



Staff Report

September 13, 2022

TO: Honorable Mayor and Members of the Town Council
FROM: Roger Carroll, Finance Director
DATE: August 25, 2022
RE: Update Building Inspection Fees

Recommendation

Adopt resolution.

Issue Statement and Discussion

A recent survey has found that Loomis's building permit cost is the second lowest in the State, only ahead of Siskiyou County. The cost of building permits and inspections should be borne by the property owner, but the Town of Loomis's fee structure has not been updated in many years. When such fees don't cover the full cost of the activity, the difference is borne by the Town's taxpayers in general.

We currently charge 1% of the valuation of the project as the building permit fee. This 1% includes inspections for building, electrical, plumbing, mechanical and plan checking.

To properly calculate building permit and inspection fees we need to contract for a cost-of-service study. But in the meantime, we can make some changes to stop some of the gaps.

1. Plan Review fees. While our plan review fees are 25% of the 1% of the valuation, most cities separate this out from the total fee. Instead, they calculate the permit fee, then charge an additional 65% to 75% as the plan review fee. Staff is recommending we take the plan review fee out of the building permit and charge "65% of the permit cost, or actual cost, whichever is greater." Since we contract out some of our plan reviews, that "actual cost" can be significantly higher.
2. Re-inspection fee. We regularly have builders schedule an inspection for which they are not prepared. Our inspector is then required to return another day to re-inspect the property. As there is no penalty for not being ready, there is no incentive for this time-wasting procedure to cease. Our inspector suggests giving the builder one "free pass" but that additional requests for the same inspection should be charged. Staff recommends we charge \$150 for re-inspections.
3. Working without a permit. Occasionally, we have builders who don't do their proper paperwork until inspections are due, or sometimes, without the intention of ever getting permits. When such construction is inspected, the work generally exceeds the cost of a normal permit. Many cities charge an additional 100% of the permit cost as a penalty for unpermitted work. Staff recommends the same.

4. Processing fee. The cost of a building permit does not include the cost of staff time for processing the permit. Our Administrative Clerk reviews the permit submission for completeness, calculates the fees, and assembles the plan copies for submission to plan checking. Many cities charge \$50 to \$65 as an application fee. Staff recommends we charge a \$30 processing fee, as that is one-half hour of our fully loaded (wage plus benefits) Administrative Clerk's time. Additionally, permits that require outside plan review must be shipped to the contract plan review company. This runs, on average, \$50. Staff recommends that permits that require an outside plan review are charged an \$80 processing fee instead of the \$30 fee.
5. Revision to existing applications. Occasionally, after a project has been plan checked and approved, the applicant will make changes to the plans. This requires a review by the inspector. Staff recommends a revision fee of 10% of the original plan check fee, or actual costs, whichever is greater.
6. Minimum permit charge. Currently our minimum, or "over the counter" fee is \$30. One inspection by our Building Inspector costs us \$115 plus overhead. Staff recommends a minimum fee of \$150.

While these are "stop-gap" measures until we can complete a full cost of service study, they help us get closer to covering the costs of the building permit process.

CEQA Requirements

CEQA does not apply to fees.

Financial and/or Policy Implications

Without adopting the proposed recommendations, costs will be borne by the taxpayers, rather than project applicants.

Attachments

- A. Resolution
- B. Building Fees supplement

TOWN OF LOOMIS

RESOLUTION NO. 22-_____

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOOMIS UPDATING AND APPROVING BUILDING DEPARTMENT FEES, EFFECTIVE NOVEMBER 14, 2022

WHEREAS, various activities are performed by the Building department on behalf of project applicants, and

WHEREAS, the processing of these applications are to the benefit the applicant, and

WHEREAS, the cost of processing such applications should be borne by the applicant, and

WHEREAS, the increasing costs have caused the cost of processing these applications to rise above the scheduled fees.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Town Council that the Building Department Fee Schedule - Supplement shall be adopted as set forth in Attachment "A," effective November 14, 2022.

PASSED AND ADOPTED this 13th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor

ATTEST:

Deputy Town Clerk

Item 13 Attachment B

**Town of Loomis
Building Department Fees - Supplement
Effective November 14, 2022**

Item	Fee
Building Permit	1% of valuation
Plan check	65% of total permit
Re-inspection fee	\$150
Work without a permit	100% of total permit
Permit processing fee	
with in-house plan check	\$30
with shipping for plan check	\$80
Revision to application	10% of original plan check, or actual cost, whichever is greater
Minimum permit charge	\$150