



COUNTY OF PLACER
Community Development Resource Agency

John Marin, Agency Director

BUILDING

Bob Martino
 Chief Building Official

Ed introduced

MEMORANDUM

TO: Honorable Board of Supervisors
FROM: Bob Martino, Chief Building Official
 Building Department, Community Development Resource Agency
DATE: March 20, 2007
SUBJECT: Revision to Building Permit Fee Ordinance – Implementation Clarification

ACTION REQUESTED:

The Community Development Resource Agency, Building Department respectfully requests your Board,

1) Vote to adopt an ordinance revising Article 15.04.050 Section E. Permit Fees of the Placer County Code, which includes clarifying language for calculating building permit fee charges pursuant to the Placer County Grand Jury recommendation, and updates the April 2002 Building Standards Valuation table, adopted by the Board on November 4, 2003, based on the California Construction Cost Index.

BACKGROUND:

The Building Department's primary function is to process plans, issue permits, and perform inspections on all construction pursuant to the State Health and Safety Code. The department relies on revenues generated by permit and inspection fees in order to maintain those functions.

In June of 2006 the **Placer County Grand Jury** released their 2005-2006 report. Included in that report were 6 recommendations based on their findings of a review of the Building Department. Recommendation 1 and recommendation 5 of the report focused on the procedures and policies used by the department to calculate building permit fees.

Consistent with the recommendations of the Grand Jury's report the Building Department moved forward through the process of reviewing departmental handouts, procedures, and the County Code section identifying fee collection. It was determined that adjustments were needed in the County Code language in order to provide a clear methodology for insuring accurate and consistent fee calculations.

The department levies a combination of fees based on building valuation and hourly rates to perform those services. A fee study was performed in 2004, and as a result, a fee adjustment proposed by then Building Official Ed Jenkins which established the current hourly and valuation table rates, was approved by the Board of Supervisors.

Within the existing ordinance there is not a clear method for updating building valuation data. 2002 valuation data is identified for use with no applicable provision for adjustment due to inflation. However, the current ordinance allows adjustment to the hourly rate based on the Consumer Price Index (CPI). The ordinance has been adjusted so that the California Construction Cost Index (CCCI) will be used to manage periodic annual adjustments to the valuation table. Updates to the valuation fee table were last updated and became effective January 5, 2005 by Board of Supervisors action.

This adjustment is necessary to keep pace with the increasing cost to the Building Department primarily due to salary increases, fundamental supplies and services, workspace, and technical services. Without a reliable source of revenue, foreseeable workforce increases and extraneous building department functions become more difficult to maintain and existing levels of service will decrease.

The proposed clarifying language more clearly prescribes calculation of permit fees and minimizes the discretionary nature of calculating the prescribed fee amount. The revision also provides clarification as to a minimum rate for inspections and plancheck. The proposed language will help to remedy inconsistencies as to how similar permits are calculated.

FISCAL IMPACT:

Language allowing for the annual updates of the adopted valuation table would allow for maintaining the current level of service without adversely affecting general fund revenues.

Attachments:

- 1) Revision to Fee Ordinance
- 2) Current Valuation Table
- 3) California Construction Cost Index

**Before the Board of Supervisors
County of Placer, State of California**

In the matter of:

AN ORDINANCE AMENDING PLACER COUNTY
CODE, CHAPTER 15, RELATING TO REVISIONS
TO ARTICLE 15.04.050 SECTION E. PERMIT
FEES OF THE PLACER COUNTY CODE

Ord. No.: _____

FIRST READING: March 20, 2007

SECOND READING: _____

The following **Ordinance** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:

Clerk of said Board

THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA,
DOES HEREBY DOES ORDAIN AS FOLLOWS:

Article 15.04.050 of the Placer County Code is hereby amended to read as follows:

SECTION ONE: "15.04.050 Construction – Buildings."

15.04.050 Construction – Buildings.

E. Permit Fees.

Section 107 - Permit fees - Building valuation.

All building valuation tables shall be as determined by the chief building official based upon the ICBO Building Standards valuation data dated April 2002, as ~~modified for local conditions~~ and adjusted each January 31st according to the State of California Department of General Services California Construction Cost Index (CCCI) or as authorized by applicable laws. Fees based on hourly rates shall be adjusted by the chief building official each January 31st according to the State of California Department of Industrial Relations "Consumer Price Index - California for All Urban Consumers" for the most recently available twelve (12) month reporting period. Any fees also may be modified from time to time by resolution of the board of supervisors. The chief building official shall maintain the current fee schedule; the chief building official shall make the current fee schedule available for public review upon request.

