



CITY OF SAINT PAUL Christopher B. Coleman, Mayor

25 West Fourth Street Saint Paul, MN 55102 Telephone: 651-266-6700 Facsimile: 651-266-6549

DATE:

December 15, 2016

TO:

Zoning Committee

FROM:

Allan Torstenson, Dept. of Planning and Economic Development (PED)

Wendy Lane, Dept. of Safety and Inspections (DSI)

RE:

Zoning Fee Study and Amendments

Zoning Code § 61.302, *Application forms and fees*, prescribes fees to defray the costs of zoning permits and approvals pursuant to MN Stat. §§ 462.351-364, which require fees to be fair, reasonable, and proportionate to the actual cost of the service for which the fee is imposed; require zoning fees to be prescribed by ordinance; and require Planning Commission review and recommendation for Zoning Code amendments. Zoning Code § 61.801(b) provides that Zoning Code text amendments may be initiated by the City Council or by the Planning Commission.

Zoning Code § 61.302(a) states that fees for applications filed with the planning administrator (in PED) shall be paid to the Department of Planning and Economic Development and fees for applications filed with the zoning administrator (in DSI) shall be paid to the Department of Safety and Inspections. The fees for some specific types of applications are sometimes paid to DSI and sometimes paid to PED because for case-specific reasons the applications are sometimes required to be filed with the zoning administrator in DSI and sometimes required to be filed with the planning administrator in PED. Except for an update to zoning fees about a year ago that just applied to DSI fees, zoning staff in PED and DSI have always worked closely together to recommend coordinated and consistent zoning fee amendments

The relationship of zoning fees to the cost of the service for which the fee is imposed was studied in 2010. In that study, DSI and PED zoning staff prepared detailed cost estimates for processing the various types of zoning applications. A table prepared in 2010 summarizing that work is attached. It shows the estimated actual cost of each type of application, the proposed fee, and the % of the cost recovered by the proposed fee. It also shows the fees Minneapolis and Bloomington were charging at that time. The amendments to zoning fees prescribed in Zoning Code § 61.302 recommended in the 2010 study and adopted by the City Council in January 2011 set fees at an appropriate percentage of the cost to the City for review and administration of each particular type of zoning application, generally between 60% and 100% of the estimated cost.

All of the work done in the 2010 study to prepare detailed cost estimates for the various types of zoning applications doesn't need to be redone now, but the fees do need to be adjusted periodically for inflation. The total amount of zoning fees per year does not justify the time

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and cost of going through the process of amending the Zoning Code to adjust zoning fees every year. DSI collected a total of \$206,025 in 2014 and \$244,277 in 2015 in zoning fees under the fee schedule in Zoning Code § 61.302. PED collected a total of \$61,879 in 2014 and \$67,023 in 2015. The last two zoning fee studies/amendments for all DSI and PED zoning fees were in 2005 and in 2010/2011, about five years apart.

Two tables with inflation data that apply to Saint Paul through 2015 are attached. The table for Minneapolis – Saint Paul shows inflation of 8.9% in the first five years after the zoning fees were amended at the end of 2010. The table for state and local government shows inflation of 9.8% in the five years from 2010 to 2015.

During their budget process in 2015, a DSI proposal for an across-the-board increase for all DSI fees (building permit fees, license fees, etc. as well as zoning fees collected by DSI) was discussed with the Mayor and Council, and a 3% across-the board increase was agreed to. When the Planning Commission reviewed these proposed zoning fee increases in November 2015, options for more coordinated and consistent amendments were considered to adjust zoning fees for inflation (rather than just a 3% increase), and to include the zoning fees paid to PED (rather than just the fees paid to DSI). However, the Deputy Mayor was not comfortable with moving ahead at that time with something other than what DSI has already discussed with the Mayor and Council, so the City Council adopted a 3% increase that just applied to zoning fees collected by DSI.

