			Index	of Records				
	Development Permit Fees Ordinance 21-048 (ECAF 2021-0566)							
		Hearing Dat	e: Wednesday,	September	29, 2021 @	10:30 a.m.		
	Counc	il Staff: Ryan Coun	tryman PDS	Staff: Julie	Mass D	OPA: Christina Richmond		
Click or	n exhibit numb	per to view docume	nt	T		1	<u> </u>	
EXHIBIT	RECORD TYPE	то	FROM/BY	DATE	DATE IN	DESCRIPTION	# OF PAGES	
3.1 ECA	AF and Materia	als	_		_			
3.1.1	ECAF	Council	Executive/PDS	07/29/21	07/29/21	Transmitting Executive initiated ordinance	2	
3.1.2	Ordinance	Council	Executive		07/29/21	Introduced ordinance	24	
3.1.3	Staff Report	Council	Julie Mass, PDS Staff		07/26/21	PDS Staff Report	7	
3.1.4	Analysis	Council	PDS	07/27/21	07/29/21	Analysis of Building and Land Use Regulation Effects on Housing and Jobs	2	
3.1.5	Analysis	Council	PDS	07/27/21	07/29/21	Capital Facility Development Cost Analysis Summary	2	
3.1.6	Introduction	Council	Councilmember Nehring		07/29/21	Introduction Slip	1	
3.2 Cou	uncil Planning	Committee Materi	als					
3.2.1	Staff Report	Council	Ryan Countryman, Council Staff		08/31/21	Council Staff Report	2	

EXHIBIT	RECORD TYPE	то	FROM/BY	DATE	DATE IN	DESCRIPTION	# OF PAGES
3.2.2	PowerPoint	Council	Julie Mass, PDS Staff			Presentation prepared for Planning Committee 08/31/21	8 slides
3.3 Cor	3.3 Correspondence, Comments, Testimony						
3.4 Staf	3.4 Staff Reports and Submissions						
3.5 Pub	lic Participation	on					
3.6 Council Deliberations							
3.6.1	Amendment	Council	PDS Staff		09/14/21	Amendment Sheet 1 - Correcting cross reference to SCC 13.110.020	1

	Index of Records					
	Project Name	Phase II Permit Fees				
Part 1 - DEPARTMENT OF PLANNING AND DEVELOPMENT SERVICES			CES			
Exhibit #	Record Type	Date	Received From	Exhibit Description		
1.0001	Correspondence	Staff		Parties of Record		
1.0002	Correspondence	3/1/2021 Staff		3.1.21 Email - PDS to Mike Pattison		
1.0003	Correspondence	3/1/2021 Staff		3.1.21 Email Attachment		
1.0004	Correspondence	3/2/2021 Mike Pattiso	n	3.2.21 Email Mike Pattison acknowledgement		
1.0005	Project Administration	3/3/2020 Staff		Fee Project Summary		
1.0006	Staff Research	12/4/2019 Staff		Cost of Service Model		
1.0007	Staff Research	11/12/2020 Staff		200 Ordinance Utility ROW permits		
1.0008	Staff Research	1/5/2021 Staff		Phase II Permit Fee Analysis		
1.0009	Staff Research	7/21/2021 Staff		Phase II Permit Fee List		
1.0010	Legislative Documents	7/27/2021 Staff		21-048 Ordinance-PA Signed Copy		
1.0011	Legislative Documents	7/27/2021 Staff		21-048 Ordinance		
1.0012	Legislative Documents	8/19/2021 Staff		21-048 Staff Report		
1.0013	Legislative Documents	9/13/2021 Staff		21-048 Staff Report revised		
1.0014	Legislative Documents	8/19/2021 Staff		Planning Committee PowerPoint		
ontact the Cl	erk of the Council for conies	of Part 1 Exhibits - 425-388-3	494 or contact council@snoce	o ora		

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EXHIBIT #_	3.1.1
ore ORE	21-048

Executive/Council Action Form (ECAF)

ITEM TITLE:		

..Title

Ordinance 21-048, relating to Development Permit Fees; amending Chapter 13.110 SCC and Chapter 30.86 SCC

..body

DEPARTMENT: PLANNING & DEVELOPMENT SERVICES

ORIGINATOR: JULIE MASS

EXECUTIVE RECOMMENDATION: Approve-Ken Klein, 07/29/21

PURPOSE: To update miscellaneous fees SCC 30.86 and SCC 13.110 to adjust for inflation, as Phase II in updating permitting fees.

BACKGROUND: Chapter 30.86 SCC establishes the permit fees required to be paid by applicants to cover the cost of administering title 30 SCC. Most permit fees in SCC 30.86 have not been adjusted in several years (in most cases over 20 years). Fees in SCC 13.110 for Type D Utility and Right of Way permits administered by PDS have not been updated in 20 years. Periodic adjustments are needed to maintain financial self-sufficiency in providing permitting services and keep pace with inflation. PDS is facing budget deficits of around \$3 million annually. To help close the expected budget gap, PDS is proposing to amend several miscellaneous permit fees where the updated cost model (established hourly rates for services) can be applied to estimated time spent processing those permits to establish a reasonable fee that provides for better cost recovery.

FISCAL IMPLICATIONS:

EXPEND : FUND, AGY, ORG, ACTY, OBJ, AU	CURRENT YR	2ND YR	1ST 6 YRS
TOTAL			

REVENUE: FUND, AGY, ORG, REV, SOURCE	CURRENT YR	2ND YR	1ST 6 YRS
Various 193-305513XXXX	\$0	\$500k-\$800k	\$500k-\$800k/yr
TOTAL	\$0	\$500k-\$800k	\$500k-\$800k/yr

DEPARTMENT FISCAL IMPACT NOTES: Click or tap here to enter text.

CONTRACT INFORMATION:

ORIGINAL	CONTRACT#	AMOUNT	
AMENDMENT	CONTRACT#	AMOUNT	
Contract Period			
ORIGINAL	START	END	
AMENDMENT	START	END	

OTHER DEPARTMENTAL REVIEW/COMMENTS: Approved as to form by PA (Christina Richmond) Approved/Reviewed by Finance & Risk

CNI		MISH	COLI	VTI	COLL	NCII
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EXHIE	BIT #	3.1.2	
FILE	ORD	21-048	

Adopted: .	 _, 2021
Effective:	, 2021

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> SNOHOMISH COUNTY COUNCIL SNOHOMISH COUNTY, WASHINGTON

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ORDINANCE NO. 21-048

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RELATING TO DEVELOPMENT PERMIT FEES; AMENDING CHAPTER 13.110 SCC and CHAPTER 30.86 SCC

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WHEREAS, the Snohomish County Council ("County Council") and the Snohomish County Executive have identified regulation of development to ensure safe and quality construction as a high priority and have delegated the responsibility for administering the State Building Code, chapter 19.27 RCW, to the Snohomish County Department of Planning and Development Services (PDS); and

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WHEREAS, under RCW 82.02.020, the county may collect reasonable fees from an applicant to cover the cost to the county of processing applications, inspecting, and reviewing plans, or preparing detailed statements required by chapter 43.21C RCW; and

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WHEREAS, chapter 30.86 SCC establishes fees required to be paid by an applicant to cover county costs of administering the Unified Development Code (title 30) SCC; and

WHEREAS, chapter 13.110 SCC establishes fees for Type D permits, which relate to construction activities associated with land development which will disturb or impact the roadway and other related features; and

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WHEREAS, PDS administers Type D permits and permits issued under title 30 SCC; and

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WHEREAS, PDS's costs of processing permits are higher than current and projected revenue, and PDS is facing a budget deficit in its permitting division of \$3.6 million in 2021 which will deplete PDS's fund balance; and

WHEREAS, periodic adjustments to fees are necessary to maintain financial selfsufficiency in providing permitting services and keep pace with inflation, to align the fees charged to applicants with the type and level of services provided, and to provide for improved cost recovery, fee equity, and predictability; and

WHEREAS, as part of a multi-phase project to examine and analyze permitting and land use fees, PDS has identified certain permit fees in titles 13 and 30 SCC, identified in this ordinance, which have not been adjusted for several years and for which the cost of

1	processing is significantly greater than the fee charged;
2 3	WHEREAS, on, 2021, the County Council held a public hearing after
4 5	proper notice, heard public testimony related to the proposed code amendments, and considered the entire record; and
6	
7 8	WHEREAS, following the public hearings, the County Council deliberated on the proposed code amendments.
9	FF
10	NOW, THEREFORE, BE IT ORDAINED:
11	
12	Section 1. The foregoing recitals are incorporated herein as findings of fact and conclusions as if set forth in full.
13 14	Conclusions as it set forth in full.
15	Section 2. The County Council adopts the following additional findings in support of
16	this ordinance:
17	
18	A. This ordinance will amend title 13 SCC by amending the fees for Type D permits in
19	SCC 13.110.010.
20 21	B. This ordinance will amend title 30 SCC as follows:
22	B. This standards will afficile use so soo as follows.
23	1. Amend SCC 30.86.140 to amend the fees relating to boundary line adjustments.
24	
25	2. Amend SCC 30.86.145 to amend the fees relating to landscape and tree plan
26	review and inspection fees.
27 28	3. Amend SCC 30.86.220 to: 1) amend the fees relating to administrative
29	conditional use permits; 2) split out the fees for temporary dwelling permits to
30	distinguish between two different types of administrative conditional use permits;
31	3) eliminate fees for temporary woodwaste recycling and temporary woodwaste
32	storage permits because these permits were removed in previous code
33	amendments; and 4) remove a reference note about administrative conditional
34	use permits for playing fields on designated recreational lands because these
35 36	special permits are no longer in county code.
37	4. Amend SCC 30.86.230 to: 1) amend the fees relating to standard variances; 2)
38	eliminate the fees for minor and major variance revisions because these permit
39	types are no longer issued; and 3) make a housekeeping amendment to add a
40	hyphen to a word.
41	5 A 1000 00 000 (4)
42	5. Amend SCC 30.86.300 to: 1) amend the fees relating to special flood hazard
43	areas permits; 2) eliminate fees for flood hazard permits for playing fields on

