Expedited Building Plan Review Program Cost of Services (User Fee) Study

FINAL REPORT

CITY OF AUSTIN, TEXAS



February 2017

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1. EXECUTIVE SUMMARY

The Matrix Consulting Group was retained by the City of Austin to calculate the cost of services associated with Expedited Building Plan Review Program. This report was designed to provide an overview of the expedited plan review process and the total cost analysis, and summarizes our findings, conclusions, and recommendations.

1. OVERVIEW OF THE STUDY

The City of Austin has been authorized to implement an Expedited Building Plan Review Program to issue expedited building plan review permits. The purpose of the program is to provide a streamlined building plan review process that enables applicants, and their qualifying projects, to receive a single review session, for a building plan review, from all relevant disciplines simultaneously. This program only applies to specific commercial and residential projects. Part of the implementation of this program is ensuring that the fee structure fully recovers the costs associated with providing this premium service. The purpose of this study is to provide an overview of how the fee structure and total cost of the Expedited Building Plan Review program was developed.

This report provides specific recommendations to improve the process of the Expedited Building Plan Review Program. By conducting this study, the City of Austin is committed to a process of continuous improvement for its services. Implementing the recommendations contained in this report will aid the Development Services Department in implementing a fee structure and fees that accurately represent the level of service provided through the Expedited Building Plan Review Program process.

2. STUDY SCOPE AND METHODOLOGIES

In this study, the Matrix Consulting Group's project team utilized a wide variety of data collection and analytical techniques. The project team conducted the following data collection and analytical activities:

- Developed an in-depth understanding of the key issues impacting the expedited plan review process. To evaluate the process, the Matrix Consulting Group conducted interviews with all employees involved in the process.
- Developed a profile of the expedited permitting process. The Matrix Consulting Group conducted interviews with staff involved to document the proposed organization and structure of the process. This document was utilized as a "base" point for developing the cost analysis.
- Calculated the total cost associated with providing expedited plan review services to applicants at a premium level, including analyzing service delivery alternatives.

 Conducted further analysis regarding development and implementation of a proposed fee structure for the Expedited Building Plan Review Study.

The objective of the study was to examine the proposed Expedited Building Plan Review Program, identify the total cost associated, and develop a fee structure for the program.

3. SUMMARY OF RESULTS

Based on the project team's assessment and analysis, there are a variety of recommendations for the Development Services Department that are discussed in detail throughout this report as it relates to the process and implementation of the Expedited Building Plan Review Program. These recommendations have been consolidated into the following table.

| # | Recommendations |
|------|---|
| Prop | osed Expedited Building Plan Review Process |
| 1 | The Development Services Department, prior to implementation of the Expedited Building Plan Review Program, should develop a formalized procedure for the Expedited Building Plan Review Program. This formalized procedure should include the following elements: - Eligible Projects: Notification to developers of the eligible projects along with requirements for a complete plan check submittal should be posted on the DSD website and on a brochure in the Development Assistance Center, Service Center, and other customer common areas. - Fee Structure & Application: Define the fees to be paid for intake / Completeness Check and when that fee will be assessed compared to the fees paid for the expedited plan review process and when those fees will be assessed. - Scheduling: When and how the Expedited Building Plan Review meetings are to be scheduled (including minimum time blocks and additional meetings). - Permit Expectations: It should be made clear to the applicant that while the goal is to receive the |
| | building permit at the end of the meeting (whether two or four-hour blocks) there is the possibility for additional meetings as necessary to complete the review process. Identifying and clarifying these steps in the process will help ensure a smooth implementation for the Expedited Building Plan Review Program as well as clarify expectations for staff internally and |
| | applicants externally. |
| Serv | ice Level |
| 2 | The Expedited Building Plan Review Program should set a level of service that any re-review that is less than an hour, is included within the initial Expedited Building Plan Review; but anything beyond an hour should be scheduled and assessed the appropriate Expedited Building Plan Review fee. |
| 3 | The Expedited Building Plan Review Program staff should have access to digital plan review software and Smartboards to implement any revisions in real-time. |

| # | Recommendations | | | | | | |
|------|--|--|--|--|--|--|--|
| Loca | Location | | | | | | |
| 4 | Expedited Building Plan Review staff should be co-located to allow for greater communication throughout the review process. | | | | | | |
| Staf | fing Levels | | | | | | |
| 5 | The Department should implement one Strike team initially, at one individual per discipline and when two Strike Teams are implemented they should have three individuals per discipline. This long-term scenario will ensure that the expedited level of service is constantly available to applicants without impacting the level of service provided in regular plan review. | | | | | | |
| Prop | posed Fee Structure | | | | | | |
| 6 | The intake fee should be collected at the time of application submission and should be based on two hours of the Completeness Check hourly rate. | | | | | | |
| 7 | The residential Expedited Building Plan Review fee should be scheduled in two-hour time blocks and any additional reviews should be charged on an hourly basis based upon the necessary disciplines required for the review. | | | | | | |
| 8 | The commercial Expedited Building Plan Review fee should be scheduled in four-hour time blocks and any additional reviews should be charged on an hourly basis based upon the hourly rate of the disciplines that require additional review. | | | | | | |

