MEMORANDUM

To: Administrative Services Committee

From: Ken Gibb, Community Development Director

Date: October 10, 2010

Subject: Building Permit Fee - Language Modifications

I ISSUE

Council approval for modifications to building permit fee language in Corvallis Municipal Code Chapter 8.03.

II BACKGROUND

On January 1, 2009, Council approved significant modifications to the City's building permit fee structure in order to comply with new rules from the State Building Codes Division (BCD) regarding consistent fee methods and forms. The consistent fee and form rules stemmed from legislative action during the 2007 state legislative session where all jurisdictions in Oregon were mandated to use the same fee methods. This did not mean the same fees amounts apply, just the methods to derive those fees, as well as the permit application forms that jurisdictions use.

Most of the changes have worked very well in providing consistency in neighboring jurisdictions and across the state. However, there are several sections as highlighted in Attachment 1 of the Corvallis Municipal Code that warrant further clarification or modification. In addition, recently BCD adopted the new Oregon Solar Installation Specialty Code and rules were established (Attachment 3) requiring jurisdictions to adopt consistent building and electrical permit fee methods for renewable energy installations.

III DISCUSSION

The specific purpose and description of each proposed modification to the fee language is listed in Attachment 2. With the exception of the two new state mandated solar and renewable energy fees the changes result in:

- A modest increase for those commercial projects that use deferred submittals because of a change needed to the methodology (Attachment 4)
- A cost neutral or no impact for plumbing permits (See Attachment 2)
- A decrease for mechanical permits with small values

The solar fee and the renewable energy fee amounts were modeled after what jurisdictions adopted in the tri-county metro area for cost recovery of system approvals.

VI REQUESTED ACTION

The following motion is recommended:

Staff recommends that the ASC recommend that the City Council enact an ordinance amending the Corvallis Municipal Code as highlighted in Attachment 1, to reflect the changes to permit fee language, with an effective date of January 1, 2011.

Review & Concur:

Jon S. Nelson, City Manager

Nancy Brewer, Finance Director

Section 8.03.300 Building and Construction Permit Fees (Ord. 98-27 §§ 1 and 2, 07/06/1998)

Section 8.03.300.010 Building permit fees.

1) The building permit fees applicable under Section 9.01.110 shall be:

a) Building permits for the following total valuations:

1] $1.00 to $500.00 - $20.00,

2] $501.00 to $2,000.00 - ($20.00 for the first $500.00) + ($1.83 for each additional $100.00 or fraction thereof),

3] $2,001.00 to $25,000.00 - ($47.51 for the first $2,000.00) + ($7.94 for each additional $1,000.00 or fraction thereof),

4] $25,001.00 to $50,000.00 - ($230.31 for the first $25,000.00) + ($5.97 for each additional $1,000.00 or fraction thereof),

5] $50,001.00 to $100,000.00 - ($379.69 for the first $50,000.00) + ($3.96 for each additional $1,000.00 or fraction thereof),

6] $100,001.00 and up - ($578.09 for the first $100,000.00) + ($3.31 for each additional $1,000.00 or fraction thereof);

2) Building permit plan review fees: Plan review fees shall be equal to the building permit fee as set forth in Section 8.03.300.010 subsection l)a).

3) Land Development Code review fee: Land Development Code review fees shall be 33 percent of the building permit plan review fee as set forth in Section 8.03.300.010 subsection 2).

4) Fire Code Review Fee: Fire Code review fee shall be 10 percent of the building permit plan review fee as set forth in Section 8.03.300.010 subsection 2).

5) Fire and life safety plan review fees: Fire and life safety plan review fees shall be equal to the building permit fee as set forth in Section 8.03.300.010 subsection 1).

6) Certificate of occupancy: Certificate of Occupancy fee applicable under Chapter 9.01 - $25.00.

7) Temporary Certificate of Occupancy: Temporary Certificate of Occupancy fee applicable under Chapter 9.01 - $250.00 each, per 60-day period.

