

ORDINANCE

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KNOXVILLE TO AMEND THE KNOXVILLE CITY CODE, CHAPTER 6, ARTICLE IIC, § 6-54 PERTAINING TO PLANS REVIEW AND PERMIT FEES UNDER THE CITY OF KNOXVILLE EXISTING BUILDING CODE AND PROVIDING FOR AN EFFECTIVE DATE OF MARCH 1, 2016.

ORDINANCE NO: O-22-2016
Dept. of Plans Review
REQUESTED BY: & Building Inspections
PREPARED BY: Law

APPROVED ON 1ST
READING: 1-19-2016
APPROVED ON 2ND
READING: 2-2-2016
APPROVED AS AN EMERGENCY
MEASURE: _____

MINUTE BOOK: 80 PAGE _____

WHEREAS, Tennessee Code Annotated §§ 6-54-501 through 6-54-506 provides for the adoption of any building code or portions thereof by a municipality by reference; and

WHEREAS, one (1) copy of the 2012 edition of the *International Existing Building Code*, with amendments as set forth herein, has been filed in the office of the City Recorder fifteen (15) days prior to the adoption of this Ordinance, and has been kept available for public use, inspection and examination, in accordance with Tennessee Code Annotated § 6-54-502; and

WHEREAS, the 2012 edition of the *International Existing Building Code* was adopted, as amended, by the Knoxville City Council on December 11, 2012 (the "Existing Building Code"); and

WHEREAS, Chapter 6, Article IIC, Section 6-54, Subsection 111.4 of the Existing Building Code, entitled *Schedule of Permit and Inspection Fees*, provides the required fee for all buildings or structures requiring a permit pursuant to the Existing Building Code; and

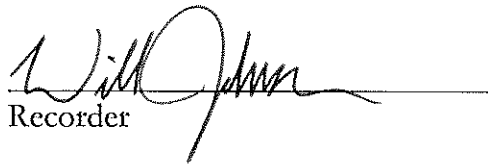
WHEREAS, the Chief Building Official has recommended an increase to the plans review and permit fees of the Existing Building Code to support the extensive services provided by the City of Knoxville during the plans review and permitting processes; and


WHEREAS, the Council of the City of Knoxville has now determined that it is in the public interest, safety, and welfare of the City of Knoxville that the amendment as prescribed herein, providing for increases to plans review and permit fees as recommended by the Chief Building Official, be adopted.

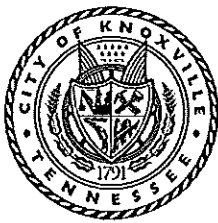
NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KNOXVILLE:

SECTION 1: Chapter 6, Article IIC, Section 6-54, Subsection 111.4 of the Knoxville City Code is hereby amended by deleting all of the text of the Subsection in its entirety and substituting the language found in **Exhibit 1**, attached hereto and incorporated by reference as if restated verbatim herein.

SECTION 2: This Ordinance shall take effect immediately upon its passage, the welfare of the City requiring it.


Recorder


Presiding Officer of the Council



CITY OF KNOXVILLE, TENNESSEE

City Council

AGENDA INFORMATION SHEET

AGENDA DATE: February 2, 2016

DEPARTMENT: Plans Review

DIRECTOR: Peter Ahrens

AGENDA SUMMARY An Ordinance to amend the Knoxville City Code, Chapter 6, Article IIC, § 6-54 pertaining to plans review and permit fees under the City of Knoxville Existing Building Code and providing for an effective date of March 1, 2016.

COUNCIL DISTRICT(S) AFFECTED: All Council Districts.

BACKGROUND

The City of Knoxville has experienced and is continuing to experience significant redevelopment and new development across many construction sectors and geographic locations. With the interest of the public's safety and welfare as first priority, the demands placed on City staff in the Plans Review and Inspections Department (the "Department") have required that the staff perform their duties at ever advancing levels.

