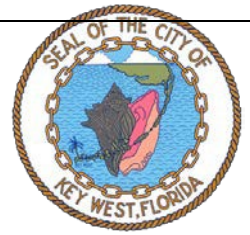


EXECUTIVE SUMMARY



To: Patti McLauchlin, City Manager

From: Jordan Mannix-Lachner, Planner I

Through: Katie P. Halloran, Planning Director

Meeting Date: February 7, 2023

Agenda Item: Approving the attached update to the Planning Department Fee schedule by reducing the Building Permit Allocation System (BPAS) and Emergency Order Extension Request fees; providing for annual fee adjustment providing for an effective date.

Action Statement: This update would reduce the fee for BPAS applications for developments with more than five units. It would also reduce the fee for processing emergency order development permit extensions.

Background & Justification:

BPAS Fees

BPAS currently has a tiered fee structure wherein the cost of additional units is reduced as the number of additional units increases. The fee reduction for each tier is about 4%, which may not be a significant enough change to accomplish the intended goal of a tiered fee schedule. The updated fee schedule simplifies the tiers and reduces the cost of multi-unit applications. The intent of this change is to 1) more accurately reflect the resources involved in processing multi-unit applications, and 2) encourage the development of additional housing by reducing financial barriers.

The existing BPAS fee structure is as follows:

Affordable:

1st Unit: 551.25

2-10 units: 525.00 per unit

11-20 units: \$ 498.75 per unit

21+ units: \$ 472.50 per unit

Market-Rate:

1st Unit: \$ 1,212.75 per unit

2-10 Units: \$ 1,155.00 per unit

11-21 Units: \$ 1,102.5 per unit

21+ Units \$ 1,050.00 per unit

The proposed BPAS fee structures for affordable and market-rate units is:

Affordable:	Application Fee	Market-Rate:	Application Fee
Small project (1-4 units)	\$551.25	Small project (1-4 units)	\$1,212.75
Mid-size project (5-10 units)	\$826.88	Mid-size project (5-10 units)	\$2425.50
Large project (≥11 units)	\$1102.50	Large project (≥11 units)	\$3638.25

The fees provided in the table above are designed to reflect the average complexity of small, mid-size and larger residential BPAS applications. To incentivize affordable housing projects, fees are increased by 50% of the affordable “small project” for each tier; a mid-size project is the \$551.25 plus 50%, and large project is \$551.25 plus 100%. The proposed market rate fee schedule is far less costly than the existing fees and is designed to more accurately reflect staff administrative time. Fees for market rate BPAS application reviews are increased by 100% as the scope expands from a small, to a mid-size, to a large project.

For mixed income projects, fees would be determined based on the respective breakdown of the quantity of affordable versus market rate units.

Emergency Order Extension Fee

Per Florida Statutes 252.363, development permits may be extended following the governor’s declaration of a State of Emergency. This proposal would reduce the administrative fee for processing emergency order development permit extensions. The proposed fee is designed to strike a fair balance between the interest of property owners who apply for extensions, and the interest of taxpayers who foot the bill for the staff resources required to process extensions. The fee covers the cost of personnel time required to process and implement development permit extensions.

Existing Emergency Order Extension Administrative Fee	Proposed Emergency Order Extension Administrative Fee
\$551.25	\$99

Financial Impact:

BPAS Affordable-Rate Applications:

Units/Application	Existing Fee Schedule	Proposed Fee Schedule	Change
1	551.25	\$551.25	0
5	\$2,651.25	\$826.88	\$1,824.37
11	\$5,801.25	\$1,102.50	\$4,698.75
20	\$10,526.25	\$1,102.50	\$9,423.75

BPAS Market-Rate Applications:

Units/Application	Existing Fee Schedule	Proposed Fee Schedule	Change
1	\$1,212.75	\$1,212.75	0
5	\$5,832.50	\$2425.50	\$3,407.00
11	\$12,237.75	\$3638.25	\$8,599.50
20	\$22,160.25	\$3638.25	\$18,522.00

Emergency Order Extension Fee:

Existing Emergency Order Extension Administrative Fee	Proposed Emergency Order Extension Administrative Fee	Revenue Reduction
\$551.25	\$99	\$452.25

Options / Advantages / Disadvantages:

Option 1: Approve proposed fee schedule.

Advantages:

- Reduce financial barriers for housing development, which may encourage the development of additional housing and mitigate the existing housing shortage.
- Reduce financial burden for permit-holders in wake of emergency order declaration.

Disadvantages:

- Reduction in City revenue.

Option 2: Maintain Existing Fee Schedule

Advantages:

- Maximize fee-based revenue.

Disadvantages:

- Maintains financial barriers for additional housing development & financial barriers for property owners post-emergency declaration.

Recommendation:

Approve proposed fee schedule.