



Shoreline, Washington



Permitting and Inspection Cost of Service and Cost Recovery Analysis

April 25, 2016





Key Study Goals

- ◆ Identify the cost of service
- ◆ Determine the level of cost recovery
- ◆ Compare City fees to comparable fees in other cities
- ◆ Assist the City staff in developing fee and cost recovery recommendations

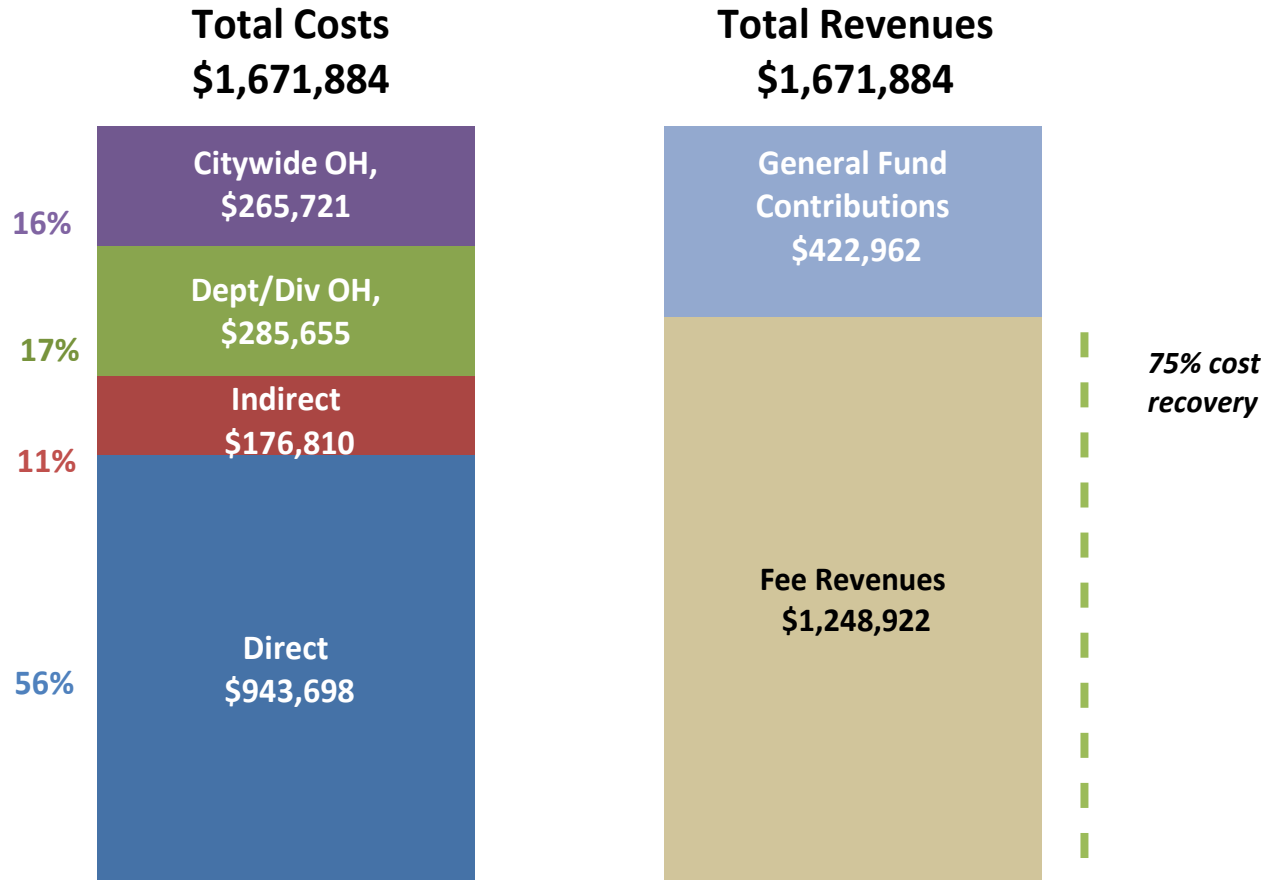


Fee Methodology





Building and Inspections Fees – Overall Cost Recovery





Building Fee Cost Recovery Analysis

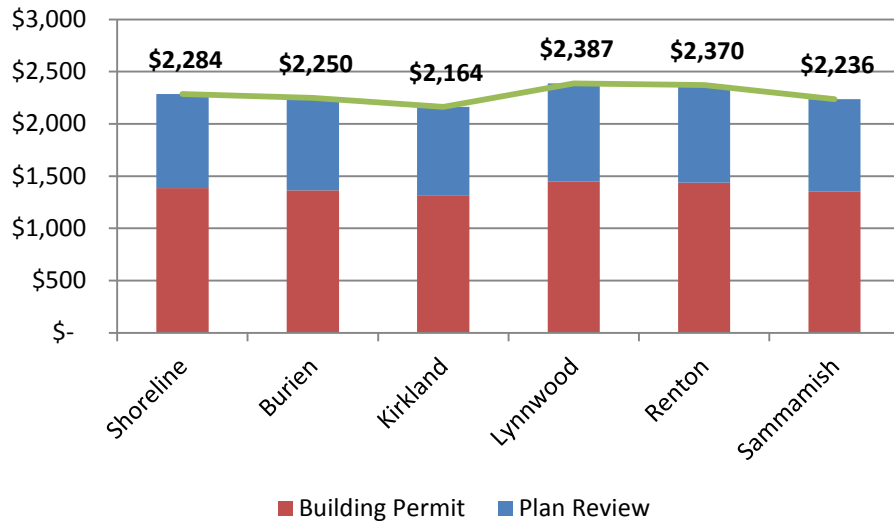
Building Permit	2015 Fee	Revised Fee	Percent Change
\$1 Million Valuation or Greater	\$6,422 for the first \$1 million and \$3.15 for each additional \$1,000 or fraction thereof	\$7,553 for the first \$1 million and \$3.70 for each additional \$1,000 or fraction thereof	17%

Fee Services for Building and Inspections	Cost of Service	2015 Fee	Cost Recovery (%)
Residential Mechanical System - 1 Hour Minimum	\$ 164	\$ 158.75	97%
Residential Mechanical System - Per Equipment over 4	\$ 22	\$ 11.50	53%
Plumbing System - 1 Hour Minimum	\$ 456	\$ 158.75	35%

