

Item # 7

Carson City Agenda Report

Date Submitted: July 10, 2007

Agenda Date Requested: July 19, 2007

Time Requested: 15 Minutes

To: Mayor and Supervisors

From: Development Services

Subject Title: Action to accept the Cost Study for Planning, Building and Engineering Permits, Applications and Inspections and to direct staff to prepare ordinance(s) to increase Planning and Engineering fees.

Staff Summary: Based on the work flow study presented to the Board and at the direction of the Board of Supervisors, the Department commissioned a study to look at the actual costs of reviewing building permit applications, engineering applications and planning applications. The study showed that the cost for services was \$3,178,000 in FY2006/2007 and the total revenues collected were \$1,798,000 for a General Fund subsidy of \$1,380,000. The recommendation that staff is suggesting is to only increase the fees by an amount necessary to cover the direct salary costs of \$520,000. The General Fund subsidy remaining covers general city overhead and those processes that are of a general nature and not permit supported. The cost study did take into account the reorganization of the Development Services Department. The cost study was presented to the Builders Association of Western Nevada (BAWN) Executive Board in June 2007. BAWN offered suggestions that were incorporated into the proposal before you today. The additional item that they asked about was the implementation process. Additionally, staff looked at comparisons with neighboring counties and selected cities.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to accept the Cost Study for Planning, Building and Engineering Permits, Applications and Inspections and direct staff to prepare ordinance(s) to increase Planning and Engineering fees

Explanation for Recommended Board Action: It has been several years since fees were increased for Planning permits and applications and probably 20 years since Engineering fees have been increased and all the while, costs for providing these services have been increasing. The last increase in Planning fees reduced the General Fund subsidy from around 90% to 60%. It has been the direction of the City through past actions to have service users cover the cost for the service providers. This action would begin the process to increase fees to more adequately make Development Services user supported.