

CITY COUNCIL REPORT



Meeting Date: March 17, 2015 Item No.
 General Plan Element: *Neighborhoods*
 General Plan Goal: *Support and encourage appropriate public and private reinvestment in mature, physically and economically declining areas*

ACTION

McDowell Corridor Building Permit Fee Modification

1. Adopt Resolution No. 9990, establishing the McDowell Corridor Fee Schedule, to allow for certain residential and commercial development related fees in the McDowell Corridor Revitalization Area to be temporarily modified for a two-year period, and automatically terminating at the end of the two-year period.

BACKGROUND

Outreach

“Partner with Residents and Businesses and ASU-Skysong to Revitalize the McDowell Road Corridor” tops the list of priorities for the City Council’s Organization Strategic Plan. The Corridor is the 8-square mile area within the City limits located generally south of Osborn Road (see attached map in Exhibit B of Resolution No. 9990). The McDowell Corridor faced economic decline with the closing of Los Arcos mall and loss of longstanding car dealerships. Properties in the Corridor face some unique challenges, and addressing those challenges may require looking at reinvestment in new ways. The Council has articulated a number of principles, including:

- actions must be realistic and have tangible results;
- costs and benefits must be proportional;
- revitalization of commercial properties must simultaneously protect adjacent neighborhoods.

In reaching out to business owners/stakeholders regarding revitalization of the Corridor, consensus emerged on several concepts:

- Making things look better will help everyone.
- People thinking positively about the area will help everyone.
- “Little guys” with smaller lots, less money & less development experience are more likely to benefit from City programs/policies than “big guys”.
- “Big guys” just want an open, friendly attitude, and they’re willing to spend the money to do the things they need to do.

- A majority of property owners have in mind some type of physical improvement they would like to make to their property, but are not moving forward because they don't want to risk money if no one else is taking the risk.

A series of five McDowell Corridor neighborhood outreach meetings were conducted during Fall 2014, in order to disseminate updated information regarding City programs and services available to residents, and also to solicit feedback and ideas from the residents. Feedback from residents included the suggestion to bring back a residential building permit fee reduction program similar to the one implemented by the City from 2004 – 2009.

Previous Program History - Residential

In April 2004 the City Council approved the creation and implementation of a "Residential Fee Reduction Program" to encourage and stimulate investment in homes south of Indian Bend Road. A study of permits issued for residential improvements and development indicates the majority of the more than 24,000 single-family homes in the southern area of the City were built on or before the 1970's with the bulk of these being constructed in the 1950's and 1960's. Prior to the 2004-05 fiscal year, most of the residential reinvestment that took place was in the form of replacement of water heaters, electrical work and similar positive but limited repairs. Following implementation of the Residential Fee Reduction Program, there was an increase in permits for additions, larger renovations, and patio/garage enclosures.

In April 2005 the City hired a consultant to undertake a citizen survey regarding the effectiveness and usefulness of the Residential Building Permit Fee Reduction Program, and some of the key results of the report included:

- The majority of homes being remodeled were originally built between 1950 and 1970.
- 82% of residents resided in the homes they were remodeling; 18% were investors remodeling homes.
- The primary reasons for the remodel were either to add space or to upgrade the homes.
- 59% of respondents stated that the savings made a difference. Many said that it allowed them to undertake additional improvements to their home.
- When respondents were asked how important the continuation of the program was, 81% stated it was very important.

A variety of factors affect the capacity and willingness of individuals to undertake additions to houses or major remodeling to interiors, including whether the property is owner occupied, the budget allotted, age of the home, and the cost of fees. Additions to homes and remodeling that amounts to more than 25% of the homes' value can also trigger other requirements such as the necessity to install fire suppression systems. Additions may also be affected by setback and other rules that affect the development potential of existing home sites. In nearly all instances, the cost of fees can be an important issue in moving forward with a project.

Many homeowners find themselves living in older houses that are in neighborhoods they like, that have been their home for many years, or that meet their financial requirements for the

cost of housing. In some cases, circumstances limit the capacity of the homeowner to pay for an improvement or they find themselves limited to incremental improvements rather than a more complete project. Deferring improvements is one of the elements of risk in maintaining a healthy residential neighborhood. This, in turn, can influence the overall patterns of reinvestment in residential neighborhoods. Fees charged are one of the factors that influence the owners' decisions to make improvements to their properties. To the extent fees delay the timing or the amount of investment, they can contribute to a weakening residential area.

Reducing the cost of making improvements in some of the oldest neighborhoods in the City can help encourage reinvestment and support healthy residential neighborhoods. Coupled with programs to support and enhance the adjacent business areas, a temporary, two-year modification to residential building permit fees fits well with a comprehensive approach to public and private reinvestment in the McDowell Corridor Revitalization area.

Previous Program History – Business

In April 2004 the City Council approved the creation and implementation of a “Southern Area Business Fee Reduction Program” to encourage and stimulate re-investment in commercial properties south of Camelback Road. Analysis of this area identified that it contains many of the community's business neighborhoods that were built as part of the City's rapid growth during the 1960's and 1970's. After some 50 years, many of the commercial properties are in need of reinvestment, in part from the aging of the physical structures and in part because of changes in the general marketplace. Businesses in this area find themselves with the need to be competitive with newer and more aggressive business areas.

The business zones along streets such as McDowell Road, Scottsdale Road, Hayden Road, Thomas and Osborn reflect their suburban lineage. Unlike the concentration of businesses found in the Downtown, the linear development pattern segmented businesses into individual sites or moderately sized commercial centers. This led to little encouragement for reinvestment. Portions of Scottsdale Road and McDowell Road show clear signs of a lack of reinvestment. A temporary, two-year modification to building permit fees for small commercial property provides the opportunity for businesses, especially smaller companies, to undertake projects at reduced costs that will improve their properties and enhance the overall community.

Comprehensive Approach

The impact of most programs is enhanced when included as part of a comprehensive package that involves the public and private sectors taking complementary reinvestment actions. A temporary, two-year fee modification for residents and businesses within the McDowell Corridor Revitalization Area will become part of the comprehensive investment and regulatory mix designed to support revitalization of this part of the community.

A series of public and private reinvestment efforts have been initiated in this area over the past several years. These include things such as: streetscape improvements on Scottsdale Road, McDowell Road, and Thomas Road; Miller Road sewer; Neighborhood Traffic Management

improvements on Oak Street, 87th Street, 74th Place, 86th Street, 85th Place, Palm Lane and Roosevelt Street; new Eldorado Park Fire Station; Crosscut Canal improvements; Neighborhood Trolley program; new bus shelters; increased bus service; development of mixed use project at SkySong; improvements to automotive dealership facilities on McDowell Road and Scottsdale Road; and development of new housing.

Implement Existing Goals & Policies

The proposed temporary, two-year building permit fee modification would implement the following long-standing goals and policies of the General Plan (GP) and South Scottsdale Character Area Plan (SSCAP):

From the General Plan Housing Element:

- Support policies and programs that provide opportunities for homeowners to update or renovate their homes and examine existing regulations that may be barriers to adaptation of existing homes.
- Encourage the investment of resources and use of existing and future tools to promote the revitalization of Scottsdale's older neighborhoods and adaptation of dated housing stock.
- Encourage and establish appropriate incentives for development of aesthetically pleasing housing that will accommodate a variety of income levels and socioeconomic needs.
- Preserve the quality of existing dwellings and neighborhoods so that people will find our community a healthy, safe and attractive place to call home today and into the future.
- Support existing and future housing rehabilitation and neighborhood preservation efforts.
- Encourage ongoing property maintenance to sustain neighborhood vitality, value and overall sense of community pride.
- Support programs that will increase home ownership among entry level and moderate-income households who work in Scottsdale.
- Find creative solutions to encourage the development of new housing that is more affordable to entry level and moderate-income households.