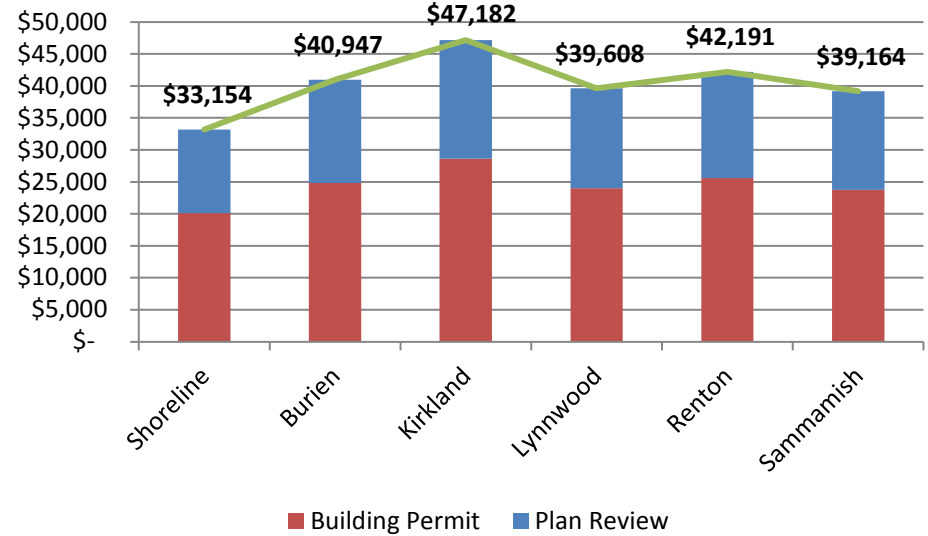


Building Permit Comparisons – Commercial

Commercial Addition/Remodel: \$137,486



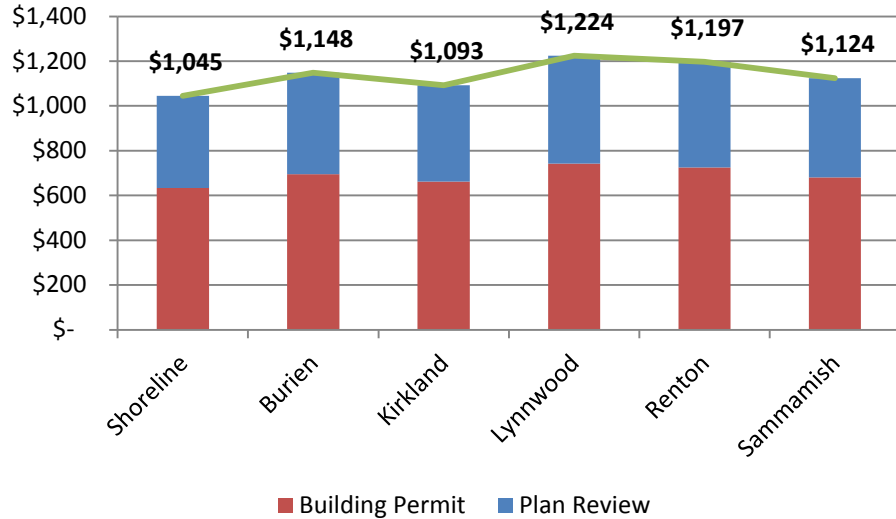
Commercial New Construction: \$5,340,197



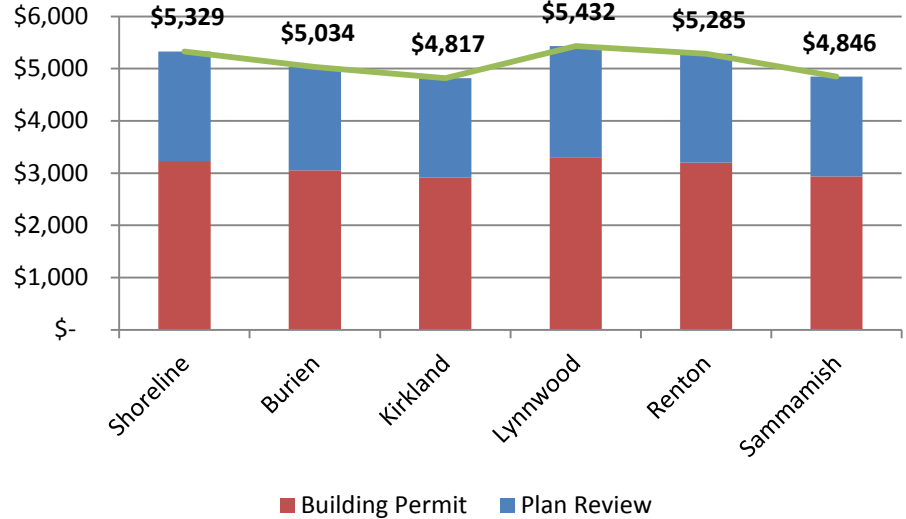


Building Permit Comparisons – Single Family

Single Family Addition/Remodel: \$46,478



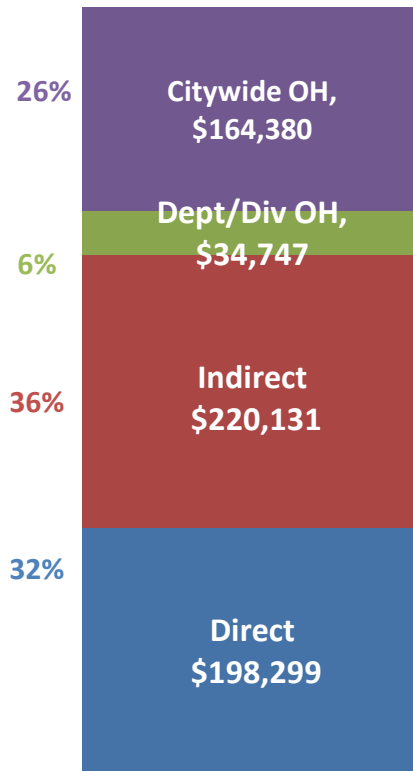
Single Family New Construction: \$401,129