The Department just completed a study regarding the scope of services provided and the costs of residential and commercial construction review and permit fees for projects built within the City of Knoxville as compared to surrounding comparable jurisdictions. The study revealed that the City of Knoxville's scope of services provided is, at a minimum, equal to and in most cases greater than those provided by other jurisdictions. However, the City's permit fees for a typical commercial project are 35% less than the average fees of comparable jurisdictions (Exhibits A, B). Consequently, the fees charged are insufficient to continue supporting the services provided. Historically, the general budget has been relied upon to supplement the receipts of this Department to fund its operations, and the general budget has continued to support the cost of services provided to a greater degree every year. This is especially true since the fees for the services have not been increased since 2003.

These proposed plans review and permit fee adjustments will ensure the Department's ability to provide the services the public expects while more accurately reflecting the actual costs of providing those services. This Department continues to respond to the construction industry's needs and concerns while keeping the general public's health and safety as its primary mission. If the proposed adjustments are approved, the financial supplement required from the General Budget for the operations of this Department is anticipated to be reduced from 25% to 15%.

The following adjustments are proposed for the Existing Building Code:

Plans review fees for projects under the Existing Building Code (Exhibit A):

- The cost for fees for all projects that are not one & two family dwellings (which includes commercial and industrial projects) shall increase by 10%
- The fee schedule shall expand to include new fees for projects over \$1,000,000

Building Permit fees (Exhibit A):

- Fees shall continue to be based on project value, but the multiplier shall increase by 50¢

Other fees (Exhibit A):

- Fees are a standard amount for the service provided, and shall increase by \$25.00

OPTIONS: Approve or Deny.

RECOMMENDATION: Approve.

ESTIMATED PROJECT SCHEDULE: N/A

PRIOR ACTION/REVIEW

Public Notice: December 16, 2015

Public Forum: January 12, 2016

Meeting with Associated General Contractors (AGC): January 11, 2016

Building Board of Adjustments & Appeals: January 15, 2016

FISCAL INFORMATION: Currently, 75% of the operating costs for the Department are covered by fees. This amendment will increase the coverage to 85-90%, thereby reducing the City's contribution from the General Fund from 25% to 10-15%.

ATTACHMENTS:

- ORDINANCE Existing Building ordinance fee modification (DOCX)
- EXHIBIT A, Plan Review and Building Permit Fee Schedule (DOC)

RESULT:	APPROVED ON FIRST READING [UNANIMOUS]	Next: 2/2/2016
	7:00 PM	
MOVER:	Duane Grieve, 2nd District	
SECONDER:	George C. Wallace, At-Large Seat A	
AYES:	Brown, Campen, Della Volpe, Grieve, Palmer, Pavlis, Saunders, Stair, Wallace	

EXHIBIT 1
EXISTING BUILDING CODE FEE AMENDMENT

111.4 Schedule of Permit and Inspection Fees. On all buildings or structures requiring a permit, a fee for each permit shall be paid as required, in accordance with this section:

PLANS REVIEW FEES:

Application for approval shall be accompanied by a non-refundable fee in accordance with the following schedule:

One and Two Family Dwellings

New	\$60.00
Additions	\$35.00
Swimming Pool and Accessory Structures.....	\$35.00

All other Buildings and Structures

0.00 up to and including \$50,000.99 total valuation	\$55.00
\$50,001.00 up to and including \$100,000.99 total valuation.....	\$110.00
\$100,001.00 up to and including \$200,000.99 total valuation.....	\$220.00
\$200,001.00 up to and including \$300,000.99 total valuation.....	\$330.00
\$300,001.00 up to and including \$500,000.99 total valuation.....	\$440.00
\$500,001.00 up to and including \$1,000,000.99 total valuation.....	\$550.00
\$1,000,001.00 up to and including \$1,500,000.99 total valuation	\$660.00
\$1,500,001.00 up to and including \$2,000,000.99 total valuation	\$770.00
\$2,000,001.00 up to and including \$2,500,000.99 total valuation	\$880.00
\$2,500,001.00 up to and including \$3,000,000.99 total valuation.....	\$990.00
\$3,500,001.00 or more total valuation.....	\$1100.00

After the submitted plans have been reviewed, an additional \$100.00 review fee per additional review will be charged **after the second revision** to the original plan submitted (if revisions are necessary).