From the General Plan Economic Vitality Element:

- Promote residential revitalization to maintain quality housing and thus maintain quality of life and stability of local economy.
- Nurture and support established businesses as well as new businesses.
- Ensure adequate opportunities for future and expanded commercial and business activity throughout the community.
- Emphasize the retention and expansion of businesses in Scottsdale and provide support mechanisms for small businesses in Scottsdale.
- Encourage and support the renovation and reuse of underutilized or vacant parcels/buildings/shopping centers.

- Encourage quality redevelopment in employment areas to provide new jobs, new retail, and new entertainment opportunities in the Scottsdale market.
- Enhance the experience for visitors who evaluate the quality of their experience through their visual impressions of the community by revitalizing the mature built environment of businesses and neighborhoods.
- Support and encourage appropriate public and private redevelopment and revitalization efforts in the community.

From the General Plan Neighborhoods Element:

- Support and encourage appropriate public and private economic reinvestment in mature, physically and economically declining areas.
- Use revitalization and redevelopment tools to help maintain the community's mature neighborhoods, thus sustaining Scottsdale's quality of life and the aesthetics of its built environment. Residential and commercial deterioration reflects negatively on the community as a whole.
- Maintain and create opportunities for quality housing for all citizens. This is a crucial component of Scottsdale's local economy.
- Use redevelopment and revitalization techniques to positively impact the visual and aesthetic impressions that tourists, citizens, and the businesses have of the overall city. Citizens, visitors and the businesses evaluate the quality of their Scottsdale experience through visual impressions of the community's built environment. Consequently, revitalization of mature and declining areas in Scottsdale will help to improve the overall impression of our city and encourage economic investment in our community.
- Revitalize and redevelop aging retail areas in order to maintain Scottsdale's standing as one of the major retail, restaurant, and entertainment destinations within the metropolitan area.
- Revitalize and redevelop Scottsdale's mature employment centers in order to maintain and enhance the health of Scottsdale's job market. As the community ages, it is necessary to consider the revitalization and redevelopment of employment areas in order to provide for new job opportunities in the Scottsdale market.

From the South Scottsdale Character Area Plan Neighborhood Revitalization Element:

- Provide fee reduction and regulatory flexibility as incentives for rehabilitation of existing housing and support the development of new residential construction.
- Encourage residential neighborhoods and nearby commercial properties to engage in property and building beautification and/or improvement projects.
- Stimulate neighborhood residential reinvestment in existing neighborhoods through the creation of strong partnerships between the government, the private sector and non-profit organizations.

From the South Scottsdale Character Area Plan Housing Element:

- Continue to provide incentives and assistance to property owners to maintain existing housing inventory.

- Encourage housing revitalization or reinvestment that will advance Southern Scottsdale’s design, character and economy.
- Support the option for older Southern Scottsdale residents’ to remain in their neighborhoods and “age in place.”
- Support older Southern Scottsdale residents’ ability to maintain a desirable lifestyle within their existing neighborhoods.
- Encourage older Southern Scottsdale homeowner to remain at home by provide support services, housing maintenance, modification, or adaptation that allow residents to manage their daily life in a familiar community setting.

From the South Scottsdale Character Area Plan Economic Vitality Element:

- Create economic development strategies specific to Southern Scottsdale to enhance business attraction, retention, and expansion to provide greater economic stability and generate tax revenues for city service provision.
- Support public/private collaboration that directs resources to create opportunities for start-up businesses.

Resource Impacts

Once City computer software programs are updated to automatically implement the proposed temporary, two-year building permit fee modifications, no additional impact on staff workload is expected from the proposed programs. Likewise, residents/business owners will not need to fill out any paperwork in order to receive the benefit of the fee modifications.

Residential

The proposed modifications to residential building permit fees are as follows:

Single Family Addition	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0

Single Family Remodel	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0

Single Family Detached Structure	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0

Fence Walls	Current Fee	Proposed Fee
Linear Footage	\$0.17 LF	\$0.17 LF or \$78 whichever higher
Base Fee	\$159	\$0

Retaining Walls	Current Fee	Proposed Fee
Linear Footage	\$1.70 LF	\$1.70 LF or \$78 whichever higher
Base Fee	\$159	\$0

The proposed temporary fee modifications will be available for single-family homes, which includes townhouses, single-family residences, and condominiums.

As an example, for a 1,000 square foot addition, the homeowner would currently pay \$1,717.00 for building permit and plan review fees. If the proposed temporary fee modification is approved, the homeowner will pay \$940.00, a difference of \$777.00 or 45%.

Business

The proposed modifications to commercial building permit fees are as follows:

Applications	Current Fee	Proposed Fee
Pre-Applications for Development Review applications	\$87	\$60
Development Review – New Construction	\$1,515	\$1,000
Staff Approval – Major	\$307	\$200
Staff Approval – Minor	\$87	\$60

Commercial Addition	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0

Commercial Remodel (Existing)	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft x 30%	\$0.61 Sq Ft x 30%
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0

Commercial Tenant Improvement (New)	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft x 30%	\$0.61 Sq Ft x 30%
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0

Fence Walls	Current Fee	Proposed Fee
Linear Footage	\$0.17 LF	\$0.17 LF or \$78 whichever higher
Base Fee	\$159	\$0

Retaining Walls	Current Fee	Proposed Fee
Linear Footage	\$1.70 LF	\$1.70 LF or \$78 whichever higher
Base Fee	\$159	\$0

As an example, for a 1,000 square foot addition, the business owner would currently pay \$1,387.00 for building permit and plan review fees. If the proposed temporary fee modification is approved, the business owner will pay \$610.00, a difference of \$777.00 or 44%.

Cost Recovery

One Stop Shop records indicate the financial impact for the previous Residential Fee Reduction Program was:

- \$206,000 in reduced revenues for May 2004-2005
- \$111,855 in reduced revenues for FY 2005-06
- \$126,026 in reduced revenues for FY 2006-07
- \$97,266 in reduced revenues for FY 2007-08
- \$86,845 in reduced revenues for FY 2008-09

One Stop Shop records indicate the financial impact for the previous Business Fee Reduction Program was:

- \$0 in reduced revenues for May 2004-2005
- \$31,129 in reduced revenues for FY 2005-06
- \$36,477 in reduced revenues for FY 2006-07

- \$38,441 in reduced revenues for FY 2007-08
- \$43,546 in reduced revenues for FY 2008-09

The proposal is to temporarily modify the fees for a two-year period. Assuming the next two years of residential and commercial building permit activity is similar to the past 17 months, the projected financial impact to revenues generated by these fee modifications is anticipated to be approximately \$38,259 less per year.

These fee modifications are designed to induce and encourage additional reinvestment activity. These reinvestments bring additional economic activity to the area, increase construction sales tax, grow property values, and encourage other property owners and business owners to also reinvest in their properties.

STAFF RECOMMENDATION

Recommended Approach:

Adopt Resolution No. 9990, establishing the McDowell Corridor Fee Schedule, to allow for certain residential and commercial development related fees in the McDowell Corridor Revitalization Area to be temporarily modified for a two-year period, and automatically terminating at the end of the two-year period.

RESPONSIBLE DEPARTMENT

Planning and Development Services

Current Planning Services

STAFF CONTACT

Kim Chafin, AICP, LEED-AP, Senior Planner
Planning and Development Services
480-312-7734
E-mail: kchafin@ScottsdaleAZ.gov

APPROVED BY


Kim Chafin, Report Author

3-2-15

Date


Randy Grant, Planning and Development Services Director
Phone: 480-312-2664 E-mail: rgrant@ScottsdaleAZ.gov

3/2/15

Date

ATTACHMENTS

1. Resolution No. 9990
2. Current Fee Schedule

RESOLUTION NO. 9990

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE ADOPTING THE MCDOWELL CORRIDOR FEE SCHEDULE APPLICABLE TO REAL PROPERTY PREDOMINANTLY LOCATED SOUTH OF OSBORN ROAD IN THE CITY OF SCOTTSDALE.

