

**From:** [Burwick, Laura](#)  
**To:** [Jacobson, Jonathan](#)  
**Cc:** [Rosenson, Valerie](#); [Gami, Bharat](#); [Fountain, James R. \(OPM\)](#); [Martin, David](#)  
**Subject:** Information Requested by BOR Operations Committee  
**Date:** Friday, November 30, 2018 5:23:16 PM

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Dear Chairman Jacobson,

In response to the Operations Committee's request for a calculation of the impact of the proposed changes to building fees, the City calculates the following:

Assumptions:

1. The originally proposed \$100/permit for residential permits and \$250/permit for commercial permits will not be charged;
2. Residential permit fees will remain at \$13.00/\$1,000;
3. Commercial permit fees will not increase for the first \$1 million of project cost and will remain at \$16.50/\$1,000. For project costs exceeding \$1 million, the fee will increase from \$16.50/\$1,000 to \$19.00/\$1,000 of project cost; and
4. The calculations used to estimate the fee revenue referred to below are based on the fiscal 2017-2018 results. The actual results for fiscal 2018-2019 will not be the same.

Results:

Using the modified fees referenced above, the total increase in revenue collected would be approximately \$376K. If the originally proposed fee changes had been implemented (\$13/\$1,000 for residential; \$18.00/\$1,000 for commercial and a per permit fee of \$100/residential and \$250 for commercial), the total increase in revenues collected would have been approximately \$1,173K. This means that changing from the original proposed fee increases to the modified fee increases results in approximately \$797K less in fee revenue. The majority of this decrease, \$644K, is due to the elimination of the per permit fee (\$100 residential, \$250 commercial). The remainder is due to the large number of permits that are less than \$1 million.

Please let me know if you have any questions.

Best Regards,  
Laura Burwick