

# Memorandum

<b>REPORT TO:</b>	City Commission
<b>FROM:</b>	Community Development
<b>SUBJECT:</b>	Resolution 5517 Updating City Building Permit Fees
<b>MEETING DATE:</b>	September 12, 2023
<b>AGENDA ITEM TYPE:</b>	Resolution
<b>RECOMMENDATION:</b>	I move to approve Resolution 5517 updating the fee schedule for building division fees with an effective date of October 7, 2023.
<b>STRATEGIC PLAN:</b>	7.5. Funding and Delivery of City Services: Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner.
<b>BACKGROUND:</b>	<p>Community Development's Building Division offers scores of different permits and services that correspond to the great variety of new construction, renovation, and improvements that occur in Bozeman. State administrative rules (ARM 24.301.203) allow local building departments to charge fees for permits, which aids cost recovery.</p> <p>Building fees were last updated in 2005, nearly twenty years ago. In the intervening years, several conditions have changed that warrant updating fees, including new processes and procedures, inflationary costs, and building staff costs.</p> <p>This Resolution 5517 updates the Building Division fee table, consistent with City Commission <a href="#">Resolution 5287</a> (April 2021) and <a href="#">Ordinance 2143</a> (August 2023) which amended building fee provisions included in Sec. 10.02.020 of the Bozeman Municipal Code.</p> <p>The proposed fee table:</p> <ul style="list-style-type: none"><li>• retains categories and core fee types (e.g., valuation-based),</li><li>• adds new permit types (e.g., Foundation only),</li><li>• raises the majority of fees from 2005 levels,</li><li>• incorporates the ICC valuation tables (per Resolution 5287),</li><li>• includes a three-year escalation scale for new square footage fees, and</li><li>• notes a convenience fee of up to 3% for credit card payments.</li></ul>
<b>UNRESOLVED ISSUES:</b>	None.
<b>ALTERNATIVES:</b>	As suggested by the City Commission.

**FISCAL EFFECTS:**

Resolution 5517 will increase building division fees paid by applicants.  
Revenue results will vary based on application volume.

Attachments:

[Resolution 5517 Building Division Fees.pdf](#)

[Resolution 5517\\_FY2024 Building Division Fee Schedule.pdf](#)

Report compiled on: September 5, 2023