



HISTORIC
FRANKLIN
TENNESSEE

ITEM #15
WRKS 10/26/2010

MEMORANDUM

October 4, 2010

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator *ESS*
Vernon Gerth, ACA - Community and Economic Development
Tom Marsh, Zoning and Development Coordinator

SUBJECT: Consideration to change the method used to calculate City of Franklin Residential Building Permit Fees.

Purpose

The purpose of this memorandum is to facilitate a discussion with the Board of Mayor and Aldermen (BOMA) regarding the current method for calculating building permit fees and to consider a proposed change to calculate the fee based on habitable square footage.

Background

The City of Franklin presently calculates building permit fees based on the value of construction. Since the value of construction varies greatly on the contractor and features of a structure, staff proposes to base building permit fees for new, detached single-family dwellings and additions, on the habitable square footage. The habitable square footage is easily calculated and there is no need for staff to substantiate the value of construction.

Staff has evaluated a variety of recently issued building permits within the community and from surrounding communities and interpolated the figures to reflect the permit fee per square foot. Based on the analysis staff proposes implementing a .37 per square foot building permit fee for new, detached single-family residential dwellings and addition with a minimum fee of \$75. Additionally, implementing the proposed building permit fee formula provides a clear and predictable feeing methodology for staff and our customers.

Financial Impact

The proposed change should not result in a change in building permit revenue. It will, however, allow staff to routinely forecast building permit revenue based on anticipated residential development activity and compare it to the corresponding service level.

Recommendation

Direction for staff to draft the enabling ordinance is recommended.

Enclosures

Building Permit Fee Analysis

City of Franklin

Residential Building Permit Fee Analysis

Revised October 4, 2010

Example 1: Total 1098sq. ft./Heated 1098 sq. ft. \$120,000

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	541.00	.49	
Alpharetta, GA	1,660.00	1.51	330.00
McKinney, TX	1,106.00	1.01	100.00
Murfreesboro, TN	277.44	.25	
Brentwood, TN	445.83	.41	
Peachtree, GA	274.50	.25	54.90
Smyrna, TN	329.40	.30	
AVERAGE	\$662.02	.60	

Example 2: Total 2113 sq. ft./Heated 1684 sq. ft. \$164,250

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	652.00	.39	
Alpharetta, GA	903.37	.54	451.68
McKinney, TX	1,353.75	.80	100.00
Murfreesboro, TN	570.68	.34	
Brentwood, TN	615.64	.37	
Peachtree, GA	421.00	.25	84.20
Smyrna, TN	633.90	.38	
AVERAGE	\$735.76	.44	

Example 3: Total 3182 sq. ft./Heated 2754 sq. ft. \$242,225

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	847.00	.31	
Alpharetta, GA	1,332.00	.48	666.00
McKinney, TX	1,789.75	.65	100.00
Murfreesboro, TN	963.00	.35	
Brentwood, TN	830.49	.30	
Peachtree, GA	689.00	.25	138.00
Smyrna, TN	966.00	.35	
AVERAGE	\$1,059.61	.38	

Example 4: Total 3322 sq. ft./Heated 2840 sq. ft. \$274,000

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	926.00	.33	
Alpharetta, GA	1,507.00	.53	753.50
McKinney, TX	1,968.00	.69	100.00
Murfreesboro, TN	1,022.80	.36	
Brentwood, TN	904.66	.32	
Peachtree, GA	710.00	.25	142.00
Smyrna, TN	996.60	.35	
AVERAGE	\$1,147.87	.40	

Example 5: Total 3607 sq. ft./Heated 3203 sq. ft. \$394,965

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	1,228.00	.38	
Alpharetta, GA	2,172.28	.68	1,086.14
McKinney, TX	2,646.00	.83	100.00
Murfreesboro, TN	1,132.80	.35	
Brentwood, TN	990.21	.31	
Peachtree, GA	800.75	.25	160.15
Smyrna, TN	1,082.10	.34	
AVERAGE	\$ 1,436.02	.45	

Example 6: Total 3804 sq. ft./Heated 3406 sq. ft. \$338,400

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	1,087.00	.32	
Alpharetta, GA	1,861.00	.55	930.00
McKinney, TX	2,328.75	.68	100.00
Murfreesboro, TN	1,211.60	.36	
Brentwood, TN	1040.13	.31	
Peachtree, GA	851.50	.25	170.00
Smyrna, TN	1,141.00	.33	
AVERAGE	\$1,360.14	.40	

Example 7: Total 4139 sq. ft./Heated 3640 sq. ft. \$424,110

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	1301.00	.36	
Alpharetta, GA	2,333.00	.64	1,166.00
McKinney, TX	3,368.75	.93	100.00
Murfreesboro, TN	1,345.60	.37	
Brentwood, TN	1103.60	.30	
Peachtree, GA	910.00	.25	182.00
Smyrna, TN	1,242.00	.34	
AVERAGE	\$1,657.71	.46	

Example 8: Total 5561 sq. ft./Heated 4793 sq. ft. \$503,075

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	1,496.00	.31	
Alpharetta, GA	2,766.88	.58	1,383.44
McKinney, TX	3,248.75	.68	100.00
Murfreesboro, TN	1,914.40	.40	
Brentwood, TN	1403.76	.29	
Peachtree, GA	1,198.25	.25	239.65
Smyrna, TN	1,668.30	.35	
AVERAGE	\$1,956.62	.41	

Example 9: Total 7382 sq. ft./Heated 6217 sq. ft. \$1,155,000

Town	Residential Fee	Fee Per Heated Sq. Ft.	Plan Review
Franklin, TN	2,560.00	.41	
Alpharetta, GA	6,352.50	1.02	3,176.25
McKinney, TX	6,097.00	.98	100.00
Murfreesboro, TN	2,642.80	.43	
Brentwood, TN	2715.91	.44	
Peachtree, GA	1,554.25	.25	310.85
Smyrna, TN	2,214.60	.36	
AVERAGE	\$3,448.15	.55	

City of Franklin Average

Size (heated sq. ft.)	Fee	Fee per heated sq. ft.
1,098	541.00	0.49
2,113	652.00	0.39
3,182	847.00	0.31
3,322	926.00	0.33
3,607	1,228.00	0.38
3,804	1,087.00	0.32
4,139	1,301.00	0.36
5,561	1,496.00	0.31
6,217	2,560.00	0.41
AVERAGE	\$1,182.00	.37
Average of all permit fees calculated in this analysis		.45