Where multiple valuation rates are given, the higher value shall apply for all occupancies larger than three thousand (3000) square feet (includes both finished and unfinished areas) and all buildings located above five thousand (5000) feet elevation. Shell buildings and unfinished rooms/spaces shall be valued no less than eighty (80) percent of the above valuation. Each subsequent tenant improvements (TI) and/or permits to finish the an areas will be charged one hundred (100) percent valuation for the occupancy and valuation category ~~minus the fee assessed for the shell.~~ an amount based on the stated costs of construction within the construction contract for which a permit is required. ~~The square footage of unfinished areas is to be tabulated into the total area for the occupancy.~~

Change of occupancy permits shall be based on the ~~difference between the original occupancy's valuation and the new occupancy's valuation,~~ or the cost of inspection services based at ninety-five dollars (\$95.00) per inspection trip; ~~whichever is greater.~~

Where the value of the proposed work is not listed in the ICBO publication, the valuation will be based upon the equivalent contract amount. ~~valuation or the cost of inspection services based at ninety five dollars (\$95.00) per inspection trip, whichever is greater.~~

The minimum permit fee for a commercial building permit, plumbing permit, electrical permit, and mechanical permit shall be \$95.00 individually, unless otherwise stated in this section.

F. Fee Table.

Section 107 - Permit fees - Fee tables.

Delete UBC Table 1-A, and UPC Table of Fees and insert a new 3-A as follows:

TABLE 3-A

The permit fee shall be computed and paid as follows: (This fee includes structural, electrical, plumbing, and mechanical. It does not include fees charged for energy checks, handicapped access checks, nor does it include grading fees and/or fees charged by other agencies).

VALUATION	BASIC PERMIT FEE
Residential (R-3 & Accessory):	$.01 \times \text{Valuation}$ / <u>minimum \$40.00</u>
Commercial & Industrial:	
\$ 1 - \$ 500,000	$\$.01 \times \text{valuation}$ / <u>minimum \$95.00</u>
\$ 500,001 - 600,000	$\$5,000 + (.0065 \times \text{valuation } \$500,001 \text{ to } \$600,000)$
\$ 600,001 - 700,000	$\$5,650 + (.0060 \times \text{valuation } \$600,001 \text{ to } \$700,000)$
\$ 700,001 - 800,000	$\$6,250 + (.0055 \times \text{valuation } \$700,001 \text{ to } \$800,000)$
\$ 800,001 - 900,000	$\$6,800 + (.0050 \times \text{valuation } \$800,001 \text{ to } \$900,000)$
\$ 900,001 - 1,000,000	$\$7,300 + (.0045 \times \text{valuation } \$900,001 \text{ to } \$1,000,000)$
\$ 1,000,001 - AND GREATER	$\$7,750 + (.0040 \times \text{valuation EXCEEDING } \$1,000,000)$

(ADD)

(1) Projects \$5,000,000 and greater pay a fee deposit of 1% (.01) x valuation. The amount in excess of the basic fee computed by Table 3-A is subject to cost accounting on an hourly basis and refunds made available for any funds not used between the basic fee and the 1 % deposit.

For example, a \$5,000,000 project would pay a 1% deposit of \$50,000. The chart above calculates a basic fee of \$23,750 ($7750 + .004 \times 4,000,000$).

Department time on the project would be cost accounted. The amount between the 1% deposit and the basic fee (\$50,000 minus \$23,750) would fund department costs above the basic fee. Any unused portion above the basic fee would be returned at the final of the project.

(2) Any project receiving a higher than normal level of service (see section 108.5 of the Uniform Building Code), such as extended hours to accommodate an expedited schedule, or continuous inspection, must pay the associated costs.

For accounting purposes
the fee distribution is as
follows:

Plan Check	35% × Permit Cost
Building	35% × Permit Cost
Electrical (when included)	10% × Permit Cost
Plumbing (when included)	10% × Permit Cost
Mechanical (when included)	10% × Permit Cost

Total 100%

G. Other Building Permit Fees.

1. Inspections scheduled outside of normal business hours will be charged at a rate of one hundred twelve dollars (\$112.00) per hour with a minimum charge of two hours. The extra charge will not pertain to inspections between the hours of seven a.m. and five p.m. during normal workdays.

2. Reinspection fees assessed under provisions of Section 108.8 will be ninety-five dollars (\$95.00).

~~3. Inspections for which no fee is specifically indicated will be charged ninety-five dollars (\$95.00) per inspection trip and/or per hour, whichever is greater. In instances where inspection trips are required outside the county, an hourly rate of ninety-five dollars (\$95.00) (plus any additional costs to the county) will be charged during normal business hours.~~

34. When services for inspection or plan review are provided to the County by a consultant, the rate the applicant shall be responsible to pay will be as determined by the contractual agreement between the county and the consultant. These fees apply in addition to any fees due the county.

