



## Agenda Item Summary

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### **Submitted By**

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### **Reviewed By**

AMZ

### **Agenda Item Title**

**Second Reading and Adoption of an Ordinance Establishing the Annual Building and Construction Permit Fees and the Zoning Application Fees of the Village of Oak Park**

### **Overview**

Per the ordinance, building codes have to be reviewed and modified annually. Staff reviewed our current fees and current budget and proposed the following: (1) Adopt the updated International Code Council (ICC) Building Validation Data (BVD) chart; (2) Adjust the permit fee multipliers to reflect the Village's actual costs to administer the Permit Processing Division; and (3) Clarify the Village fee chart by removing obsolete and duplicate fees. A first reading was held during the regular Meeting of the Village Board on November 1, 2021.

### **Recommendation**

Approve the Ordinance.

### **Fiscal Impact**

The Building Construction Permit Fees and Zoning Application Fee Schedule has been revised to reflect the cost of providing services and should result in a revenue neutral state for the Permit Processing Division's annual budget.

### **Background**

Annually, the Village Board adopts an updated fee schedule for permit fees to reflect annual adjustments.

First, the International Code Council (ICC) updates and publishes the Building Validation Data (BVD) chart every year. The BVD is a square foot cost based on the national average of construction cost for projects of different construction types. It provides a simplified method to determine the estimated value of a building that does not rely on the permit applicant to determine the cost of construction. The use of the ICC data provides for a fair assessment of construction valuation.

Second, there is an adjustment to the new construction permit fee multiplier. Pursuant to the ICC, the Permit Processing budget is multiplied by the percentage of reimbursement, divided by the previous year's annual construction value. This year, staff proposes not to alter the multiplier due to skewed 2020 Covid19 numbers. 2020 was an anomaly of our normal construction pattern with 3,825 permits issued in 2019, valued at \$114,636,751.00, compared to 3,668 permits issued in 2020, valued at \$68,890,426.00. Altering the

multiplier with the 2020 Covid19 numbers will result in a skewed and inconsistent outcome.

Third, an annual clarification of the Village fee chart is completed by removing obsolete and duplicate fees. Administration plan review fees for additions are the same for family dwelling units and commercial. This leads to a simplified method to estimate costs for the permit applicants.

#### **Alternatives**

Alter the multiplier to adjust the permit fees for 2022.

#### **Previous Board Action**

On November 1, 2021, the Board reviewed the First Reading of the Ordinance.

#### **Citizen Advisory Commission Action**

N/A

#### **Anticipated Future Actions/Commitments**

The fees are reviewed annually to reflect any fluctuation in the ICC Permit Fee Multiplier and the Building Validation Data. These two items directly tie into determining the cost of providing our services to the public. The schedule may be easily revised to reflect the current cost of providing services by applying a percentage change factor to each line item.

#### **Intergovernmental Cooperation Opportunities**

N/A