

New Housing Fee Report City of Eau Claire Community Development Department

Introduction

In 2018, the Wisconsin Legislature enacted Act 243 requiring municipalities in Wisconsin to complete a New Housing Fee Report no later than January 1, 2020. This requirement was created within Wisconsin Statue 66.10014. Under Act 243, the New Housing Fee Report must identify the amount of any of the following municipal fees imposed on new residential construction, remodeling or development:

- Building Permit Fee
- Impact Fee(s)
- Park Land Fee
- Land Dedication Requirement or Fee in lieu of Land Dedication
- Plat Approval Fee
- Stormwater Management Fee
- Water and Sewer Connection Fee

Act 243 provided a formula to calculate municipal development fees including, "the total amount of fees that the municipality imposed for purposes related to residential construction, remodeling, or development in the prior year and an amount calculated by dividing the total amount of fees under this paragraph by the number of new residential dwelling units approved in the municipality in the prior year." It's important to note that the total fees collected under statute include remodeling, but under the statutory formula, the total fees collected are to divided by only the new residential dwelling units approved.

Analysis

The City of Eau Claire Community Development staff reviewed the 2019 permit data provided through our records. For 2019, the City of Eau Claire permitted 377 new housing units, including 104 new single-family units, 58 condominium units, 10 duplex units, 205 apartment units. Considering the existing housing stock within Eau Claire, its important to note the housing units that obtained residential addition or remodeling permits, which under the statutory language are to be included in the total fee amount, but not in the number of residential units in the formula.

¹ Housing and Local Regulation of Property Development, Wis. Stats. .s. 66.10014 updated 2017-2018 and certified under s.35.18 https://docs.legis.wisconsin.gov/statutes/statutes/66/x/10014

A summary and analysis of the permits, fees, and average permit fee per unit charged by the City of Eau Claire is below:

Residential Development					
2019					
List of Permits	Units	Fees			
New Residential	377	\$225,020			
Residential Addition or Remodel	288	\$27,118			
Impact Fees	-	\$0			
Park Land Fee (Land Dedication or Fee in Lieu)	-	\$0			
State Permit Seal	157	\$3,237			
Certified Survey Map	-	\$1,100			
Subdivision Plat	-	\$1,710			
Condominium Plat	-	\$0			
Storm Water Mangement Fee	-	\$0			
Water and Sewer Connection Fee	157	\$6,437			
Total 2019 Fees		\$264,622			

Total Fees (including addition/remodeling)	\$264,622	
2019 Units (new construction only)		377
2019 Fees per Unit (new construction only)	\$701.92	
2019 Units (new construction & addition/remodeling)		665
2019 Fees per Unit (including additon/remodel units)	\$397.93	

As noted in the table above, the average fee per residential unit if not including the remodeling units but including the remodeling fees as prescribed under state statue, is \$701.92 per unit. The average fee per unit if including the remodeling fees and remodeled units is \$397.93 per unit.

Conclusion

The building permit fees do add a cost to the overall price of housing units within the City of Eau Claire. However, the permit fees are by no means out of line with other development costs to similar sized cities in the state. The relatively small average permit fees are in place to cover the time for City of Eau Claire employees to properly review the plans and inspect the new or remodeled or addition to the homes to ensure compliance with building codes and to preserve life, health, and safety of the community. In the case of Eau Claire, which does not have impact fees nor parkland dedication fee, staff will continue to monitor the fee schedule accordingly.

BUILDING PERMIT FEE SCHEDULE

Fees for One and Two-Family Dwellings

Plan examination – new 1 & 2 family dwellings	. \$ 3 . \$ 1	0.00 04.00
Alterations/Repair/Remodeling \$5.50/\$1,000 or fraction of estimated cost of project\$0 - \$ \$5.00/\$1,000 or faction of estimated cost of project\$60,0 \$4.25/\$1,000 or fraction of estimated cost of project\$100, (Minimum fee of \$31.00)	01 -	\$100,000
Attached Garage (minimum fee of \$38.00) Re-roofing (under 200 sq. ft. – no permit required) DILHR Permit Seal Grade Setting (sidewalk grade) Erosion Control Certificate of Zoning Compliance Certificate of Zoning Compliance – Additions/Accessory (200 sq. ft. +) All Other Uses	\$ 2 \$ 3 \$11 \$ 8 \$19	1.00 9.00 10.00 3.00
Group I – Residential Uses, Apartments/Condominiums, Three-Family and Over, Row Houses, Multiple Family Dwellings (includes additions to pre-1980 1 & 2-family homes). New and Additions (Minimum fee of \$272.00 new and \$61.00 additions)	\$.18/sq. ft.
Group II – Industrial, Machine Shop, Public Works and Utilities, and all other non-residential uses not listed in other groups. New and additions	\$.18/sq. ft.
Group III – Warehouse, Mini-Warehouse, Freight Terminal, Storage Building, Building Shell and Parking Garage 0 – 10,000 sq. ft		.17/sq. ft. .14/sq. ft.
Group IV – Office, Professional, Clinic, Hotel/Motel, Retail, School and Other Educational, Laboratory, Church and other Religious, Funeral Home, Library, Assembly Hall, Amusement, Social and Recreational. New and Additions(Minimum fee of \$272.00 new and \$73.00 additions)	\$.19/sq. ft.

<u>Group V</u> – Hospital, Institutional, Nursing Home, Restaurant, Tavern, Repair Garage, Service Station, Convenience Store (Minimum fee of \$272.00 new and \$73.00 additions)		.20/sq. ft		
Group VI – Structures other than buildings: \$0 - \$5,000 valuation				
Private Attached Garages, Detached Garages, Accessory Building and Agricultural Buildings that are exempt from certain building codes by Wisconsin Statutes. (Permit fees for agricultural building not exempt from these codes will fall under Group II, III, IV Or V, depending on use of building.) 0 – 2,000 sq. ft	\$.14/sq. ft. .07/sq. ft.		
Alterations/Repair/Remodeling \$6.00/\$1,000 or fraction of estimated cost of project \$0 - \$60,000 \$5.50/\$1,000 or fraction of estimated cost of project \$60,001 - \$100,000 \$4.50/\$1,000 or fraction of estimated cost of project \$100,001 - + (Minimum fee of \$31.00)				
Plan Examination for additions and alterations to 1 & 2-family dwellings (Fee may be waived for additions and altered spaces of less than 200 sq. ft.)	\$ 30	0.00		
Re-roofing (under 200 sq. ft – no permit required) Residential Commercial/Industrial				
Wrecking (per building) – (If under 200 sq. ft. – no permit is required Accessory	\$ 2 \$ 6	6.00		
Erosion Control		0.00		
		0.00 0.00		

A building containing multiple uses shall be charged per the applicable use rate. Fees will be <u>doubled</u> on all projects if work is commenced prior to obtaining a permit or other City Inspection Office approvals.