

# **CITY OF MILPITAS**

## **BUILDING SAFETY AND HOUSING DEPARTMENT**



## **NEW BUILDING PERMIT FEES**

**EFFECTIVE AUGUST 1, 2019**

BUILDING PERMIT, PLAN CHECK, AND INSPECTION FEES  
Are Being Implemented as part of a Comprehensive Fee Study.

If you have any questions, please contact the Building Safety and  
Housing Department at 408-586-3240

The citywide Master User Fee Schedule (Master Fee Schedule) which includes building permit, plan check, and inspection fees was last approved as a comprehensive document by the City Council in 2010. The Master Fee Schedule includes various service and user fees as well as fines and penalties. Since 2010, various departments have brought fee changes to the Council separately, however the impact of these fee changes were not considered during the annual budget process. This practice is not ideal since revenue assumptions in the budget did not align with the timing of the fee changes. Not having a consolidated and updated Master Fee Schedule also means that the public cannot find information about the current fees in an efficient and transparent manner. Furthermore, the fees have not been regularly evaluated to ensure alignment with the cost recovery targets outlined in the Municipal Code, Title IV, Chapter 3, Section 4.00.

On April 16, 2019, an evaluation on all fees related to development services was presented to Council. This included fees charged by Building, Planning, Engineering, and Fire. Based on the independent consultants report, and in accordance with the Municipal Code, staff recommended changes to the fees that will ensure 100% cost recovery.

The Master Fee Schedule includes all user and service fees, fines, and penalties. Under State law, fees must be approved by the legislative body, i.e. the City Council in a public hearing. The Master Fee schedule was adopted by the City Council on May 15, 2019 as Resolution #8873. Development Services fees go into effect on August 1, 2019.

The Building and Housing Department replaced a cumbersome and complicated fee structure, with a simplified and streamlined structure, and a new efficient methodology to calculate fees. The modifications included elimination of redundant categories, consolidation of permit categories, and expansion of categories to account for all building occupancy types. The Building and Housing Department is moving to full cost recovery as directed by City Council.

For new commercial and multi-family construction, numerous fixture calculations of fees for mechanical, electrical, and plumbing, were eliminated and replaced with a simplified structure with one plan check fee and one inspection / permit fee. The streamlining of the Building and Housing Department fee schedule results in a new fee schedule that is reduced in size by a third.