

To: Dustin Anderson, Town Manager

From: Tom Vander Woude, Planning Director

Date: September 30, 2020

**Re:** Proposed Planning, Zoning, and Engineering Fee revisions

CC: Wendy Mis, Clerk-Treasurer Tricia Abbott, Controller Chuck Collins, Chief Building Inspector

The purpose of this memo is to propose revisions to the Town's current Planning, Zoning and Engineering fees.

**Background:** Community Development staff recently conducted a review of the planning, zoning, and engineering fee schedule to determine whether the application fees we charge are consistent with our Department's costs. Staff made the following findings:

- We charge one fee at the time of application and do not have a mechanism to charge additional fees if the application requires multiple and, sometimes costly, legal reviews.
- The fees we charge for any given application are significantly less than the costs of our engineering review services or our legal services. Rather than pass these costs on to the individual applicant, they are absorbed by the Town and are therefore paid for by all taxpayers.
- Our fees do not accurately reflect the variety of applications that we receive. We identified 16 different application types, but only 6 different types of fees.
- There is no fee for engineering inspections, which take place after a building permit is paid for, so the Town's cost for these inspections is not recouped.

To address these issues, we worked with Town Engineer SEH of Indiana to identify and commit to various engineering costs. We also developed estimates of the legal fees that would be charged per application type based on number of meetings, reviews, and whether any documents are prepared by legal counsel (e.g. findings of fact). We added these fees together as the base fee. A 15% multiplier to defray staff costs was applied to planning and zoning fees. Engineering inspection fees are an estimated pass-through of the consultant costs.

The proposed planning and zoning fees are substantially higher than the current fees. This is because the Department is currently subsidizing applications by absorbing all consultant costs. Staff recommends that these costs be passed on to the applicant.

Pre-application meetings and site plan review committee reviews will continue to be offered as a service at no cost.

The proposed fees are shown in the attached redlined excerpt from Schedule A.

**Recommendation to Town Council:** By motion and roll call vote, accept Ordinance 1807 on first reading and schedule next reading for the next business meeting.

## **Attachments:**

- 1. Ordinance No. 1807
- 2. Exhibit A: Proposed fee revisions

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