

Mid-Biennium Budget

Calendar Update

Toni Call, Director
Finance & Asset Management

November 4, 2019



Direction Needed from Council

Information only. Tonight is the first of several discussions. Staff will provide the calendar and process overview as a reminder of the upcoming mid-biennium discussions.



Mid-Biennium Key Dates

- October 28: Mid-Bi Calendar
- Tonight: Development Services Fee Update
- November 12: Overview of Mid-Bi adjustments, General Fund Forecast, Fire Inspection Fee update, HB 1406 implementation
- November 18: Study Session – Detail of Capital and Operating Adjustments
Regular Session – If directed, legislation regarding HB1406
- November 25: Council Follow-up (if needed)
Mid-Bi Public Hearing
- December 2: Proposed Mid-Bi Budget Adoption



Required Council Actions

- Tentative Mid-Bi Adoption – December 2
 - 2020 Development Services Fee Ordinance
 - Fire Inspection Fee Ordinance
 - 2020 Property Tax Levy Ordinance
 - 2020 Property Tax Banked Capacity Resolution
 - 2019-2020 Mid-Bi Budget Ordinance
 - Other actions as directed by Council



Development Services

Fee Update & Budget Request

Mike Brennan, Director
Teri Jones, Fiscal Manager

November 4, 2019



Discussion Topics

- Proposed hourly rate and permit fee adjustments
- School Impact Fees (pass through)
- Request for addition of 6.0 FTE positions for Development Services