WHEREAS, in order to encourage property owners to reinvest in their properties located in Scottsdale south of Osborn Road; and

WHEREAS, reducing the costs of certain city fees and rates encourages reinvestment in the McDowell Corridor and south Scottsdale and the City Council further finds that a two (2) year modification to certain rates and fees will assist in reinvestment; and

WHEREAS, Resolution No. 8684 previously approved the Planning, Neighborhood and Transportation Department Rates and Fees that became effective July 1, 2011 and its geographic application is modified as stated in this Resolution.

NOW, THEREFORE, LET IT BE RESOLVED by the City Council of the City of Scottsdale, as follows:

Section 1. The City Council hereby approves the McDowell Corridor Fee Schedule for the Planning Neighborhood and Transportation Department as an amendment to the current approved fees and rates. The amended fees and rates for the McDowell Corridor are as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

Section 2. The McDowell Corridor Fee Schedule shall be applicable to the real property located within the bold boundary lines depicted in Exhibit "B" attached hereto and incorporated herein by reference.

Section 3. The fees shall be effective April 15, 2015, for a period of two (2) years and shall terminate automatically without further action on April 14, 2017.

Section 4. Upon the termination of the McDowell Corridor Fee Schedule, the rates and fees applicable to the real property in Scottsdale located within the bold boundary lines depicted in Exhibit B" attached hereto shall be the normal approved fees of the Planning, Neighborhood and Transportation Department as they exist at the time of the expiration of the McDowell Corridor Fee Schedule.;

PASSED AND ADOPTED by the City Council this _____ day of _____, 2015.

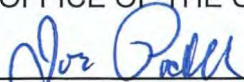
ATTEST:

CITY OF SCOTTSDALE, an
Arizona municipal corporation

By: _____
Carolyn Jagger, City Clerk

By: _____
W. J. "Jim" Lane, Mayor

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY



Bruce Washburn, City Attorney
By: Joe Padilla, Senior Assistant City Attorney



McDowell Corridor Fee Schedule

The McDowell Corridor Fee Schedule applies to all property in Scottsdale located south of Osborn Road.
Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov – keyword "Fees".

Note: This schedule is not all-inclusive. Refer to adopted fee sheets for all other fees.

Applications

Pre-Application for Development \$60
Review applications

Development Review
New Construction \$1000
Staff Approval Major \$200
Staff Approval Minor \$60

Building Permit Fees

Commercial Addition

Area with A/C \$.61 Sq Ft
Covered area non A/C \$.32 Sq Ft
Base fee \$0
Certificate of Occupancy \$0
GIS As Built Fee \$0
Lowest Floor Elevation \$0

Commercial Remodel (Existing)

Area with A/C \$.61 Sq Ft x 30%
Covered area non A/C \$.32 Sq Ft
Base fee \$0
Certificate of Occupancy \$0
GIS As Built Fee \$0

Commercial Tenant Improvement (New)

Area with A/C \$.61 Sq Ft x 30%
Covered area non A/C \$.32 Sq Ft
Base fee \$0
Certificate of Occupancy \$0
GIS As Built Fee \$0

Single Family Addition

Livable area with A/C \$.61 Sq Ft
Covered area non A/C \$.32 Sq Ft
Base fee \$0
Certificate of Occupancy \$0
GIS As Built Fee \$0
Lowest Floor Certification \$0

Single Family Remodel

Livable area with A/C \$.61 Sq Ft x 30%
Covered area non A/C \$.32 Sq Ft
Base fee \$0

Single Family Detached Structure

Livable area with A/C \$.61 Sq Ft
Covered area non A/C \$.32 Sq Ft
Base fee \$0
Certificate of Occupancy \$0
GIS As Built Fee \$0
Lowest Floor Certification \$0

Walls & Fences always require a separate permit.

Fence Walls

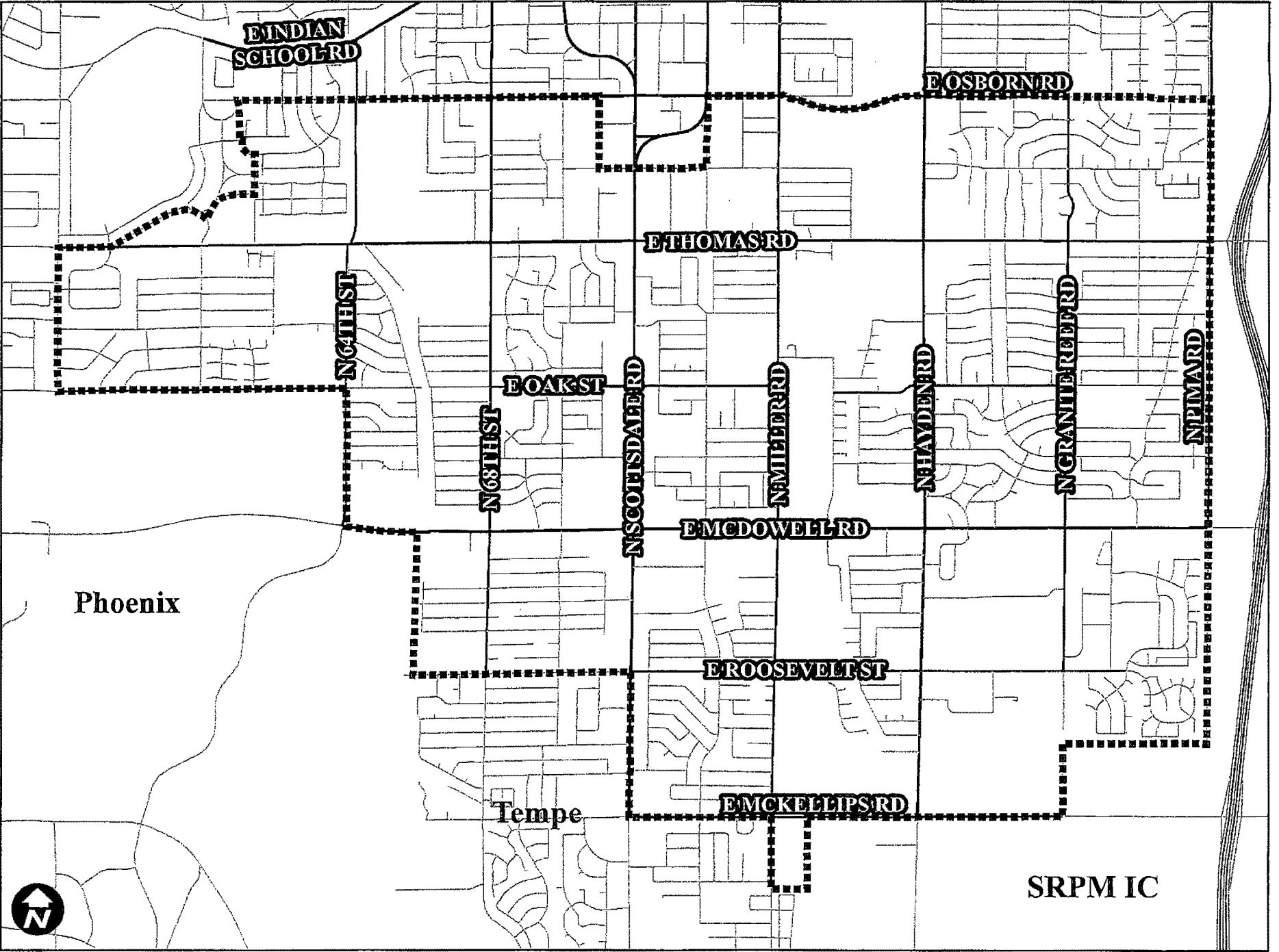
Linear Footage \$.17 LF or \$78 whichever higher
Base Fee \$0