- designated recreational land because these permits are no longer in county code; and 3) eliminate an empty reference note heading.
- 6. Amend SCC 30.86.400 to: 1) amend the base permit fees for commercial and residential permit applications in subsection (5); 2) eliminate the reference to commercial review fees for playing fields on designated recreational land in subsections (4) and (5) because these special permits are no longer in county code; 3) eliminate plan review fees for playing fields on designated recreational land in subsection (6) because these special permits are no longer in county code; 4) amend the fees for certificates of occupancy in subsection (8); 5) eliminate fees for commercial building change of use or occupancy, amending the header accordingly, and eliminating the related reference note in subsection (8) because this permit type is no longer issued; 6) amend the fees relating to special inspections and investigative fees in subsection (9); 7) amend the miscellaneous review and permit fees in subsection (10); and 8) eliminate preapplication design review and completion permits in subsection (10) because these permit types are no longer issued.
- 7. Amend SCC 30.86.410 to clarify that standalone commercial mechanical permits (not related to new building construction) fall under the permit fee table in SCC 30.86.400(7) based on valuation.
- 8. Amend SCC 30.86.420 to clarify that standalone commercial plumbing permits (not related to new building construction) fall under the permit fee table in SCC 30.86.400(7) based on valuation.
- 9. Amend SCC 30.86.450 to amend the fees relating to signs and to clarify that billboard sign fees apply to both digital and non-digital billboards.
- 10. Amend SCC 30.86.600 to amend permit decision appeal fees for Type 1 nonshoreline permits and make housekeeping amendments to the reference note text.
- C. The code amendments in this ordinance will become effective on November 1, 2021.
- D. Stakeholder feedback was solicited during the development of the proposed fee changes. On March 1, 2021, proposed fee amendments were sent to the representative for the Developers Builders Issues Committee which did outreach to committee members on the proposed fees and solicited member comment.
- E. The proposed amendments are consistent with the record.
 - 1. Amendments to chapter 30.86 SCC are necessary to establish fees to

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implement the State Building Code, keep up with inflation, and to better recoup the permitting expenses of PDS. Housekeeping amendments are also necessary to correct inconsistencies and remove from the permit fee tables references to permits that were eliminated by previous code amendments.

- 2. Amendments to chapter 13.110 SCC for Type D access permit fees, last updated on November 21, 2000, are necessary because the current permit fees do not provide for cost recovery based on inflation and an analysis of the amount of time it takes to process these permits.
- County policy is to use permit fees to cover only the direct and indirect costs of permitting as allowed by state law, and to reasonably and consistently allocate PDS overhead costs among all programs, regardless of the type of revenue source supporting them.
- 4. In 2008, PDS developed a cost of services model to estimate the cost of providing permitting services at the present level of service and the fees necessary to recover permitting costs.
- 5. The PDS cost of services model, which provides the analytical framework used to recover permitting costs, was updated in 2017 with the adoption of fees related to fire systems, and has again been updated based on PDS's 2021 budget. The PDS cost of services model was used to update the fees in the code amendments in this ordinance.
- 6. The PDS cost of services model consists of four main costs: labor expenses (salary and benefits); direct (non-labor) expenses; department overhead/indirect management costs; and county-wide overhead related to development review and permits.
- 7. In 2020, PDS performed an analysis to estimate the time it takes staff to perform the related permit functions and applied the average labor rates for those positions.

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8. Proposed updates to the fees are reasonable and will reimburse the County for the staff time required to process permit applications.

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Section 3. The County Council makes the following conclusions:

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A. The proposed fees set forth in this ordinance are calculated in accordance with RCW 82.02.020 and provide for improved cost recovery, equity, and fee predictability and simplicity.

- B. The proposed amendments are consistent with Washington state law, chapter 19.27 RCW, and the SCC.
- C. The County Council concludes that this ordinance is related solely to government procedures, not the Growth Management Act (chapter 36.70A RCW), and therefore does not adopt development regulations under SCC 30.10.080. Therefore, notice to the Washington State Department of Commerce of intent to adopt is not required pursuant to RCW 36.70A.106 and Snohomish County Planning Commission review is not required pursuant to SCC 30.73.040(2)(c).
- D. Pursuant to SCC 30.61.020 and WAC 197-11-800(19), the proposed amendments in this ordinance are categorically exempt from review under the State Environmental Policy Act (SEPA) as being related solely to government procedures containing no substantive standards respecting use or modification of the environment.
 - E. The regulations proposed by this ordinance do not result in an unconstitutional taking of private property for public purpose. The Washington State Attorney General last issued an advisory memorandum, as required by RCW 36.70A.370, in September 2018, entitled "Advisory Memorandum: Avoiding Unconstitutional Takings of Private Property" to help local governments avoid the unconstitutional taking of private property. The process outlined in the State Attorney General's 2018 advisory memorandum was used by Snohomish County in objectively evaluating the regulatory changes proposed by this ordinance.
 - F. The proposed amendments are in the best interest of the county and promote the general public health, safety, and welfare.
 - Section 4. The County Council bases its findings and conclusions on the entire record of the County Council, including all testimony and exhibits. Any finding, which should be deemed a conclusion, and any conclusion which should be deemed a finding, is hereby adopted as such.
 - Section 5. Snohomish County Code Section 13.110.020, last amended by Ordinance No. 19-015 on May 22, 2019, is amended to read:

36 13.110.020 Fee schedule.

Permit Type	Description	Application Fee ⁽¹⁾	Permit Fee ⁽¹⁾	Total ⁽¹⁾
Α	Parade/run			

	Application filed	\$75.00	\$90.00	\$165.00
	more than 60 days			
	prior to the event:			
	Application filed	\$125.00	\$90.00	\$215.00
	between 30 to 59			
	days prior to the			
	event:			
	Application filed	\$160.00	\$90.00	\$250.00
	less than 30 days			
	prior to the event:			
B1	Log tolerances	\$5.00		\$5.00
B2	Overweight	\$50.00	Costs per SCC	\$50.00 plus permit fee
DZ			13.110.010	
	Add an	Actual hourly costs		Actual hourly costs of
	overweight/oversize	of labor, required for		labor, and equipment if
	d load charge as	the department to		required, for county
	required when	determine the extent		staff to assist the
	county staff are	of county staff		permittee, with a 3-
	required to assist	needed to assist the		hour minimum charge
	the permittee	permittee, with a 3-		at \$50.00 per hour
		hour minimum		
		charge at \$50.00 per		
		hour		
B3	Oversize	\$50.00	Costs per SCC	\$50.00 plus permit fee
D3			13.110.010	
	Add an	Actual hourly costs		Actual hourly costs of
	overweight/oversize	of labor, required for		labor, and equipment if
	d load charge as	the department to		required, for county
	required when	determine the extent		staff to assist the
	county staff are	of county staff		permittee, with a 3-
	required to assist	needed to assist the		hour minimum charge
	the permittee	permittee, with a 3-		at \$50.00 per hour
		hour minimum		

		charge at \$50.00 per	-	
		hour		
B4	Haul route	\$50.00	Costs per SCC	\$50.00 plus permit fee
			13.110.010	
B5	Road closure	\$50.00	\$120.00	\$170.00
	Bus	\$50.00	\$90.00	\$140.00
C1	stops/shelters/pads			
	loading zones			
CO	Construction site	\$50.00	\$90.00	\$140.00
C2	structures			
	Landscaping/fences	\$50.00	\$90.00	\$140.00
C3	/gates/other special			
	uses			
0.4	Recycling	\$50.00	\$90.00	\$140.00
C4	Structures			
0.5	Newspaper stands	\$50.00	\$90.00	\$140.00
C5	or drop boxes			
C6	Temporary signs	\$50.00	\$90.00	\$140.00
C7	Temporary sales	\$50.00	\$90.00	\$140.00
CO	Business patrons or	\$50.00	\$90.00	\$140.00
C8	customers			
	Tree	\$50.00	\$90.00	\$140.00
C9	trimming/removal/re			
	placement			
	Nonfranchised or	\$50.00	\$90.00	\$140.00
C10	single user utility			
	purveyor			
	Driveway	((\$25.00)) <u>\$90.00</u>	((\$55.00)) <u>\$260.00</u>	((\$80.00)) <u>\$350.00</u>
	access/culvert/curb			
D1	cut			
	<u>Driveway</u>	\$50.0 <u>0</u>	\$100.00	<u>\$150.00</u>
	access/culvert/curb			