8) Phased Permitting:

a) Each phased permit of a phased development project shall be assessed a permit and plan review fee as set forth in Section 8.03.300.010, subsections 1), 2), 3), 4), and 5), and

b) The phased development plan review fee for each phased permit shall be an additional base fee of 10% of the plan review fee, to the plan review fees set forth in section 8.03.300.010, subsections 2), 3), 4), and 5).

9) Deferred Submittal fee: The Deferred Submittal plan review fee shall be based on the value of the deferred submittal and calculated in accordance with section 2), with a base fee of $150.00 per deferred submittal.

10) Solar Installation Permit Fee:

a) Prescriptive system installation permit fee and plan review: $150.00

b) Non-Prescriptive systems shall have permit fees and plan reviews calculated in accordance with sections 1) through 3) above.

(Ord. 2008-18 §1, 12/01/2008; Ord. 2007-01§1, 02/05/2007; 2005-10 §1, 06/20/2005; Ord. 2002-24 §3, 07/15/2002)

Section 8.03.300.020 Mechanical permit fees.

1) The mechanical permit fees applicable under Section 9.01.120 shall be:

a) Permit issuance:

Attachment 1a

1] For the issuance of each permit - $20.00.

b) Residential unit fee schedule, each new or replacement:

1] Fuel burning stove, fireplace, insert, lighter - $30.00,

2] Furnace, air conditioner - $30.00,

3] Clothes dryer, exhaust fan, hood - $20.00,

4] Other appliances or equipment - $20.00,

5] Gas piping system, new or altered - $20.00,

6] Alteration to mechanical equipment or system - $20.00.

c) Commercial fee schedule based on the value of the mechanical equipment and installation costs:

1] $1.00 to $2,000.00~~0~~ - ~~$72.50~~ $30.00

2] $2,001.00 to $5,000.00 - ($72.50 for the first $2,000.00) + ($2.30 for each additional $100.00 or fraction thereof),

3] $5,001.00 to $10,000.00 - ($141.50 for the first $5,000.00) + ($1.80 for each additional $100.00 or fraction thereof),

4] $10,001.00 to $50,000.00 - ($231.50 for the first $10,000.00) + ($1.35 for each additional $100.00 or fraction thereof),

5] $50,001.00 to $100,000.00 - ($771.50 for the first $50,000.00) + ($1.25 for each additional $100.00 or fraction thereof),

6] $100,001.00 and up - ($1,396.50 for the first $100,000.00) + ($1.10 for each additional $100.00 or fraction thereof).

2) Mechanical permit plan review fee: Plan review fees shall be 50 percent of the mechanical permit fee as set forth in Section 8.03.300.020 subsection 1).

(Ord. 2008-18 §2, 12/01/2008; Ord. 2002-24 §4, 07/15/2002; Ord. 2002-01, §1, 01/07/2002)

Section 8.03.300.030 Plumbing permits.

1) Except that a minimum inspection fee of $20.00 shall apply for revision or alteration of plumbing within an existing building, the following fees applicable to plumbing permits provided in Section 9.01.130 shall be charged:

a) Single Family Dwellings:

1] Kitchen and 1 bathroom - ~~$250.00~~, $375.00

2] Kitchen and 2 bathrooms - ~~$300.00~~, $450.00

3] Kitchen and 3 bathrooms - ~~$350.00~~, $525.00

4] Each extra kitchen or bathroom - ~~$50.00~~, $75.00

5] Fees in subsections 1] through 3] above include the first 100 feet of line for water, sewer, storm drain, low-point drain, and perimeter drain, as well as icemakers, and hose bibs. Fees do not include a storm water retention/detention facility, irrigation system, fire suppression system, or additional line footage noted above beyond the first 100 feet,

6] Each new or additional water, sewer, storm line, or private storm drainage systems - ~~$100.00~~, $150.00

7] Each backflow device (includes first 10 feet of water service) - $30.00,

8] Repair, alter or replace water, sewer or storm line - $50.00,

9] Alteration or repair of interior plumbing systems - $20.00,

10] Re-pipe/replace fixtures - $50.00,

11] Water heater or boiler - $30.00.

b) Multifamily and Commercial:

1] Per Fixture - $20.00,

Attachment 1b

2] Each backflow device (includes first 10 feet of water service) - $30.00,
3] Each new, repair, alteration or replacement of water, sewer or storm line - $180.00,
4] Re-pipe/replace fixtures - $50.00 per 5 fixtures,
5] Alteration or repair of interior plumbing systems - $20.00,
6] Water heater or boiler - $50.00.

c) Mobile home/manufactured home space - ~~$50.00~~. $75.00

d) Medical gas system fee schedule based on the value of the equipment and installation costs:
1] $1.00 to $5,000.000 - $100.00,
2] $5,001.00 to $10,000.00 - ($100.00 for the first $5,000.00) + ($1.50 for each additional $100.00 or fraction thereof),
3] $10,001.00 to $100,000.00 - ($175.00 for the first $10,000.00) + ($10.20 for each additional $1,000.00 or fraction thereof),
4] $100,001.00 and up - ($1,093.50 for the first $100,000.00) + ($7.00 for each additional $1,000.00 or fraction thereof),

e) Residential fire sprinkler permit fee – The residential fire sprinkler system permit fee schedule is based on the value of the equipment and installation costs.
1] $1.00 to $2,000.000 - $87.00,
2] $2,001.00 to $3,600.00 - $129.00,
3] $3,601.00 to $7,200.00 - $164.00,
4] $7,201.00 and up - $200.00,

f) Plumbing service charge and plan review fees shall be based on the time required to administer and conduct the plan review, but shall not exceed 50% of the plumbing permit fee in subsections 1)b), 1)d), and 1)e) of this section.

(Ord. 2008-18 §3, 12/01/2008; Ord. 2002-24 § 5, 07/15/2002; Ord. 2002-01 §2, 01/07/2002)

Section 8.03.300.040 Electrical permits and inspection.

1) The fees applicable to electrical permits and inspection provided in Section 9.01.140 shall be as follows:

a) New residential, single or multi-family per dwelling unit; service included:
1] 1,000 square feet or less - $135.00,
2] Each additional 500 square feet or portion thereof - $25.00,
3] Each manufactured home or modular dwelling service or feeder - $65.00;
4] Limited energy - $65.00;

b) Services or feeders; installation, alterations, or relocation:
1] 200 amps or less -$80.00,
2] 201 amps to 400 amps - $95.00,
3] 401 amps to 600 amps - $158.00,
4] 601 amps to 1000 amps -$205.00,
5] Over 1,000 amps or volts -$475.00,
6] Reconnect only - $65.00;

c) Temporary services or feeders; installation, alteration, or relocation:
1] 200 amps or less - $65.00,
2] 201 amps to 400 amps - $86.00,
3] Over 401 amps to 600 amps, $125.00,
4] Over 600 amps or 100 volts (see "Services or feeders" above);

d) Branch circuits, alterations or extensions per panel or feeder:

Attachment 1c

1] Each branch circuit with purchase of service or feeder permit - $5.00,
2] Branch circuits without purchase of service or feeder permit:
a] First branch circuit - $65.00,
b] Each additional branch circuit - $5.00,

e) Miscellaneous (service or feeder not included):
1] Each pump or irrigation circle - $65.00,
2] Each sign or outline lighting - $65.00,
3] Signal circuit(s) or a limited energy panel, alteration or extension - $65.00,
4] Each additional inspection over the allowable in any of the above, per inspection - $65.00,
5] Master permit inspections - $65.00 per hour plus $150.00 annual administrative service charge,
6] Special field evaluations of unlisted equipment - $65.00 per hour;
7] Renewable Energy system
a] 5 kva or less - $119.00
b] 5.01 to 15 kva - $140.00
c] 15.01 to 25 kva - $231.00
d] Additional inspections, misc fees and hourly rate - $85.00

2) Electrical permit plan review fees: Plan review fees shall be 25 percent of the electrical permit fee as set forth in subsection 1) of this section.

(Ord. 2008-18 §4, 12/01/2008; Ord. 2002-24 §6, 07/15/2002; Ord. 2002-01 §3, 01/07/2002)

Section 8.03.300.050 Manufactured home fees.