BUILDING PERMIT FEES:

The non-refundable fee for a building permit for new construction, additions, alteration, or repair to existing structures shall be based upon total valuation of such construction, addition, alteration or repair in accordance with the following schedule. If circumstances warrant, the Building Official may consider a request for refund and the amount to be refunded, if any. The following fees are based on total value of labor and materials.

EXHIBIT 1
EXISTING BUILDING CODE FEE AMENDMENT

Valuation	Permit Fee
0.00 up to and including \$100.99 total valuation	No Fee
\$101.00 up to and including \$2,000.99 total valuation	\$50.00
\$2,001.00 up to and including \$50,000.99 total valuation	\$50.00 for the first \$2,000 plus \$4.50 for each additional thousand or fraction thereof
\$50,001.00 up to and including \$100,000.99 total valuation	\$266.00 for the first \$50,000 plus \$4.00 for each additional thousand or fraction thereof
\$100,001.00 up to and including \$500,000.99 total valuation	\$466.00 for the first \$100,000 plus \$3.50 for each additional thousand or fraction thereof
\$500,001.00 up to and including \$1,000,000.99 total valuation	\$1,866.00 for the first \$500,000 plus \$3.00 for each additional thousand or fraction thereof
\$1,000,001.00 or more total valuation	\$3366.00 for the first \$1,000,000 plus \$2.50 for each additional thousand or fraction thereof

Reinspection:

Required Inspections & First ReinspectionNo Charge

Second Reinspection\$25.00

Third Reinspection\$50.00

Each Subsequent Reinspection\$50.00

A reinspection is defined as an inspection made by the Building Inspector after the request has been made by the license holder or agent thereof for deficiencies noted at a prior inspection.

Upon the occasion of an inspection or reinspection, a written notification of deficiencies should be filed with the permit holder.

AMENDING PERMIT/APPLICATION:

When a permit/application has been issued and an amendment or supplemental revision is applied for, the following shall apply:

For each and every amendment which involves additional work not originally applied for to complete the entire project, the additional fee shall be the normal plans review fee and permit fee for that additional work and shall be computed disregarding the valuation of the work previously permitted.

EXHIBIT 1

EXISTING BUILDING CODE FEE AMENDMENT

For each and every amendment or supplement not involving additional work or dollar value the minimum plans review fee and the minimum building permit fee shall apply, even though the project's total valuation may not change or may decrease.

EXISTING BUILDING USE PERMIT:

When an existing building or portion of an existing building is vacated or vacant and prior to the space being occupied by a new tenant and where a building permit is not required by this Code, each new tenant shall first submit an application for a Use Permit. The non-refundable fee for this permit shall be \$50.00. A Use Permit is not required when a Plans Review Application and a Building Permit have been issued for the new tenant or when the new tenant is classified as a Group R-2 or Group R-3 Occupancy by this Code.

TEMPORARY PERMIT:

When a temporary building or structure is requested as noted in Section 105.1.2 of this Code or when a temporary use is requested as noted in the City of Knoxville Code of Ordinance Chapter 25, an application shall be submitted for a Temporary Permit. Such permit shall include a time limit not to exceed 12 months per temporary permit, with portable buildings limited to three (3) consecutive twelve (12) month permits. The non-refundable fee for this permit is **\$100.00**.

MOVING PERMIT:

When a building or structure is to be moved into or out of the City of Knoxville, an application shall be submitted for a Moving Permit. The non-refundable fee for this permit is **\$100.00**. This fee shall be in addition to any permit required for the foundation and repair or renovation of the building.

DEMOLITION PERMIT:

When a building or structure is to be demolished, an application shall be submitted for a Demolition Permit. The non-refundable fee for this permit shall be as follows:

Demolition for any building or structure housing one or two families
\$30.00 for the first story plus \$20.00 for each additional story

Demolition of any building or structure housing more than two families, commercial, schools, institutional, assembly storage or industrial uses
\$55.00 for the first story and \$25.00 for each additional story

BOARD FEES:

A notice of appeal filed under Section 109.3 of this Code shall be accompanied by a non-refundable fee as follows:

One and Two Family Dwellings	\$100.00
Maximum Number of Separate Code Sections.....	4
 All Other Structures	 \$200.00
Maximum Number of Separate Code Sections.....	4

EXHIBIT 1
EXISTING BUILDING CODE FEE AMENDMENT

SPECIAL INSPECTION FEES:

When a special inspection not associated with an issued building permit, such as On-Site, Liquor, Certificate of Occupancy, or other special requests, is made the applicant shall first pay a Special Inspection Fee of **\$50.00** per visit.