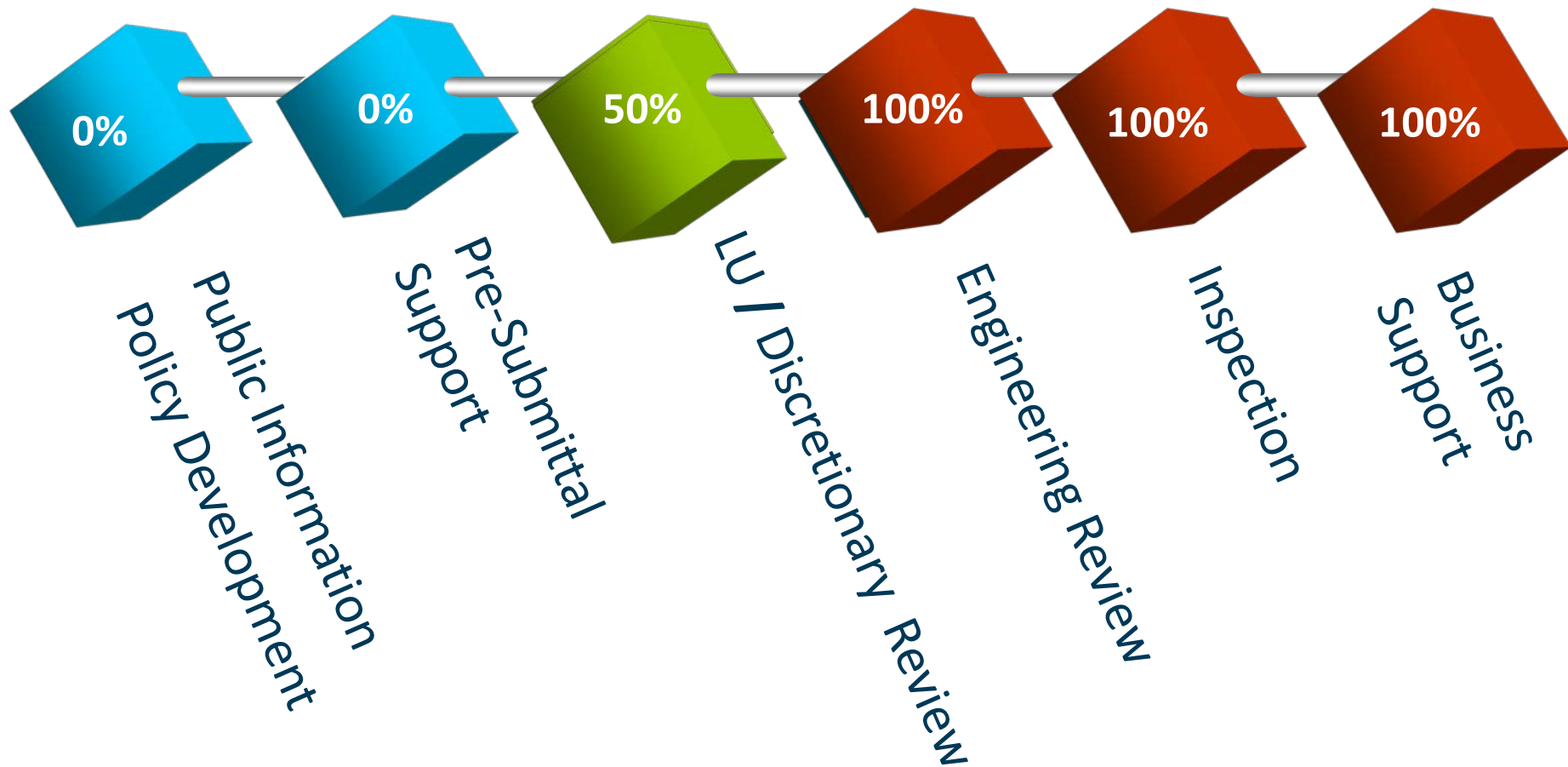


Financial Principles

- Funding structure should support DS line of business through economic cycles.
- Permit applicants should pay for services received
- Fees should be predictable and understandable to customer.
- Fees should be regionally competitive.



Cost Recovery Objectives



Proposed Fee Adjustments

- Updates hourly rates
- Adjusts building review and inspection fees by CPI-W
- Adjusts flat rate fees to reflect hourly rate changes and process improvements
- Maintains alignment with financial policies



Building Fees Adjustment

- Building Permit Fees based on estimated value
 - ICC Building Fee Table – CPI-W 1.7%
 - Valuation Table Updated to 2019
 - Washington State valuation modifier (Marshall & Swift) from 1.16 to 1.15



Rate Adjustments

- Hourly rates proposed 2.4%-2.8% for increases in cost of service
- Proposed flat rate adjustments include changes in hourly rates and average review & inspection time



Proposed Hourly Rates

Function	2019 Adopted	2020 Proposed	\$ variance	% Change in Rate
Land Use review	\$179	\$184	\$5	2.8%
Transportation review & inspection	\$188	\$193	\$5	2.7%
Fire review & inspection	\$169	\$173	\$4	2.4%
Utilities review and inspection	\$161	\$165	\$4	2.5%