Retaining Walls

Linear Footage \$1.70 LF or \$78 whichever higher
Base Fee \$0

Planning & Development Services Department

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088





Application Fee Schedule

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

Pre-Application	\$87	Rezoning	
Records Packet	\$21	Residential	\$1,140 + per acre fee
Abandon Right of Way		Non-residential	\$2,140 + per acre fee
Single Family Property	\$1,600	PCD, PBD, S-C	\$5,515 + per acre fee
Non residential or subdivision	\$2,250	PRD, PCP, PUD	\$2,140 + per acre fee
Board of Adjustment		Time extension/Revision	\$745
Appeal	\$153	ESL Amendments to Map	\$375
Residential Variance (Single Family)	\$153	ESL Density Transfer	\$2,140 + per acre fee
All other Variances	\$1,240	ESL Density Incentive	\$1,140 + per acre fee
Building Advisory Board of Appeals		Rezoning per acre	
Commercial	\$320	0-100	\$70
Residential	No Charge	101-600	\$53
		601+ acres	\$46
		Records Changes	
		Street Name Change	\$250
		Address Change Residential	\$50
		Address Change Commercial	\$100
Conditional Use Permit		Signs	
Major	\$2,440	Individual w/DR Approval	\$185
Minor	\$615	New Master Sign Program	\$230
		Amendment/Exception MSP	\$100
Development Review Board		Staff Approval	
New Construction	\$1,515	Major	\$307
Revision	\$460	Minor	\$87
Preliminary Plat		Cuts/Fills	\$460
Major Subdivision	\$2,400 + \$18 per lot	Wash Modification	\$460
Minor Subdivision	\$1,200 + \$18 per lot	Minor Amendment	\$153
Time extension	\$305	Wireless Communications Facilities	\$460
General Plan Amendments		Zoning Text Amendment	
Major	\$3,900	Major	\$2,440
Non-Major	\$1,950	Minor	\$875
Annexation	\$1,950		
Hardship Exemption	\$153		

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088



Plan Review Fee Schedule

Commercial

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

Commerical

Livable Area with A/C	\$.33 Sq Ft
Covered area (non A/C)	\$.18 Sq Ft

Foundation Only

\$.33 Sq Ft x 25% + \$235

Shell Only

Area with A/C	\$.33 Sq Ft x 95%
Covered area (non A/C)	\$.18 Sq Ft

Commercial Addition

Livable Area with A/C	\$.33 Sq Ft
Covered area (non A/C)	\$.18 Sq Ft

Commercial Remodel / Tenant Improvement

Area with A/C	\$.33 Sq Ft x 30%
---------------	-------------------

Apartments/Condos

Livable Area with A/C	\$.33 Sq Ft
Covered area (non A/C)	\$.18 Sq Ft

**Apts/Condos with 4 or more units & reoccurring floor plans pay 50% of the calculated fee for 0-100,000 sq ft of livable space & 25% for livable square feet over 100,000 sq ft.*

Engineering Site Review (per sheet)

Desert Form

	<u>NON/LOWER</u>	<u>UPPER</u>	<u>HILLSIDE</u>
Paving	\$690	\$730	\$755
Grading/Drainage	\$690	\$730	\$755
Water/Sewer	\$690	\$730	\$755
Traffic (sign/stripe)	\$690	\$730	\$755
Landscape	\$690	\$730	\$755
Map of Dedication	\$690	\$730	\$755
Condominium Plat	\$690	\$730	\$755

Master Plan Review (per set)

Water Master Plan	\$895	\$980	\$1,020
Sewer Master Plan	\$895	\$980	\$1,020
Circulation Master Plan	\$895	\$980	\$1,020
Drainage Master Plan	\$895	\$980	\$1,020
Environmental Design Master Plans	\$895	\$980	\$1,020

Complete Master Plan Package

\$3,940 \$3,600 \$4,090

Minor Revision to Approved Master Plans

\$480 \$480 \$480

Major Revision or Addition to Approved Master Plan

Individual Plans	\$900	\$980	\$1,020
Complete package	\$2,400	\$2,580	\$2,800

Note: This schedule is not all inclusive and other fees may apply.

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088



Plan Review Fee Schedule

Single Family Residential

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

Single Family Custom Homes

Livable area - with A/C	\$0.33 Sq. Ft.
Covered area - non A/C	\$0.18 Sq. Ft.
Fences	\$0.11 Ln. Ft.
Retaining walls	\$0.11 Ln. Ft.

Single Family Addition

Livable area - with A/C	\$0.33 Sq. Ft.
Covered area - non A/C	\$0.18 Sq. Ft.

Single Family Remodel

Livable area - with A/C	\$0.33 Sq. Ft. x 30%
-------------------------	----------------------

Single Family Standard Plan

Livable area - with A/C	\$0.33 Sq. Ft.
Covered area - non A/C	\$0.18 Sq. Ft.
Additional elevations (maximum 5)	\$78 each

Engineering Site Review (per sheet as per ESL land form)

	<u>Non / Lower</u>	<u>Upper</u>	<u>Hillside</u>
Single Family Grading & Drainage Plan	\$690	\$730	\$755

Miscellaneous Plan Reviews

Native plant	\$78 per hour
Fence only	\$78 per hour + \$.11 LF
Retaining walls only	\$78 per hour + \$.11 LF
Revision to approved plan	\$78 per hour
Revision to Civil Plan	\$235 per sheet
Minimum review	\$78 per hour
Benchmark Revision	\$78 per hour

Note: This schedule is not all inclusive and other fees may apply.

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088



Plan Review Fee Schedule

Miscellaneous

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

Miscellaneous Plan Review Fees

After 3 rd review	50% of original fee		
Revisions to approved civil plans (per sheet)	Non/Lower	Upper	Hillside
	\$690	\$730	\$755
Barricade plan review	\$78 per hour		
Benchmark Revision	\$78 per hour		
Dry utility review	\$78 per hour		
Fence only	\$78 per hour + \$.11 LF		
Retaining walls	\$78 per hour + \$.11 LF		
Minimum plan review	\$78 per hour		
Minor Revision to approved civil plans	\$78 per hour		
Native plant review	\$78 per hour		
Pool	\$78 per hour		
Plan Review extension request	\$255		
Revision to approved building plans	\$78 per hour		
Solar review Residential	\$153		
Commercial	\$305		
Update expired improvement plans (no changes)	\$78 per hour		

Plat Fees

Final Plat	
Major Subdivision	\$4,785 + \$143 per lot
Minor Subdivision	\$2,390 + \$143 per lot
Certificate of Correction	\$78

Recordation Fees (May vary based upon specific submittal)

Maps of Dedication & Land Division	First set of mylars	\$34 per sheet
	Additional set of mylars	\$3 per sheet
	Administrative fee	\$32

Signs

0-20 Sq Ft	\$30 per sign
21-30 Sq Ft	\$58 per sign
31 Sq Ft & over	\$84 per sign

Release of Easement \$980

Expedited Review \$235

Note: This schedule is not all inclusive and other fees may apply.

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088



Permit Fee Schedule

Commercial

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov – keyword “Fees”.

Note: This schedule is not all-inclusive and other fees may apply.