	cut included in prior			
	approved plat or			
	subdivision			
D2	Subdivision	((\$25.00)) <u>\$50.00</u>	((-))\$100.00	((\$25.00)) <u>\$150.00</u>
D2	driveway access			
D3	Temporary trail	((\$125.00)) <u>\$150.00</u>	((\$4 20.00)) <u>\$480.00</u>	((\$545.00)) <u>\$630.00</u>
	access			
D4	Trail access	((\$125.00)) <u>\$150.00</u>	((\$540.00)) <u>\$600.00</u>	((\$665.00)) <u>\$750.00</u>
DE	Major construction Other:	((\$125.00)) <u>\$175.00</u>	((\$340.00)) <u>\$430.00</u>	varies
D5	Add per road front	((\$1.00)) <u>\$1.30</u> per		
	foot:	foot		
	Major construction	((\$125.00)) <u>\$175.00</u>	((\$540.00))\$700.00	varies
	Plat			
D5P	Add per road front	((\$1.00)) <u>\$1.30</u> per		
	foot:	foot		
	Major construction	((\$125.00)) <u>\$175.00</u>	((\$540.00)) <u>\$700.00</u>	varies
D50	Commercial			
D5C	Add per road front	((\$1.00)) <u>\$1.30</u> per		
	foot:	foot		
	Major construction	((\$125.00)) <u>\$175.00</u>	((\$540.00))\$700.00	varies
DEC	Short plat			
D5S	Add per road front	((\$1.00)) <u>\$1.30</u> per		
	foot:	foot		
D6	Minor construction Other	((\$35.00)) <u>\$120.00</u>	((\$60.00)) <u>\$150.00</u>	((\$90.00)) <u>\$270.00</u>
D6P	Minor construction Plat	((\$90.00)) <u>\$120.00</u>	((\$130.00)) <u>\$250.00</u>	((\$220.00)) <u>\$370.00</u>
D6C	Minor construction Commercial	((\$90.00)) <u>\$120.00</u>	((\$130.00))\$250.00	((\$220.00)) <u>\$370.00</u>
D6S	Minor construction Short plat	((\$90.00)) <u>\$120.00</u>	((\$130.00)) <u>\$250.00</u>	((\$220.00)) <u>\$370.00</u>

_	Blanket utility	None	((\$80.00))\$100.00	((\$80.00))\$100.00
	construction per			
D7	each construction			
	activity			
	Major utility	((\$130.00)) <u>\$250.00</u>	((\$390.00))\$450.00	varies
	construction:			
	Open trench in	((\$0.35)) <u>\$.40</u>		
	road: Add per foot if			
D8	road shoulder cut			
	or			
	Add per foot if road	((\$1.00)) <u>\$1.30</u> per	((\$390.00))\$450.00	varies
	asphalt/concrete	foot		
	cut:			
	Plowed cable road:	((\$130.00)) <u>\$250.00</u>	((\$390.00)) <u>\$450.00</u>	varies
	Add per foot:		1	
	0' to 2,000'	\$0.15 per foot		
	2,001' to 7,000'	\$0.10 per foot		
	7,001' and more	\$0.05 per foot]	
E1	Private leases/right-	\$100.00		\$100.00
	of-way			
E2	Road establishment	\$500.00	Costs per SCC	\$500.00 plus permit
			13.110.010	fee
E3C	FranchisesCATV	\$500.00	Costs per SCC	\$500.00 plus permit
			13.110.010	fee
E3U	FranchisesUtility	\$500.00	Costs per SCC	\$500.00 plus permit
			13.110.010	fee
E4		\$500.00 per	Costs per SCC	\$500.00 per petitioner
	vacations	petitioner	13.110.010	plus permit fee
E5	Latecomers cost	\$500.00	Costs per SCC	\$500.00 plus permit
	recovery		13.110.010	fee
E6	•	\$500.00	Costs per SCC	\$500.00 plus permit
	district		13.110.010	fee

- 1 **Note:** All costs, including in excess of the above, associated with road establishments,
- 2 right-of-way vacations, utility franchises, CATV franchises, road improvement district
- formation, or latecomers cost recovery programs will be itemized and presented as part of
- 4 the associated ordinance for county council approval.
- 5 (1) Pursuant to SCC 30.86.030, a technology surcharge of three percent of each Type D
- 6 fee transaction is required in addition to the fees listed in SCC 13.110.020.

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Section 6. Snohomish County Code Section 30.86.140, last amended by Amended Ordinance No. 12-018 on May 2, 2012, is amended to read:

30.86.140 Boundary line adjustment fees.

	((\$600)) <u>\$920</u> plus
APPLICATION FEE	((\$78)) <u>\$155</u> per lot for
	each lot over 2 lots

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Section 7. Snohomish County Code Section 30.86.145, last amended by Amended Ordinance No. 08-101 on January 21, 2009, is amended to read:

- 15 30.86.145 Landscape and tree plan review and inspection fee.
- 16 (1) A plan review fee in the amount of ((\$400))\$640 shall be submitted to the department
- for any landscape plan, tree plan, or combination landscape and tree plan at the time of
- application for any permit or approval requiring a landscaping or tree plan.
- (2) A landscape modification review fee of ((\$200))\$315 shall be paid to the department
- at the time of application for a landscape modification.
- 21 (3) A landscape site inspection fee of ((\$150))\$160 shall be paid to the department at or
- before permit issuance. An additional fee of ((\$50))\$160 shall be paid prior to any re-
- 23 inspection of required site landscaping.
- Section 8. Snohomish County Code Section 30.86.220, last amended by Amended
- Ordinance No. 16-004 on March 16, 2016, is amended to read:

1 30.86.220 Administrative conditional use permit fees.

Table 30.86.220 Administrative Conditional Use Permit (ACU) Fees(((4+)))

PRE-APPLICATION CONFERENCE FEE	\$480
ADMINISTRATIVE CONDITIONAL USE (ACU) PERMIT, Except: ACU	((\$180)) <u>\$2,500</u>
for Expansion of a nonconforming use as provided below	
ACU FOR EXPANSION OF A NONCONFORMING USE	
Base fee	((\$1,200)) <u>\$2,500</u>
Plus \$ per acre	((\$60)) <u>\$100</u>
Total maximum fee for expansion of a nonconforming use	((\$3,600)) <u>\$6,000</u>
TEMPORARY DWELLING	\$300
MINOR REVISION REQUEST	((\$240)) <u>\$500</u>
MAJOR REVISION REQUEST	((\$960)) <u>\$1,500</u>
((*TEMPORARY WOODWASTE RECYCLING PERMIT))	((\$600))
((*TEMPORARY WOODWASTE STORAGE PERMIT))	((\$600))
ANNUAL RENEWAL FEE FOR ANY TEMPORARY USE	((\$48))\$ <u>75</u>
((Reference note:))	

(((1) Administrative conditional use permit fees for playing fields on designated recreational land in accordance with SCC 30.28.076 shall be set at \$0.00.))

Section 9. Snohomish County Code Section 30.86.230, last amended by Amended Ordinance No. 16-004 on March 16, 2016, is amended to read:

7 **30.86.230** Variance fees.

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8 Table 30.86.230 Variance Fees

((PRE APPLICATION))PRE-APPLICATION CONFERENCE FEE	\$480
STANDARD VARIANCE	((\$1,200)) <u>\$1,500</u>

SINGLE FAMILY RESIDENCE REQUEST FOR A SINGLE REVISION	\$600
TO A DIMENSIONAL REQUIREMENT	
((MINOR REVISION REQUEST))	((\$312))
((MAJOR REVISION REQUEST))	((\$1,248))

Section 10. Snohomish County Code Section 30.86.300, last amended by Ordinance No. 15-005 on March 18, 2015, is amended to read:

3 4

30.86.300 Special flood hazard areas permit fees.

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Table 30.86.300 Special Flood Hazard Area Permit Fees

FLOOD HAZARD AREA PERMIT	((\$300))\$1,050
FLOOD HAZARD AREA VARIANCE	See Table
FLOOD HAZARD AREA VARIANCE	30.86.230
PRE-APPLICATION CONFERENCE FEE	((\$400)) <u>\$480</u>
((FLOOD HAZARD AREA PERMIT FOR PLAYING FIELDS ON	((\$0))
DESIGNATED RECREATIONAL LAND IN ACCORDANCE WITH	
SCC 30.28.076))	
FLOOD HAZARD AREA DETERMINATION	((\$200)) <u>\$300</u>
((Reference-note:))	-

6 7

8

Section 11. Snohomish County Code Section 30.86.400, last amended by Ordinance No. 20-039 on September 9, 2020, is amended to read:

9 30.86.400 **Construction Code fees.**

- 10
- (1) Occupancies defined. Fees established in this section shall be assessed based on
- whether an occupancy type is commercial or residential. SCC Table 30.86.400(3) defines 11
- the occupancy groups in these two occupancy types. 12
- (2) Outstanding fees. Any outstanding fees or portions of fees shall be added to the 13
- required fee(s) of any future plan review or permit prior to application acceptance or permit 14
- issuance. Any fee shall not relieve the applicant from a duty to obtain permits for moving 15
- buildings upon roads and/or highways from the appropriate authorities. The permit fee for 16
- construction of a new foundation, enlargement, or remodeling of the move-in building shall 17

- be in addition to the pre-move fee. The fee for any factory built structure as approved by
- the Washington State Department of Labor and Industries is specified in SCC 30.86.440
- 3 under mobile homes.