On December 4, 2015, the Planning Commission passed Resolution # 15-78 to consider adjustments of fees prescribed in Zoning Code § 61.302, *Application forms and fees*, to reflect an increase in costs due to inflation since the fees were set in 2011. More recently, DSI has proposed a 2% increase in zoning fees collected by DSI. In October the Deputy Mayor indicated support for increasing zoning fees collected by PED by 3% to catch up with the 3% increase in DSI zoning fees last year, and then increasing all zoning fees an additional 2%.

Staff Recommendation

Staff recommends initiation of a zoning study to consider adjustments of fees prescribed in Zoning Code § 61.302, *Application forms and fees*, to reflect an increase in costs due to inflation since the fees were last set, and recommends the following draft amendments to Zoning Code § 61.302, *Application forms and fees* to increase zoning fees collected by PED by 3% to catch up with the 3% increase in DSI zoning fees last year, and then increasing all zoning fees an additional 2%.

Draft amendments to Zoning Code § 61.302, Application forms and fees

Sec. 61.302. Application forms and fees.

(a) Application forms and fee. All applications shall be filed on appropriate forms. Pursuant to Minn. Stat. § 462.353, subd. 4, a fee to defray the costs incurred in administering official zoning controls established pursuant to Minn. Stat. § 462.351-364, as set forth in the

schedule below, shall be paid by the applicant when a zoning application is filed. The fee for applications filed with the planning administrator shall be paid to the department of planning and economic development. The fee for applications filed with the zoning administrator shall be paid to the department of safety and inspections. Zoning control application fees shall be amended by ordinance.

- (b) Fee schedule. Fees for the following zoning control applications shall be as follows:
 - (1) Site plan review:
 - a. Three hundred fifty-seven dollars (\$350357.00) residential, one (1) to two (2) dwelling units. Three hundred twenty-five thirty-two dollars (\$325332.00) for additions to one- and two-family dwellings.
 - b. Five hundred fifteen twenty-five dollars (\$515525.00) up to ten thousand (10,000) square feet of land and two hundred six ten dollars (\$206210.00) for each additional ten thousand (10,000) square feet of land for all other uses, and an additional fee of two hundred sixty eight seventy-three dollars (\$268273.00) for sites on steep slopes or in the river corridor or tree preservation overlay districts. For any site plan for which a travel demand management plan is required, there is an additional fee of four hundred sixty-four seventy-three dollars (\$464473.00). For any site plan for which parkland dedication is required, there is an additional fee of five (5) percent of the parkland dedication fee up to one-hundred two dollars (\$100102.00).
 - c. In addition to the site plan review fee, three hundred nine <u>fifteen</u> dollars (\$309315.00) for site plans that are reviewed before the planning commission.
 - d. Thirty-twoone dollars (\$3132.00) for agricultural uses required by section 65.771(a) and farmer's markets required by section 65.515(b).
 - (2) Conditional use permit: Eight hundred forty dollars (\$800840.00) up to one (1) acre of land, two hundred ten dollars (\$200210.00) for each additional acre of land, and an additional fee of one hundred eighty ninety (\$180190.00) for a river corridor conditional use permit.
 - (3) Major variance:
 - a. Five hundred thirty-six forty-seven dollars (\$536547.00) one- and two-family residential and signs.
 - b. Five hundred seventy-seven <u>eighty-nine</u> dollars (\$577<u>589</u>.00) multiple-family residential.
 - c. Eight hundred thirty-nine <u>fifty-six</u> dollars (\$839<u>856</u>.00) commercial, industrial, institutional.
 - (4) Minor variance: Four hundred thirty-three forty-two dollars (\$433442.00).
 - (5) Nonconforming use permit, determination of similar use: Seven hundred thirty-five dollars (\$700735.00).
 - (6) Appeals:
 - a. Five hundred thirty-six forty-seven dollars (\$536547.00) for appeals from administrative decisions to the board of zoning appeals or planning commission.
 - b. Four hundred <u>fifty-three sixty-two</u> dollars (\$453462.00) for appeals from decisions of the board of zoning appeals or planning commission to the city council.