OTHER FEES:

Administrative letter for code compliance \$50.00
Zoning Letter \$50.00

PROPOSED



Plans Review and Building Permit Fee Schedule

As Set in Ordinance 0-000-00, Effective March 1, 2015

PLANS REVIEW FEES:

Application for approval shall be accompanied by a non-refundable fee in accordance with the following schedule:

One and Two Family Dwellings	<u>Current</u>	<u>Proposed</u>
New.....	\$50.00	\$60.00
Additions	\$30.00	\$35.00
Swimming Pool and Accessory Structures	\$30.00	\$35.00
 All other Buildings and Structures		
0.00 up to and including \$50,000.99 total valuation	\$50.00	\$55.00
\$50,001.00 up to and including \$100,000.99 total valuation	\$100.00	\$110.00
\$100,001.00 up to and including \$200,000.99 total valuation	\$200.00	\$220.00
\$200,001.00 up to and including \$300,000.99 total valuation	\$300.00	\$330.00
\$300,001.00 up to and including \$500,000.99 total valuation	\$400.00	\$440.00
\$500,001.00 up to and including \$1,000,000.99 total valuation	\$500.00	\$550.00
\$1,000,001.00 up to and including \$1,500,000.99 total valuation.....		\$660.00
\$1,500,001.00 up to and including \$2,000,000.99 total valuation.....		\$770.00
\$2,000,001.00 up to and including \$2,500,000.99 total valuation.....		\$880.00
\$2,500,001.00 up to and including \$3,000,000.99 total valuation.....		\$990.00
\$3,500,001.00 or more total valuation.....		\$1100.00

After the submitted plans have been reviewed, an additional \$100.00 review fee per additional review will be charged **after the second revision** to the original plan submitted (if revisions are necessary)

PROPOSED

BUILDING PERMIT FEES:

The non-refundable fee for a building permit for new construction, additions, alteration, or repair to existing structures shall be based upon total valuation of such construction, addition, alteration or repair in accordance with the following schedule. In unusual situations, the Building Official may consider a request for refund and the amount to be refunded. The following fees are based on total value of labor and materials.

Current	Proposed
0.00 up to and including \$100.00 total valuation No Fee	0.00 up to and including \$100.99 total valuation No Fee
\$101.00 up to and including \$2,000.00 total valuation \$50.00	\$101.00 up to and including \$2,000.99 total valuation \$50.00
\$2,001.00 up to and including \$50,000.00 total valuation \$50.00 for the first \$2,000 plus \$4.00 for each additional thousand or fraction thereof	\$2,001.00 up to and including \$50,000.99 total valuation \$50.00 for the first \$2,000 plus \$4.50 for each additional thousand or fraction thereof
\$50,001.00 up to and including \$100,000.00 total valuation \$244.00 for the first \$50,000 plus \$3.50 for each additional thousand or fraction thereof	\$50,001.00 up to and including \$100,000.99 total valuation \$266.00 for the first \$50,000 plus \$4.00 for each additional thousand or fraction thereof
\$100,001.00 up to and including \$500,000.00 total valuation \$417.50 for the first \$100,000 plus \$3.00 for each additional thousand or fraction thereof	\$100,001.00 up to and including \$500,000.99 total valuation \$466.00 for the first \$100,000 plus \$3.50 for each additional thousand or fraction thereof
\$500,001.00 up to and including \$1,000,000.00 total valuation \$1,617.50 for the first \$500,000 plus \$2.50 for each additional thousand or fraction thereof	\$500,001.00 up to and including \$1,000,000.99 total valuation \$1,866.00 for the first \$500,000 plus \$3.00 for each additional thousand or fraction thereof
\$1,000,001.00 or more total valuation \$2867.00 for the first \$1,000,000 plus \$2.00 for each additional thousand or fraction thereof	\$1,000,001.00 or more total valuation \$3366.00 for the first \$1,000,000 plus \$2.50 for each additional thousand or fraction thereof

AMENDING PERMIT/APPLICATION:

When a permit/application has been issued and an amendment or supplemental revision is applied for, the following shall apply:

For each and every amendment which involves additional work not originally applied for to complete the entire project, the additional fee shall be the normal plans review fee and permit fee for that additional work and shall be computed disregarding the valuation of the work previously permitted.