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4 (3) Commercial and residential occupancies defined.

Table 30.86.400(3) Commercial And Residential Occupancies Defined

OCCUPANCY TYPES	OCCUPANCY GROUPS
COMMERCIAL	A, I, R, E, H, F, M, S, B, and U
RESIDENTIAL	R-3, U

6 (4) Commercial pre-application review⁽¹⁾.

Table 30.86.400(4) Commercial Pre-Application Review

REVIEW FEE (2)	\$400
SITE REVIEW (at applicant's request)	\$100
ADDED SERVICES REQUEST	\$60/hour
((REVIEW FEE FOR PLAYING FIELDS ON DESIGNATED	((\$0/hour))
RECREATIONAL LAND IN ACCORDANCE WITH SCC	
30.28.076))	

Reference notes:

- (1) Prior to making application for a commercial building permit, an applicant may request pre-application review to learn about submittal requirements. The department will provide a written outline of requirements, and may include identification of site-specific issues when known, depending on the detail and scope of the submitted materials.
- (2) Includes a conference with only a senior planner in attendance, and does not include review of detailed construction plans and specifications.
- 8 (5) Base permit fees⁽¹⁾.

Table 30.86.400(5) Base Permit Fees

COMMERCIAL	((\$250)) <u>\$350</u>
COMMERCIAL PLUMBING	((\$125)) <u>\$250</u>

COMMERCIAL MECHANICAL	((\$125)) <u>\$250</u>
COMMERCIAL MECHANICAL AND PLUMBING	((\$125)) <u>\$250</u>
(not in conjunction with a commercial building permit)	
((MECHANICAL, PLUMBING, OR MECHANICAL, AND	((\$80))
PLUMBING))	
RESIDENTIAL	((\$80)) <u>\$150</u>
RESIDENTIAL MECHANICAL, PLUMBING, OR MECHANICAL	\$150
AND PLUMBING	
((COMMERCIAL REVIEW FEE FOR PLAYING FIELDS ON	((\$0))
DESIGNATED RECREATIONAL LAND IN ACCORDANCE WITH	
SCC 30.28.076))	

Reference notes:

- (1) Base fees shall compensate the department for preliminary application screening and the establishment and administration of the permit application file.
- 1 (6) Plan review fees⁽¹⁾.

2 Table 30.86.400(6) Plan Review Fees

PLAN, DRAWING REVIEWED	, OR DOCUMENT BEING	
•	R-3 and U Occupancies for residential purposes	65% of building permit fee
•	A, I, R-1, R-2, R-4, E, H, F, M, S, U and B Occupancies	85% of building permit fee
EXCEPTIONS		
Successive consti	ruction (2) (3)	
•	Structures regulated by the IRC	20% of building permit fee
•	R-2 structures	45% of building permit fee
The plan review fee shall be supplemented for A, I, R-1, R-2, R-4, E, H, F, M, S, U and B		
Occupancies as fo	ollows:	

	Commercial permit application for 1	\$640
•	or more buildings or additions	
	requiring site review	
	Commercial permit application for 1	\$500
•	or more buildings or additions with a	
:	previously approved official site plan	
•	Tenant improvements not requiring	\$100
	site plan review	
ADDITIONAL REVIEW (4)		\$200 or 25% of the plan review
		fee, whichever is less.
((PLAN REVIEW F	EE FOR PLAYING FIELDS ON	((\$0))
DESIGNATED RECREATIONAL LAND IN		
ACCORDANCE WITH SCC 30.28.076))		
APPLICATION EXTENSION		The fee for the permit
		application extension includes a
		percentage of the original plan
		review fee equal to the
		percentage of work completed
		plus a \$400 administration fee.

Reference notes:

- (1) Plan review fees shall compensate the department for the plan review necessary to determine compliance with the adopted construction codes and other county regulations.
- (2) A plan review fee for successive construction will be assessed where more than one building or structure is proposed to be constructed in accordance with a single basic plan for the following classifications of buildings and structures:
- (a) Group R occupancies.
- (b) Garages, carports, storage buildings, agricultural buildings, and similar structures for private use.
- (3) Procedures for approval of basic plans for successive construction shall be established by the director.
- (4) This fee is charged whenever an applicant re-submits documents failing to make county-required corrections noted on "markup" plans, drawings, or such other documents

during plan review; or whenever as a result of changes, additions, or revisions to previously approved plans, drawings or such other documents, a subsequent plan review is required.

1 (7) Building permit fees⁽¹⁾.

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Table 30.86.400(7) Building Permit Fees

TOTAL BUILDING/STRUCTURAL VALUATION (2)	PERMIT FEE (3)(4)
\$1-\$500	\$45.00
\$501-\$2,000	\$45.00 for the first \$500 plus \$3.70 for each additional \$100 or fraction thereof, including \$2,000
\$2,001-\$25,000	\$100.50 for the first \$2,000 plus \$17.50 for each additional \$1,000 or fraction thereof, including \$25,000
\$25,001-\$50,000	\$503.00 for the first \$25,000 plus \$10.50 for each additional \$1,000 or fraction thereof, including \$50,000
\$50,001-\$100,000	\$765.50 for the first \$50,000 plus \$9.75 for each additional \$1,000 or fraction thereof, including \$100,000
\$100,001-\$500,000	\$1,253.00 for the first \$100,000 plus \$7.00 for each additional \$1,000 or fraction thereof, including \$500,000
\$500,001-\$1,000,000	\$4,053.00 for the first \$500,000 plus \$6.50 for each additional \$1,000 or fraction thereof, including \$1,000,000
\$1,000,001-\$5,000,000	\$7,453.00 for the first \$1,000,000 plus \$4.30 for each additional \$1,000 or fraction thereof.
Over \$5,000,000	\$24,503.00 for the first \$5,000,000 plus \$4.00 for each additional \$1,000 or fraction thereof.
PERMIT EXTENSION	The fee for the permit extension includes a percentage of the original permit fee equal to the percentage of work to be completed.
Reference notes:	•

- (1) Permit fees shall compensate the department for inspections necessary to determine compliance with the adopted construction codes, other county regulations, and the approved plan. The fee table shall be applied separately to each building within a project and used for the calculation of all plan review and permit fees, except those for which a separate permit fee is required to be paid in accordance with this title.
- (2) The department shall use the building valuation multipliers provided in the most current building valuation data (BVD) published by the International Code Council.
- (3) Permit fees for playing fields on designated recreational land in accordance with SCC 30.28.076 shall be set at \$0.00, regardless of valuation. All buildings on the site shall be permitted on one permit.
- (4) For new construction of Group R-3 occupancies, a fee of 11 percent of the building permit fee shall apply for mechanical and plumbing inspections. (See SCC 30.86.410 and 30.86.420)
- 1 (8) Certificates of occupancy((/changes of use)) fees.

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Table 30.86.400(8) Certificates of Occupancy((/Change of Use)) Fees

CERTIFICATE OF OCCUPANCY		
Home occupation in detached accessory structures	((\$100)) <u>\$140</u>	
Temporary or final, when applicant requests phased issuance for each	((\$100)) <u>\$140</u>	
structure or structures		
((COMMERCIAL BUILDING CHANGE OF USE OR OCCUPANCY (1)))		
((Under 10,000 square feet))	((\$250))	
((Over 10,000 square feet))	((\$500))	
((Reference note:		
(1) This fee shall be deducted from the permit fee if a permit is required.))		

3 (9) Special inspections and investigation fees.

Table 30.86.400(9) Special Inspections and Investigation Fees

BUILDING AND MOBILE HOME PRE-MOVE INSPECTIONS	
Snohomish County inspection	((\$60)) <u>\$140</u> /hour - 2 hour min

Outside Snohomish County inspection for move to	((\$120))\$140/hour plus County's
Snohomish County	standard mileage rate/mile
INSPECTIONS OUTSIDE NORMAL COUNTY	((\$60)) <u>\$140</u> /hour - 2 hour min
BUSINESS HOURS	
INSPECTIONS FOR WHICH NO FEE IS	((\$60)) <u>\$140</u> /hour - 2 hour min
OTHERWISE INDICATED	
REINSPECTION FEE (1)	((\$60)) <u>\$140</u>
INVESTIGATION PENALTY (2)	100% of permit fee

Reference notes:

- (1) A fee assessed for work requiring an inspection or re-inspection when said work is not complete at the last inspection or re-inspection. No further inspection or re-inspection of the work will be performed until the required fees have been paid.
- (2) A penalty charged for work requiring a permit, which is commenced without first obtaining said permit. This penalty shall be collected regardless of whether a permit is subsequently issued or not.
- 1 (10) Miscellaneous review and permit fees⁽¹⁾.