45. Plan review required by state energy and handicapped access regulations will be ninety-five dollars (\$95.00) per application for valuations up to four hundred thousand dollars (\$400,000.00) and ninety-five dollars (\$95.00) plus .0001 × building valuation for projects exceeding four hundred thousand dollars (\$400,000.00). Additions and remodel projects with a valuation less than fifty

thousand dollars (\$50,000.00) will be charged forty-five dollars (\$45.00) per application. These charges apply separately to energy and access compliance regulation checks.

56. Additional plan review for more than 2 rechecks and changes to approved plans will be at a rate of \$95.00/ Hr ~~.001 × building valuation for the square footage portion of the building affected by the change,~~ with a minimum charge of ninety-five dollars (\$95.00).

67. Where standard plans are accepted, the plan review fee for verification of subsequent plans shall be at the rate of .001 × building valuation. **Subsequent** ~~Standard~~ plans are not acceptable when they differ from the prior set of plans that were submitted, including but not limited to any of the conditions of approval change, i.e., different subdivision, different snow load, different topography, different soils conditions, different building in any respect. **Any** The standard plan approval shall expire one year from date of application. Because of snow conditions and differing exposure coefficients, standard plans are not acceptable above five thousand (5,000) feet elevation.

78. A minimum fee of twenty dollars (\$20.00) will be added to all permits issued for application and microfilm/processing and storage costs.

89. Unless otherwise noted, the minimum fee for any **residential** issued permit is sixty dollars (\$60.00) for work valued at four thousand dollars (\$4,000.00) or less (which includes the twenty dollar (\$20.00) application/records processing fee).

9. The cost of inspections for services provided by the Building Department that do not relate to the permits discussed in Sections E, F, or G, and to which no fee is specifically indicated, will be charged ninety-five dollars (\$95.00) per trip. In instances where inspection trips are required outside the county, an hourly rate of ninety-five (\$95.00) (plus any additional costs to the County) will be charged during normal business hours.

10. Based on the inspection costs associated with the permits listed below, the following fees shall be imposed (which includes the application/records fee described in Section 8 above)

a. Swimming Pool Permits: four hundred sixty dollars (\$460.00)

b. Re-Roof Permits: one hundred fifty dollars (\$150.00)

c. Solar Photovoltaic Systems: Ground Mounted - two hundred forty five dollars (\$245.00)

Roof Mounted – one hundred fifty dollars (\$150.00)

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d. Commercial Signs: one hundred fifteen dollars (\$115.00)

e. Mechanical Change-outs: hundred fifteen dollars (\$115.00)

1140. Mobilehome installation fees shall be based upon the latest version of Title 25 of the California Administrative Code.

1244. Renewal of Expired Permits.

a. The cost of a new (two-year) permit to complete a partially completed structure shall be the estimated cost to complete inspections (at a rate of ninety-five dollars (\$95.00) per inspection trip ~~or per hour whichever is greater~~) plus a ninety-five dollars (\$95.00) administrative fee.

b. Permits issued for completion of work may be issued without an administrative fee when completion of the project will occur within twelve (12) months.

c. Permits may be granted an administrative ninety (90) day extension without fees upon approval of the chief building official or assignee.

1342. A grading fee of thirty-five dollars (\$35.00) (community development/resource agency) will be charged of all new single-family dwellings and mobilehomes on private property outside the TRPA area.

This does not include additions or replacement mobilehomes when the same installation pad is being used.

1413. A fire-safe regulation fee of eighty-five dollars (\$85.00) will be charged on all single-family dwelling applications except for additions/remodels and replacements of existing legal dwellings.

1544. Permit investigation fees (double fees) as authorized in the UBC, UMC, UPC and NEC shall not be less than the computed cost of the permit for the owner or authorized agent or licensed contractor of record performing the work.

Exceptions:

a. When work was necessary in opinion of chief building official to correct an immediate hazard and an application is filed for a permit within the next three normal county workdays.

b. When work was performed by a previous owner and the current owner is obtaining proper permit(s).

1615. Applications to the building board of appeals shall be charged a nonrefundable fee of one hundred dollars (\$100.00).

