



Commission Memorandum

REPORT TO: Mayor and City Commission

FROM: Martin Matsen, Director of Community Development

SUBJECT: Commission Resolution 5119 – Adoption of a revised schedule of Community Development fees

STRATEGIC PLAN: This action item implements 7.5 Funding and Delivery of City Services.

MEETING DATE: December 9, 2019

AGENDA ITEM TYPE: Action

RECOMMENDATION: Adopt Resolution 5119 amending the fee schedule for the review of zoning, subdivision, annexation, growth policy proposals and other planning related review processes with an effective date of January 1, 2020.

RECOMMENDED MOTION: I move to adopt Resolution 5119 amending the fee schedule for the review of impact fee deferral, zoning, subdivision, annexation, growth policy proposals and other planning related review processes with an effective date of January 1, 2020.

BACKGROUND:

Fee Principles: The City Commission adopted the Bozeman Community Plan in 2009. The City's fee approach and schedule is consistent with implementation policies of the Bozeman Community Plan including 2a which recommends a regular review of programs and implementation policy 80 which encourages the cost of service be assigned to the user of a service. The fee approach also implements 7.5 of the Strategic Plan which requires funding City services with equitable and sustainable sources of revenue. The City Commission directed staff to apply an annual inflationary adjustment based on the United States Department of Labor information each year.

Status: A fee schedule is required by 38.200.140, BMC. Adoption of the schedule is by resolution. The goal of the fee schedule is cost recovery as part of a continuing commitment to the citizens of Bozeman to manage public funds responsibly, to simplify the planning process for all customers, and to continue to offer a level of service that meets community expectations. In 2015, the City completed a time, effort, and expense analysis to determine the costs incurred by the City to review applications. The current fee schedule is based on this analysis. The City applies an annual inflation adjustment. The City Commission funded and the Staff will pursue an update to the fee study in the spring of 2020.

Fee Structure: Development follows many different review paths. Some projects require subdivision but no further individual zoning applications. Some projects have no subdivision but may include both a Planned Unit Development and site plans. Some projects only use site plans. Some sites are subdivided but then sit vacant for many years. Each development type can span a wide range of complexity and size. Due to the wide variation, fees charged are based on averages of review for the entire class of a development type. The City has a base fee paired with a unit cost fee so that larger and more complex projects pay a larger fee more representative of the effort in review.

The annual inflation adjustment reflected in the updated fee schedule is 3.1%. This figure is from the Bureau of Labor Statistics Employment Cost Index for State and Local government workers.

UNRESOLVED ISSUES:

None

ALTERNATIVES:

- 1) Direct staff to amend the draft fee schedule further;
- 2) Accept the fee schedule as proposed; or
- 3) As determined by the Commission.

FISCAL EFFECTS: Revenue results will vary based on application volume. A lesser amount will be collected to support long range plan development and implementation. An update for the fee schedule is in the approved budget for this fiscal year and will occur in the second half of the fiscal year.

Attachments:

Commission Resolution 5119

Draft Fee Schedule as Proposed for Adoption (Commission Resolution 5119 Exhibit A)

Report compiled on November 26, 2019



RESOLUTION 5119

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF BOZEMAN, MONTANA, AMENDING THE FEE SCHEDULE FOR THE REVIEW OF ZONING, SUBDIVISION, ANNEXATION, GROWTH POLICY PROPOSALS AND OTHER COMMUNITY DEVELOPMENT RELATED REVIEW PROCESSES, AS ALLOWED BY SECTIONS 7-1-101, 76-1-410, 76-3-201(4) AND 76-3-602, MONTANA CODE ANNOTATED (MCA) AND SECTION 38.200.140, BOZEMAN UNIFIED DEVELOPMENT CODE.

