

TOWN OF PALM BEACH

Information for Town Council Meeting on: March 19, 2019

To: Mayor and Town Council

Via: Josh Martin, Director of Planning, Zoning & Building

From: Wayne Bergman, Asst. Director of Planning, Zoning & Building

Re: Master Fee Schedule
Resolution No. 11-2019

Date: February 5, 2019

STAFF REQUEST & RECOMMENDATION

Staff requests that the Town Council review the proposed changes to the Master Fee Schedule involving several PZB fees. Staff further recommends that the Town Council approve Resolution No. 11-2019 to implement the new fees.

GENERAL INFORMATION

The next phase of changes to improve efficiency and customer service in the PZB Department comes in the form of simplifying and consolidating the numerous permits required on any construction project to just one permit per project. This has been a time consuming proposition and required significant software setup in the current EDEN system to accommodate the single permit process. New routing of applications through the review steps and new inspection steps have been completed in the permitting software.

Since the goal is to transition to just one permit per project, thought was given to recapture the revenue that is currently generated via all of the extra permits and sub-permits. The current multipliers for building permits are 2.45% of project value for the first \$2.5 million, then 1.8% of project value beyond \$2.5 million. But these multipliers are not completely accurate, as there is a fee for each current sub-permit (minimum \$79), plus drainage permit fees, floodplain permit fees, right-of-way permit fees, public works permit fees, fire permit fees, landscape permit fees, etc. Our practice in permitting up to now is much akin to booking a flight on almost any commercial airlines company or ordering a new European automobile. The base price seems reasonable, but everything else is an extra charge!

When we review the past permit revenue and actual construction value tracked in EDEN (the permitting software program), the following real multipliers can be determined, based upon construction value reported to the department:

Fiscal Year	# of Permits	Permit Fees	Reported Construction Value	Multiplier
2014	8311	\$6,852,045	\$221,501,354	3.09%
2015	9070	\$9,696,387	\$326,440,671	2.97%
2016	8974	\$8,621,288	\$291,023,375	2.96%
2017	8457	\$6,627,270	\$239,090,949	2.77%
2018	11060	\$9,312,942	\$345,185,808	2.70%

The average multiplier over the past 5 years is 2.9%.

Staff respectfully suggests shifting to a slightly larger multiplier as we start the one permit per project program, so that with this paradigm shift in permitting the anticipated revenues are not lost. Staff can monitor the new program over time and propose adjustments to the multiplier, as needed, in future years. The proposed starting multiplier is 3.0% of project value, and based upon possible annual construction values, this multiplier would generate the following permit fees:

Multiplier	Annual Expected Construction Value	Estimated Permit Fees
3.0%	\$250 Million	\$7.5 Million; or
	\$300 Million	\$9.0 Million; or
	\$350 Million	\$10.5 Million

Please note that for Fiscal 2019 the Town budgeted \$8.92 Million in total permit fees to be collected. This does not include planning, zoning, ARCOM, Landmarks, etc. application and review fees.

FUNDING/FISCAL IMPACT

No anticipated Impact to the General Fund, as the goal is to remain revenue-neutral with this change, or a possible moderate increase in revenue.

STRATEGIC PLAN

The revised Master Fee Schedule is consistent with the Town's Strategic Plan, as the changes will help the Department become part of a more Responsive Town Government and will improve the Resident's Quality of Life by streamlining the Department, reducing bureaucracy and simplifying the building process.

COMPREHENSIVE PLAN

The proposed resolution is Consistent with the Town's Comprehensive Plan and with Florida Statute 163 (Florida's Community Planning Act).

SPECIAL CONSIDERATIONS

As the proposed changes to the Master Fee Schedule are non-substantive and are intended to eliminate self-imposed bureaucracies, staff believes it is in the community's best interest to expedite the proposed changes.

Resolution No. 11-2019 is ready for your consideration and approval.

WRB