Commercial Building Permit

Area with A/C	\$.61 Sq Ft
Covered area non A/C	\$.32 Sq Ft
Base fee	\$159
Certificate of Occupancy	\$128
GIS Fee	\$255
Lowest Floor Certificate Review	\$235
Encroachment permit (based on quantities)	Base fee \$159 + itemized fees

Commercial Addition

Area with A/C	\$.61 Sq Ft
Covered area non A/C	\$.32 Sq Ft
Base fee	\$159
Certificate of Occupancy	\$128
GIS Fee	\$255
Lowest Floor Certificate Review	\$235

Commercial Remodel (Existing)

Base fee	\$159
Area with A/C	\$.61 Sq Ft x 30%
Covered area - non A/C	\$.32 Sq Ft
Certificate of Occupancy	\$128
GIS Fee	\$255

Foundation Only

Foundation (Area with A/C above)	\$.61 Sq Ft x 25%
Base Fee	\$159
GIS Fee	\$255
Lowest Floor Certificate Review	\$235
Phasing Fee	\$235

Shell Only for Commercial & Multi-Family

Area with A/C	\$.61 Sq Ft x 95%
Covered area non A/C	\$.32 Sq Ft
Base Fee	\$159
GIS Fee	\$255
Shell Certificate	\$128

Commercial T.I. (New) & Multi-Family Build Out

Base fee	\$159
Area with A/C	\$.61 Sq Ft x 30%
Covered area - non A/C	\$.32 Sq Ft
Certificate of Occupancy	\$128
GIS Fee	\$255

Walls & Fences always require a separate permit.

Fence Walls

Linear Footage	\$.17 LF
Base Fee	\$159

Retaining Walls

Linear Footage	\$1.70 LF
Base Fee	\$159

*LF = linear footage

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 ♦ Phone: 480-312-7000 ♦ Fax: 480-312-7088



Permit Fee Schedule

Single Family Residential

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

Single Family Custom

Livable area with A/C	\$.61 Sq Ft
Covered area non A/C	\$.32 Sq Ft
Base Fee	\$159
Certificate of Occupancy	\$128
GIS Fee	\$255
Lowest floor certificate review	\$235

Single Family Addition

Livable area with A/C	\$.61 Sq Ft
Covered area non A/C	\$.32 Sq Ft
Base Fee	\$159
Certificate of Occupancy	\$128
GIS Fee	\$255
Lowest floor certificate review	\$235

Single Family Remodel

Livable area with A/C	\$.61 Sq Ft x 30%
Covered area non A/C	\$.32 Sq Ft
Base Fee	\$159

Single Family Detached Structure

Livable area with A/C	\$.61 Sq Ft
Covered area non A/C	\$.32 Sq Ft
Base Fee	\$159
Certificate of Occupancy	\$128
GIS Fee	\$255
Lowest floor certificate review	\$235

Single Family Standard Plan

Livable area with A/C	\$.61 Sq Ft
Covered area non A/C	\$.32 Sq Ft
15% Admin Site Review Fee	Varies based on square footage
Certificate of Occupancy	\$128
GIS Fee	\$255
Lowest floor certificate review	\$228
Base fee	\$159

Fence Walls

Linear Footage	\$.17 LF
Base Fee	\$159

Retaining Walls

Linear Footage	\$1.70 LF
Base Fee	\$159

Note: This schedule is not all inclusive and other fees may apply.

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088



Permit Fee Schedule

Miscellaneous

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

Miscellaneous Permit Fees

Active Permits Records Change	\$78 Residential \$128 Commercial
After hours civil inspections	\$225 per hour
After hours building inspections	\$225 per hour
Reinspection	\$78
Building Permit extension request	\$255
Certificate of Occupancy (visual inspection only)	\$128
Change of Occupant Permit	\$128
Civil Permit Extension Request	50% of original permit fee
Demolition Permit	\$78 each discipline (or \$235 for building, plumbing, electrical and mechanical)
Encroachment Permit	\$159 base fee + itemized fees on approved plans
Encroachment Permit (annual in R.O.W.)	\$2000
Industrial Racking Permit	\$255
Minimum Permit (one discipline)	\$78
Minimum Combination (all disciplines)	\$235
Minimum On Site Grading	\$78
Native Plant Permit	\$33 + \$1 for each plant affected + \$159 base fee
Native Plant Permit Modification	\$33 + \$1 for each plant affected + \$159 base fee
Native Plant Relocation Methodology	\$33
Pools & Spas Attached	\$.51 per sq ft
Administrative Site Review Fee	15.0% of Sq ft / Lf fee
Pools & Spas-Base Fee	\$159
Pools & Spas-Planning Inspection Fee	\$128
Stand Alone Spas	\$100
Special Event Permit	\$105
Solar Residential	\$150
Commercial	\$300
Temporary Power Pole	\$78
Water Heaters	\$44
Over Dimensional Load Permits	\$30 (single trip) \$59 (30 day)

Signs

0-10 sq ft	\$25 per sign + \$159 base fee
11-20 sq ft	\$118 per sign + \$159 base fee
21 - 30 sq ft	\$172 per sign + \$159 base fee
31 sq ft and over	\$255 per sign + \$159 base fee
Horizontal Banner	\$159
Vertical Banner	\$156
Grand Opening Banner	\$30

Note: This schedule is not all inclusive and other fees may apply.

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088



Encroachment Permits/Improvements Fee Schedule

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

IMPROVEMENT PLANS

The following inspection and permit fees are required for the specified encroachments, and must be paid in addition to all other required fees.

<i>Item</i>	<i>Unit</i>	<i>Fee</i>
Paving, Asphaltic concrete (single course)	Square yard	\$.68
Paving, Overlay or top course of multicourse paving	Square yard	\$.21
Paving, Portland cement concrete	Square yard	\$.52
Decorative sidewalk or paving (Bomanite, Terrazzo, etc)	Square foot	\$.21
Sidewalk and bicycle path	Square foot	\$.16
Curb and gutter	Linear foot	\$.31
Valley gutter	Square foot	\$.97
Concrete apron including curb and/or wheelchair ramps	Each	\$25.16
Scuppers & building drains	Each	\$20.00
Alley surfacing (non A.C.)	Square yard	\$.16
Cutoff walls	Linear foot	\$.47
Slope protection (riprap, gabions, gunnite, cobbles, etc.)	Square yard	\$.83
Dry wells (Maxwell or similar types)	Each	\$118.00
Irrigation and storm drain pipe	Linear foot	\$2.27
Pressure manholes	Each	\$118.00
Catchbasins, headwalls, irrigation, S.D. and water manholes	Each	\$53.00
Sanitary Sewer (except truss and PVC pipe)	Linear foot	\$.88
Sanitary Sewer (truss and PVC pipe)	Linear foot	\$1.17
Sanitary Sewer taps and service line (from main to property line)	Linear foot	\$.49
Sanitary Sewer manholes, without drop connection	Each	\$78.00
Cleanouts and drop connections	Each	\$47.31
Pipe encasements (in twenty-linear-foot sections)	Each	\$18.76
Water line	Linear foot	\$.67
Water service line	Linear foot	\$.49
Tapping sleeves and valves	Each	\$78.00
Fire hydrants and lines from existing mains	Linear foot	\$12.80
Borings	Linear foot	\$6.68
Sprinkler system, piping (for landscaping)	Linear foot	\$.23
Telecommunications, Cable TV, or other communications underground cable or conduit (placed in trench excavated by or for party laying cable or conduit; includes trenching & backfill)	Linear Foot	\$.44
Barricading (permanent-wooden)	Each	\$36
Guard Rail	Linear Foot	\$.36

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 ♦ Phone: 480-312-7000 ♦ Fax: 480-312-7088



Encroachment Permits/Improvements Fee Schedule

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

<i>Item</i>	<i>Unit</i>	<i>Fee</i>
Trash Enclosure – Single Enclosure	Each	\$205
Trash Enclosure – Double Enclosure	Each	\$270
Utility trenching and backfill	Linear Foot	\$.47
Splice and repair pits (backfill and patch)	Each	\$57
Survey monuments	Each	\$12.80
Adjustments: Manholes, valves, cleanouts, monuments, etc.	Each	\$20.34
Signs (regulatory, warning, street, etc.)	Each	\$8.56
Television inspections for sewer lines	Linear foot	\$.60
Dirt Haul	Cubic Yard	\$.08