The initial Expedited Building Plan Review program proposed a per discipline hourly rate fee structure. The project team calculated the per discipline hourly rate for each of the disciplines, including direct costs (salaries and benefits) and indirect costs (departmental and citywide overhead). The following table shows by discipline the fully burdened hourly rate, with disciplines that are required for residential review shaded in grey.

| Discipline | Fully Burdened Hourly Rate |
|---------------------|----------------------------|
| Building | \$163.16 |
| Mechanical | \$163.16 |
| Electrical | \$163.16 |
| Plumbing | \$163.16 |
| Zoning | \$163.16 |
| Arborist | \$153.99 |
| Structure | \$199.71 |
| Energy | \$163.16 |
| Fire | \$199.71 |
| Health / Ind. Waste | \$137.84 |
| Water | \$160.32 |

Based on the table above the per discipline hourly rate fee structure would vary from a low of \$138 / hour to a high of \$200 / hour.

Recommendation number five relates to the staffing of Strike team(s) for the Expedited Building Plan Review Program. The Department has indicated that its original intention is to staff the Strike team with one position per discipline (Proposed Fee); however, the project team has identified several issues with this and is recommending that when staffing the second strike team, the City should hire two individuals per

discipline, resulting in two strike teams with three individuals per position (Long-Term fee).

The following table provides a summary of the results for the Expedited Building Plan Review Program comparing the Proposed and Long-Term Scenarios, including total cost and base fees for Completeness Check, Residential Review, and Commercial Review.

| Category | Proposed Fee (1 Person / 1 Team) | Long-Term Fee (3 People / 2 Teams) |
|--------------------|----------------------------------|------------------------------------|
| Total Cost | \$2,419,930 | \$6,563,967 |
| Completeness Check | \$488 | \$819 |
| Residential Review | \$1,098 | \$1,474 |
| Commercial Review | \$1,708 | \$2,293 |

Based upon the table above the project team recommends that while in the short-term for Strike Team 1 the City implement the proposed fee, when it implements Strike Team 2 it should implement the long-term fee. The flat fees would be applied for the hourly blocks and the per discipline per hourly assessed for any follow-up. The following report provides further detail regarding the cost of service analysis conducted for the Expedited Building Plan Review Program.

2. PROFILE OF EXPEDITED BUILDING PLAN REVIEW PROGRAM

This chapter focuses on analyzing the proposed operations of the Expedited Building Plan Review Unit. While the Expedited Building Plan Review Unit will provide Preliminary Plan Review and Quick Turn-Around services, the primary focus of this report is evaluating the Expedited Building Plan Review Program. As part of the evaluation process, there will be a focus on identifying issues and providing recommendations, including alternatives to the proposed operational system and modifications to processes. This analysis will take into account the customer service needs and expectations of the Expedited Building Plan Review Program.

1. EXPEDITED BUILDING PLAN REVIEW PROGRAM UNIT - INTRODUCTION & BACKGROUND

The City of Austin's Development Services Department is proposing to institute an Expedited Building Plan Review Unit. The proposed start date of this unit is March 1, 2017. The goal of this unit is to provide three distinct services: Preliminary Plan Review, Quick Turnaround, and Expedited Building Plan Review. The following subsections discuss in more detail the Preliminary Plan Review, the Quick Turnaround Program, the proposed process of the Expedited Building Plan Review Program, the service level of the unit, and its intended location.

(1) Preliminary Plan Review Process

The Development Services Department already offers a preliminary plan review service, typically for commercial projects only. The intention is that the Preliminary Plan Review Program will be expanded to include residential projects. Development projects that will be eligible for Expedited Building Plan Review will also be eligible for Preliminary Plan Review.