The fees applicable under Section 9.01.160 relating to manufactured home parks shall be:

1) Manufactured home parks, not including building permits for structures, mobile home set-up permits, electrical or plumbing permits:
a) Plan review fee to equal the building permit fee (Sections 8.03.300.010 and 8.03.300.020),
b) Park construction permit is 65 % of building permit fee,
c) Building or structures - plan review and building permits (see Building Permit Fee Schedule [Section 8.03.300.010]);

2) Manufactured home installations and accessory structures in parks:
a) Manufactured home installation - $275.00,
b) Accessory structure - plan review and building permits (see Building Permit Fee Schedule [Section 8.03.300.010]),
c) State service charge - $30.00.

(Ord. 2008-18 §5, 12/01/2008; Ord. 2005-10 §2, 06/20/2005; Ord. 2002-24 §7, 07/15/2002)

Section 8.03.300.055 Erosion Prevention and Sediment Control permit fees (Ord. 2004-18)

The permit fees applicable under section 9.03.130 relating to erosion prevention and sediment control shall be as follows:

1) Erosion Prevention and Sediment Control permits for the following total disturbed areas:
a) 2,000 to 10,000 square feet - ($25.00 for every 500 square feet or fraction thereof),
b) 10,001 to 20,000 square feet - ($500.00 for the first 10,000 square feet) + ($10.00 for each additional 500 square feet or fraction thereof),

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c) 20,001 square feet to 1 acre - ($700.00 for the first 20,000 square feet) + ($5.00 for each additional 500 square feet or fraction thereof),

d) 1 acre and up - ($935.00 for the first acre) + ($25.00 for each additional .5 acre or fraction thereof);

Exception: Regarding subsection d) above, when the City begins local administration of the DEQ permitting process, the amount of the Corvallis Erosion Prevention and Sediment Control Permit Fee shall be reduced by the City's share of percentage of the amount of the DEQ permit fee.

2) Work without a permit - Permit fees shall be doubled;

3) Reinspection Fee - $60.00 per occurrence;

4) Multi-Family, Commercial, or Utility - Annual Maintenance Fee:

a) 2000 square feet to 1 acre - $120.00 per year for those sites where the permit exceeds 1 year;

b) Greater than 1 acre - add $10.00 per .5 acre, per year for those sites where the permit exceeds 1 year;

5) For the purposes of this section, the term Multi-family includes: Townhome buildings greater than two units, condominiums, hotels, motels, apartments, congregate residences, and triplexes.

(Ord. 2005-11 §1; 06/20/2005; Ord. 2004-18 §1, 09/20/2004)

Section 8.03.300.060 Excavation and grading plan review and permit fees.

1) The plan review fees applicable to grading provided in Section 9.01.110.040 shall be as follows:

a) 50 cubic yards or less - No fee;

b) 51 to 100 cubic yards - $15.00;

c) 101 to 1,000 cubic yards - $22.50;

d) 1,001 to 10,000 cubic yards - $30.00;

e) 10,000 to 100,000 cubic yards - ($30.00 for the first 10,000 cubic yards) + ($15.00 for each additional 10,000 yards or fraction thereof);

f) 100,001 to 200,000 cubic yards - ($165.00 for the first 100,000 cubic yards) + ($9.00 for each additional 10,000 cubic yards or fraction thereof);

g) 200,001 cubic yards or more - ($255.00 for the first 200,000 cubic yards) + ($4.50 for each additional 10,000 cubic yards or fraction thereof);

h) Other fees: Additional plan review required by changes, additions, or revisions to approved plans - $30.00 per hour (minimum charge - 1/2 hour).