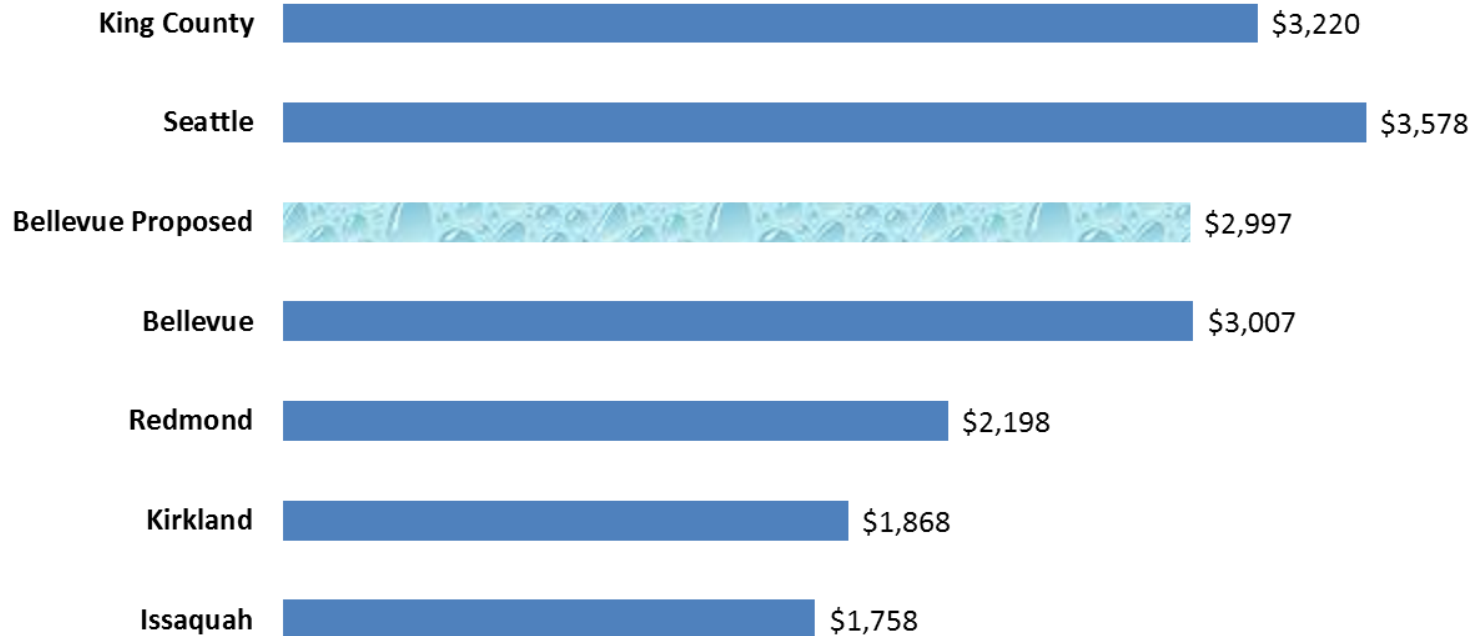
Fee Examples

FEE TYPE	2019	2020	Variance
<u>FLAT FEE</u>			
Temporary Use - Land Use review	\$144	\$148	\$4
Mechanical Work - Fire inspection	\$262	\$270	\$8
<u>VALUATION BASED</u>			
Minor Commercial Project	\$6,114	\$6,227	\$113
Single Family 500 Sq. Ft. Addition	\$3,007	\$2,997	(\$10)