- (7) Rezoning: One thousand two hundred sixty dollars (\$1,2001,260.00) up to one (1) acre of land, two hundred fifty sixty-three dollars (\$250263.00) for each additional acre of land, and an additional fee of five hundred twenty-five dollars (\$500525.00) for rezoning to TN3(M) Traditional Neighborhood District with a master plan and an additional fee of one thousand fifty dollars (\$1,0001,050.00) for rezoning to PD Planned Development District.
- (8) Reduced fees for multiple approvals: For any permit or variance application in subparagraph (2) through (6) above submitted for consideration by the planning commission at the same public hearing as a rezoning, or a permit or variance application in subparagraph (2) through (6) with a higher fee, an additional fee of three hundred <u>fifteen</u> dollars (\$300315.00) shall be added to the rezoning fee set forth in subparagraph (7) or to the higher fee in subparagraph (2) through (6).
- (9) Subdivision review:
 - a. Three hundred fifteen dollars (\$300315.00) lot split.
 - b. Six hundred thirty dollars (\$600630.00) up to one (1) acre of land, and one hundred twenty-five thirty-one dollars (\$425131.00) for each additional acre of land, sans dedicated public streets and open space, for preliminary plat/registered land survey.
 - c. Two hundred twenty-five thirty-six dollars (\$225236.00) final plat/registered land survey.
 - d. Five hundred twenty forty-six dollars (\$520546.00) for variance of subdivision regulations to be considered by the city council.
- (10) Planning commission shared parking permit: Three hundred fifty sixty-eight dollars (\$350368.00).
- (11) City council interim use permit: Seven hundred thirty-five dollars (\$700735.00)
- (12) Zoning compliance letter, research:
 - a. One hundred three five dollars (\$103105.00) one- and two-family residential.
 - b. Two hundred thirty-seven forty-two dollars (\$237242.00) all other uses.
 - c. One hundred three five dollars (\$103105.00) additional for an expedited request.
- (13) Administrative staff reviews:
 - a. Three hundred sixty-six seventy-three dollars (\$366373.00) for review of request for reasonable accommodation.
 - b. Three hundred eight-six <u>ninety-four</u> dollars (\$386394.00) for review of statement of clarification.
 - c. Two hundred twenty-<u>five</u>one dollars (\$221225.00) for review of shared parking permit.
 - d. Ninety Eighty-eight dollars (\$8890.00) for review of demolition permit.
 - e. One hundred eight ten dollars (\$108110.00) for review of antenna permit.
 - f. One hundred eighteen twenty (\$118120.00) for a flood plain permit.
- (14) Historic use variance: Seven hundred thirty-five dollars (\$700735.00).
- (15) SFV state fair vending permit: Annual fee of one hundred twenty-<u>sixfour</u> dollars (\$124<u>126</u>.00) per parcel on which vending will occur.

- (16) Wetland Conservation Act administrative determination:
 - a. One hundred twenty-nine thirty-two dollars (\$129132.00) for Wetland Conservation Act exemption or no loss compliance letter.
 - b. Wetland delineation review:
 - 1. One hundred sixty-eightfive dollars (\$165168.00) for sites less than 1 acre.
 - 2. Three hundred thirty-six dollars (\$330336.00) for sites 1 acre or larger.
 - c. Four hundred seventy-four eighty-three dollars (\$474483.00) for wetland fill and replacement/sequencing plan review.
- (17) Environmental review: Actual cost of review processes as determined by the planning director.
- (18) Late fee: For any application made for any development commenced without first obtaining all required permits and approvals, the fees listed above shall be doubled, to a maximum additional fee of one thousand <u>fifty</u> dollars (\$1,0001,050.00), to offset costs associated with investigating, processing and reviewing applications for such development.
- (19) Refunds: For a zoning case withdrawn before final approval, the zoning or planning administrator may refund part of the fee based upon the proportion of the work completed at the time of withdrawal.
- (20) Large sites: For large sites where only a portion of the site is affected by the zoning action, the zoning or planning administrator may set the fee based on the size of the affected portion of the site.
- (c) Fee for permits and approvals subject to annual review condition. A holder of a conditional use permit, nonconforming use permit or variance, which the planning commission, board of zoning appeals or city council, has approved subject to annual review, shall pay to the department of safety and inspections, at the time the zoning administrator provides notice of the annual review to the permit holder, an annual review fee in the sum of sixty-threetwo dollars (\$6263.00).