2) The permit fees applicable to grading provided in section 9.02.010.040 shall be as follows:

a) The fee for an excavation and grading permit authorizing additional work to that under a valid permit shall be the difference between the fee paid for the original permit and the fee shown for the entire project.

b) Permit fees:

1] 50 cubic yards or less - $15.00;

2] 51 to 100 cubic yards - $22.50;

3] 101 to 1,000 cubic yards - ($22.50 fOr the first 100 cubic yards) + ($10.50 for each additional 100 cubic yards or fraction thereof);

4] 1,001 to 10,000 cubic yards - ($117.00 for the first 1,000 cubic yards) + ($9.00 for each additional 1,000 cubic yards or fraction thereof);

5] 10,00t to 100,000 cubic yards - ($198.00 for the first 10,000 cubic yards) + ($40.50 for each additional 10,000 cubic yards or fraction thereof);

6] 100,001 cubic yards or more - ($562.50 for the first 100,000 cubic yards) + ($22.50 for each additional 10,000 cubic yards or fraction thereof).

(Ord. 2002-24 § 8, 07/15/2002; Ord. 98-27 § § 1 and 2, 07/06/1998)

Attachment 1e

Section 8.03.300.065 Rental Housing Code

The fee applicable to units of rental housing, defined in Chapter 9.02.120, shall be $10.00 per unit per fiscal year for the two year period beginning July 1, 2009, and shall increase by $1.00 per unit per fiscal year in every odd-number year thereafter.
(Ord. 2009-06 §1, 03/02/2009; Ord. 2002-24 § 9, 07/15/2002)

Section 8.03.300.070 Special fees.

The following fees are applicable to specific events or situations:

1) Concrete Finisher Prequalification - $25.00 (licensed under Section 2.15.080).
2) Appeals:
   a) Board of Appeals [Section 9.01.090, 9.02.110 and 7.08.020] - $50.00;
3) Structure relocation permit [Section 9.01.110] - $100.00;
4) Street cut [Section 2.03.040]:
   a) Local or residential street - $50.00,
   b) Arterial or collector street - $100.00;
5) Permit to occupy public right-of-way [Section 6.02.010] - $25.00;
6) Sidewalk cafe permit [Section 8.08.020]:
   a) Annual application fee - $100.00;
   b) Annual rent for the use of the public right-of-way for private use - $1 per square foot in excess of 100 square feet of publicly owned sidewalk used for the café; where the café uses 100 total square feet or less there is no rental fee.
7) Parking lot construction permit [Ordinance 93-20, Section 4.1.40] - $.04/sq. ft.; min. fee $50.00; max. fee $500.00;
8) Curb cut permit [Section 2.15.070]:
   a) Single-family dwelling - $75.00,
   b) Multi-family, commercial, or industrial - $150.00;
9) Sidewalk construction permit [Section 2.15.070]:
   a) New sidewalk - $25.00,
   b) Repair/replacement - $10.00;
10) Application for street name or address change [Council Policy CP 91-9.05] - $50.00 minimum, $1.00 for each additional lot in excess of 18;
11) License to occupy the public right-of-way - $100.00.

(Ord. 2007-25 §1, 11/19/2007; Ord. 2002 §10, 07/15/2002; Ord. 98-34 §1, 09/08/1998)

Attachment 1f

Municipal Code Changes

Section	Purpose	Description
8.03.300.010 8)b)	Clarification Neutral	**Phased Permit Fee** – in accordance with the consistent fee method rules, clarifies that the 10% phased permit fee is a 10% *base fee*
8.03.300.010 9)	Alignment with OAR	**Deferred Submittal Fee** – The deferred submittal fee language should indicate a requirement for the fee basis to be on the *value* of the deferred submittal and include a base fee.
8.03.300.010 10) a)&b)	New fee - Alignment with OAR	**Solar Installation Fee** – This is a new fee for administering the new Solar Installation Specialty Code and covers the structural and fire/life safety review and inspection – not electrical.
8.03.300.020 1)c)	Reduction	**Mechanical Fee** – This is a reduction in the lower end of the fee schedule for work valued up to $2,000. We found many folks were discouraged from getting mechanical permits because the minimum fee was too high.
8.03.300.030 1)a) 1]-6] & 1)c)	Clarification Neutral	**Plumbing Fee** – The easiest way to explain this is to start with a review of section 1)f). This section previously assessed a plumbing plan review and service charge for all of section 1 - including on single family dwellings. This has been very confusing for applicants and staff because some work associated with single family dwellings received a service charge, while others did not. In addition, OAR's have complex limits based on the scope of work for what can/cannot be charged a plumbing plan review. Section 1)f) has been revised to specify the sections which pertain to commercial work, also receive the plan review and service charge. In exchange, the items that previously had a service charge from 1)f) and were associated with a single family dwelling, were modified to reflect the charge in the originating statement. This is cost neutral and staff believes will be clearer to implement.
8.03.300.040 1)e)7]	New Fee - Alignment with OAR	**Renewable Energy System Fee** – Establishes a new fee as required by OAR for administering electrical installation permits associated with renewable energy systems.