Excavation and fill in public right-of-way and easements

	Less than 100	No charge
Cubic Yards	101 - 1,000	\$133 for first 100 cubic yards, plus \$56 for each additional 100 cubic yards or fraction thereof
	1,001 – 10,000	\$650 for first 1,000 cubic yards, plus \$56 for each additional 1,000 cubic yards or fraction thereof
	10,001 – 100,000	\$1,175 for first 10,000 cubic yards, plus \$255 for each additional 10,000 cubic yards or fraction thereof
	100,001 or more	\$3,345 for first 100,000 cubic yards, plus \$255 for each additional 10,000 cubic yards or fraction thereof

As Builts (GIS)	\$255
Planning Inspection	\$128
After Hours Inspection Fee	\$225 per hour
Base Fee	\$159, plus itemized fees

Multiple permits – Base Fee

If more than one permit is required for a single project, only the highest base fee shall be paid. If reinspection is necessary on any inspection with a total permit fee less than \$78, a reinspection fee will be charged at 75% of the original total base fee.

Miscellaneous improvements not covered by the fees listed above shall be charged in accordance with the following rate schedule, based on the estimated or actual cost of building the improvements:
 6% of the first \$20,000 or portion thereof, plus 5% of the portion between \$20,000 and \$100,000, plus 5% of the portion between \$20,000 and \$100,000, plus 3.0% of the portion over \$100,000.

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 ♦ Phone: 480-312-7000 ♦ Fax: 480-312-7088



Encroachment Permits/Improvements Fee Schedule

Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov - keyword "Fees".

Street Cut Surcharge (In addition to any permit fees)

New paving less than 12 months old

- Openings 9 square feet to 9 lineal feet: \$1,555 each 50 feet
- Openings over 9 lineal feet then A-1 plus: \$3,890 each 50 feet

New paving 12 to 24 months old

- Openings 9 square feet to 9 lineal feet: \$990 each 50 feet
- Openings over 9 lineal feet then B-1 plus: \$2,490 each 50 feet

New paving 25 to 48 months

- Openings 9 square feet to 9 lineal feet: \$495 each 50 feet
- Openings over 9 lineal feet then C-1 plus: \$1,240 each 50 feet

Phased Engineering Permits

A surcharge will be charged for the phased construction of infrastructure (grading, water/sewer, streets/curb/sidewalk and trails). The surcharge will be 25% (per phase) in addition to the permit value of the requested phase.

Planning and Development

7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088

McDowell Corridor Building Permit Fee Modification

City Council
March 17, 2015

Coordinator: Kim Chafin, AICP, LEED-AP

McDowell Road Corridor

City Council Priority: “Partner with residents and businesses to revitalize the McDowell Road corridor.”

The McDowell Corridor, an 8 square mile area, comprises 4% of the City’s land area, and is home to 21% of Scottsdale’s population.



Commercial Stakeholders Say:

- Making things look better will help everyone.
- People thinking positively about the area will help everyone.
- “Little guys” with smaller lots, less money & less development experience are more likely to benefit from City programs/policies than “big guys”.
- “Big guys” just want an open, friendly attitude, and they’re willing to spend the money to do the things they need to do.
- A majority of property owners have in mind some type of physical improvement they would like to make to their property, but are hesitant to move forward because they don’t want to be the only one in the area to take a risk.

Neighborhoods Say:

- Bring back a building permit fee reduction program similar to the one implemented by the City from 2004 – 2009.



Previous Program History - Residential

- Cost of fees can be an important issue in moving forward with a home improvement project.
- Prior to implementation of previous South Area Residential Fee Reduction Program, most residential reinvestment was for:
 - replacement of water heaters
 - electrical work
 - similar positive, but limited repairs.
- Following implementation of the Program, there was an increase in permits for:
 - additions
 - larger renovations
 - patio/garage enclosures.



Previous Program History - Business

- This area contains many of community's business neighborhoods built during City's rapid growth of 1960's & 1970's.
- Business zones along McDowell, Scottsdale, Hayden, Thomas and Osborn Roads reflect their suburban lineage. Linear development patterns segmented businesses into individual sites or moderately sized commercial centers. This led to little encouragement for reinvestment.



- Many area commercial properties need reinvestment due to:
 - aging physical structures
 - the need to be competitive with newer & more aggressive business areas.

Public/Private Investment

A series of public & private reinvestment efforts have been initiated in the area over past several years, including:

- Streetscape improvements on Scottsdale, McDowell & Thomas Roads
- Miller Road sewer
- New Eldorado Park Fire Station
- Crosscut Canal improvements
- Neighborhood Trolley program
- Neighborhood Traffic Management improvements on Oak St, 87th St, 74th Pl, 86th St, 85th Pl, Palm Lane, Roosevelt St
- New bus shelters & increased bus service
- Development of mixed-use project at SkySong
- Improvements to auto dealer facilities on McDowell & Scottsdale Road
- Development of new housing



Comprehensive Approach

- Reducing costs of home improvements in some of our oldest neighborhoods can help encourage reinvestment and support healthy residential neighborhoods.
- Coupled with programs to support & enhance adjacent business areas, a temporary, 2-year modification to building permit fees fits well with a comprehensive approach to public & private reinvestment in the McDowell Road Corridor.



Single Family Addition	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0

Single Family Remodel	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0

Single Family Detached Structure	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0

Fence Walls	Current Fee	Proposed Fee
Linear Footage	\$0.17 LF	\$0.17 LF or \$78 (higher)
Base Fee	\$159	\$0

Retaining Walls	Current Fee	Proposed Fee
Linear Footage	\$1.70 LF	\$1.70 LF or \$78 (higher)
Base Fee	\$159	\$0

Applications	Current Fee	Proposed Fee
Pre-Applications - DR	\$87	\$60
DR – New Construction	\$1,515	\$1,000
Staff Approval – Major	\$307	\$200
Staff Approval – Minor	\$87	\$60
Commercial Addition	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate revu	\$235	\$0
Comm. Remodel (Existing)	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft x 30%	\$0.61 Sq Ft x 30%
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Commercial T.I. (New)	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft x 30%	\$0.61 Sq Ft x 30%
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Fence Walls	Current Fee	Proposed Fee
Linear Footage	\$0.17 LF	\$0.17 LF or \$78 (higher)
Base Fee	\$159	\$0
Retaining Walls	Current Fee	Proposed Fee
Linear Footage	\$1.70 LF	\$1.70 LF or \$78 (higher)
Base Fee	\$159	\$0

Financial Impact

Single-Family 1,000 sq. ft. addition

\$777 savings to homeowner



Commercial 1,000 sq. ft. addition

\$777 savings to business owner

Projected fiscal impact to City: approx \$38,259 less in annual permit revenue

Purpose & Recommendation

Designed to encourage reinvestment to:

- Bring additional economic activity in to the area
- Grow property values
- Encourage other owners & businesses to reinvest
- in their properties.




Adopt Resolution 9990 establishing McDowell Corridor Fee Schedule allowing building permit fees to be temporarily modified for a 2-year period, and automatically terminating at end of 2 years.