	BLOOMINGTON		\$110			\$860 for site plans before the planning commission. \$920 for site plans before the city conneil		
	MINNEAPOLIS FEES	\$400	\$400 up to 10,000 square feet of land, \$600 for 10,000 sq ft to 1 acre and	\$800 for > 1 acre	\$525 for TDM plan	\$700 up to 10,000 square feet of land, \$1,000 for 10,000 sq ft to 1 acre and \$1,350 for > 1 acre		
% COST RECOVERED BY	PROPOSED FEE	%£9	20+%	100%		27%	%86	%16
ESTIMATED	ACTUAL COST	\$316	\$2,525/plan	\$211 small sites \$340 < 1 acre \$470 > 1 acre	\$450	\$1,119	\$46	\$31
	PROPOSED FEE	\$200 residential, 1-2 dwelling units	\$500 up to 10,000 sq. ft. of land, \$200 for each additional 10,000 sq. ft. of land for all other uses	\$260d	\$450 for TDM plan	. \$300	\$45	\$30
% PROPOSED	FEE INCREASE	82%	15% 135% for additional lot size	New charge	New charge	New charge	New charge	New charge
	CURRENT FEE	\$110, 1-4 dwelling units	\$435 for first 25,000 square feet of land \$85 for each additional 25,000		New function	0 \	New function	New function
	ZONING FUNCTION	Site plan review, administrative: residential, 1-2 dwelling units	Site plan review, administrative: all other uses	Additional fee for sites on steep slopes, in the critical area or tree preservation overlay	TDM plan	commission: commission: Additional charge for site plans that are reviewed before the planning commission	Design review: for new single family dwellings and duplexes	Design review: for additions to single family dwellings and , duplexes

Zoning fees last changed 2-19-05

		% PROPOSED)	ESTIMATED	% COST RECOVERED BY		
ZONING FUNCTION	CURRENT FEE	FEE INCREASE	PROPOSED FEE	ACTUAL COST	PROPOSED FEE	MINNEAPOLIS FEES	BLOOMINGTON FEES
Conditional use permit:	\$750 up to 1 acre of land, \$200 for each additional acre of land, and an	%/_	\$800 up to 1 acre of land, \$200 for each additional acre of land, and an	\$1,080	74%	\$550 up to 10,000 square feet of land, \$750 for 10,000 sq ft to 1 acre, \$950 for > 1 acre, \$550	\$1,260
	additional fee of \$180 for a river corridor conditional use permit		administration of a river corridor conditional use permit			signs and \$2,250 for CUPs for planned unit developments	
Major variance: one- and two-family residential and signs	\$435	20%	\$520	. \$718	72%		\$470
<i>Major variance.</i> multiple-family residential	. \$470.	19%	8560	\$813		\$400 up to 10,000 square feet of land, \$600 for 10,000 sq	\$720
Major variance: commercial, industrial, institutional	8680	20%	\$815	. \$882	. 92%	ft to 1 acre and \$800 for >:1 acre	\$720
Minor variance (single family additions):	\$350	20%	\$420	\$603	70%		\$470
Nonconforming use permit, determination of similar use:	\$650	. 8%	\$700	\$1,080	. 65%	\$550	

