

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	April 17, 2023
Action Required:	Approve new Building Permit fee schedule.
Presenter:	Chuck Miller
Staff Contacts:	Chuck Miller James Freas, Director of NDS
Title:	Adopting a new fee schedule for building permits and related fees (2nd reading)

Background

- The city last updated the building permit fee schedule in 2008.
- The existing building permit fee schedule relies on multiple fee calculation methodologies and is confusing as presented. The result is that applicants often submit incorrect fee amounts leading to delays in permit processing.
- The city's current fees are generally low when compared to a sampling of peer communities within the State.
- Enforcement of the Virginia Uniform Statewide Building Code is delegated from the State to the local jurisdiction's building code official. The Virginia Administrative Code (13VAC5-63-70. Section 107) authorizes localities to charge fees to defray the cost of enforcing the Building Code.

Discussion

The Building Permitting and Inspections division of NDS has seen a remarkable improvement over the last six months. After a low point during which building permit plan review was taking as long as 80 days and inspections were being scheduled as much as two weeks in advance, we are now delivering building permits within two weeks of application and scheduling inspections for the very next day (See Attachment #1). Credit here goes to our new Building Code Official, Chuck Miller, who started with the City in August, after the City had experienced more than two years with this position vacant, and the addition of a third building inspector in the FY23 budget. The division is now fully staffed and performance has improved accordingly. From here, our focus is now moving to training and retention so that we can build on and maintain the success we have achieved thus far.

The requested changes to the Building Permit Fee Schedule are intended to do two things. First, the new fee schedule (Attachment #2) is greatly simplified when compared to the current one (Attachment #3) with a single standardized fee calculation methodology and consolidation in the fee categories. This change is an essential part of improving customer service and reducing delays

associated with inaccurate fee submissions.

Second, the proposed fee schedule increases the building permit fees, moving Charlottesville from the low end of peer communities, with a fee structure of .3% of project value, to the higher end, with a proposed .7% of project value. Notably, this change will increase building permit fees, but will mostly lower electric permit fees, which were previously unusually high at 1% of project value. Attachment #4 shows how Charlottesville would compare to other communities based on different possible fee rates using a sample project.

After experiencing a significant low-point in the building permit program, NDS has the goal of being a model building permit agency, offering timely permit review and inspections by qualified staff ensuring the quality of construction in the city and the safety of residents. The new permitting software will launch April 30th, allowing building permits to be submitted from home and for their status to be tracked online. Our objective is for the new permit schedule to go into effect at the same time.

Alignment with City Council's Vision and Strategic Plan

The proposed action aligns most closely with Goal 5: A Well-Managed and Responsive Organization, particularly 5.1: Integrate Effective Business Practices and Strong Fiscal Policies; and 5.3: Provide Responsive Customer Service. It is also important to recognize that the City's building permit review and inspections program strongly promotes Goal 2: A Healthy and Safe City.

Community Engagement

Through flyers posted at the NDS front desk and handed out to contractors, staff have been getting the word out to the construction community. Notice was also sent to organizations representing the development and builder communities.

Budgetary Impact

The proposed new fee schedule will provide additional funding offsetting the cost of enforcing the building code, including plan review and inspections.

Recommendation

Staff recommends approval of the new building permit fee schedule.

Alternatives

Council could not approve the new building permit fee schedule or could propose modifications.

Attachments

1. Attachment 1_Review Time Tracking
2. Attachment 3_Current Fee Schedule
3. Attachment 4_Cost Comparison
4. Attachment 2_Building Inspection Fee Proposal
5. Ordinance_Building Permit Fees