2 Table 30.86.400(10) Miscellaneous Review and Permit Fees

PRE-APPLICATION SITE REVIEW	((\$250)) <u>\$320</u>
(\$200 to be applied towards site review/permit fees at time	
of application)	
ACCESSORY BUILDINGS LESS THAN 1,000 SQUARE	50% of site review fee
FEET	
BUILDING ADDITIONS	50% of site review fee
((COMPLETION PERMIT))	((\$50))
CONDOMINIUM CONVERSION PERMIT (per unit)	((\$50)) <u>\$140</u>
DECK PERMIT	((\$50)) <u>\$140</u>
DEMOLITION PERMIT	((\$50)) <u>\$140</u>
DOCK PERMIT	((\$50)) <u>\$140</u>
FIREPLACE PERMIT	((\$50)) <u>\$140</u>
SWIMMING POOL PERMIT	((\$50)) <u>\$140</u>

TEMPORARY BUILDING PERMIT	((\$50)) <u>\$140</u>
TITLE ELIMINATION	((\$30)) <u>\$50</u>
	((\$120)) <u>\$255</u> per ((tax
	parcel))lot requested
LOT STATUS DETERMINATION	((researched)). No fee if
	submitted <u>concurrently</u> with a
	((subdivision)) <u>land use</u> or
	building permit application.
((PRE-APPLICATION DESIGN REVIEW))	((\$2,500))
ROOFING PERMIT	<u>\$140</u>
((11 to 25 squares))	((\$37))
((More than 25 squares))	((\$55))
SITE REVIEW FOR NEW BUILDINGS OR ADDITIONS ²	((\$100)) <u>\$320</u>
(((2)))	
SUCCESSIVE CONSTRUCTION SET-UP FEE	\$200
<u> </u>	\h.

Reference notes:

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- (1) These fees are charged in addition to building/structural plan and permit fees.
- (2) If permits are sought for more than one lot within the same subdivision and the subdivision has been recorded within the previous year, and all the permit applications are submitted at the same time, the first lot's site review fee shall be for the full amount and the site review fee for each of the other lots shall be one-half the full fee amount.

Section 12. Snohomish County Code Section 30.86.410, last amended by Amended Ordinance No. 08-122 on Nov 10, 2008, is amended to read:

30.86.410 Mechanical permit fees.

Table 30.86.410 Mechanical Permit Fees

	For mechanical permits on
COMMERCIAL MECHANICAL PERMITS NOT	commercial projects not
ASSOCIATED WITH NEW BUILDING CONSTRUCTION	related to new building
	construction, the fee table in

	SCC 30.86.400(7) applies
	based on the valuation.
	For new construction of
MEGUANUGAL INODEGEIGN EFFO FOR GONGERUGEIGN	Group R-3 occupancies, 11
MECHANICAL INSPECTION FEES FOR CONSTRUCTION	percent of the building
OF NEW GROUP R- 3 OCCUPANCIES (ONE-AND TWO-	permit fee shall apply for
FAMILY RESIDENTIAL).	mechanical and plumbing
	inspections.
The per-fixture fees below apply to: (1) standalone	
mechanical permits related to Group R-3 occupancies, and	
(2) mechanical permits associated with new commercial	
building construction.	
GAS-PIPING SYSTEM	\$5 per outlet
VENTILATION FAN OR SYSTEM - installed, which is not a	\$5
portion of any heating or air conditioning system authorized	
by permit	
AIR-HANDLING UNIT - install, and including ducts attached	\$15 each
thereto	
APPLIANCE VENT TO THE OUTSIDE - install or relocate,	\$15
and not included in an appliance permit	
BOILER, COMPRESSOR, OR ABSORPTION SYSTEM -	\$15
install or relocate ⁽¹⁾	
DOMESTIC OR INDUSTRIAL-TYPE INCINERATOR -	\$15
install or relocate	
FLOOR FURNACE - install or relocate, including exhaust	\$15
vent, suspended heater, recessed wall heater, or floor-	
mounted unit heater	
FURNACE OR BURNER - forced air or gravity-type: install	\$15
or relocate, including ducts and vents attached	
HOOD - install, which is served by mechanical exhaust,	\$15
including the ducts for such hood	
INSTALLED APPLIANCE, or PIECE OF EQUIPMENT	

Regulated by this code, but not classed in other appliance	\$15
categories, or for which no other fee is listed in this code	
SOLID FUEL BURNING APPLIANCE - install, relocate,	\$25 each
replace	
TANK - above-ground, underground, or LPG in a residential	
application (2)	
125-250 gallon capacity	\$25 each
over 250 gallon capacity	\$50 each

Reference notes:

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- (1) This fee shall not apply to an air-handling unit, which is a portion of a factory-assembled appliance, cooling unit, evaporative cooler, or absorption unit for which a permit is required elsewhere in this code.
- (2) No permit is required for tanks with less than a 125-gallon capacity.

Section 13. Snohomish County Code Section 30.86.420, last amended by Amended Ordinance No. 08-122 on Nov 10, 2008, is amended to read:

30.86.420 Plumbing permit fees.

Table 30.86.420 Plumbing Fees

	For plumbing permits on commercial projects not
COMMERCIAL PLUMBING PERMITS NOT ASSOCIATED	related to new building
WITH NEW BUILDING CONSTRUCTION	construction, the fee table in
	SCC 30.86.400(7) applies
	based on the valuation.
PLUMBING INSPECTION FEES FOR THE CONSTRUCTION OF NEW GROUP R-3 OCCUPANCIES (ONE-AND TWO-FAMILY RESIDENTIAL).	For new construction of
	Group R-3 occupancies, 11
	percent of the building permit
	fee shall apply for
	mechanical and plumbing
	inspections.

The per-fi	xture fees below apply to: (1) standalone plumbing		
permits related to Group R-3 occupancies, and (2) plumbing			
permits associated with new commercial building			
constructi	on.		
FOR FAC	TORY-BUILT MODULAR STRUCTURES (the fee	\$3.50	
will be as	sessed for each fixture built into the structure by		
the manu	facturer)		
FOR EAC	CH:		
>	Backflow protective devices,	\$7	
	Industrial waste pre-treatment interceptor,	\$7	
>	including its trap and vent,		
>	Installation, alteration, or repair of water piping,	\$7	
>	Plumbing fixture,	\$7	
	Rainwater systems-per drain (inside building)	\$7	
	repair or alteration of drainage or vent piping,		
	Set of fixtures on one trap, (including water,	\$7	
	drainage, piping)		
>	Trap,	\$7	
>	Water heater or vent,	\$7	
>	Water treating equipment.	\$7	
FOR EAC PARK SE	H BUILDING SEWER AND EACH TRAILER	\$15	

Section 14. Snohomish County Code Section 30.86.450, last amended by Amended Ordinance No. 12-018 on May 2, 2012, is amended to read:

30.86.450 Sign fees.

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Table 30.86.450 Sign Fees⁽¹⁾⁽²⁾

WALL SIGN	((\$50)) <u>\$250</u>
POLE, MONUMENT OR ROOF SIGN	((\$100)) <u>\$350</u>

BILLBOARD (DIGITAL AND NON-DIGITAL)	((\$150)) <u>\$850</u>
Reference notes:	·
(1) A permit is not required for signs four square feet or less in area.	
(2) A SEPA threshold determination may be required	i.

Section 15. Snohomish County Code Section 30.86.600, last amended by Amended Ordinance No. 08-122 on November 10, 2008, is amended to read:

30.86.600 Permit decision appeal fees.

Table 30.86.600 Appeal Fees

PERMIT TYPE	APPEAL FEE
TYPE 1-NON-SHORELINE (1)	((\$500)) <u>\$1,500</u>
TYPE 2 ⁽¹⁾	\$500

Reference note:

(1) This filing fee shall not be charged to a department of the county((; provided that the)). The filing fee shall be refunded in any case where an appeal is dismissed in whole without hearing pursuant to SCC 30.71.060 or 30.72.075.

Section 16. Effective date.

This ordinance shall take effect November 1, 2021.

Section 17. Severability and Savings. If any section, sentence, clause or phrase of this ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance. Provided, however, that if any section, sentence, clause or phrase of this ordinance is held to be invalid by the court of competent jurisdiction, then the section, sentence, clause or phrase in effect prior to the effective date of this ordinance shall be in full force and effect for that individual section, sentence, clause or phrase as if this ordinance had never been adopted.

PASSED THIS _____day of _____, 2021.

1		SNOHOMISH COUNTY COUNCI
2 3 4 5		Snohomish County, Washington
6 7 8 9 10 11		Chairperson
12 13 14 15 16	ATTEST:	
17 18	Clerk of the Council	
19 20 21 22 23 24 25 26	() APPROVED () EMERGENCY () VETOED	Date:, 2021
27 28 29 30 31	ATTEST:	County Executive
32 33 34 35 36 37 38 39	Approved as to form only: Christina Richmond Date: 2021.07.27 07:06:35 -07'00'	
40	Deputy Prosecuting Attorney	

EXHIBIT #	3.6.1
FILE O	RD 21-048

AMENDMENT SHEET 1

Ordinance No. 21-048 (ECAF 2021-0566)

Development Permit Fee Cross Reference

Brief Description:	Correcting proposed cross reference to SCC 13.110.020
Affected Ordinance Sec	tion: Section 2A
Affecting:	Development Permit Fees
Existing Ordinance Reci	itals, Findings, or Sections to Add, Delete, or Modify:
Ordinance Page 2, Lines	s 18-19, delete:
A. This ordinance will am SCC 13.110. <mark>010</mark> .	end title 13 SCC by amending the fees for Type D permits in
And insert :	
A. This ordinance will am SCC 13.110.020.	end title 13 SCC by amending the fees for Type D permits in
Council Disposition:	Date:

Amendment Name:

XHIBIT#_	3.1.3

Planning & Development Services FILE ORD 21-048 Staff Report Proposed Amendment to PDS Permit Fees: Phase II

Snohomish County Department of Planning and Development Services charges a variety of application and permit fees to recover its costs of regulating development. Most of these fees are currently listed in Chapter 30.86 of the Snohomish County Code (SCC). Other fees charged by PDS are found in SCC Chapter 13.