EXHIBIT A

PROPOSED

For each and every amendment or supplement not involving additional work or dollar value the minimum plans review fee and the minimum building permit fee shall apply, even though the projects total valuation may not change or may decrease.

EXISTING BUILDING USE PERMIT:

When an existing building or portion of an existing building is vacant and prior to space being occupied by a new tenant and where a building permit is not required by this Code, each new tenant shall first submit an application for a Use Permit. The non-refundable fee for this permit shall be \$50.00. A Use Permit is not required when a Plans Review Application and a Building Permit have been issued for the new tenant or when the new tenant is classified as a Group R-2 or Group R-3 Occupancy by this Code.

TEMPORARY PERMIT:

When a temporary building or structure is requested as noted in Section 104.1.2 of this Code or when a temporary use is requested as noted in the City of Knoxville Code of Ordinance Chapter 25, an application shall be submitted for a Temporary Permit. Such permit shall include a time limit not to exceed 12 months per temporary permit, with portable buildings limited to three (3) twelve (12) month permits. The non-refundable fee for this permit is **\$100.00**.

MOVING PERMIT:

When a building or structure is to be moved into or out of the City of Knoxville, an application shall be submitted for a Moving Permit. The non-refundable fee for this permit is **\$100.00**. This fee shall be in addition to any permit required for the foundation and repair or renovation of the building.

DEMOLITION PERMIT:

When a building or structure is to be demolished, an application shall be submitted for a Demolition Permit. The non-refundable fee for this permit shall be as follows:

Demolition for any building or structure housing one or two families
\$30.00 for the first story plus \$20.00 for each additional story

Demolition of any building or structure housing more than two families, commercial, schools, institutional, assembly storage or industrial uses
\$55.00 for the first story and \$25.00 for each additional story

BOARD FEES:

A notice of appeal filed under Section 108.4.2 of this Code shall be accompanied by a non-refundable fee as follows:

One and Two Family Dwellings	\$100.00
Maximum Number of Separate Code Sections	4
All Other Structures	\$200.00
Maximum Number of Separate Code Sections	4

SPECIAL INSPECTION FEES:

When a special inspection not associated with an issued building permit, such as On-Site Liquor, Certificate of Occupancy, or other special requests, is made the applicant shall first pay a Special Inspection Fee of **\$50.00** per visit.

OTHER FEES:

	<u>Current</u>	<u>Proposed</u>
Administrative letter for code compliance	\$25.00	\$50.00
Zoning Letter	\$25.00	\$50.00

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EXHIBIT 1

EXISTING BUILDING CODE FEE AMENDMENT

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\$30.00 for the first story plus \$20.00 for each additional story

Demolition of any building or structure housing more than two families, commercial, schools, institutional, assembly storage or industrial uses
\$55.00 for the first story and \$25.00 for each additional story

BOARD FEES:

A notice of appeal filed under Section 109.3 of this Code shall be accompanied by a non-refundable fee as follows:

One and Two Family Dwellings**\$100.00**
Maximum Number of Separate Code Sections**4**

All Other Structures.....**\$200.00**
Maximum Number of Separate Code Sections**4**

EXHIBIT 1
EXISTING BUILDING CODE FEE AMENDMENT

SPECIAL INSPECTION FEES:

When a special inspection not associated with an issued building permit, such as On-Site, Liquor, Certificate of Occupancy, or other special requests, is made the applicant shall first pay a Special Inspection Fee of **\$50.00** per visit.

OTHER FEES:

Administrative letter for code compliance	\$50.00
Zoning Letter	\$50.00