

**July 21, 2014**



**To: Mayor Bemrich and City Council**

**From: David Fierke, City Manager**

**Subject: Permit Surcharges to Support Development of a Comprehensive Plan**

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**ACTION: For vote Monday, July 28, 2014**

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**Brief History**

Staff discussed the benefits and needs of completing a comprehensive plan with Council in January 2014. In April, Council discussed and supported funding from a variety of sources to help cover a portion of the cost for such a plan. Funding is coming together and a Request for Qualifications has been distributed, therefore it is time to trigger the permit surcharge. This is just one of the funding sources for the development of the Comprehensive Plan.

**Analysis of Issue**

Staff recommends securing \$200,000 to support development of a comprehensive plan. A variety of internal sources have been identified in order to piece together nearly 40% of the cost, see table below. A portion of the internal funding was to be created by adding a surcharge for three years onto a variety of activities for which permits/fees are applicable through the Department of Business Affairs, Community Growth & Engineering. It is estimated the surcharge would raise a total of \$15,000 that would be invested into the development of a Comprehensive Plan. The surcharge would be \$5.00 for any fee \$100 or less. Fees over \$100 would have a \$10.00 surcharge added to them. The permits/fees that would have a surcharge include the following: building permits, site plans, variances, special exceptions, rezoning, and subdivisions. Attached are two slides from the April presentation showing the number of building permits in the two fee categories and the fees anticipated from the other categories listed above.

*Internal Funding Sources:*

<b>Source</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>Total</b>	<b>Notes</b>
Water utility	\$5,000	\$5,000		\$10,000	Approved in April.
Stormwater utility	\$5,000	\$5,000		\$10,000	Approved in April.
Sewer utility	\$5,000	\$5,000		\$10,000	Approved in April.
Permit surcharge	\$5,000	\$5,000	\$5,000	\$15,000	Supported in April, but not triggered.
Parks (Hotel/Motel)	\$10,000			\$10,000	Approved in budget.
SSMID	\$10,000			\$10,000	Approved in budget.
DART	\$10,000			\$10,000	Approved in budget.
				<b>\$75,000</b>	

External funding to cover approximately 60% of the cost is being sought. To date, several grants have been obtained: Community Foundation (\$20,000 with indication that we could request funding in the fall, originally \$40,000 was requested), Deardorf (\$5,000), and Smeltzer (\$5,000). A grant request has also been submitted to the Iowa DOT, Office of Aviation, for \$45,000. There has been no word on this request. Finally, the City expects to receive a grant from the Iowa DNR to assist in Riverfront development, protection and land use planning (\$90,000 with an expanded scope of including all of Webster County's riverfront).

While a Comprehensive Plan could be developed for less than \$200,000 this is not recommended. The scope of the project outlined in the Request for Qualifications is extensive. The potential impacts of proceeding with less funding could result in: a short-changing of the public process (leading to dissatisfaction with the end result), no detailed revisit of area plans like the Downtown Plan (plans become outdated without revisits; an individual effort would incur additional costs versus completing it along-side this proposed comprehensive plan effort), no prioritization or reality check of recommendations (for example a project could be identified with no funding sources available to support it), lack of analysis on potential growth (which helps identify needed/appropriate infrastructure, considers appropriate locations for uses, informs decisions for community facilities like fire stations, schools, etc.), and/or limited, if any effort to integrate city policies with outliers to quality of life.

### **Budget Impact**

The Comprehensive Plan is anticipated to require \$200,000 to develop. This investment is anticipated from a variety of funds, not including the General Fund. The table above notes what funds and whether they were budgeted. Investments under \$5,000 were not budgeted, but subsequently approved in April 2014.