In 2021, PDS expects to recover 82% of permitting costs from charges for services and permit fees at their current levels. The budgeted gap between revenue and expense (net loss) is \$3 million¹ which is \$500,000 more than in 2020.

In 2020, PDS updated the fees in the Building Permit Fee Table in SCC 30.86.400(7), which had not been updated since 1997. This was Phase I of a larger multi-phase effort to examine and update permit fees between 2020 and 2022. The current proposed ordinance is the result of the Phase II study which examined miscellaneous permit fees that are simple to analyze, have not been updated in decades, and for which PDS does not achieve cost recovery. Phase III will address reviews for which PDS does not currently charge a fee, and Phase IV will examine the more complex land use fees.

Below is a discussion of the factors that PDS took into consideration as it developed the proposed changes in permit fees in SCC Chapter 30.86 and Chapter 13. The fees that the County will collect to process permits is reasonable and will reimburse the County for the staff time required to process applications.

Fiscal Framework

The permitting divisions within the Department of Planning and Development Services (PDS) operate as a special revenue fund, which means that (a) there is no revenue from taxes or the County's General Fund, and (b) a separate fund balance that carries over from year to year is maintained.²

Revenues

Most of the permitting divisions' funding comes from monies paid for permits, approvals, and inspections, and these revenues are only used for these purposes. While some jurisdictions contribute General Fund dollars to their building departments, Snohomish County does not. PDS has in recent years been expected by Council and the Executive to generate enough revenues from fees for land use approvals, building permits and miscellaneous related permits to meet expenses and manage an ongoing fund balance in such a way that is fiscally prudent.

The basis for this "self-funded" model is found in RCW 82.02.020, which states that the county may collect reasonable fees for processing applications, reviewing plans and performing inspections. Having the permitting divisions of PDS operate as a special revenue fund is consistent with the intent of RCW 82.02.020 and has been reviewed and audited by the State Auditor's Office.

¹ Excludes the Technology Reserve Fund revenue and expenses which is a separate, restricted fund.

² The discussion in this report is limited to the special revenue fund for PDS's permitting divisions (known as Fund 193). PDS has other divisions that do receive funding from the County's General Fund, such as the Long Range Planning, Code Enforcement, and the Fire Marshal's Office investigation divisions. PDS accounts for the activities and expenses of those divisions separately from the special revenue fund for PDS's permitting divisions.

Fund Balance

As a special revenue fund, the fund for PDS's permitting divisions maintains a fund balance that carries over from year to year. This is reflective of the nature of development, the sometimes-lengthy permitting process and PDS's fiscally prudent management. The nature of land development and building permits is cyclical and can change dramatically based on the national, state, and local economies, supply and demand, cost of materials, political issues, etc. In addition, it can take years for new development to go through the review, approval, and building process. Although development is cyclical and can be unpredictable, the fund balance provides a level of stability for the department in that it increases in the years when there are numerous permit applications and falls in years when development activity slows down. PDS strives to adjust staffing levels to meet demand but must maintain the necessary and consistent professional expertise regardless of the up-and-down swings in development.

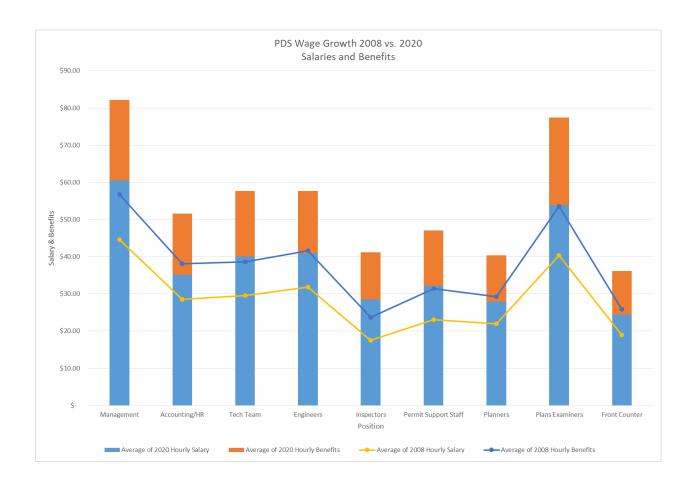
Why does PDS need to increase permit fees?

Increasing building permit fees was the first step in a multi-phased approach to all examining PDS permit fees. There are several reasons why PDS Fund 193³ is facing a budget deficit of \$3 million per year, including inflation and the higher costs of doing business, the increasing complexity of permit regulations, and new types of housing.

- 1. Fewer Permits; Less Revenue. As the number of building permits has declined in recent years, so has the number of related miscellaneous permits, as well as land use decisions. However, department overhead for core staffing and administration cannot be proportionately reduced. PDS must maintain a certain level of core staff, management, technology and support services. For example, although we might reduce staff, our space costs do not necessarily go down unless we are able to give up enough space for another department to take over. The cost of our permit tracking system and other software systems does not change. Although we've reduced staff as one way to help balance the budget, we can only cut support staff so far (e.g., accounting staff has been reduced by one but we can't cut more and still perform mandatory financial functions). Essentially, there are fixed costs associated with a county department that PDS must pay for, regardless of permit volume.
- 2. <u>Inflation and the Cost of Doing Business</u>. Most PDS permit fees have not increased in more than 20 years, meaning expenses have risen faster than revenue. Periodic adjustments to fees are necessary to keep up with inflation. Staffing costs, which make up 75% of PDS's permitting budget, have risen approximately 50% since 2008. Salaries have increased 38% and benefits have risen 86%. PDS is projecting a budget deficit for its permitting divisions' special revenue fund of \$3 million in 2021 and similar deficits in the years to come. The gap between revenue and expenses is growing at an unsustainable rate, and without some actions to close that gap, PDS will run out of fund balance by 2024.

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³ Permitting divisions, not including technology reserve fund.

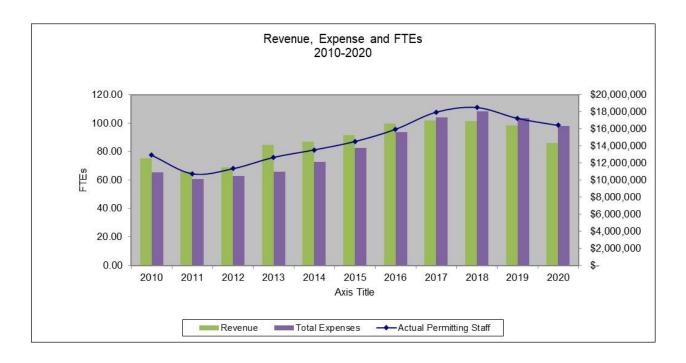


3. Complexity of permits. In recent years, there have been increased requirements for building and land use regulations (critical areas, stormwater, energy codes and public notice). Easily developed land has become scarcer and much of the remaining undeveloped land presents challenges for builders. Accordingly, there has been a corresponding increase in the amount of time and effort required to review and inspect building projects due to constraints on the land and the complexity of new codes.

What steps has PDS taken to close the revenue vs. expense gap?

- 1. Online permitting. PDS fully implemented online permitting in 2018. It was a significant effort and investment of resources and expenses. Although we are now seeing the benefits of our investment in the new system and are able to process permits faster and more efficiently, during 2018 and 2019 we saw a reduction in productivity and significant delays in permit processing due to the steep learning curve and process changes which proved to be less efficient than the paper process. In 2019, we launched the Electronic Permit Process Improvement (EPPI) initiative which took a significant amount of staff time, so that the new online permitting processes could be revamped to be more efficient. The effects of the implementation negatively affected PDS's fiscal performance in 2018 and 2019. However, the online permitting system we set up was successfully utilized when county offices were closed due to COVID-19. If not for the online permitting system, PDS and our customers would have not fared well. PDS was able to seamlessly transition staff to remote work because the online permitting system was already in place.
- 2. <u>Online Records</u>. To coincide with online permitting, PDS has also undertaken a yearslong effort to build an Electronic Content Management (ECM) System to store

- electronic records. PDS is investing in technology and backfile conversion of old permitting records which will continue in the next several years. Implementation costs for the ECM are being paid for using PDS's technology reserve fund, but once the project is complete there should be salary savings to Fund 193.
- 3. <u>Staff Reductions</u>. PDS management continuously endeavors to align permitting division resources with demand. As the number of permits was increasing from 2013 to 2015, PDS did not have enough staff to keep up with demand. Therefore, from 2016-2018, staffing levels were increased (although PDS prudently did not fill all positions budgeted). Since 2019, when revenue unexpectedly declined, PDS has eliminated several positions by not filling vacancies or new positions. In addition, since 2016, PDS has sought to reduce the cost of management by reorganizing staff into functional groups with fewer supervisors and managers. In early 2016, there were nine supervisors; now there are six. An illustration of PDS's resource management is reflected in the chart below.



