

# Memorandum



Date: March 18, 2026  
To: Buchanan City Commission  
From: Kristen Gundersen, Planning and Community Development Director  
Subject: **Building Permit Fee Schedule Review and Recommendation**

## Background

The building permit fee schedule in the city was adopted in October 2013 and is on a sliding scale with a plan review also collected once the value of work is over \$100,000. There are set fees for demolition permits and certificate of occupancy permits when no building permit is needed. Fence and accessory structures less than 200 square feet do not require a building permit, rather a zoning permit is needed which relies on a set application fee.

## 2025 City of Buchanan Building Permit Activity

During 2025, the Building Official issued 65 building permits. The value of the work was \$1,725,469.03 with permit fees collected of \$31,356.76. The value of the work ranged between \$225 and \$565,00 with median permit having a value of \$13,950 and permit fee of \$213.

Seven permits issued had a value of \$2,000 or less with a permit fee of \$63.25 or less. The existing fee schedule references a plan review fee for work over \$100,001, there were 7 permits in this category, and one listed as \$100,000. In speaking with the building official, there is some discretion for applying the plan review fee. It appears that two permits, each with values greater than \$500,000 had the plan review fee added.

In addition, there were 6 demolition permits with fees of \$50 or \$100. A fee of \$22 was charged for two change of use occupancy permits that did not require a building permit and one temporary permit.

This information does not include fence, sign or detached accessory structures 200 square feet or less in size. Electrical, mechanical and plumbing permits are also not included. Mechanical and plumbing permit fees are collected by the State of Michigan as they permit and inspect work.

## Building Permit Fee Schedule Creation

While investigating building permit fees and talking with other building officials it was learned that the current fee schedule comes from the UBC 97 – the Unified Building Code of 1997. Review of other communities suggests the state or national fee schedule has been updated twice since 1997. The first had a base fee of \$24 for the first \$500 of value and then a major switch to a base fee of \$75 for the first \$1,000 or \$2,000 of value of work.

The \$75 base fee schedule was first used in 2023 by Bridgman with Dowagiac and Niles Charter Township following. This fee schedule has been modified for each community.

## Research

A quick review of building permit fees in the area found:

1. Fourteen local governments were reviewed. Governments that did not have fee schedules posted on the website were not included in the findings below. Allegan, Chikaming Township, Paw Paw and Three Rivers outsource to SafeBuilt or Professional Code Inspections and do not have fee schedules posted.
2. Cities of Buchanan and Niles are on the same fee schedule. It is believed the fee structure is from the 1997 Uniform Building Code Fee Schedule (UBC 97) which is updated periodically.
  1. The base fee is \$22 for work valued between \$1 and \$500 and no plan review fee is collected.
  2. Work valued between \$99,001 and \$100,000 has a fee of \$892.50. A plan review fee of 65% is added to permits with a construction value of more than \$100,001.
3. Lincoln Charter Township (including Village of Stevensville 4/2022 adoption), city of New Buffalo, Royalton Township (9/2022 adoption) and St. Joseph Charter Township have the same fee schedule.
  1. The base fee is \$24 for work valued between \$1 and \$500, no plan review fee is collected.
  2. Work valued between \$99,001 and \$100,000 has a fee of \$994 plus the \$646 plan review fee for a grand total of \$1,640 in Royalton Township which uses a 65% Plan review fee and is not collected on permits valued at less than \$50,000.

4. Cities of Bridgman (June 2023) and Dowagiac (4/2025 adoption) and Niles Charter Township (1/2024 adoption) are using similar versions of the most recent UBC adopted by the State of Michigan.
  1. Bridgman and Niles Charter Township have a base fee of \$75 for the first \$2,000 value of the work with a sliding scale. They each have a flat rate for residential roof or siding permits. Dowagiac also relies on a similar sliding scale; however, it has a lower dollar increase of \$1,000 value.
  2. In Niles Charter Township work valued between \$99,001 and \$100,000 is \$997 plus the plan review fee of \$648.05 (65%) for a grand total of \$1,645.05. Bridgman does not collect plan review fee until value of work is over \$100,000.
5. The cities South Haven (2020 adoption) and St. Joseph (pre 2015 adoption) along with the Village of Baroda (2017) have similar fee schedule.
  1. South Haven has a base fee of \$50 for the first \$1,000 and the city of St. Joseph fee is \$54 for the first \$500 and does not collect the plan review fee until the value of the work exceeds \$50,001.
  2. In South Haven work valued between \$99,001 and \$100,000 is \$701 plus the plan review fee of \$455.65 (65%) for a grand total of \$1,156.65. St. Joseph permit fee is \$1,024 with plan review fee of \$666 for a grand total of \$1,690.
6. Buchanan Charter Township has a permit fee of \$6 per \$1,000 of value with a minimum permit fee of \$25. The application does not refer to a plan review fee.
  1. The \$99,001 to \$100,000 fee is \$594 or \$600 which is \$872.63 less than the city of Buchanan's.