Proposed Temporary Fee Schedule

Effective 4/15/2015 through 4/14/2017

		<h2>McDowell Corridor Fee Schedule</h2>																							
<p>The McDowell Corridor Fee Schedule applies to all property in Scottsdale located south of Osborn Road. Official Schedule of City of Scottsdale Rates and Fees at: www.scottsdaleaz.gov – keyword "Fees".</p>																									
<p>Note: This schedule is not all-inclusive. Refer to adopted fee sheets for all other fees.</p>																									
<p>Applications</p> <table border="0"> <tr> <td>Pre-Application for Development</td> <td style="text-align: right;">\$60</td> </tr> <tr> <td>Review applications</td> <td></td> </tr> <tr> <td>Development Review</td> <td></td> </tr> <tr> <td>New Construction</td> <td style="text-align: right;">\$1000</td> </tr> <tr> <td>Staff Approval Major</td> <td style="text-align: right;">\$200</td> </tr> <tr> <td>Staff Approval Minor</td> <td style="text-align: right;">\$60</td> </tr> </table>		Pre-Application for Development	\$60	Review applications		Development Review		New Construction	\$1000	Staff Approval Major	\$200	Staff Approval Minor	\$60	<p>Commercial Tenant Improvement (New)</p> <table border="0"> <tr> <td>Area with A/C</td> <td style="text-align: right;">\$.61 Sq Ft x 30%</td> </tr> <tr> <td>Covered area non A/C</td> <td style="text-align: right;">\$.32 Sq Ft</td> </tr> <tr> <td>Base fee</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Certificate of Occupancy</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>GIS As Built Fee</td> <td style="text-align: right;">\$0</td> </tr> </table>		Area with A/C	\$.61 Sq Ft x 30%	Covered area non A/C	\$.32 Sq Ft	Base fee	\$0	Certificate of Occupancy	\$0	GIS As Built Fee	\$0
Pre-Application for Development	\$60																								
Review applications																									
Development Review																									
New Construction	\$1000																								
Staff Approval Major	\$200																								
Staff Approval Minor	\$60																								
Area with A/C	\$.61 Sq Ft x 30%																								
Covered area non A/C	\$.32 Sq Ft																								
Base fee	\$0																								
Certificate of Occupancy	\$0																								
GIS As Built Fee	\$0																								
<p>Building Permit Fees</p>		<p>Single Family Addition</p> <table border="0"> <tr> <td>Livable area with A/C</td> <td style="text-align: right;">\$.61 Sq Ft</td> </tr> <tr> <td>Covered area non A/C</td> <td style="text-align: right;">\$.32 Sq Ft</td> </tr> <tr> <td>Base fee</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Certificate of Occupancy</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>GIS As Built Fee</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Lowest Floor Certification</td> <td style="text-align: right;">\$0</td> </tr> </table>		Livable area with A/C	\$.61 Sq Ft	Covered area non A/C	\$.32 Sq Ft	Base fee	\$0	Certificate of Occupancy	\$0	GIS As Built Fee	\$0	Lowest Floor Certification	\$0										
Livable area with A/C	\$.61 Sq Ft																								
Covered area non A/C	\$.32 Sq Ft																								
Base fee	\$0																								
Certificate of Occupancy	\$0																								
GIS As Built Fee	\$0																								
Lowest Floor Certification	\$0																								
<p>Commercial Addition</p> <table border="0"> <tr> <td>Area with A/C</td> <td style="text-align: right;">\$.61 Sq Ft</td> </tr> <tr> <td>Covered area non A/C</td> <td style="text-align: right;">\$.32 Sq Ft</td> </tr> <tr> <td>Base fee</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Certificate of Occupancy</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>GIS As Built Fee</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Lowest Floor Elevation</td> <td style="text-align: right;">\$0</td> </tr> </table>		Area with A/C	\$.61 Sq Ft	Covered area non A/C	\$.32 Sq Ft	Base fee	\$0	Certificate of Occupancy	\$0	GIS As Built Fee	\$0	Lowest Floor Elevation	\$0	<p>Single Family Remodel</p> <table border="0"> <tr> <td>Livable area with A/C</td> <td style="text-align: right;">\$.61 Sq Ft x 30%</td> </tr> <tr> <td>Covered area non A/C</td> <td style="text-align: right;">\$.32 Sq Ft</td> </tr> <tr> <td>Base fee</td> <td style="text-align: right;">\$0</td> </tr> </table>		Livable area with A/C	\$.61 Sq Ft x 30%	Covered area non A/C	\$.32 Sq Ft	Base fee	\$0				
Area with A/C	\$.61 Sq Ft																								
Covered area non A/C	\$.32 Sq Ft																								
Base fee	\$0																								
Certificate of Occupancy	\$0																								
GIS As Built Fee	\$0																								
Lowest Floor Elevation	\$0																								
Livable area with A/C	\$.61 Sq Ft x 30%																								
Covered area non A/C	\$.32 Sq Ft																								
Base fee	\$0																								
<p>Commercial Remodel (Existing)</p> <table border="0"> <tr> <td>Area with A/C</td> <td style="text-align: right;">\$.61 Sq Ft x 30%</td> </tr> <tr> <td>Covered area non A/C</td> <td style="text-align: right;">\$.32 Sq Ft</td> </tr> <tr> <td>Base fee</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Certificate of Occupancy</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>GIS As Built Fee</td> <td style="text-align: right;">\$0</td> </tr> </table>		Area with A/C	\$.61 Sq Ft x 30%	Covered area non A/C	\$.32 Sq Ft	Base fee	\$0	Certificate of Occupancy	\$0	GIS As Built Fee	\$0	<p>Single Family Detached Structure</p> <table border="0"> <tr> <td>Livable area with A/C</td> <td style="text-align: right;">\$.61 Sq Ft</td> </tr> <tr> <td>Covered area non A/C</td> <td style="text-align: right;">\$.32 Sq Ft</td> </tr> <tr> <td>Base fee</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Certificate of Occupancy</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>GIS As Built Fee</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Lowest Floor Certification</td> <td style="text-align: right;">\$0</td> </tr> </table>		Livable area with A/C	\$.61 Sq Ft	Covered area non A/C	\$.32 Sq Ft	Base fee	\$0	Certificate of Occupancy	\$0	GIS As Built Fee	\$0	Lowest Floor Certification	\$0
Area with A/C	\$.61 Sq Ft x 30%																								
Covered area non A/C	\$.32 Sq Ft																								
Base fee	\$0																								
Certificate of Occupancy	\$0																								
GIS As Built Fee	\$0																								
Livable area with A/C	\$.61 Sq Ft																								
Covered area non A/C	\$.32 Sq Ft																								
Base fee	\$0																								
Certificate of Occupancy	\$0																								
GIS As Built Fee	\$0																								
Lowest Floor Certification	\$0																								
<p>Walls & Fences always require a separate permit.</p>																									
<p>Fence Walls</p> <table border="0"> <tr> <td>Linear Footage</td> <td style="text-align: right;">\$.17 LF or \$78 whichever higher</td> </tr> <tr> <td>Base Fee</td> <td style="text-align: right;">\$0</td> </tr> </table>		Linear Footage	\$.17 LF or \$78 whichever higher	Base Fee	\$0	<p>Retaining Walls</p> <table border="0"> <tr> <td>Linear Footage</td> <td style="text-align: right;">\$1.70 LF or \$78 whichever higher</td> </tr> <tr> <td>Base Fee</td> <td style="text-align: right;">\$0</td> </tr> </table>		Linear Footage	\$1.70 LF or \$78 whichever higher	Base Fee	\$0														
Linear Footage	\$.17 LF or \$78 whichever higher																								
Base Fee	\$0																								
Linear Footage	\$1.70 LF or \$78 whichever higher																								
Base Fee	\$0																								
<p>Planning & Development Services Department 7447 E Indian School Road, Suite 100, Scottsdale, AZ 85251 • Phone: 480-312-7000 • Fax: 480-312-7088</p>																									

Item 21

McDowell Corridor Building Permit Fee Modification

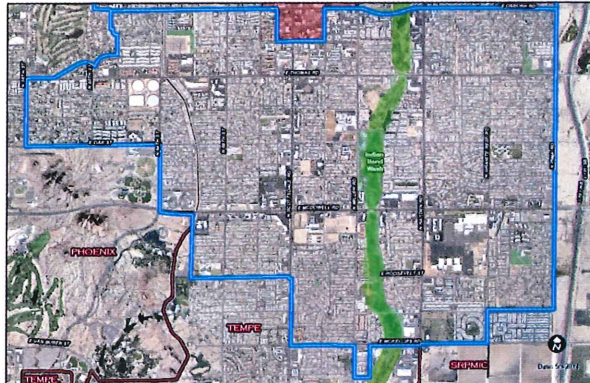
City Council
March 17, 2015

Coordinator: Kim Chafin, AICP, LEED-AP

McDowell Road Corridor

City Council Priority: "Partner with residents and businesses to revitalize the McDowell Road corridor."