### **Strategic Plan Impact**

Two initiatives from the FY14 Strategic Plan will progress if a comprehensive plan effort moves forward:

- Ensure zoning ordinances and subdivision ordinances support neighborhood development for target markets
- Resurrect the River Front Master Plan

### **Impact on Existing Plans**

The Comprehensive Plan is anticipated to include updates to area plans such as the Downtown Plan, Riverfront Plan, and Corridor Plan. They would likely be folded into one document: *Re-Envision 2030: Building on Community Progress to Achieve More, A Comprehensive Plan for Fort Dodge, Iowa.*

**Committee Review / Recommendation**

None at this time.

**Staff Conclusions / Recommendations**

It is staff's recommendation that a resolution be approved to immediately add surcharges to building permits, site plans, variances, special exceptions, rezoning, and subdivisions. The surcharge would be \$5.00 for any fee \$100 or less. Fees over \$100 would have a \$10.00 surcharge added to them.

**Alternatives**

Consider other sources of internal funding. Discuss whether to continue efforts to develop a comprehensive plan or not.

**Implementation and Accountability**

The Business Affairs, Community Growth & Engineering Department will add the surcharge, if approved, and continue working to obtain 60% of the funding for the comprehensive plan from external sources.

Signed



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Stephanie Houk Sheetz, AICP  
Senior Planner