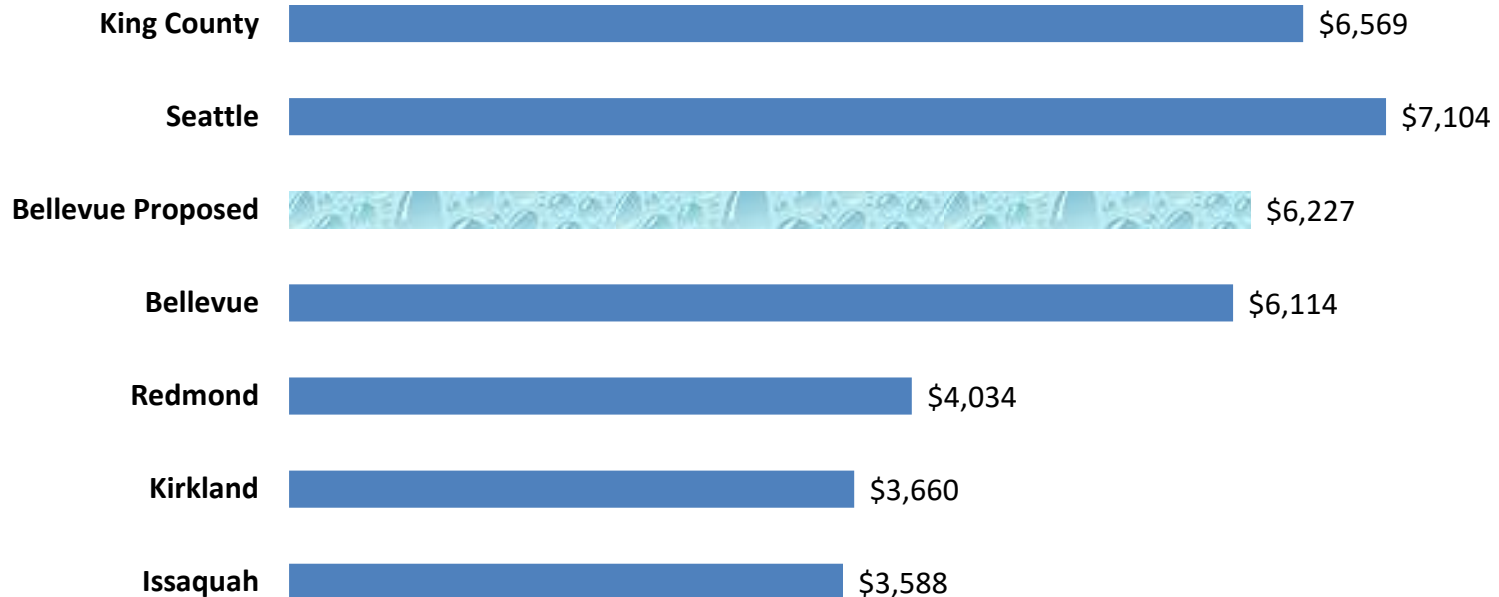
Regionally Competitive

2019 Permit Building Fee Costs 500 Sq Ft Family Addition



Regionally Competitive

2019 Permit Building Fee Costs \$250k Minor Project



School Impact Fee Update

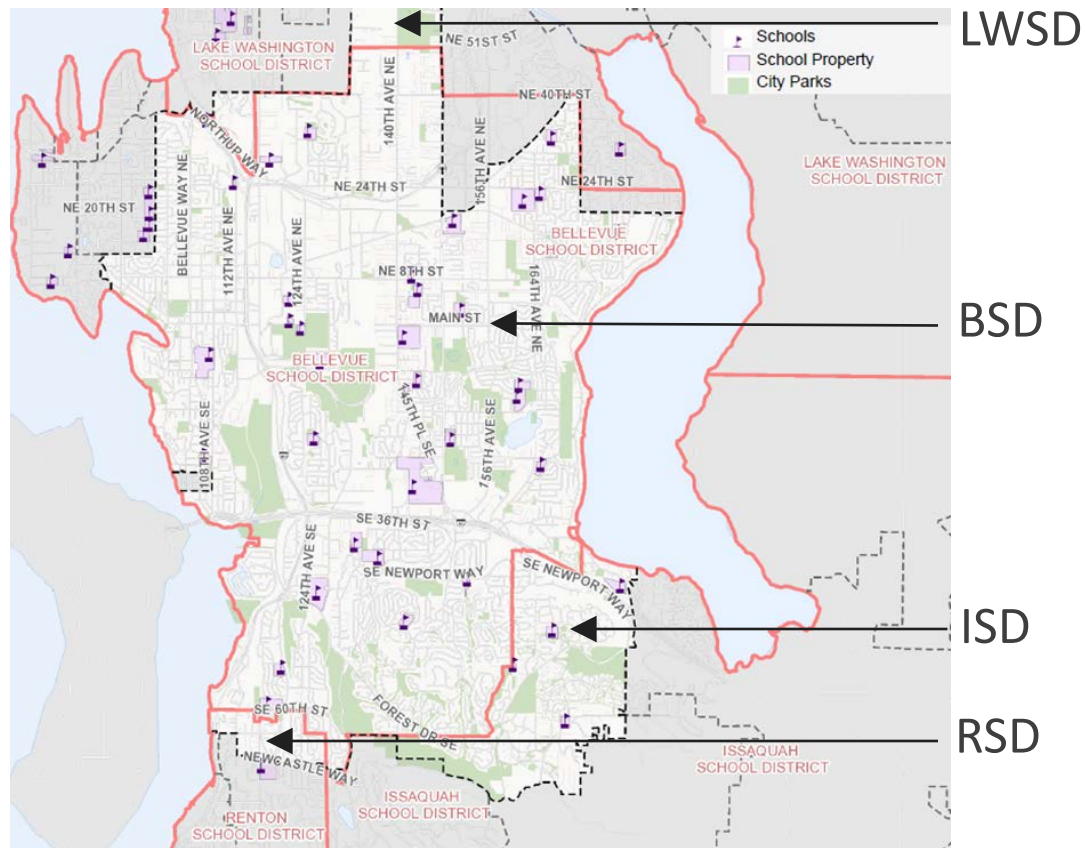


- Issaquah School District
- Renton School District



District Boundaries

- Bellevue is served by four school districts:
- Bellevue School District (BSD)
- Lake Washington School District (LWSD)
- Issaquah School District (ISD)
- Renton School District (RSD)



2020 School Impact Fees

Issaquah School District

- Single-family impact fee is \$14,501 (- \$775)
- Multi-family impact fee is \$9,583 (+ \$5,583)