The McDowell Corridor, an 8 square mile area, comprises 4% of the City's land area, and is home to 21% of Scottsdale's population.



Commercial Stakeholders Say:

- Making things look better will help everyone.
- People thinking positively about the area will help everyone.
- “Little guys” with smaller lots, less money & less development experience are more likely to benefit from City programs/policies than “big guys”.
- “Big guys” just want an open, friendly attitude, and they’re willing to spend the money to do the things they need to do.
- A majority of property owners have in mind some type of physical improvement they would like to make to their property, but are hesitant to move forward because they don’t want to be the only one in the area to take a risk.

Neighborhoods Say:

- Bring back a building permit fee reduction program similar to the one implemented by the City from 2004 – 2009.



Previous Program History - Residential

- Cost of fees can be an important issue in moving forward with a home improvement project.
- Prior to implementation of previous South Area Residential Fee Reduction Program, most residential reinvestment was for:
 - replacement of water heaters
 - electrical work
 - similar positive, but limited repairs.
- Following implementation of the Program, there was an increase in permits for:
 - additions
 - larger renovations
 - patio/garage enclosures.



Previous Program History - Business

- This area contains many of community's business neighborhoods built during City's rapid growth of 1960's & 1970's.
- Business zones along McDowell, Scottsdale, Hayden, Thomas and Osborn Roads reflect their suburban lineage. Linear development patterns segmented businesses into individual sites or moderately sized commercial centers. This led to little encouragement for reinvestment.



- Many area commercial properties need reinvestment due to:
 - aging physical structures
 - the need to be competitive with newer & more aggressive business areas.

Public/Private Investment

A series of public & private reinvestment efforts have been initiated in the area over past several years, including:

- Streetscape improvements on Scottsdale, McDowell & Thomas Roads
- Miller Road sewer
- New Eldorado Park Fire Station
- Crosscut Canal improvements
- Neighborhood Trolley program
- Neighborhood Traffic Management improvements on Oak St, 87th St, 74th St, 86th St, 85th St, Palm Lane, Roosevelt St
- New bus shelters & increased bus service
- Development of mixed-use project at SkySong
- Improvements to auto dealer facilities on McDowell & Scottsdale Road
- Development of new housing



Comprehensive Approach

- Reducing costs of home improvements in some of our oldest neighborhoods can help encourage reinvestment and support healthy residential neighborhoods.
- Coupled with programs to support & enhance adjacent business areas, a temporary, 2-year modification to building permit fees fits well with a comprehensive approach to public & private reinvestment in the McDowell Road Corridor.



Single Family Addition	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0
Single Family Remodel	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Single Family Detached Structure	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0
Fence Walls	Current Fee	Proposed Fee
Linear Footage	\$0.17 LF	\$0.17 LF or \$78 (higher)
Base Fee	\$159	\$0
Retaining Walls	Current Fee	Proposed Fee
Linear Footage	\$1.70 LF	\$1.70 LF or \$78 (higher)
Base Fee	\$159	\$0

Residential

Applications	Current Fee	Proposed Fee
Pre-Applications - DR	\$87	\$60
DR - New Construction	\$1,515	\$1,000
Staff Approval - Major	\$307	\$200
Staff Approval - Minor	\$87	\$60
Commercial Addition	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate revu	\$235	\$0
Comm. Remodel (Existing)	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft x 30%	\$0.61 Sq Ft x 30%
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Commercial T.I. (New)	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft x 30%	\$0.61 Sq Ft x 30%
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Fence Walls	Current Fee	Proposed Fee
Linear Footage	\$0.17 LF	\$0.17 LF or \$78 (higher)
Base Fee	\$159	\$0
Retaining Walls	Current Fee	Proposed Fee
Linear Footage	\$1.70 LF	\$1.70 LF or \$78 (higher)
Base Fee	\$159	\$0

Commercial

Financial Impact

Single-Family 1,000 sq. ft. addition

\$777 savings to homeowner



Commercial 1,000 sq. ft. addition

\$777 savings to business owner

Projected fiscal impact to City: approx \$38,259 less in annual permit revenue

Purpose & Recommendation

Designed to encourage reinvestment to:

- Bring additional economic activity in to the area
- Grow property values
- Encourage other owners & businesses to reinvest
- in their properties.



Adopt Resolution 9990 establishing McDowell Corridor Fee Schedule allowing building permit fees to be temporarily modified for a 2-year period, and automatically terminating at end of 2 years.



Proposed Temporary Fee Schedule

Effective 4/15/2015 through 4/14/2017

**McDowell Corridor
Fee Schedule**

The McDowell Corridor Fee Schedule applies to all property in Scottdale located south of Osborn Road.
Official Schedule of City of Scottdale Rates and Fees at: www.scottdalega.gov - keyword "Fees"

Note: This schedule is not all-inclusive. Refer to adopted fee sheets for all other fees.

Applications		Commercial Tenant Improvement (New)	
Pre-Application Fee/Development	\$40	Area with A/C	\$ 81 Sq Ft x .005
Review applications	\$0	Covered area non A/C	\$ 32 Sq Ft
Development Review	\$1000	Base fee	\$0
New Construction	\$100	Certificate of Occupancy	\$0
Staff Approval Major	\$100	GIS As Built Fee	\$0
Staff Approval Minor	\$10		
Building Permit Fees		Single Family Addition	
Commercial Addition		Levelling area with A/C	\$ 21 Sq Ft
Area with A/C	\$ 81 Sq Ft	Covered area non A/C	\$ 32 Sq Ft
Covered area non A/C	\$ 32 Sq Ft	Raise fee	\$0
Base fee	\$0	Certificate of Occupancy	\$0
Certificate of Occupancy	\$0	GIS As Built Fee	\$0
GIS As Built Fee	\$0	Levelling Pipe Distribution	\$0
Levelling Floor/Basement	\$0		
Commercial Remodel (Existing)		Single Family Remodel	
Area with A/C	\$ 81 Sq Ft x .02%	Levelling area with A/C	\$ 81 Sq Ft x .02%
Covered area non A/C	\$ 32 Sq Ft	Covered area non A/C	\$ 32 Sq Ft
Base fee	\$0	Base fee	\$0
Certificate of Occupancy	\$0		
GIS As Built Fee	\$0	Single Family Detached Structure	
		Levelling area with A/C	\$ 81 Sq Ft
		Covered area non A/C	\$ 32 Sq Ft
		Base fee	\$0
		Certificate of Occupancy	\$0
		GIS As Built Fee	\$0
		Levelling Pipe Distribution	\$0
Walls & Fences always require a separate permit.			
Fence Walls		Retaining Walls	
1 inch or less high	\$ 17 L.F. or \$78 whichever higher	1 inch or higher	\$170 L.F. or \$78 whichever higher
Base Fee	\$0	Base Fee	\$0

Planning & Development Services Department
7447 E Indian School Road, Suite 100, Scottdale, AZ 85251 • Phone: 480 312 7000 • Fax: 480 312 7038

City of Scottdale Page 1 of 1