



Memorandum

Date: July 29, 2015
To: Mayor Keil and the Seguin City Council
From: John Foreman, Assistant Director of Planning and Codes
RE: Plan Review Fee

To cover the cost of managing and reviewing plans for compliance, the City currently charges a plan review fee in the amount of 50% of the building permit fee, which is based on the valuation of the project. When analyzing the fees for the recent Seguin High School project, staff observed that for the largest, most expensive projects, the plan review fee can be excessive when considering the services provided.

Staff researched how other communities assess the plan review fee. Many other smaller cities charge 50% of the building permit fee as Seguin does. Both Austin and San Antonio, where projects with greater value are more common, adjust their fees so that larger projects do not pay a disproportionately high fee. Staff proposes a similar structure for Seguin, with projects greater than \$5 million in value paying a reduced rate for the value over \$5 million.

Proposed Plan Review Fees (addition underlined):

Project valuation up to \$5 million – 50% of building permit fee

Project valuation over \$5 million – \$10,875 + \$0.50 per \$1,000 valuation over \$5 million

The table shows the proposed reduced fee, which is still higher than the fee charged by Austin and San Antonio because it recovers the cost to the City of the plan review service.

	Project Valuation				
	\$5 Million	\$6 Million	\$10 Million	\$20 Million	\$50 Million
Seguin Building Permit Fee	\$ 21,750	\$ 25,750	\$ 41,750	\$ 81,750	\$ 201,750
Seguin Plan Review Fee (current)	\$ 10,875	\$ 12,875	\$ 20,875	\$ 40,875	\$ 100,875
Seguin Plan Review Fee (proposed)	\$ 10,875	\$ 11,375	\$ 13,375	\$ 18,375	\$ 33,375
Austin Plan Review Fee	\$ 6,543	\$ 7,793	\$ 13,275	\$ 14,375	\$ 16,275
San Antonio Plan Review Fee	\$ 4,618	\$ 5,118	\$ 7,118	\$ 12,118	\$ 27,118