BLOOMINGTON FEES	\$150	\$200	\$1,920	\$150
MINNEAPOLIS FEES	\$350	\$350 \$650 up to 10,000	square feet of land, \$900 for 10,000 sq ft to 1 acre and \$1,100 for > 1 acre plus \$25 fee for publishing in the newspaper	\$350
% COST RECOVERED BY PROPOSED FEE	63%	80% 36%	93%	55%
ESTIMATED ACTUAL COST	\$819 appeals to the BZA \$848 appeals to planning commission	\$444 appeals from BZA \$551 appeals from planning commission \$1,170 site plan appeals from planning commission	\$1,286	\$548
PROPOSED FEE	\$520	\$440 \$1,200 up to 1 acre of	land, \$250 for each additional acre of land, plus an additional fee of \$500 for rezoning to TN3(M) and an additional fee of \$1000 for rezoning to PD	\$300
% PROPOSED FEE INCREASE	20%	1%	20%	114%
CURRENT FEE	\$435	\$435	land, \$250 for each additional acre of land, and an additional fee of \$250 for rezoning to PD or TN3 (M)	\$140
ZONING FUNCTION	Appeals: for appeals from administrative decisions to the board of zoning appeals or planning commission	Appeals: for appeals from decisions of the board of zoning appeals or planning commission to the city council	Rezoning:	Subdivision review: lot split, adjustment of common boundary

BLOOMINGTON FEES	\$360 plus \$80 per lot for 1- & 2-family \$710 plus \$150 per acre for all other uses	\$360 plus \$20 per lot or outlot		098\$	
MINNEAPOLIS FEES	\$1,000 preliminary and final review			\$450 up to 10,000 square feet of land, \$650 for 10,000 sq ft to 1 acre and \$850 for > 1 acre	
% COST RECOVERED BY PROPOSED FEE	80%		61%		%16
ESTIMATED ACTUAL COST	\$1,028 preliminary and final review		\$854	\$815	\$103
PROPOSED FEE	\$600 up to 1 acre of land, and \$125 for each additional acre of land, sans dedicated public streets and open space, for preliminary plat/registered land survey	\$225	\$520	\$700	\$100
% PROPOSED FEE INCREASE	20%	12%		New charge	100%
CURRENT FEE	\$500 up to 1 acre of land, and \$125 for each additional acre of land, sans dedicated public streets and open space, for preliminary platregistered land survey	\$200	\$435	0	\$50
ZONING FUNCTION	Subdivision review: Preliminary plat/registered land survey	Subdivision review: final plat/registered land survey	Subdivision review: variance of subdivision regulations to be considered by the city council	City council interim use permit:	Zoning compliance letter, research: one- and two-family residential

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-		% PROPOSED		ESTIMATED	BY	OF YOUR A STATESTON	TO HOLDEN COO TO
ZONING FUNCTION	CURRENT FEE	INCREASE	PROPOSED FEE	COST	FEE	MINNEAPOLIS	BLOOMING FOR
Zoning compliance letter, research: all other uses	08'\$	187%	\$230	\$234	%86	- The state of the	-
Zoning compliance letter, research: expedited request	0	New charge	\$100 additional				
Administrative staff reviews: review of request for reasonable accommodation (sober houses)	New function	New charge	\$355	\$355	100%		
Administrative staff reviews: statement of clarification (administrative determination of similar use)	0	New charge	\$375	\$378	. %66		
Administrative staff reviews: review of shared parking permit	. 0	New charge	\$215	\$216	100%	. \$100	
Administrative staff reviews: review of demolition permit	0.	New charge	\$85	\$86	%66	-	
Administrative staff reviews: review of antenna permit	0	New charge	\$105	\$109	. %96	, \$200	
Administrative staff reviews: a flood plain permit	New function	New charge	\$115	\$117	%86		