WHEREAS, the City of Bozeman collects fees to cover the administrative costs of processing and reviewing zoning, subdivision, annexation, growth policy proposals and other planning related review processes; and

WHEREAS, said fee schedule must be updated from time to time to reflect changes in City procedures, increases in costs to the City and legislative changes at the State level; and

WHEREAS, Section 76-3-201(5), MCA authorizes local governments to collect fees, not to exceed \$200, to examine subdivision exemptions and Section 76-3-602, MCA authorizes local governments to establish reasonable fees, to be paid by the subdivider, to defray the expense of reviewing subdivision exemptions; and

WHEREAS, the City of Bozeman is authorized to collect fees for the review of annexation, zoning and growth policy proposals, based on the provisions of Section 7-1-101, MCA, because state statute does not prohibit the collection of fees for annexation, zoning review and growth policy proposal review; and

WHEREAS, the City of Bozeman has adopted standards for short term rentals that require expenditures for review processing for which revenues must be collected to offset; and

WHEREAS, the City of Bozeman has adopted standards for building permits that require expenditures for review processing for zoning compliance for which revenues must be collected to offset; and

WHEREAS, the City of Bozeman is authorized to collect fees for the review of annexation, zoning, growth policy proposals and long range planning, based on the provisions of Section 7-1-101, MCA, because state statute does not prohibit the collection of fees for annexation, zoning and growth policy proposal review; and

WHEREAS, the City of Bozeman is authorized to collect fees for the purposes of 76-1-102, MCA which is accomplished by development and implementation of the growth policy which fees are in addition to any other authorized review fees, based on the provisions of Section 76-1-410, MCA and the City has committed through Resolution 4112 to the growth policy contents as required; and

WHEREAS, Section 38.200.140 of the Bozeman Unified Development Code states that:
“A. The city commission must establish a schedule of fees, charges and expenses and a collection procedure for reviews, permits, appeals and other matters pertaining to this chapter. The schedule of fees for the procedures listed below will be set from time to time by the city commission by resolution. The fees must be available in the office of the community development director and may be altered or amended only by the city commission.

B. No subdivision, permit, zone change, site plan, conditional use, special temporary use, planned unit development, deviation or variance may be issued unless or until such costs, charges, fees or expenses have been paid in full, nor may any action be taken on proceedings before the administrative design review staff, development review committee, the design review board, the zoning commission, the planning board or the city commission until fees have been paid in full.”;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Bozeman, Montana:

Section 1

The fee schedule for the fees, charges and expenses review of impact fee deferrals, zoning, subdivision, annexation and growth policy proposals, building permit review for zoning compliance, registration of short term rentals, and all other reviews associated with the review of applications, agreements and other reviews as specified in the Unified Development Code shall be as follows and replaces all previously adopted fees:

See attached Exhibit A.

Section 2

This fee schedule shall be in full force and effect on January 1, 2020.

PASSED, ADOPTED, AND APPROVED by the City Commission of the City of Bozeman, Montana, at a regular session thereof held on the 9th day of December, 2019.

CYNTHIA L. ANDRUS
Mayor

ATTEST:

ROBIN CROUGH
City Clerk

APPROVED AS TO FORM:

GREG SULLIVAN
City Attorney

Resolution 5119 Exhibit A

Fee Schedule for Planning Review Applications

Effective January 1, 2020

Application Type	Base Fee	Notice	Scaled fee by project size
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Pre-Application Consultation - If these charges are incurred, the fees must be paid prior to final project approval.

1	Pre-application Consultation with City Planners	\$45 per hour after initial 2 hours		
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Site Development

2	Master Site Plan	\$1,995	\$200	
3	Site Plan	\$2,165		\$118 per DU, not to exceed 150 DU; Non Residential Space 0-30,000 SF - \$530 per 1,000 ft ² Additional ft ² - \$250 per 1,000 ft ² not to exceed 150,000 sq. ft. Buildings with four or more stories- \$102 per 1,000 ft ² after initial 30,000 ft ² not to exceed 150,000 sq. ft.

