

## Building Permit Fee Increase recommendations:

Construction Permit fees have not been increased in Pflugerville in close to 15 years. The following proposals are for single family and non-residential/commercial construction only.

## **Home Info:**

Single Family Type VB 1 Story 2432 sq/ft Est cost: \$145,920

*Pflugerville:* \$616.00 *Average:* \$1,107.00

The two most equitable ways of increasing fees from the current flat fee are either by valuation or by price per square foot as seen in the following two models using the data for the average home above:

\*\*\*Price per square foot model- currently the price per sq/ft for a home this size works out to .19 per sq/ft =\$480.00. Proposed is an increase to .25 per sq/ft =\$608. Advantage to the sq/ft model is that the square footage can't be skewed because it can easily be determined from the plan submittal.

\*\*\*Valuation Multiplier model- using a valuation multiplier of .0041118 the cost of this home based on the estimated cost of construction would be \$600.00. The drawback to using the valuation multiplier would be decreased or in accurate reporting of the estimated costs of construction.

Both of these methods are deemed more equitable than the current flat fee due to the fact that a 4000 sq/ft home requires significantly more time to inspect than a 2000 sq/ft home, yet the estimated cost per inspection of \$30.00 does not account for the additional time and complexity.

In addition to raising the base fee for the construction permit itself, an increase to the Mechanical, Electrical, and Plumbing permits is recommended as well:

\*\*\*Currently the flat fee for each of these is \$42.00 each. Proposed is a flat increase to \$100 per MEP.

The total proposed cost for the permit on this home would be between \$900-\$908 depending on the model chosen (square foot model or valuation multiplier model). Still below the average taken from the surrounding communities. The change in rate structure would also more accurately reflect the need for a separation between varying Square foot & Valuations in the homes.



The following are the recommendations regarding permit fee increases on the commercial side.

## **Commercial Specifications:**

Costco 156670 sq/ft Est value \$12,613,887

*Pflugerville: \$10,075.20 Average: \$47,772.00* 

\*\*\*Price per Square foot model- The current fee structure is based on square footage as listed below. The proposed fee increase on the commercial side would be at 33% increase to each tier, and an increase to the base rate & price per square foot for buildings over 5,000sq/ft.

1-500 square ft	\$200.00 (current)	\$266.00 (proposed)
501-2,500 square ft	\$450.00	\$600.00
2,501-5,000 square ft	\$750.00	\$1000.00
Over 5.000 square ft	\$500.00 + .06	\$1000.00 + .18 per sa/f

Given the criteria for the commercial structure above the current permit fee cost \$10,075. With the proposed fee increases the permit would cost \$29,200.

\*\*\*Valuation Multiplier model- using a valuation multiplier of .0025 the cost based on the estimated value of the structure would be \$31,534.

In addition to raising the base fee for the construction permit itself, an increase to the Mechanical, Electrical, and Plumbing permits is recommended as well:

\*\*\*Currently the flat fee for each of these is \$50.00 each. Proposed is an increase based on the tiered system: flat fee + square foot:

1-500 square ft	\$50.00 (current)	\$100 + .15 per sq/ft (proposed)
501-2,500 square ft	\$50.00	\$250 + .12 per sq/ft
2,501-5,000 square ft	\$50.00	\$500 + .08 per sq/ft
Over 5,000 square ft	\$50.00	\$750.00 + .02 per sq/ft

The total proposed cost for this permit based on the proposed rates would total \$40,184. Either proposed model more accurately reflects the effort involved for the following services: permitting, plan review, communication with staff, administrative time, and inspections.