Fee Calculation Methodology - Cost Recovery Model

Changes to the fees proposed in this ordinance are needed to better recoup the labor and non-labor expenses related to fully processing those permits. The new fees were established in consideration of the staff time required to fully process the respective permits.

The cost of service model is a methodology developed to determine the costs of the various development and regulatory services provided by PDS to users of its services. Included in the methodology are direct, indirect and overhead costs.

Direct costs are those costs which can be identified specifically with a particular project/application and which can be directly assigned to such activities, relatively easily, and with a high degree of accuracy.

Indirect costs are costs incurred in support of multiple permitting processes or application types, and which cannot be tracked in a cost-effective manner at the level of individual application or permit.

Overhead costs are the costs necessary for the continued functioning of the department, are incurred in support of a range of permit services, but are not uniquely attributable to an individual service.

Direct, indirect and overhead costs are applied through a series of cost layers. There are four main cost layers:

- Labor expenses this includes the direct costs of salary and benefits adjusted for paid time off, direct time spent on individual permits, indirect time spent on general permit activities, and indirect time spent on general overhead activities
- Direct (non-labor) expenses this layer includes division operating costs allocated to each employee within that division (translated to an hourly rate)
- Department overhead/indirect management costs this layer includes an allocation of PDS administration, business process technology, and support staff that cannot be allocated to individual permits
- County-wide overhead this layer includes an allocation of overhead imposed on PDS by the county for central services such as risk management, space rent, security, IT, executive, public records, HR, training, etc. (Note: hearing examiner costs have not been factored into the costs for permits contained in this ordinance but will be considered when we review Phase III and Phase IV permits related to land use.)

For the permits contained in this ordinance, we came up with an estimated time spent by PDS and applied the cost layers as outlined above. Estimates were based on an analysis of data obtained from time keeping data, the permit tracking database, and interviews with staff who work on the permits. A copy of the final analysis and cost model data is included in the Index of Records.

Proposed Permit Fee Amendments

SCC Chapter 30.86 and Chapter 13

Various permit fees were amended to provide better cost recovery for the time spent on those permits. Some "clean up" (housekeeping) to SCC 30.86 was done through eliminating fees for permit types that PDS no longer issues or deleting references that have become obsolete due to other code changes. Additionally, we clarified when and how some permit fees are charged to address current confusion or inconsistencies in the fee code. See ordinance for specific details and amended fee amounts.

Below is a summary of the actions proposed in ordinance:

Code Reference	Type of Permit Fee	Action
SCC 13.110.010	Type D (right of way)	Amended
	permits	
SCC 30.86.140	Boundary line adjustments	Amended
SCC 30.86.145	Landscape and tree plan	Amended
	review and inspection fees	
SCC 30.86.220	Administrative conditional	Amended
	use permits	
	Temporary woodwaste	Eliminated to align with
	recycling and storage	previous code changes (the
	permits	references are no longer

		valid)
SCC 30.86.230	Variances-standard	Amended
	Variances-minor and major	Eliminated because we no
	revisions	longer issue these permits
SCC 30.86.300	Flood hazard areas	Amended
	Fees for playing fields on	Removed all references from
	designated recreational land	SCC 30.86 because the code
		has since changed and these
		references are no longer
666 30 06 400	Dana manasit fara	valid
SCC 30.86.400	Base permit fees	Amended
	Fees for playing fields on	Removed all references from SCC 30.86 because the code
	designated recreational land	has since changed and these
		references are no longer
		valid
	Certificates of occupancy	Amended
	Change of use or occupancy	Eliminated because we no
		longer issue these permits
	Special inspections and	Amended
	investigative fees	
	Miscellaneous review and	Amended
	permit fees	
	Completion permits	Eliminated
	Lot status determination	Clarified how and when the
	<u> </u>	fee is charged
SCC 30.86.410	Commercial mechanical	Clarified that standalone
		permits not related to new
		construction fall under the
SCC 30.86.420	Commercial plumbing	fee table in subsection (7) Clarified that standalone
300 30.00.420	Commercial plumbing	permits not related to new
		construction fall under the
		fee table in subsection (7)
SCC 30.86.450	Signs	Amended
SCC 30.86.600	Appeal fees for Type 1 non-	Amended
	shoreline permits	, and a day
	1 S. S. Chile per illies	1

Permit Fees Charged by Other Jurisdictions

Because the permit fee analysis was based on the cost to provide the related service, a thorough comparison of other jurisdictions was not conducted. There are many types of permits in this ordinance and the fees vary by jurisdiction. However, in spot checking a few permits, the proposed fee increases are reasonable and in alignment with what other jurisdictions charge. In addition, it is not appropriate under state law to use comparative jurisdiction data as the basis for setting permit fees under the cost recovery method. With regard to the most recent set of PDS fee changes (to update the Building Valuation Data and Building Permit Fee Table), comparative jurisdiction information was easier to obtain and was provided for informational purposes only. Gathering the same data for all the different permit fees in this information would be cost prohibitive and would not add value to the fee setting process.

Summary

PDS needs to update its permit fees to improve its recovery of the costs of processing, reviewing, issuing and inspecting various types of permits handled by PDS, while simultaneously ensuring that the fees are equitable and reasonable. After decades with no changes to the fees in SCC Chapter 30.86 and Chapter 13, a fee increase is long overdue. The proposed changes are the second fiscally-prudent step toward closing the budget deficit gap for PDS and will help PDS maintain fiscal solvency into the future.

SNOHOMISH COUNTY COUNCIL

EXHIBIT # 3.1.4

FILE ORD 21-059

Snohomish County: Analysis of Building and Land Use Regulation Effects on Housing and Jobs

Proposed Regulation: ORDINANCE NO.21-048, RELATING TO DEVELOPMENT PERMIT FEES;

AMENDING CHAPTER 13.110 SCC and CHAPTER 30.86 SCC

Date: July 27, 2021

Staff Contact: Julie Mass, Division Manager, PDS, ext. 3970

	Increase	Decrease	Neutral	Uncertain	Comments
Housing					
Capacity/Targets			X		Not impacted by the proposal
Cost of housing			X		Not impacted by the proposal
development					
• Infrastructure			X		Not impacted by the proposal
• Site			X		Not impacted by the proposal
Building const.			X		Not impacted by the proposal
• Fees	X				Building permit fees are impacted by
					the proposal
• Yield			X		Not impacted by the proposal
Timing			X		Not impacted by the proposal
Jobs					
Capacity/Targets			X		Not impacted by the proposal
Cost of com'l/ind			X		Not impacted by the proposal
dvpt:					
Infrastructure			X		Not impacted by the proposal
• Site			X		Not impacted by the proposal
Building const.			X		Not impacted by the proposal
• Fees			X		Not impacted by the proposal
• Yield			X		Not impacted by the proposal
Time to Create Jobs			X		Not impacted by the proposal
# Family Wage			X		Not impacted by the proposal
Jobs					

Discussion: This is a proposal to amend Snohomish County Code relating to miscellaneous permit fees. The fee table in SCC 13.100.010 is amended to increase the fees charged for Type D (right of way) permits. Several fees in Chapter 30.86 are amended to increase the fees charged for various permits, as follows:

Code Reference	Type of Permit Fee	Action
SCC 30.86.140	Boundary line adjustments	Amended
SCC 30.86.145	Landscape and tree plan review and inspection fees	Amended
SCC 30.86.220	Administrative conditional use permits	Amended
SCC 30.86.230	Variances-standard	Amended

SCC 30.86.300	Floor hazard areas	Amended
SCC 30.86.400	Base permit fees	Amended
	Certificates of occupancy	Amended
	Special inspections and investigative fees	Amended
	Miscellaneous review and permit fees	Amended
	Lot status determination	Clarified how and when the fee is charged
SCC 30.86.410	Commercial mechanical	Clarified that standalone permits not related to new construction fall under the fee table in subsection (7)
SCC 30.86.420	Commercial plumbing	Clarified that standalone permits not related to new construction fall under the fee table in subsection (7)
SCC 30.86.450	Signs	Amended
SCC 30.86.600	Appeal fees for Type 1 non- shoreline permits	Amended

In addition, housekeeping edits were made to some of the fee sections noted above for clarification, or to remove permits which are longer issues or are no longer referenced in county code due to prior code changes.

The proposed code amendments will have no impacts on housing or job capacity and but will impact the cost of housing or commercial/industrial development to the extent that permit fees are built into the cost of overall construction.