Renton School District

- Single-family impact fee is \$6,862 (- \$15)
- Multi-family impact fee is \$3,582 (+ \$1,127)



Development Peak Continues

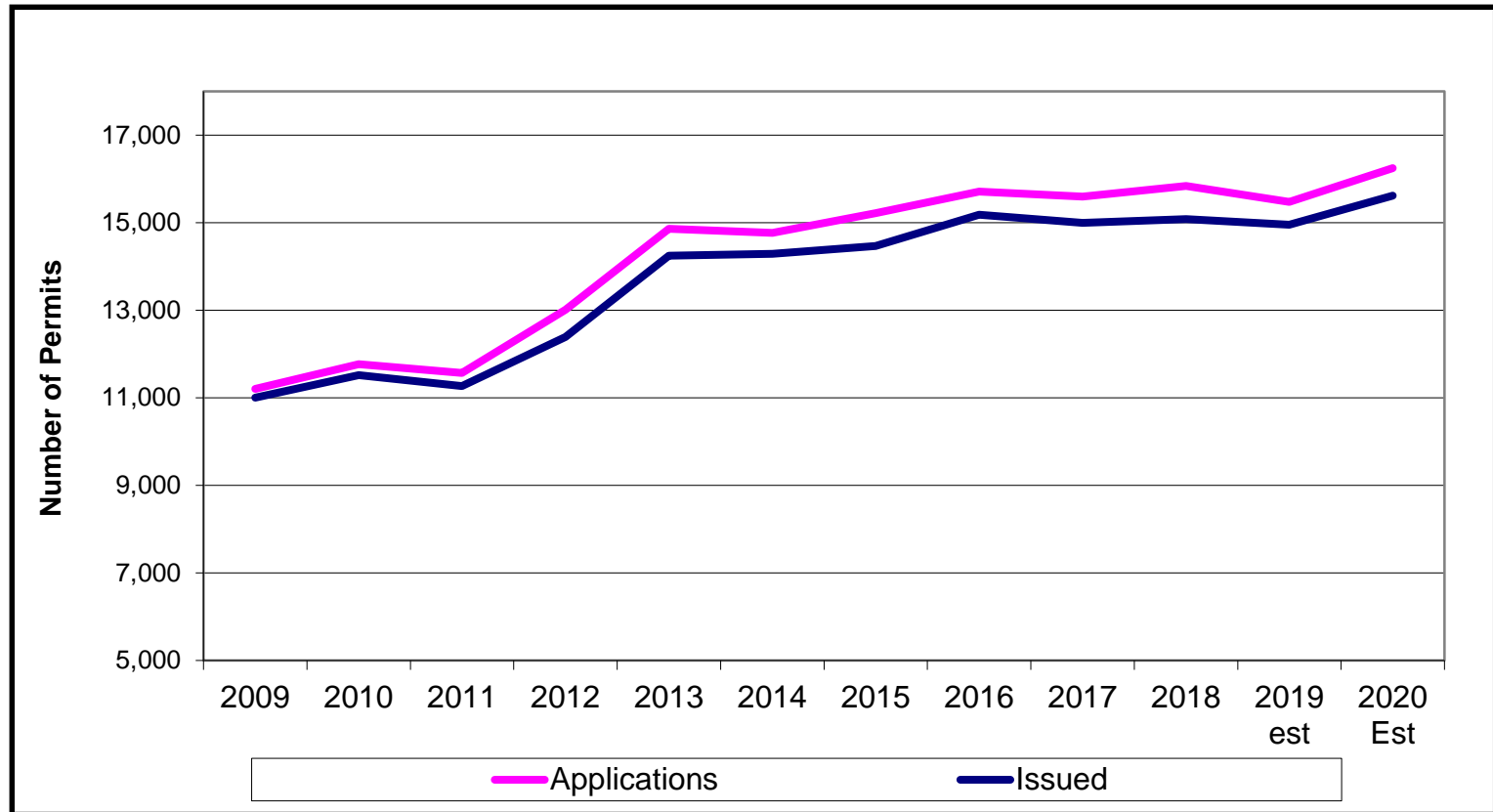
- 5+ years in duration
- Mix of development types
- Focused in “growth areas”