Approved



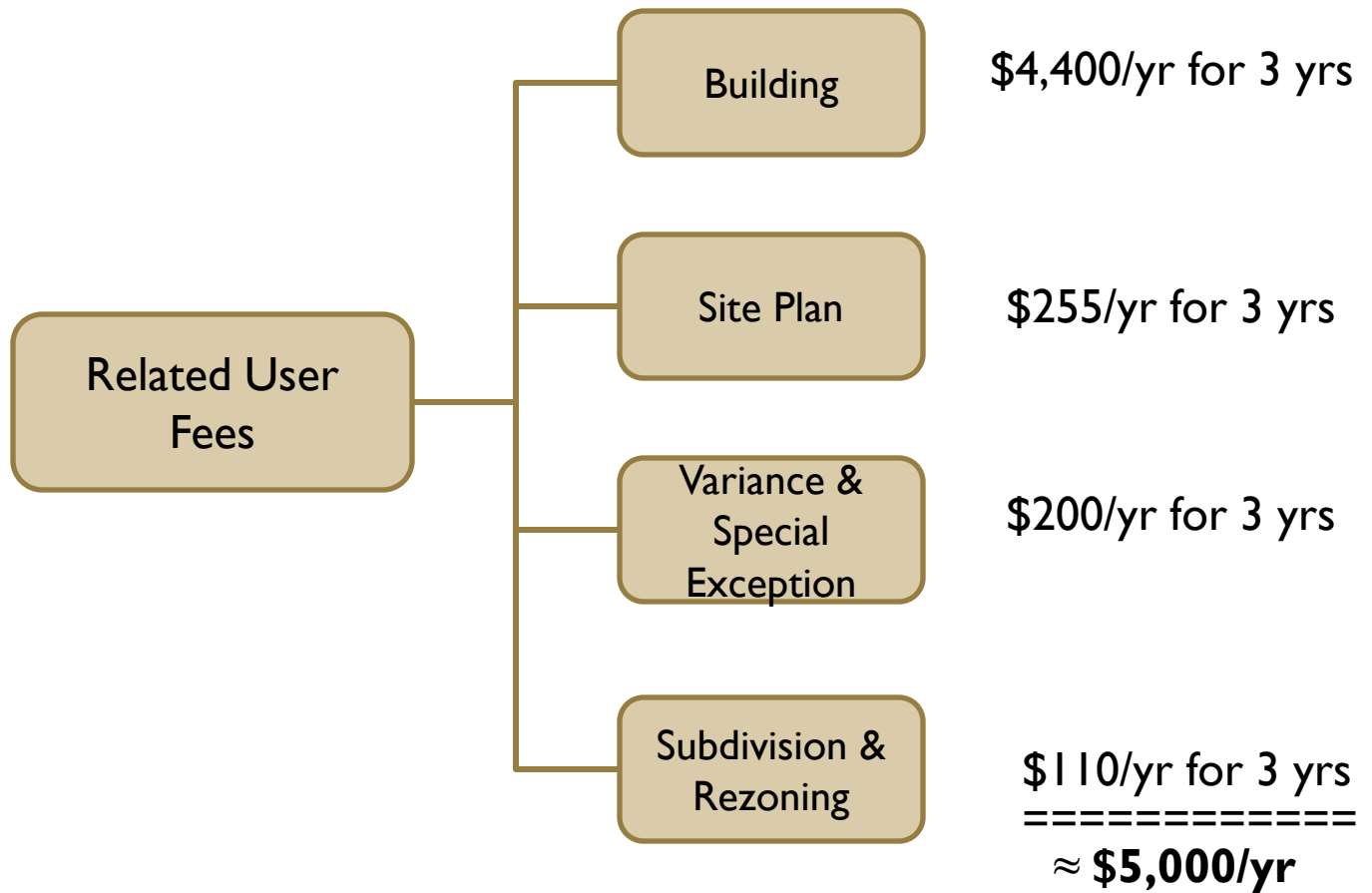
David R. Fierke  
City Manager

# Building Permit Proposal

3 years as follows:

Permit Fee	Frequency	\$5.00 surcharge	\$10.00 surcharge
\$0-49	108	\$540.00	
\$50-99	137	\$685.00	
\$100-499	255		\$2,550.00
\$500-699	11		\$110.00
\$700-999	13		\$130.00
\$1,000-1,999	21		\$210.00
\$2,000-4,999	13		\$130.00
\$5,000-9,999	5		\$50.00
\$10,000-49,999	2		\$20.00
\$50,000-99,999	0		\$ -
\$100,000+	0		\$ -
	<b>565</b>	<b>\$4,425.00</b>	

# Overall Department Surcharges



**\$15,000 total**

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION SUPPORTING ADDING A SURCHARGE TO PERMIT FEES  
FOR THE PURPOSE OF INVESTING IN A COMPREHENSIVE PLAN

**WHEREAS**, a comprehensive plan was last developed for the City in 1970; and

**WHEREAS**, Envision 2030, developed in 2007, currently serves as the City's guiding document; and

**WHEREAS**, it is recommended that plans be revisited every five to ten years to remain relevant to the community; and

**WHEREAS**, the FY14 Strategic Plan identifies a couple actions that either first require development of a comprehensive plan or could be addressed through development of such a plan; and

**WHEREAS**, to develop a meaningful and detailed comprehensive plan that includes a revisit to the Downtown Plan, Riverfront Plan, and Corridor Plan it is estimated an investment of \$200,000 will be required; and

**WHEREAS**, the City has approved a variety of internal sources to support the investment needed to develop a Comprehensive Plan; and

**WHEREAS**, the City continues to secure external funding to support the cost of developing the comprehensive plan; and

**WHEREAS**, it is evident that the necessary funding can be assembled; and

**WHEREAS**, the City has distributed a Request for Qualifications to initiate selection of a consultant to develop a Comprehensive Plan,

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Fort Dodge, Iowa, as follows:

1. Surcharges will be applied to building permits, site plans, variances, special exceptions, rezoning, and subdivisions.
2. Surcharges will be effective immediately and continue through December 31, 2017.
3. The amount of the surcharge will be as follows:
  - i. \$5.00 for any permit/fee of \$100 or less.
  - ii. \$10.00 for any permit/fee over \$100.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FORT DODGE, IOWA,  
THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2014.

Aye: \_\_\_\_\_

Nay: \_\_\_\_\_

Other: \_\_\_\_\_

City of Fort Dodge

Attest:

By: \_\_\_\_\_  
Matt Bemrich, Mayor

\_\_\_\_\_  
Jeff Nemmers, City Clerk