1716. Strong-motion fees shall be collected from each building permit in accordance with the following:

Placer County shall collect a fee from each applicant for a building permit. Each such fee shall be equal to a specific amount of the proposed building construction for which the building permit is issued as determined by this section. The fee amount shall be assessed in the following way:

a. Group R occupancies, as defined in the 1997 Uniform Building Code and adopted in Part 2 (commencing with Section 2-101) of Title 24 of the California Administrative Code, one to three stories in height except hotels and motels, shall be assessed at the rate of ten dollars (\$10.00) per one hundred thousand dollars (\$100,000.00), with appropriate fractions thereof.

b. All other buildings shall be assessed at the rate of twenty-one dollars (\$21.00) per one hundred thousand dollars (\$100,000.00), with appropriate fractions thereof.

c. The fee shall be the amount assessed under subsection (G) (16) (a) or (b) of this section, depending upon building type, or fifty cents (\$0.50), whichever is the higher.

d. Placer County will retain up to five percent of the total amount it collects under subsection (G)(16) of this section for data utilization and seismic education incorporating data interpretations from data of the strong- motion instrumentation program.

H. Permit Fee Exemptions and Refunds.

Section 107 - Permit - Exemptions and refunds.

1. Add the following to UBC Section 107.1, General:

Exemption from Fees.

The County of Placer or any Department, Board, or Officer thereof, acting on behalf of said county, any Municipal or Quasi-municipal corporation or government shall not be required to pay any fees required by this Code. (Ref Section 15.04.030 of this code)

2. UBC Section 107.6 - Fee Refunds. Change the last sentence to read:

The building official shall not authorize refunding of any fee paid except on written application filed by the original permittee not later than the date of expiration of the plan review or building permit, as applicable.

SECTION TWO: "This Ordinance shall be effective thirty (30) days after its final passage"