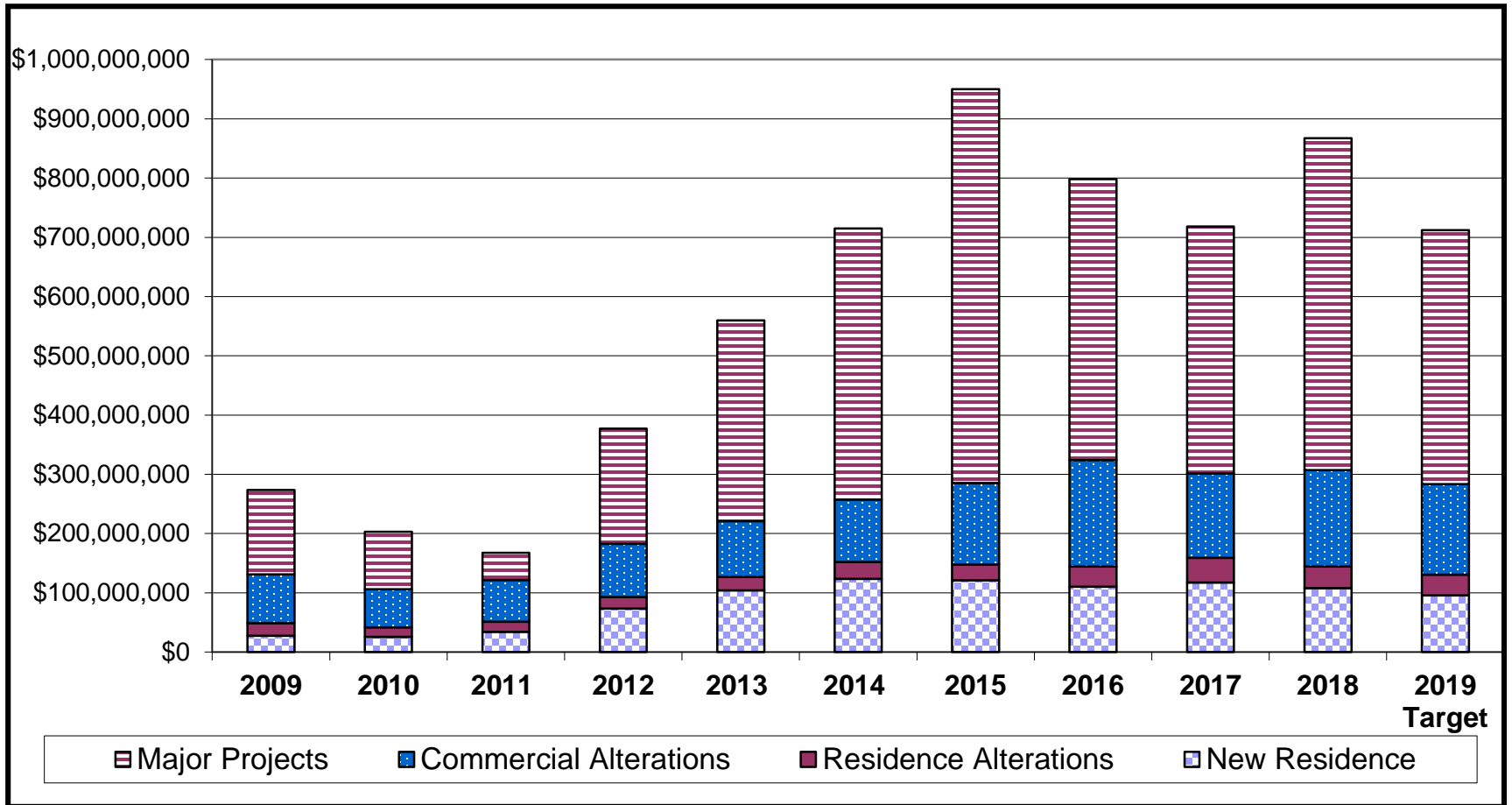
- Increased staffing
- Expanded use of technology
- Advancing paperless permitting
- Always working to improve



