



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action approving the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Appendix A Fee Schedule, Article A2.000 Building Fees

DATE: June 5, 2025

DEPARTMENT: Building Codes

PRESENTED BY: Scott Davis, Building Official

INTRODUCTION/BACKGROUND:

The City's Code of Ordinances, Chapter 3 Building Regulations, Section 3.01.005 (h) Permit Fees states: "To prevent any financial burden on taxpayers, it is intended to structure permit fees to cover the actual costs associated with administering this chapter. Therefore, the schedule of fees shall be adjusted from time to time to accomplish this objective after a formal review by the City Council at least every 12 months to ensure that they are adequate but not excessive."

The last update to the permit fees schedule was in 2019. Since then, costs associated with reviewing plans, processing and issuing permits, and inspecting building projects have increased, rendering the current fee structure insufficient to fully recover the cost of service.

City costs to administer building permit fees that are based on square footage assessments have increased by 16 percent since 2019. This increase is calculated based on actual costs and rate determination standards in the International Code Council (ICC) Building Valuation Data publication. The recommendation is to increase the square footage-based rate fees by 16 percent.

City costs to administer permit fees for miscellaneous permits, fence permits, and re-inspections have slightly outpaced squared footage-based fees. Actual costs and the ICC Building Valuation Data publication suggest the flat-fee rates should increase by 20 percent.

Other recommended changes:

- Address a discrepancy that was identified between City Code and the fee schedule in Appendix A. City Code specifies a \$600 penalty for occupying a residence without a Certificate of Occupancy, whereas the fee schedule currently lists the penalty as \$200. Staff recommends updating the fee schedule to align with the Code of Ordinances for consistency
- Increase the Driveway Approach Fee from \$50 to \$120 to reflect the implementation of drainage flow requirements and associated inspection burden as identified in the Unified Development Code
- Add electric vehicle chargers to the Fixture Fees list at the flat-fee charge of \$5.00 for each fixture

- Increase the Swimming Pool Permit fee and round the fee up to \$500. Staff recommendation is based on neighboring jurisdiction charges and ICC Build Valuation Data publication standards

The proposed permit fees were presented during the public hearing portion of the agenda. The proposed changes amending City Code of Ordinances, Appendix A Fee Schedule, Article A2.000 Building Fees is attached as **Exhibit A**.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Priority 1.4 Develop Sustainable Financing Strategies aligned with Service Delivery Expectations of the Strategic Action Plan
- Complies with Chapter 3, Sec 3.01.005 (h) (2) of Code of Ordinances to structure permit fees to cover the actual costs of service
- Supports the financial stability of the permitting and inspection system and reduces reliance on taxpayer dollars

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The increase in permit fees to cover the cost of service will reduce reliance on taxpayer dollars.

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Appendix A Fee Schedule, Article A2.000 Building Fees