#### Fee Comparison

Following is a comparison of fees based on the value of work for four different scenarios in the City of Buchanan.

<b>Building Permit Fee Schedule Comparison of 13 Communities</b>				
Community Name	Value of Work			
	\$1 - \$500	\$13,950 - Buchanan Median	\$50,053 - Buchanan Average **	\$565,000 - Buchanan Highest Value
Baroda, Village*	\$50	\$135.00	\$320.00	\$2,995.00
Bridgman, Village	\$75	\$229.00	\$1,067.55	\$5,291.55
Buchanan, City	\$22	\$213.00	\$586.25	\$5,166.56
Buchanan Charter Township	\$25	\$78.00	\$300.00	\$3,390.00
Dowagiac, City*	\$75	\$171.00	\$697.00	\$1,430.00
Lincoln Charter Township	\$24	\$237.00	\$1,069.00	\$6,131.00
New Buffalo Charter Township*	\$25	\$199.83	\$700.32	\$3,790.00
New Buffalo, City*	\$24	\$237.00	\$648.00	\$3,716.00
Niles, City	\$22	\$213.00	\$961.30	\$5,166.56
Niles Charter Township	\$75	\$243.00	\$1,079.10	\$6,141.30
Royalton Township	\$24	\$237.00	\$1,074.00	\$5,844.00
South Haven, City	\$50	\$94.00	\$905.85	\$4,803.15
St. Joseph, City	\$54	\$267.00	\$1,124.00	\$5,921.85
St. Joseph Charter Township	\$24	\$237.00	\$1,074.15	\$5,667.00
* No reference to plan review fee after \$50,000 and not included for comparison.				
** City of Buchanan did not collect plan review fee for permit - if collected fee would have been \$961.30. If no plan review fee is collected for the first \$100,001 the permit fee for Niles Charter Township would be \$654.00				

**Conclusion and Recommendation**

While several of the city of Buchanan building fees are in keeping with other communities, they are typically lower. Many of the communities surveyed have updated their fee schedules since 2015.

It is recommended the attached fee schedule, which is similar to Niles Charter Township with a base fee of \$75 be adopted with a \$100,001 threshold for collection of the 65% plan review fee. Fees for Certificate of Occupancy (no building permit); detached accessory structures 200 square feet or less; fence permits, re-inspection fee; and penalty for working without a permit were approved on March 9, 2026.

**CITY OF BUCHANAN FEE SCHEDULE Effective Date:**

<b>Value</b>	<b>Fee (all fees rounded to the next \$1.00)</b>
\$1 to \$2000:	\$75 for the first \$2,000
\$2001 to \$25,000:	\$75 for the first \$2,000, plus \$14 per \$1,000 thereof above \$2,000
\$25,001 to \$50,000:	\$397 for the first \$25,000, plus \$10 per \$1,000 thereof above \$25,000
\$50,001 to \$100,000:	\$647 for the first \$50,000, plus \$7 per \$1,000 thereof above \$50,000
\$100,001 to \$500,000:	\$997 for the first \$100,000, plus \$6 per \$1,000 thereof above \$100,000
\$500,001 to \$1,000,000:	\$3,397 for the first \$500,000, plus \$5 per \$1,000 thereof above \$500,000
\$1,000,001 and up:	\$5,897 for the first \$1,000,000, plus \$4 per \$1,000 thereof above \$1,000,000
<b>Plan Review Fees:</b>	
<b>Residential: Up to 65% of permit cost for construction values greater than \$100,001</b>	
<b>Commercial/Industrial: 65% of permit cost for construction values greater than \$100,001</b>	
<b>Outside Consultant: Cost plus 10%</b>	
<i>Plan Review fees are nonrefundable</i>	
Demolition Permits: Accessory Structures: no fee      Single-Family Dwellings: \$100      All other: \$250	