The purpose of the Preliminary Plan Review is to present any initial concerns about the development project that might hinder the plan review and inspection process of a given project. It is intended to be a quick consultation-type service with the same positions that would be reviewing the completed plans during the regular or expedited plan review process. The Preliminary Plan Review service is scheduled in two-hour blocks of review, with a minimum fee of one hour. The goal of the program is to provide applicants with consultation and advice to assist the applicant in developing the most complete plans for submittal during the plan review process (regular or expedited).

Going through the Preliminary Plan Review process will provide several advantages and benefits for the applicant and the Department, such as a higher proportion of plan reviews will be accepted if they go through the preliminary plan

review process. Additionally, going through the Preliminary Plan Review process will result in reduced hours during the Expedited Building Plan Review Program process.

(2) Quick Turn-Around (QTA)

Similar to the Preliminary Plan Review program, the Quick Turn-Around Program is already established by the Development Services Department. Currently, the Quick Turn-Around Program is applicable for the following types of projects:

- Tenant finish-outs and interior remodel projects of up to 5,000 sq. ft. (No hazardous materials used).
- Exterior remodels that do not increase sq. ft. or height beyond 6 ft.
- Any other project authorized by the Building Official.

The QTA program is currently limited to building plan review only, even if the need for plumbing, mechanical, or electrical plan review exists. While the primary QTA program will remain in the Development Services Department for day-to-day operations, the Expedited Building Plan Review team will provide regular assistance for the QTA program. This assistance will include expanding the review from building only to include the trade disciplines mechanical, electrical, and plumbing. The addition of these disciplines to the program will eliminate the need for the trade disciplines to conduct plan reviews in the field while conducting building inspections for QTA projects.

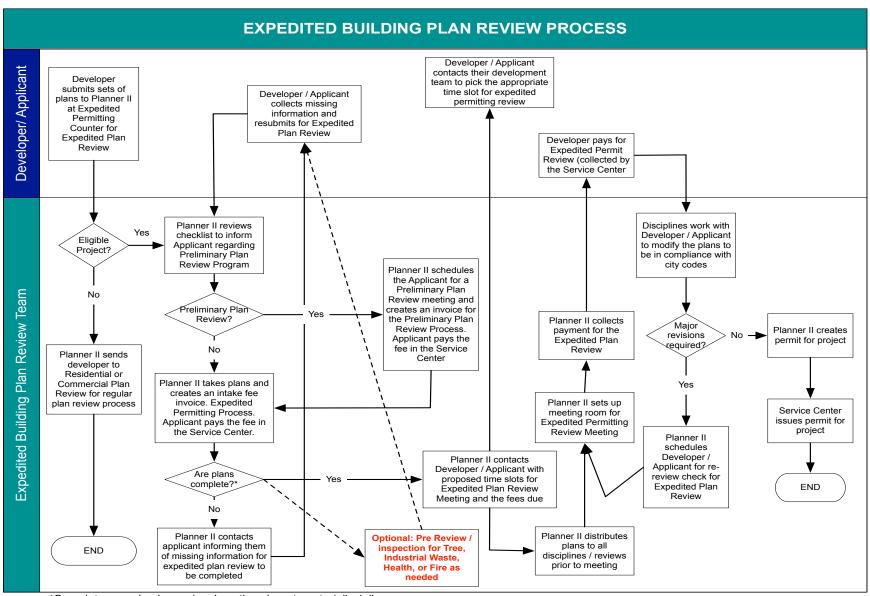
(3) Proposed Expedited Building Plan Review Process

The goal of the expedited permitting program is to provide quick, efficient, and streamlined plan review services to the applicant. This is intended to be a premium service that will enable the applicant to receive their building plan review permit in a shorter timeframe comparative to the regular plan review process.

The project team interviewed City staff to discuss the proposed process for completing the Expedited Building Plan Review process. The primary purpose of the Expedited Building Plan Review program is to involve all relevant review disciplines within and outside the Building Division simultaneously in the review process; thereby eliminating the additional time and inefficiency associated with routing plans back and forth between reviewers and applicants. This process would require that all interested parties (reviewers, design professionals, and developers) be present during the plan review process.

The process includes a separate intake area from Residential and Commercial Plan Review. This area will be devoted to the Expedited Building Plan Review Program to conduct application intake, to check eligibility of the project and to schedule the permitting review time for the Expedited Building Plan Review Program.

