

## MEMORANDUM

To: William T. Lichter, Village Manager

From: George E. Seagraves, Fire Chief

Date: January 23, 2004

**Re: Building Permit Fee Increase**

At this time staff is recommending that residential permit fees be raised by 3% and commercial permit fees be raised by 10%.

This increase excludes the following:

Administration Fee;  
Consultation Fees;  
Cash Bonds;  
Roofing Permits;  
Electrical Permits: Garage, Lamppost, Motors/Current Consuming Devices; and Minimum Electric;  
Storage Tank Permits;  
Garages Permits;  
Driveways Permits;  
Wrecking Permits;  
Above-Ground Pool Permits;  
Sign Permits

The increase in permit fees follows the direction of the Village Board to increase fees annually. This will keep our fees in line with other municipalities and avoid large increases that occur when fee changes are made only every three to four years.

The 3% increase to residential permits is a moderate general adjustment similar to the CPI and estimated near but probably below FY 2005 salary adjustments. With this increase, only Downers Grove has a lower permit cost.

The 10% increase in commercial permit fees is an attempt to gradually increase our fees to position us in the middle of our comparable municipalities commercial permit fees.

The overall goal is to keep our fees moderate as compared to other communities and to cover the cost of our Bureau of Inspectional Services. The proposed fee increases will meet this goal.

Additionally, staff is recommending an increase to Certificates of Occupancy from \$40.00 to \$100.00. The reason for raising the fees on Certificates of Occupancy is two fold, first Conditional Certificates of Occupancy are becoming the norm instead of the exception. The original purpose of a Conditional Certificate of Occupancy was to allow for Winter Conditions, i.e., bonds deposited for the completion of driveways, planting of trees and grass. Nevertheless, Conditional Certificates of Occupancy are now utilized when minor items are incomplete but the business or resident needs to move into their space. Unfortunately, more often than not, the minor items are not completed within the designated time period and multiple Conditional Certificates of Occupancy are issued.

As such, staff believes that due to the time involved in obtaining compliance the Conditional Certificate should be raised to a fee that will deter the issuance of multiple Conditionals and allow for the completion of a project within the designated time period. The fee increase will not effect our position with the fees charged by our comparable municipalities for Certificates of Occupancy.

**Certificates of Occupancy:**

Type	Existing Conditional	Proposed Conditional	Existing Final	Proposed Final
SFR / Multi-Family	\$40.00	\$100.00	\$40.00	\$75.00
Commercial, Industrial, Assembly	\$40.00	\$125.00	\$40.00	\$100.00

**New Fees:**

**Re-Review Fees / Revised Plans:**

After the initial review has been completed, revised or corrected plans shall be charged a fee equal to one half of the initial plan review. In researching comparable municipalities, staff discovered that the majority of our comparable municipalities charge re-review fees for revised plans. The typical fee being charged for each additional review, after the initial review, is 50% of the original review fee. At this time staff is recommending this new fee for any plans that require being revised and reviewed again.

**Penalty for Working without a Permit:**

Our current building code has set a penalty of double the permit fees for electrical work being done without a permit. No other penalty is established. Staff is recommending that with the passing of the new building code, which will probably be in March, that all fees be doubled if

someone is found to be working without benefit of a building permit. This will be for permit costs only.