Zoning fees last changed 2-19-05

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BLOOMINGTON	A LEES				
MINNEAPOLIS	LEED				
% COST RECOVERED BY PROPOSED	%86	%66	100%	%66	
ESTIMATED ACTUAL COST	\$127	\$162 < 1 acre \$324 > 1 acre	\$461	\$493	
PROPOSED REE	\$125	\$160 for sites less than 1 acre, \$320 for sites 1 acre or larger	\$460	\$490	
% PROPOSED FEE INCREASE		-36% < 1 acre 28% > 1 acre	New charge	New charge	-100%
CURRENT FEE	\$100	\$250 regardless of size	0	0	\$2 each parcel for ownership list
ZONING FUNCTION	Wetland Conservation Act administrative determination: Wetland Conservation Act exemption or no loss compliance letter	Wetland Conservation Act administrative determination: wetland delineation review	Wetland Conservation Act administrative determination: wetland fill and replacement/sequencing plan review	Wetland Conservation Act administrative determination: appeals to the city council from decisions of the zoning administrator on wetland exemption or no loss determinations	Zoning petition: Delete charge, include in base application.

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		% PROPOSED		ESTIMATED	% COST · RECOVERED BY		
ZONING FUNCTION	CURRENT FEE	FEE INCREASE	PROPOSED FEE	ACTUAL COST	PROPOSED FEE	MINNEAPOLIS	BLOOMINGTON FEES
Late fee: Double fee	Double fee up to \$430	Penalty fee for starting work without prior approval	Double fee up to \$1,000				
SFV state fair vending permit:	\$100	20%	\$120	\$141	85%		
Fee for permits and approvals subject to annual review:	.\$50.	20%	\$60	\$64, shared parking annual review	. 94%		
Environnental review.	0	New charge	Actual cost of review processes as determined by the planning director	Varies by project		\$500 or the actual costs of environmental review processes as determined by the planning director, whichever is greater	\$1,420 for mandatory Environmental Assessment Worksheet \$5,660 for Environmental Impact Statement

CPI from Bureau of Labor Statistics Data http://data.bls.gov/cgi-bin/srgate

Series ID: CUUSA211SA0 Not Seasonally Adjusted **Area: Minneapolis-St. Paul Item: All items** Base Period: 1982-84=100

1SA0 .ed	http://www.bea.gov/iTable/fTable.cfm?ReqID=9&step=1 Table 1.1.9.
St. Paul, MN-WI	Implicit Price Deflator for
	State and Local Governments
1=100	Index numbers, 2009=100

382-84=100	382-84=1			
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																				3.26% average 1995-2014	2.99% average 2005-2014	2.31% average 2010-2014	2.08% average 2012-2014										
		4.08%	2.89%	4.66%	3.34%	4.84%	4.98%	3.48%	3.62%	2.56%	2.66%	2.72%	2.31%	2.19%	2.01%	3.97%	4.84%	3.47%	2.06%	3.49%	2.09%	2.65%	5.03%	5.24%	2.09%	-0.28%	2.71%	3.12%	1.95%	1.92%	2.23%	0.19%	
Ann	41.407	43.097	44.341	46.409	47,958	50.278	52.784	54.623	56.601	58.049	59.593	61.212	62,627	966*89	65.285	67,875	71,160	73.626	75,141	77.761	81,719	86.333	60.677	95,426	100,279	100.000	102.714	105.923	107.985	110.063	112,522	112.732	
Year	1984	1985	1986	1987	1988	1989	1990	1991	7661	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
																				2.43% average 1995-2014	2.06% average 2005-2014	2.31% average 2010-2014	1.67% average 2012-2014										
		3.78%	1.31%	2.95%	5.02%	4.10%	4.10%	2.68%	3.53%	3.11%	3.16%	2.37%	3.33%	2.30%	1.87%	3.16%	4.16%	3.76%	1.76%	1.73%	2.85%	2.77%	1.61%	2.57%	3.83%	-0.51%	1.85%	3.59%	2.33%	1.94%	1.40%	-0.62%	
Ann	103.10	107.00	108.40	111.60	117.20	122.00	127.00	130.40	135.00	139.20	143.60	147.00	151.90	155.40	158.30	163.30	170.10	176.50	179.60	182,70	187.90	193.10	196.20	201.25	208.96	207.89	211.73	219.34	224.46	228.81	232.01	230.57	
Year	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016