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|--------------|---------------------|------------|----------|-----------|-----|--------------------------|-----------|----------|------|
| The f | flowchart, cess. | which | follows, | shows | the | proposed | Expedited | Building | Plan |
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^{*}Completeness check may involve other departments / disciplines as necessary

As the flowchart indicates, there are several key components of the Expedited Building Plan Review program that need to be discussed. The following points highlight each of the key process steps:

- 1. Eligibility Determination: Not every commercial or residential project will be eligible for the Expedited Building Plan Review Program. Currently, the City has posted the list of eligible projects on the Expedited Permitting website, and this same list should also be available at the Development Assistance Center, Commercial Plan Review, and Residential Plan Review.
- 2. Preliminary Plan Review: During the eligibility determination process, the Planner II should inform the Applicant regarding the Preliminary Plan Review Program, including all of the benefits. At this point, for the majority of projects, the Planner II should schedule the applicant for a Preliminary Plan Review Meeting (two-hour block).
- 3. Completeness Check: The intake position will review all plans submitted to ensure that they are complete. The position will need to ensure that not only are the building plans complete, but that if there are any supplemental reports related to Health, Water, and structural conditions, that those reports are also submitted. The position will determine if a review, site visit, or meeting must occur prior to the expedited review meeting for Industrial Waste, Fire, or Tree review. A completeness check or intake fee will be collected to account for the services associated with reviewing the completeness of the plans. It is proposed that the Completeness Check be completed within one business day of submittal. This means that if the plans are submitted by Friday, the applicant should be notified by close of business on Monday if those plans are complete and ready for the Expedited Building Plan Review Program process.
- 4. Scheduling: Once the applicant is notified that they have complete plans, the intake position will schedule the applicant for Expedited Building Plan Review. All permit reviews will be scheduled in two-hour time blocks. Residential Plan Reviews will be two-hour blocks and four-hour minimum blocks for commercial plan reviews. The applicant will then be provided with potential dates and time blocks to gather the appropriate team to be in attendance at the meeting. It is proposed that the meeting will be scheduled within 10 days after the completeness check unless requested at a later date by the applicant.
- 5. Payment: Payment of the Expedited Building Plan Review Process should be collected prior to the scheduled Expedited Plan Review meeting. The payment will be based on the minimum two or four-hour block for commercial and residential review along with any additional two or four-hour block meetings that are required to complete the plan review process.
- **6. Pre-Expedited Review Meeting Site Visit, Review, or Meeting:** A pre-review may be conducted for the Fire, Tree, Health, and Industrial Waste review disciplines that

require a substantial amount of time (eight hours or longer). A site visit may be performed by the Tree, Health, or Industrial Waste review discipline if required. If corrections need to be brought to the Expedited Review Meeting, this will be communicated to the Project Applicant, and the meeting date will be adjusted accordingly to the time required by the Project Applicant to make the corrections.

- 7. Expedited Building Plan Review Meeting: During the plan review meeting all relevant disciplines will be represented along with any relevant project members from the applicant's team. Revisions to the plans will be made during the meeting to ensure compliance with relevant codes and standards. The intention is that at the end of the meeting, the applicant (in the majority of situations) will leave with a building plan review permit. If necessary or required there might be the need for additional plan review meetings prior to permit issuance.
- **8. Permit Issuance:** Once all fees have been paid and upon completion of all reviews, and submittal and acceptance of final plans, the applicant will be issued a permit to begin construction.

As the points above indicate, there are several steps in the Expedited Building Plan Review Process. As the program is in its development stage, the process steps are still being finalized. A clear process should be identified and developed prior to implementation of the Expedited Building Plan Review Program. The process should include setting service level goals (24-hour Completeness Check turnaround), scheduling plan review appointments (at initial intake or after Completeness Check has been completed), and scheduling additional meetings as necessary. All of these factors should be formalized in written policies and procedures.

Recommendation #1: The Development Services Department, prior to implementation of the Expedited Building Plan Review Program, should develop a formalized procedure for the Expedited Building Plan Review Program. This formalized procedure should include the following elements:

- Eligible Projects: Notification to developers of the eligible projects along with requirements for a complete plan check submittal should be posted on the City's website and on a brochure in the Development Assistance Center, Service Center, and other customer common areas.
- Fee Structure & Application: Define the fees to be paid for intake / Completeness Check and when that fee will be assessed compared to the fees paid for the expedited building plan review process and when those fees will be assessed.
- Scheduling: When and how the Expedited Building Plan Review meetings are to be scheduled (including minimum time blocks and additional meetings).

- Permit Expectations: It should be made clear to the applicant that while the goal is to receive the building plan review permit at the end of the meeting (whether two or four-hour blocks) there is the possibility for additional meetings as necessary to complete the review process.

Identifying and clarifying these steps in the process will help ensure a smooth implementation for the Expedited Building Plan Review Program as well as clarify expectations for staff internally and applicants externally.

