BUILDING PERMITS AND INSPECTIONS

MEMORANDUM

TO: The Honorable Mayor & City Council
Jim Martinez, Chief Administrative Officer
Adrian Ocegueda, Executive Assistant to the Mayor
Laura Uribarri, Executive Assistant to the Mayor
Patricia D. Adauto, Deputy CAO for Building and Planning Services

COPY: William A. Chapman, Deputy CAO for Financial Services
David R. Almonte, OMB Director
Irene D. Ramirez, P.E., Interim City Engineer
Lisa Elizondo, City Attorney
Terry Garcia, Asst. City Attorney
Richarda D. Momsen, Municipal Clerk

FROM: R. Alan Shubert, P.E., Director of Building Permits and Inspections

SUBJECT: Fee Increases for Building Permits and Inspections

DATE: March 17, 2004

On December 5, 2003, we received a list of proposed fee increases from Mr. William Chapman, Deputy CAO, with justification for all city services. The increases were based upon the fact that there has not been a fee increase since 1994. The Office of Management and Budget conducted an extensive study of building permit fees and licenses in the fall of 2003 by looking at process flows and interviewing department staff. The steps in processing each permit or license were documented in an attempt to capture all costs associated with it. A determination was then made on whether the City was recovering all costs associated with each permit or license. The fee increases proposed by OMB were proposed on this basis.

The Building Permits and Inspections department reviewed the study done by OMB for the purpose of understanding their findings and revising some fees through combination of fees, addition of fees, and deletion of fees. The reason

for this is to reduce unnecessary work in the department and enhance our service to the customer. A synopsis of the results is this:

1) BP&I feels that there would be much efficiency gained by adopting a single permit and fee system for new single family residences and new additions to single family residences. We studied the fees extensively and came up with an alternate to OMB's proposal to include this. The single permit fees were adjusted to decrease the effect of the increases on the smaller new residences (less than $70,000) and increase the effect on larger residences. A table of values is attached to this memo to document this. In addition, we propose standard rates for valuation of new homes by square footage. These rates are indexed to the values published by the International Codes Council, International Building Code Legacy Building Valuation Data type 5 (V), Column B Average value for single family residence, presently $49 per square foot for El Paso. The overall effect of our proposal is within 1.1% of what OMB recommends.
2) New fees were added to the schedule for some new services provided by the department. These include a fee for Permit by Appointment, which is a service to allow commercial clients with tenant improvement projects to have the plan review done in one sitting by making an appointment with the department. The second new fee proposed is the Customized Plan Review fee. This fee is to provide a service for large commercial and institutional projects, where Planning, Fire, BP&I, Engineering, and possibly the Health department are involved. The plans are reviewed by a committee of involved departments, shortening plan review time to the minimum possible. The third new fee proposed is a fee for Temporary Certificates of Occupancy. These are requested when a tenant needs to move furniture, fixtures, or equipment into a facility prior to completion of construction. This requires a minimum of one additional inspection, and the fee is to reflect additional work required.
3) Deleted were the Texas Accessibility Standard fees for plan review, as we no longer perform this service and it is the responsibility of the state. Also deleted were the hourly rate and minimum for plan review. These were replaced by the services offered in (2).
4) Attached are copies of the ordinances. A list of ordinances are as follows:
   - Amplification Permit
   - Building & Construction Administrative Code – Valuation for New Residential Homes
   - Building & Construction Administrative Code – Increase Permit Fees
   - Dealers in Second Hand Goods, Coins & Precious Metals License
   - Driveway Permit
   - Grading Permit

Home Occupation Permit
Hotel & Motel Permit
Late Payment of Business License
Licenses – Increase Permit Fees
Laundries License Fee – Expiration
Motor Vehicle Dealers License
Parade Permit
Parking in Residential District
Public Swimming Pool License
Sidewalk Permit
Sign Permit
Trailer Court License
Use of Gas Heaters Permit
Vendors License

If you have any questions or need more information, please do not hesitate to call me at 541-4557 or Said Larbi-Cherif at 541-4791.

ORDINANCE NO. _____
AN ORDINANCE AMENDING TITLE 5 (BUSINESS TAXES, LICENSES AND REGULATIONS), CHAPTER 5.04 (BUSINESS TAXES, LICENSES AND REGULATIONS) SECTION 5.04.040 (LATE PAYMENT - PENALTY) TO INCREASE THE PERMIT FEES THE PENALTY BEING AS PROVIDED IN SECTIONS 1.08.010 TO 1.08.030 OF THE EL PASO MUNICIPAL CODE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. That Section 5.04.040 Late Payment - Penalty shall be revised to read as follows:

5.04.040 Late Payment - Penalty.

A. Whenever any occupation tax is paid after the date on which payment was due, a penalty shall be added in one-half the amount of the penalty assessed by the state for late payment of its tax on the same occupation. No charge shall be made, however, for visits by personnel of the building permits and inspections department to collect the tax.

B. Whenever any license fee or license tax assessed under the police power is paid after the date on which payment was due, a penalty shall be added in the amount of ten dollars if paid in the first month after payment becomes due, and five dollars for each additional month or fraction thereof during which payment remains delinquent.

C. Late payment of any occupation tax, or any license fee or license tax, shall not bar prosecution for doing business without a license if such offense was committed at any time before such payment was made.

2. Except as herein amended, Title 5 (Business Taxes, Licenses and Regulations), shall remain in full force and effect.

PASSED AND APPROVED this 6th day of April, 2004.

THE CITY OF EL PASO

_____
Joe Wardy
Mayor

ATTEST:

_____
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Teresa Garcia
Assistant City Attorney

APPROVED AS TO CONTENT:

R. Alan Shubert
Director for Building Permits and Inspections