

CITY OF GALVESTON - BUILDING DIVISION

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To: City Council

From: Todd Sukup, Assistant Director of Development Services

Date: 7/10/2019

Re: Staff Report – Permit fee changes for compliance with State law

House bill 852 was signed by the governor on May 21st and made effective immediately. The bill prohibits cities from determining permit fees for residential dwellings based on the value of the dwelling or the cost of constructing or improving the dwelling. The bill also prohibits municipalities from requiring the disclosure of information related to the value of or the cost of constructing or improving a dwelling as a condition of obtaining a permit except as required by FEMA for participation in the NFIP.

Most permit fees collected by the city of Galveston already conform to State law. However, the following fees are affected by the change and must be modified:

Residential Remodels
Residential Additions
Residential Roofs
Residential Windows

Staff recommends adoption of the following fees to comply with state law:

Description	Fee
Building Permit - Additions	\$.40 / square foot
Plan Review- Additions	\$.20/ square foot
(This covers building, planning, engineering, coordinator review, administrative fees and inspections. Repetitive failures require \$50 re-inspection fee)	
Roof Permit	\$150
(This covers planning, fire marshal review, administrative fees and if necessary, 1 st time inspection. Re-inspections require \$50 re-inspection fee.)	
Windows	\$150
(This covers planning review, fire review, engineering review, building review, administrative fees and inspection. Re-inspections require \$50 re-inspection fee.)	
Building Permit – Remodel interior	\$250
(This covers building review, MEP review, planning (simple review), engineering review, coordinator review, administrative fees, required 1 st time inspections. Re-inspections require \$50 re-inspection fee.)	
Building Permit – Remodel Exterior	\$300
(This covers building review, MEP review, planning (comprehensive review), engineering review, coordinator review, administrative fees, required 1 st time inspections. Re-inspections require \$50 re-inspection fee.)	

Remodel permits 2018: 902 permits for \$119,842. (15% of total permit fees)	average =	\$133 per permit
Total permit fees 2018:		\$791,739
Total cost of review/permits/ inspections FY 2019 =		\$1,969,370
Total cost of review/ permits/ inspections FY 2019 (remodels only)	=	\$295,405
Total cost to recover per permit	average=	\$327 per permit

The modification proposed would comply with State law.

In conclusion, the current change proposal is intended to bring the city into compliance with state law. Data collected in the following months will allow staff to perform cost-recovery analysis as part of a larger review of the entire permit fee structure.