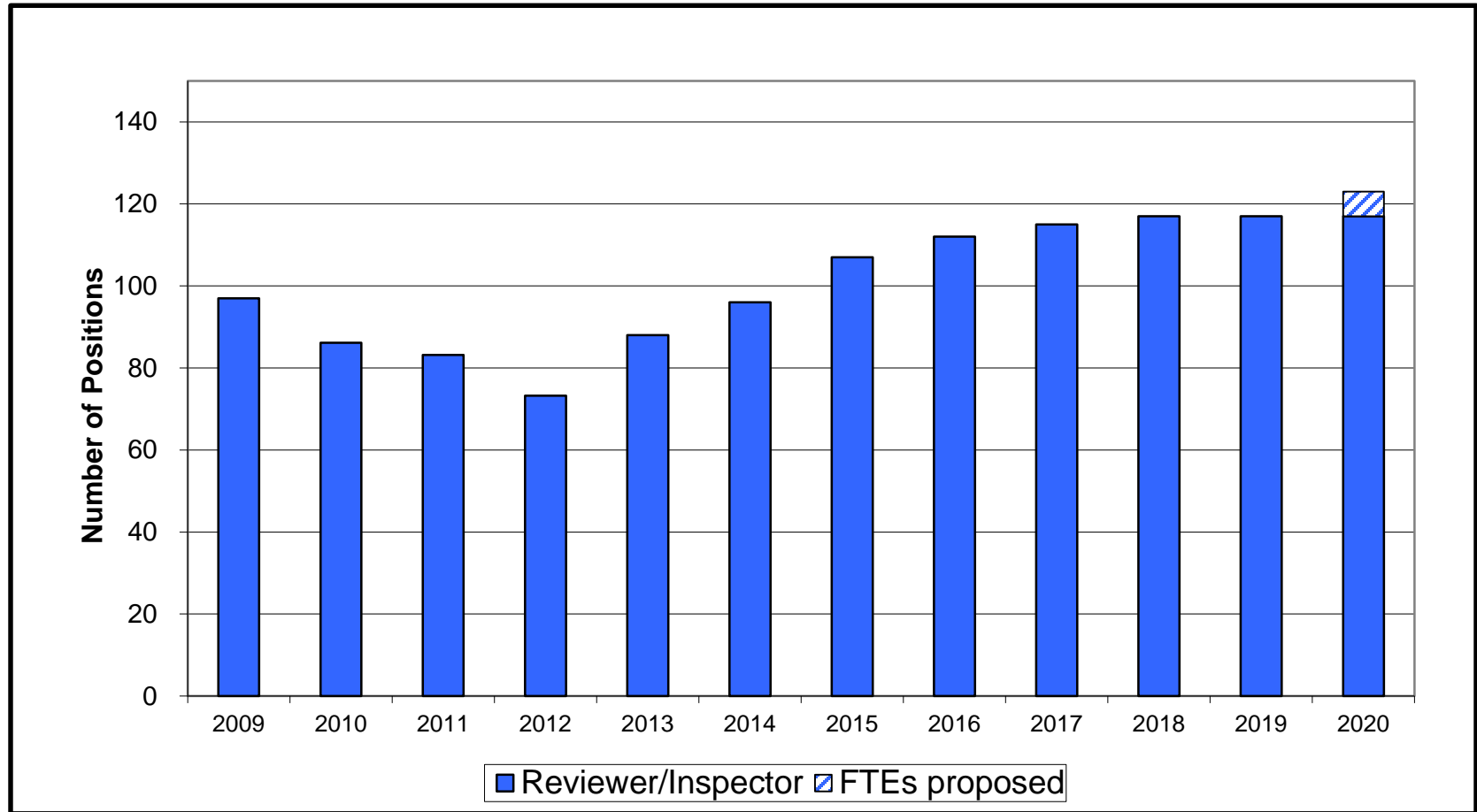
Permit Volume



Construction Valuation



Review and Inspection Positions



Council Direction Requested

- Seeking Council direction to prepare an updated Consolidated Fee Ordinance for adoption on December 2nd and;
- Bring forward an ordinance updating impact fees for Issaquah and Renton School Districts
- Amend DS budget to add 6.0 FTE's
- Or provide alternative direction



Questions