EXHIBIT # _____3.1.5

Snohomish County Capital Facility Development Cost Analysis Summary FILE

ORD 21-048

Project/Document Title: ORDINANCE NO.21-048, RELATING TO DEVELOPMENT PERMIT FEES;

AMENDING CHAPTER 13.110 SCC and CHAPTER 30.86 SCC

Date: July 27, 2021

Primary Staff Contact: Julie Mass, Division Manager, PDS, ext. 3970

General Cost Analysis Summary:

This is a proposal to amend Snohomish County Code relating to miscellaneous permit fees. The fee table in SCC 13.100.010 is amended to increase the fees charged for Type D (right of way) permits. Several fees in Chapter 30.86 are amended to increase the fees charged for various permits, as follows:

Code Reference	Type of Permit Fee	Action
SCC 30.86.140	Boundary line adjustments	Amended
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SCC 30.86.230	Variances-standard	Amended
SCC 30.86.300	Floor hazard areas	Amended
SCC 30.86.400	Base permit fees	Amended
	Certificates of occupancy	Amended
	Special inspections and investigative fees	Amended
	Miscellaneous review and permit fees	Amended
	Lot status determination	Clarified how and when the fee is charged
SCC 30.86.410	Commercial mechanical	Clarified that standalone permits not related to new construction fall under the fee table in subsection (7)
SCC 30.86.420	Commercial plumbing	Clarified that standalone permits not related to new construction fall under the fee table in subsection (7)
SCC 30.86.450	Signs	Amended

SCC 30.86.600	Appeal fees for Type 1 non-shoreline permits	Amended

In addition, housekeeping edits were made to some of the fee sections noted above for clarification, or to remove permits which are longer issues or are no longer referenced in county code due to prior code changes.

The proposed code amendments will have no impacts on housing or job capacity and but will impact the cost of housing or commercial/industrial development to the extent that permit fees are built into the cost of overall construction.

The proposal is not anticipated to increase the demand for county capital facilities.

Necessary	Quantification/Qualification of Anticipated Cost:
Facility	
Parks	County Funded Impacts – None anticipated.
	Other Fund Sources Impacts – None anticipated.
Roads &	County Funded Impacts – None anticipated.
Transit	
	Other Fund Sources Impacts – None anticipated.
Surface	County Funded Impacts – None anticipated.
Water	
	Other Fund Sources Impacts – None anticipated.
Public	County Funded Impacts – None anticipated. Funding of schools is the responsibility of
Schools	local districts.
	Other Fund Sources Impacts – None anticipated.
Electric	County Funded Impacts – None anticipated. Funding of electric power is the
Power	responsibility of the local district or city.
	Other Fund Sources Impacts – None anticipated.
Public	County Funded Impacts – None anticipated. Funding of public water is the responsibility
Water	of the local district or city.
	Other Fund Sources Impacts – None anticipated.
Wastewater	County Funded Impacts – None anticipated. Funding of wastewater treatment is the
	responsibility of the local district or city.
	Other Fund Sources Impacts – None anticipated.

ECAF NO.: ECAF RECEIVED:

SNOHOMISH COUNTY COUNCIL

ORDINANCE INTRODUCTION SLIP

EXHIBIT #_	3.1.6
ORI	21-048

TO: Clerk of the Council

TITLE OF PROPOSED ORDINANCE:

	\
	Councilmember Date
Clerk's Action	
Assigned to: _	Date:
~~~~	STANDING COMMITTEE RECOMMENDATION FORM
On	, the Committee considered the item and by Consensus /
Yeas a	nd Nays, made the following recommendation:
Move	to Council to schedule public hearing
Publi	ic Hearing Dateat
Move	to Council as amended to schedule public hearing
Move	to Council with no recommendation
Consent agenc	should/should not be placed on the Consent Agenda.  la may be used for routine items that do not require public hearing and do not need eneral Legislative Session)
	should/should not be placed on the Administrative Matters Agenda
(Aummstrative	Matters agenda may be used for routine action to set time and date for public hearings)

Committee Chair

#### SNOHOMISH COUNTY COUNCIL



EXHIBIT # 3.2.1

FILE ORD 21-048

Committee: Planning & Community Development Analyst: Ryan Countryman

**ECAF:** 2021-0566

#### Consideration

Proposed Ordinance 21-048 relates to the permit fees administered by Planning and Development Services (PDS) and would amend several sections in Chapters 13.110 and 30.86 of Snohomish County Code (SCC).

#### **Background**

A majority of PDS' staff work on permit review and inspections. Permit fees fund these services. Revenues from permit fees are the source of Fund 193 money which the department must spend on work related to permitting. PDS' permitting operations are self-supporting and do not receive monies from the general fund or other sources. Permit revenue and staffing costs fluctuate. For several years leading up to 2016, PDS' revenue was greater than its expenses. This allowed the department to build up a large reserve balance in Fund 193 that it could draw on in leaner times. Since 2017, however, costs have exceeded revenue. The gap between costs and revenue has been widening and the reserve fund balance is shrinking. PDS expects to recover only about 82% of its costs related to permitting work in 2021. The budgeted gap between revenue and expenses for 2021 is around \$3 million.

Proposed ordinance 21-025 would increase fees for several types of permits to improve cost recovery. PDS estimates that this would result in increased Fund 193 revenues of approximately \$500,000 to \$800,000 annually. Most of the affected fees are currently unchanged since the 1990s. This ordinance is the second phase of a larger project to examine and update permit fees.

In addition to adjusting fees, the proposed ordinance would make several housekeeping corrections and clarifications in the affected chapters relating to fees.

### **Current Proposal**

Summary: This ordinance would increase fees to help PDS recover more of its costs associated with administering permits.

Effective Date: November 1, 2021

Fiscal Implications: Increased Fund 193 revenues estimated at \$500k to \$800k annually

*Scope:* Some of the permit fees in both Chapter 13.110 and 30.86 SCC would increase. The ordinance also proposes a handful of housekeeping changes.

**Handling:** NORMAL

**Approved-as-to-form:** YES

**Risk Management:** APPROVE.

**Executive Recommendation:** APPROVE.

### **Analysis**

PDS's costs for providing permit services have exceeded its revenue for the last five years. To function, the department has been drawing down its Fund 193 reserves. PDS would face a fiscal crisis in a few years if no corrective action occurs. The proposed fee changes would help PDS improve recovery of its costs, filling a portion of the projected annual shortfall. Council staff notes that the proposed increases to many of the fees would be less than the cost of inflation since the last update of the same fees. PDS anticipates requesting adjustments on other fees in 2022 once further analysis to support new rate structures is complete.

### Request

Move to GLS to consider on September 8.

EXHIBIT # 3.2.2

FILE ORD 21-048

# Amend PDS Permit Fees Phase II

## PDS Overview: Special Revenue Fund

- No revenue from General Fund
- Separate fund balance

• Primary revenue source = various permit fees established by SCC Chapter 30.86 and Chapter 13.

## <u>Justification</u>

### **Inflation and Cost of Doing Business**

- Last update for most fees was in 1990s (prior to adoption of UDC in 2002)
- Expenses rising faster than revenue
- Staffing costs = 75% of PDS budget
- Since 2008, 50% increase in costs
  - Salaries increased 38%
  - Benefits increased 86%
- Budgeted deficits
  - 2020 = \$3.4 million
  - 2021 = \$3.6 million
  - 2022 = \$2.7 million
- Permit revenue is cyclical and not predictable

### **Fewer Permits = Less Revenue**

- Fixed costs of doing business
  - Overhead
  - Management
- Core staffing needs

### **Complexity of Permits**

- Critical Areas
- Stormwater/NPDES
- Energy Codes
- Public Notice

### **New Housing Types**

- Townhomes
- Cottage housing
- SF Detached on Unit Lot Subdivisions

## Closing the Gap

- Online Permitting and Online Records
- Staff Reductions / Department Restructuring
- Phase I Building Fee Table Update
- Phase II Misc. Permit Fees
- Future Updates of Permitting Fees
  - Phase III Permits/work with no fees
  - Phase IV Land Use permits and decisions

### Phase II Criteria

- Simple to analyze
- Fees not updated in decades
- Not achieving cost recovery

## Fee Calculation Methodology

- 1. Determine staff time required to process permit
  - Timekeeping data
  - Amanda data
  - Staff interviews
- 2. Cost of Service
  - Direct costs attributed to a particular activity
  - Indirect costs supports multiple activities
  - Overhead needed for dept. to function, not attributable to specific activities
- 3. Cost Layers
  - Labor (salary and benefits)
  - Direct expenses (division operating costs)
  - Dept. overhead and indirect management costs
  - County-wide overhead

### Proposal – Amend Various Permit Fees

- Update fee amounts for Right of Way Type D Permits administered by PDS (SCC 13.110.010)
- Update fee amounts in Chapter 30.86
  - Boundary line adjustments
  - Landscape and tree plan review and inspection fees
  - Administrative conditional use permits
  - Variances
  - Flood hazard areas
  - Base permit fees
  - Certificates of occupancy
  - Special inspections
  - Misc. review and permit fees
  - Signs
  - Appeal fees Type 1 non-shoreline permits

## Proposal – Housekeeping Ch 30.86

- Housekeeping: Remove References
  - Temporary woodwaste recycling and storage permits
  - Variance revisions
  - Playing fields on designated recreational land
  - Change of use or occupancy
  - Completion permits

- Housekeeping: Clarifications
  - Lot status determination
  - Commercial mechanical and plumbing