to the Commercial Rate Table. The minimum Building Permit Fee for projects less than \$25,000 is based upon the number of required inspections as determined by the Plans Examiner.						Eliminated language no longer applicable
<u>OTHER COMMERCIAL</u>						
<i>Stand Alone Permits</i>						
Stand Alone Permits are those that involve separate plumbing, mechanical, electrical, fire protection or other construction work not also requiring a Building Permit or that are not part of a Building Permit.						Clarified language
<i>Fourth and Subsequent Re-submittals of Drawings</i>						Removed language

SPECIAL SERVICES	-					
<i>Expedited Projects</i>						
Expedited service entitles the project to special handling on the initial submittal and two (2) re-submittals. Expedited fees are an additional premium added to and calculated on the Total Permit Fee (Building Permit Fee and Civil Engineering Fee, if any). A deposit equal to 100% (1.00) of the permit application deposit shall be collected with the initial submittal of documents for permit. Expedited premiums shall not be credited toward the associated Building Permit Fee or Civil Engineering Fee. Refer to Mesa City Code Section 4-1-4(K)8. Services, turn-around turnaround times and processing for super-expedited projects shall be as agreed between the applicant and the Development and Sustainability Director.						

Estimated Total Annual Fiscal Impact: \$170,000