Attachment 2

Building Codes Division

Working with Oregonians to ensure safe building construction while supporting a positive business climate.

Notice of Permanent Rule

October 1, 2010

Solar Installation Specialty Code; permit, plan review & fee methodology

Purpose of the rule:

These rules adopt the Oregon Solar Installation Specialty Code (OSISC), the first statewide solar code in Oregon and in the Nation. The OSISC is part of the division's overall goal to facilitate green building technologies.

These rules and the code become effective October 1, 2010.

Citation:

Adopt: OAR 918-050, 918-305, and 918-800 & Amend: OAR 918-311 and 918-309

View the 2010 Oregon Solar Installation Specialty Code

The 2010 Oregon Solar Installation Specialty Code is not being offered for sale. The code may be viewed or printed for free from the division's Web site.

Effect of the rule:

The OSISC and the associated rules establish uniform and consistent requirements, standardizes permit and plan review requirements, and establish fee methodologies for solar installations used by local jurisdictions. The rules also provide a prescriptive path and various administrative provisions to allow for simple installations to be constructed without plan review. Key elements of the code and solar permitting and plan review rules include:

- Primarily on photovoltaic installations.
- Covers around 80% of the most common types of solar installations. (Residential & Commercial)
- The electrical provisions are included as an appendix for easy reference. Electrical provisions will remain as part of the Oregon Electrical Specialty Code.
- The provisions of the Oregon Structural Specialty Code (OSSC) will govern the design and engineering of the general system.
- The prescriptive path, fire fighter access provisions, fee calculations and plan review requirements developed specifically for Oregon.
- Prescriptive path designed with help from Oregon's engineering groups.
- Engineered systems will need to follow the design standards in the OSSC. Plan review may be required by the local jurisdiction.
- Separate electrical and structural permits are required. (Combo permits may be used).
- Plan review rules address what is considered a complex system for renewable energy plan reviews.
  - ✓Systems greater than 25 Kilowatts are considered complex and a jurisdiction could require plan review.
  - ✓Solar Structural permit methodology will expedite prescriptive installations. Jurisdictions will be required to set a flat fee for prescriptive installations.
  - ✓No plan review includes 1 inspection.
- Structural permits for engineered solar systems methodology will be based on the value of the structural components of the system, racking, mounting, rails, labor etc. but excluding the electrical components. Value then placed in the jurisdiction's fee schedule. Additional inspections should be covered at an hourly fee.

Contact:

If you have questions or need further information, please contact Green Building Services Policy Analyst Aeron Teverbaugh at 503-373-2160, or aeron.teverbaugh@state.or.us.

918-050-0170
Statewide Fee Methodology for Deferred Submittals

A fee charged for processing and reviewing deferred plan submittals shall be an amount equal to a percentage, determined by the municipality, of the building permit fee calculated according to OAR 918-050-0110(2) and (3) using the value of the particular deferred portion or portions of the project, with a set minimum fee. This fee is in addition to the project plan review fee based on the total project value.

Stat. Auth.: ORS 455.048 & 455.055
Stats. Implemented: ORS 455.046 & 455.055
Hist.: BCD 12-2002, f. 6-28-02, cert. ef. 7-1-02; BCD 31-2005, f. 12-30-05, cert. ef. 1-1-06; BCD 27-2008, f. 12-12-08, cert. ef. 1-1-09