



City of Keller

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Legislation Text

File #: 19-272, **Version:** 1

To: Mark R. Hafner, City Manager

From: Julie Smith, Community Development Director

Subject:

Consider an ordinance approving an amendment to the City of Keller Code of Ordinances, Appendix C - Fee Schedule, Sec. 1. - Building Services by amending the Keller Fee Schedule as it relates to residential construction fees, adopted by Ordinance No. 1905, on September 18, 2018, by adopting a revised Appendix C - Fee Schedule, Sec. 1. - Building Services; authorizing publication; and establishing an effective date.

Action Requested:

Staff requests the City Council amends the Fee Schedule to reflect the proposed 84-cents-per-square-foot calculation for residential construction.

Background:

The 84th Texas Legislature passed HB 852 and the Governor signed the legislation into law effective May 21, 2019. The legislation prohibits municipalities from calculating residential building permit fees based on the valuation of the project. The City of Keller, like many other Texas cities, assesses fees based on valuation; these fees are now illegal and must be replaced. Until the City Council adopts new fees for residential construction, no building permit shall be issued for projects submitted as of the effective date.

In March 2016, the City based its fees on a square footage calculation using 78 cents per square foot. The legislation does not prohibit this method, so staff is recommending we return to a square foot calculation for assessing residential fees. Using the Bureau of Labor Statistics Consumer Price Index for inflation, today's value of 78 cents would be 84 cents per square foot. Staff recommends adopting this standard to calculate building permit fees for residential construction.

Financial Impact:

None. The proposed rate is anticipated to be revenue neutral.

Legal Review:

The City Attorney has reviewed the ordinance and revised fee schedule.

Alternatives:

City Council has the following alternatives:

- Approve as submitted
- Approve with changes
- Denial