City Planning Fees – Overall Cost Recovery

Total Costs
\$617,557



Total Revenues
\$617,557



27% cost recovery



Planning Fee Cost Recovery Analysis

Fee Services for City Planning	Cost of Service	2015 Fee	Cost Recovery (%)
Accessory Dwelling Unit - 1 Hour Minimum	\$ 825	\$ 158.75	19%
Administrative Design Review - 1 Hour Minimum	\$ 1,493	\$ 158.75	11%
Special Use Permit – 60 Hour Minimum	\$ 18,035	\$ 9,525	53%
Special Use Permit – Public Hearing	\$ 2,532	\$ 2,437.50	96%
Preliminary Short Subdivision - 30 Hour Minimum for two Lots	\$ 7,341	\$ 4,762.50	65%
Preliminary Short Subdivision – 3 Hour Minimum Additional Lot	\$ 782	\$ 476.25	61%

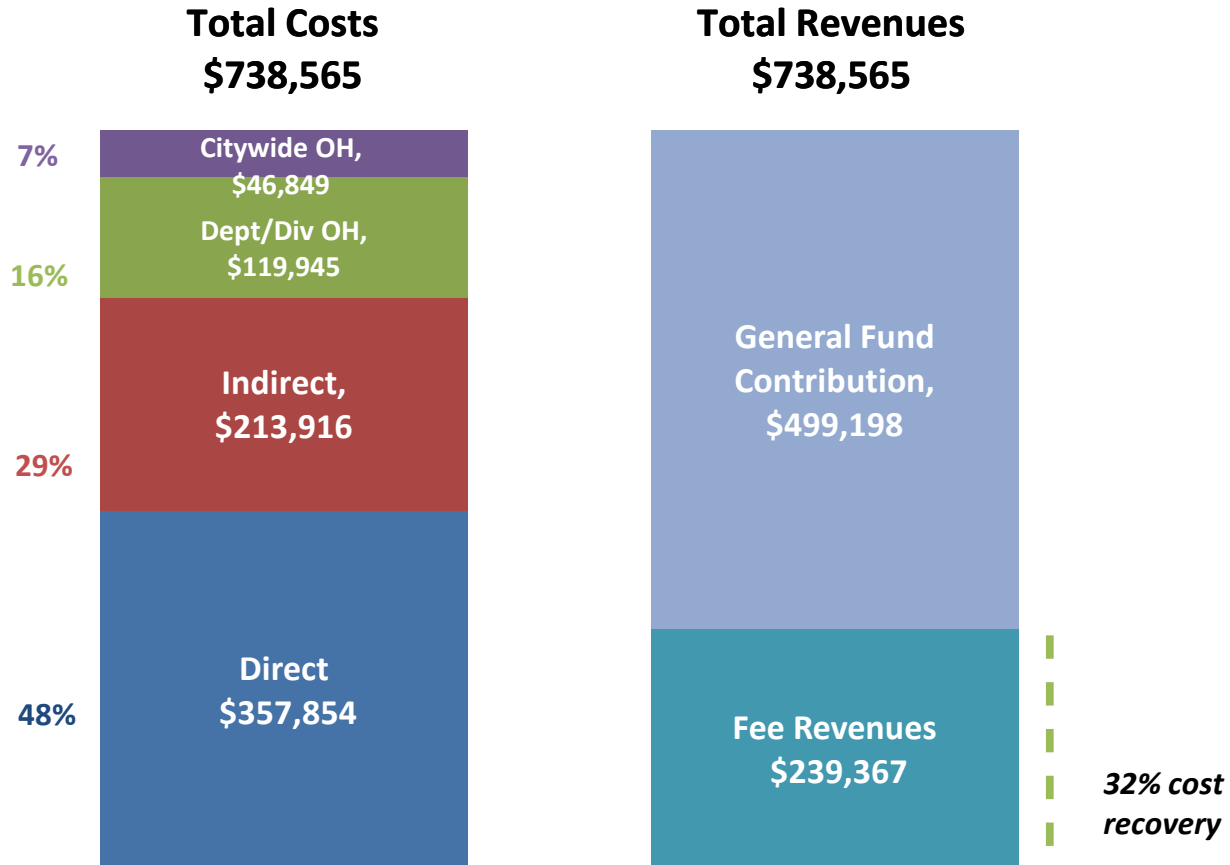


Planning Fee Comparisons

- ◆ Out of fifteen Planning fees, the City charges the lowest fee for four permits and the highest fee for three permits in comparison to the other jurisdictions.
- ◆ The City has the highest fee for a conditional use permit and a final subdivision
- ◆ The City charges the lowest fee for final short subdivisions and binding site plans
- ◆ The City falls somewhere in the middle for the remaining fees



