


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	23-544	Meeting:	December 4, 2023
	Agenda Item:	21	Roll Call:	23-1695
	Submitted by:	Cody Christensen, Development Services Director		

AGENDA HEADING:

Amendments to Schedule of Fees for application fees collected by the City's Development Services Department.

SYNOPSIS:

The Development Services Department is proposing updates to the City's Schedule of Fees that will ensure fees collected by the Development Services Department are compatible with similar fees collected by other metro cities. In addition, the proposed fee increases will better cover the costs of services provided by the Development Services Department. These fee proposals have been presented to the Home Builders Association and other trade partners.

FISCAL IMPACT:

Amount: Application Fee increases are estimated to increase the Development Services Department's revenue by approximately five percent (5%).

Funding Source: Application Fees charged for services provided by the Development Services Department.

ADDITIONAL INFORMATION:

- In October 2023, Development Services Department Staff conducted a fee study to compare its fees with those of other metro jurisdictions. Staff used this study to propose updates to some fees. The proposed updates to the City's Schedule of Fees will ensure fees collected by the City of Des Moines are aligned with the mid-range of fees collected by other metro-area cities. Additionally, the proposed fees will better cover the costs of services provided by the Development Services Department's Permit and Development Center and Planning & Urban Design Division.
- Most fees for permits, certificates, reviews, administrative costs, and inspections have not been adjusted since 2015, while costs of delivering these services have consistently increased. In addition, residential flat-rate fees were introduced in 2021 and were based on average permit fee amounts in the City of Des Moines from the preceding three (3) years. The residential flat-rate fee structure has been well received because of its increased permit fee predictability for residential projects.

- Single-Family Dwellings: Building permit fees for new homes in Des Moines are the lowest in the metro area and are proposed to increase to the mid-range of building permit fees for new homes in the larger metro area cities. Building permit fees for new homes utilize flat-rate fees based on the square footage of a home. Building permit fees for new townhomes are not proposed to be increased.
- Commercial Building Permits: Building permit fees for commercial buildings are calculated based on project valuation and are proposed to increase five percent (5%).
- Commercial Trades Permits: Commercial trades permits are calculated through a standard fee plus fees for each component being installed. Standard fees for these permits will increase \$25 and additional fees are being added for new trade components that have become more common in recent years.
- Planning and Zoning Processes: Fees for planning and zoning processes are proposed to be simplified and increased to align with the mid-range of fees collected by metro-area cities. Simplifications will increase predictability and reduce delays in these processes.

PREVIOUS COUNCIL ACTION(S):

Date: May 24, 2021

Roll Call Number: [21-0788](#)

Action: [Amendments](#) to Schedule of Fees for Construction Permits. ([Council Communication No. 21-236](#)) Moved by Gatto to adopt. Motion Carried 7-0.

Date: December 16, 2019

Roll Call Number: [19-2039](#)

Action: [Amendments](#) to the Schedule of Fees for fees imposed by Chapter 134, Zoning Code, and Chapter 135 Planning and Design Code. Moved by Gatto to adopt. Motion Carried 7-0.

Date: June 22, 2015

Roll Call Number: [15-1090](#)

Action: [Community](#) Development Department request to increase fees collected for services provided pursuant to Chapter 26, Buildings and Building Regulations, and Chapter 60, Housing Code. ([Council Communication No. 15-323](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Annual evaluation of permit fees.

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