Subdivision Development

4	Subdivision Pre-Application (Step 1)	\$ 492 minor/ \$939 major		\$42 per lot
5	Subdivision Preliminary Plat (Step 2)	\$1,995 minor/ \$3,174 major; PLUS noticing fee of \$6.50 per physically contiguous property owner	\$200	\$85 per lot subject to sketch plan/\$35 per lot subject to site plan
6	Subdivision Final Plat (Step 3)	\$1,766 minor/ \$2,947 major		\$35 per lot
7	Subdivision Exemption	\$200		
8	Condominium Review (Independent of site development process)	\$184		

Planned Unit Development

9	PUD Concept Plan (Step 1)	\$1,532		
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Resolution 5119 Exhibit A

Application Type	Base Fee	Notice	Scaled fee by project size
10 PUD Preliminary Plan (Step 2)	\$1,761	\$200	<p>If follow up site plan required: \$45 per DU not to exceed 150 DU; \$140 per 1,000 ft² of non-residential space. not to exceed 150,000 sq. ft.</p> <p>If no follow up site plan required: \$95 per DU; 0-30,000 SF - \$530 per 1,000 ft² non-residential space. Additional ft²- \$250 per 1,000 ft² >30,000 sq. ft. not to exceed 150,000 sq. ft.</p> <p>Buildings with four or more stories- \$102 per 1,000 ft² after initial 30,000 ft² not to exceed 150,000 sq. ft.</p>
11 PUD Final Plan (Step 3)	\$1,407		\$45 per DU; \$140 per 1,000 ft ² of non-residential space

Annexation

12	Annexation (Including Initial Zone Map Amendment)	\$1,722	\$200	
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Appeals

13	Appeal of Administrative Interpretation	\$800	\$200	
14	Appeal of Administrative Project Decision	\$1,638	\$200	

Zoning Reviews & Design Reviews

15	Commercial Reuse	\$139		
16	Commercial/Non-Residential COA (Independent of a Site Plan or Reuse application)	\$375		
17	Historic Neighborhood (NCOD) Design Review / Residential COA	\$132		
18	Informal Review	\$302 per Board		
19	Zoning Deviation	\$241 each		
20	Zoning Variance or Subdivision Variance – independent	\$1,830	\$200	
37	Zoning Departure, Variance, or PUD Relaxation in association with another application	\$241 each		
38	Special Use Permit (SUP)	\$1,268	\$200	
21	Conditional Use Permit (CUP)	\$1,643	\$200	
22	Special Temporary Use Permit	\$184 per week		
23	Comprehensive Sign Plan Review	\$246		

Resolution 5119 Exhibit A

Application Type	Base Fee	Notice	Scaled fee by project size
24 Zoning Verification	\$106		
25 Regulated Activities in Wetlands	no fee		

Regulatory Changes

26 Zoning Map Amendment (non-Annexation)	\$1,995	\$200	\$58 per acre
27 UDC Text Amendment	\$1,811	\$200	
28 Growth Policy Amendment	\$3,174	\$200	\$32 per acre <i>If</i> Growth Policy Map is amended

Penalty / Special Consideration Fees - *If these charges are incurred, the fees must be paid prior to final project approval.*

29 After the Fact Permit	\$328 in addition to all other applicable fees		
30 3 rd and Subsequent Submission of Revised Materials	1/4 of total original application fee		
31 Modification / Amendment to Approved Plan	\$295		
32 3 rd or Subsequent Occupancy Site Inspection	\$131		
33 Extension to Approved Plan	\$370 if City Commission approval is needed; \$112 all others		
34 Initial Improvements Agreement (IA)	\$525 OR 1 percent of face value, whichever is greater		
35 Reduction in Security (other than final)	\$262		
36 Impact Fee Deferral	\$67		

Abbreviations: UDC = Unified Development Code; DU = Dwelling Unit; COA = Certificate of Appropriateness; NCOD = Neighborhood Conservation Overlay District;

Planning Review Fees for Building & Sign Permits

These fees will be assessed and collected by the Building Dept. as part of the permitting process. No planning application is needed.

Permit Type	Planning Review Fee
Sign Permit Review	\$144 if in Overlay District; \$29 all others
Residential Building Permit Review	\$57
Commercial/Industrial Building Permit Review	\$120

Registration and Inspection Fees for Short Term Rentals

These fees will be assessed and collected by the Department of Community Development as part of the registration process. Registration is required annually. A zoning review may be required in addition.

Resolution 5119 Exhibit A

Action	Fee
Short Term Rental Registration	\$250
Fire Inspection	\$225