



Albemarle County

Legislation Text

File #: 23-362, **Version:** 1

AGENDA DATE: 8/16/2023

TITLE:

Discussion about Community Development Department Fee Restructuring

SUBJECT/PROPOSAL/REQUEST: Receive the proposed fee structure and schedule and provide feedback

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Rosenberg, Herrick, Filardo, D. Shifflett

PRESENTER (S): Dave Shifflett, Amelia Mcculley

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: On March 1, 2023, the Board directed staff to proceed with a fee restructuring to achieve the following goals:

- 1) Consolidate fees into one unified fee schedule in one place in the County Code.
- 2) Simplify fees that are easier for customers to understand and for staff to administer.
- 3) Consolidate and align fees to be consistent with the staff work required while maintaining projected revenue levels.
- 4) Adopt the fee structure in such a way as to provide the option to amend as needed, and
- 5) Implement the new fee structure prior to launching the new Community Development System (CDS).

This fee project is only a restructuring of the fees and does not involve a study of the costs of service.

Staff examined the County's current fees for a variety of services and compared/contrasted them with seven localities to evaluate best practices, with the assistance of a consultant, the Berkley Group (Attachment A). The Berkley Group's comparative analysis found that Albemarle County has almost twice as many fee categories as most localities studied. The proposed fee schedule would consolidate fees from 312 to 154, a reduction of over 50 percent.

This effort included opportunities for feedback from key stakeholder groups (the Blue Ridge Home Builders Association and the Charlottesville Albemarle Developers Roundtable) and a survey that was distributed to previous permit applicants and the broader community. Staff has engaged with key stakeholder groups from the beginning of this project. Many recommendations from the survey have been incorporated into the revised proposed fee schedule (Attachment B).

Staff presented this information to the Planning Commission on July 11, 2023 (Attachment C). The Commission supported the unified fee schedule and had a few questions and suggestions for clarity (Attachment D).

STRATEGIC PLAN: Workforce & Customer Service - Recruit & retain engaged public servants who provide quality government services to advance our mission.

DISCUSSION: The proposed changes create a Bundled and Tiered Single-Family Residential Fee Structure. To consolidate and simplify fees, staff proposes bundling fees for building permits for single-family residential applications into different categories or tiers, based on the dwelling's size. The bundled fee would be applied across single-family residential applications in tiers based on the total size of the project. The fee would include the following services: a building plan review and the first two inspections per inspection-type. This approach is supported as one of the recommended best practices for fee schedules and would replace the current fee schedule approach where the single-family residential building permit fees are based on three different calculations, including finished space, unfinished space, and gross square feet of the project. The pricing of the six proposed tiers acknowledges that larger homes require more extensive plan review and inspection time. To validate the single-family residential tier pricing, staff compared the proposed bundled fees to actual fees charged based on the current fee schedule for single-family residential permits filed since July 1, 2021. The proposed pricing levels for the bundled fees were adjusted based on the comparisons.

Once a final proposed fee schedule is approved, staff will bring forward for the Board's consideration the adoption of an ordinance to amend the County Code such that fees are in their own section of the Code.

Because commercial building permits are complex and highly variable, staff recommends maintaining the current fee structure for commercial permits. Compared to benchmark localities, staff determined that Albemarle's current commercial permit fee structure is relatively simple and transparent.

BUDGET IMPACT: There are no budget impacts identified with this item. The fee restructuring is intended to be revenue neutral.

RECOMMENDATION:

Staff recommends the Board's input on the proposed fee schedule (Attachment B) based on the approved goals for the project.

ATTACHMENTS:

- A - CDD Fee Study by the Berkley Group
- B - Summary of Proposed Fee Changes
- C - Planning Commission Executive Summary
- D - Planning Commission Summary Notes