PLACER COUNTY BUILDING VALUATION DATA BUILDING STANDARDS-MARCH-APRIL 2002-EFFECTIVE JANUARY 5, 2004								
Occ. and Type		Cost Per Sq Ft		Occ. and Type		Cost Per Sq Ft		
APRIL 2002		Good	Average	Good	Average	Good	Average	
APARTMENT HOUSES:				HOMES FOR THE ELDERLY:				
Type I or II F.R.*	105.92	86.04	Type I or II F.R.	100.59	Wood Frame	23.57		
Type V--Masonry (or Type III)	86.04	70.23	Type II--1-Hour	81.67	Masonry	26.58		
Type V--Wood Frame	79.54	61.89	Type II--N	78.18	Open Carports	16.10		
Type I--Basement Garage	36.28		Type III--1-Hour	85.07	PUBLIC BUILDINGS:			
AUDITORIUMS:				Type III--N	81.58	Type I or II F.R.*	119.70	
Type I or II F.R.		101.66	Type V--1-Hour	82.16	Type II--1-Hour	97.00		
Type II--1-Hour		73.62	Type V--N	79.35	Type II--N	92.73		
Type II--N		69.65	HOSPITALS:				Type III--1-Hour	100.69
Type III--1-Hour		77.41	Type I or II F.R.*	158.30	Type III--N	97.19		
Type III--N		73.43	Type III--1-Hour	131.05	Type V--1-Hour	92.15		
Type V--1-Hour		74.01	Type V--N	125.03	Type V--N	88.85		
Type V--N		69.06	HOTELS AND MOTELS:				PUBLIC GARAGES:	
BANKS:				Type I or II F.R.*	97.97	Type I or II F.R.*	47.43	
Type I or II F.R.*		143.66	Type III--1-Hour	84.88	Type I or II open parking*	35.60		
Type II--1-Hour		105.83	Type III--N	80.90	Type II--N	27.16		
Type II--N		102.43	Type V--1-Hour	73.91	Type III--1-Hour	35.89		
Type III--1-Hour		116.79	Type V--N	72.46	Type III--N	31.91		
Type III--N		112.62	INDUSTRIAL PLANTS:				Type V--1-Hour	32.69
Type V--1-Hour		105.83	Type I or II F.R.	55.19	RESTAURANTS:			
Type V--N		101.37	Type II--1-Hour	38.41	Type III--1-Hour	94.48		
BOWLING ALLEYS:				Type II--N	35.31	Type III--N	91.28	
Type II--1-Hour		49.47	Type II--N	42.29	Type V--1-Hour	86.52		
Type II--N		46.17	Type III--1-Hour	39.87	Type V--N	83.13		
Type III--1-Hour		53.84	Type III--N	29.10	SCHOOLS:			
Type III--N		50.34	Till-up	29.10	Type I or II F.R.	107.86		
Type V--1-Hour		36.28	Type V--1-Hour	39.87	Type II--1-Hour	73.62		
CHURCHES:				Type V--N	36.47	Type III--1-Hour	78.76	
Type I or II F.R.		96.22	JAILS:				Type III--N	75.76
Type II--1-Hour		72.27	Type I or II F.R.	154.33	Type V--1-Hour	73.82		
Type II--N		68.68	Type III--1-Hour	141.14	Type V--N	70.42		
Type III--1-Hour		78.57	Type V--1-Hour	105.83	SERVICE STATIONS:			
Type III--N		75.08	LIBRARIES:				Type II--N	65.18
Type V--1-Hour		73.43	Type I or II F.R.	112.91	Type III--1-Hour	68.00		
Type V--N		69.06	Type II--1-Hour	82.64	Type V--1-Hour	57.91		
CONVALESCENT HOSPITALS:				Type II--N	78.57	Canopies	27.16	
Type I or II F.R.*		135.02	Type III--1-Hour	87.30	STORES:			
Type II--1-Hour		93.70	Type III--N	82.94	Type I or II F.R.*	79.93		
Type III--1-Hour		96.03	Type V--1-Hour	91.67	Type II--1-Hour	48.89		
Type V--1-Hour		90.50	Type V--N	78.57	Type II--N	47.82		
DWELLINGS:				MEDICAL OFFICES:				
Type V--Masonry	93.99	72.75	Type I or II F.R.*	115.92	Type III--1-Hour	55.78		
Type V--Wood Frame	89.63	65.28	Type II--1-Hour	89.43	Type V--1-Hour	50.05		
Basements--				Type II--N	84.97	Type V--N	46.27	
Semi-Finished	22.50	19.50	Type III--1-Hour	97.00	THEATERS:			
Unfinished	17.17	14.16	Type III--N	90.31	Type I or II F.R.	106.51		
FIRE STATIONS:				Type V--1-Hour	87.49	Type III--1-Hour	77.60	
Type I or II F.R.		110.97	Type V--N	84.39	Type III--N	73.91		
Type II--1-Hour		73.04	OFFICES:**				Type V--1-Hour	73.04
Type II--N		68.87	Type I or II F.R.*	103.60	Type V--N	69.06		
Type III--1-Hour		79.93	Type II--1-Hour	69.36	WAREHOUSES:**			
Type III--N		76.53	Type II--N	66.06	Type I or II F.R.	47.92		
Type V--1-Hour		74.98	Type III--1-Hour	74.88	Type II or V--1 Hour	28.42		
Type V--N		71.10	Type III--N	71.59	Type II or V--N	26.68		
			Type V--1-Hour	70.13	Type III--1-Hour	32.20		
			Type V--N	66.06	Type III--N	30.65		
EQUIPMENT								
AIR CONDITIONING:								
*Add 0.5 percent total cost for each story over three.						Commercial	4.07	
**Deduct 11 percent for mini-warehouses.						Residential	3.40	
***Deduct 20 percent for shell only buildings.						SPRINKLER SYSTEMS		
These fees include the Regional Modifier of 0.97.							2.52	

California Construction Cost Index (CCCI)

Month	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
January	4620	4339	3978	3939	3859	3862	3746	3772	3685	3473	3486
February	4603	4362	4039	3939	3856	3867	3758	3764	3691	3482	3476
March	4597	4360	4034	4021	3863	3867	3846	3751	3695	3488	3475
April	4600	4393	4125	4002	3843	3906	3846	3752	3700	3572	3475
May	4599	4403	4125	4007	3942	3908	3846	3748	3714	3595	3474
June	4593	4421	4192	3988	3943	3885	3857	3744	3715	3598	3474
July	4609	4411	4194	3989	3944	3868	3855	3745	3718	3643	3478
August	4616	4399	4205	3988	3939	3869	3853	3739	3717	3656	3451
September	4619	4533	4309	3993	3939	3862	3858	3742	3732	3656	3471
October	4867	4554	4310	3994	3940	3861	3861	3748	3786	3676	3457
November	4891	4587	4325	3988	3941	3863	3861	3745	3780	3674	3453
December	4877	4614	4339	3980	3941	3860	3862	3745	3772	3685	3473
Annual % ^	5.6%	6.3%	9.1%	1.0%	2.1%	-0.1%	3.1%	-0.7%	2.4%	6.1%	-0.4%

The California Construction Cost index is developed based upon Building Cost Index (BCI) cost indices for San Francisco and Los Angeles produced by Engineering News Record (ENR) and reported in the second issue each month for the previous month. This table is updated at the end of each month.

The ENR BCI reports cost trends for specific construction trade labor and materials in the California marketplace.

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