Public Works Engineering Fees – Overall Cost Recovery





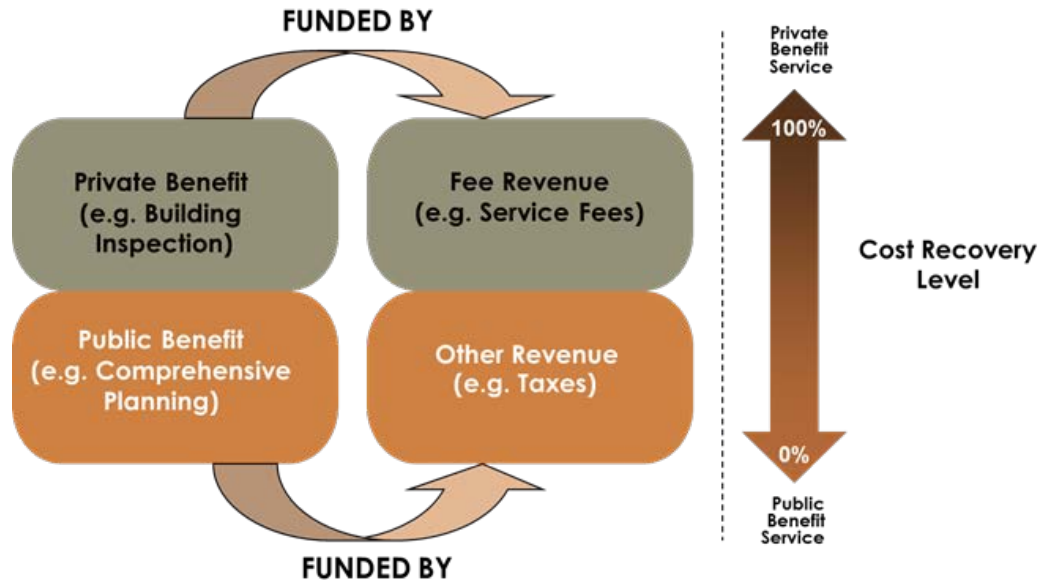
Public Works Fee Cost Recovery Analysis

Fee Services for Public Works	Cost of Service	2015 Fee	Cost Recovery (%)
Civil Plan Review, Commercial - 5 Hour Minimum	\$ 1,986	\$ 793.75	40%
Civil Plan Review, Residential - 3 Hour Minimum	\$ 817	\$ 476.25	58%
Floodplain Permit - 1 Hour Minimum	\$ 732	\$ 158.75	22%
Floodplain Variance - 3 Hour Minimum	\$ 1,056	\$ 476.25	45%
Deviation – Engineering Standards – 3 Hour Minimum	\$ 1,387	\$ 476.25	34%
Right-of-Way Use – 1 1/2 Hour Minimum	\$ 839	\$ 158.75	19%
Right-of-Way Site – 2 Hour Minimum	\$ 957	\$ 317.50	33%
ROW Tree Removal and Maintenance	\$ 678	No Fee	0%
Special Events	\$ 1,055	No Fee	0%



Fee Setting Considerations

- ◆ Is there a public benefit?



- ◆ Is it feasible to set fees at the calculated level?
- ◆ Will increasing fees result in compliance or public safety problems?
- ◆ Can the market bear the fee increases?
- ◆ Do adjustments in fees adversely affect other City goals?
- ◆ Are there feasible process changes that might bring costs into better balance with revenues?



Staff Recommendations