(4) Service Level

While many other jurisdictions offer expedited plan review or expedited inspection services, those are typically offered after-hours and still go through the same process as a regular plan review or regular inspection. The intention of the Expedited Building Plan Review Program is to provide a premium level of service to the applicants for building plan review services.

As discussed in the prior section, the primary manner in which the program sets itself apart from many of the other expedited services is that there will be specific staff devoted to the Expedited Building Plan Review Program. These staff will not only just be from the Development Services Department (Building, Plumbing, Mechanical, Electrical, Structural, Energy, Trees, and Zoning), but will encompass all other disciplines that review building plans - Health, Water, and Fire.

The hours of operation for the program are currently intended to be the standard hours of operation for the Commercial and Residential Review, Monday-Friday 8 a.m. -5 p.m.

In addition to hours of service, the level of service for the Expedited Building Plan Review program implies that the plan review will be completed in one initial meeting. The expectation is that all major revisions will be addressed in a single review meeting. If at the end of the meeting there is the need to provide new plans (due to markups on current plans) an additional minor review is required (an hour or less); that review level is incorporated in the Expedited Building Plan Review program. However, if there is a need for an additional meeting those will be charged at the appropriate structure for those additional plan reviews to ensure that the plan review is completed (minimum two-hours Residential and four-hours for Commercial).

The premium service level for the Expedited Building Plan Review Program includes accessibility to digital plan checking software as well as access to Smartboards to implement the revisions in real-time to the plans submitted for plan review. The extended hours of service, built in re-review, and technology accessibility set the Expedited Building Plan Review program apart from the regular plan review services and identify it as a "premium" level of service for applicants.

Recommendation #2: The Expedited Building Plan Review Program should set a level of service that any re-review that is less than an hour, is included within the initial Expedited Building Plan Review; but anything beyond an hour should be scheduled and assessed the appropriate Expedited Building Plan Review fee.

Recommendation #3: The Expedited Building Plan Review Program staff should have access to digital plan review software and Smartboards to implement any revisions in real-time.

(5) Location

As previously discussed, the Expedited Building Plan Review Program will be located separately from the Development Assistance Center, Commercial Plan Review, and Residential Plan Review. The Program will have its own intake area and conference rooms where the expedited review meetings will occur. Additionally, all staff included in the Expedited Building Plan Review Program should be located in the same building as Commercial Plan Review and Residential Plan Review. This will enable greater collaboration among disciplines as necessary for the Program.

Recommendation #4: Expedited Building Plan Review Program staff should be co-located to allow for greater communication throughout the review process.

2. ELIGIBLE PROJECTS FOR THE EXPEDITED BUILDING PLAN REVIEW PROGRAM

Not all development projects will be eligible for the Expedited Building Plan Review Program. Both residential and commercial projects will have to meet specific criteria to be eligible for the Expedited Building Plan Review Program. The following sections address these eligibility requirements for both types of projects.

(1) Commercial Projects

The major types of commercial projects that are eligible for Expedited Building Plan Review are Assembly buildings, Businesses, Remodels, Hotels, Motels, Educational buildings, Hospitals, Institutional Buildings, Retail Stores, Restaurants, Music & Cultural Venues, and Multi-Family buildings. The following table shows, by occupancy type, the commercial projects eligible for the Expedited Building Plan Review Program and the average volume of those projects over the last five years.

| Project Type | Annual Volume ¹ |
|--|----------------------------|
| Amusement, Social, & Recreational Buildings | 10 |
| Churches & Other Religious Buildings | 7 |
| Office, Bank, & Professional Buildings | 33 |
| Other Non-housekeeping shelter | 6 |
| Commercial Other Non-Resident Building | 181 |
| Addition, Alteration, Conversion Non-Residential | 110 |

¹ The annual volume is calculated by taking the average of five years of workload statistics for the different project types.

| Project Type | Annual Volume ¹ |
|---------------------------------------|----------------------------|
| Commercial Remodel | 3,364 |
| Commercial Finish Out | 408 |
| Commercial Remodel & Finish Out | 3 |
| Hotels, Motels, & Tourist Cabins | 7 |
| Schools & Other Educational Buildings | 20 |
| Industrial Buildings | 13 |
| Stores & Customer Services | 48 |
| Three & Four Family Buildings | 37 |
| Five or More Family Buildings | 137 |
| Parking Garage Building & Open Dock | 21 |
| Service Station & Repair Garage | 5 |
| TOT | AL 4,410 |

As the table shows, annually there are approximately 4,410 commercial projects that could be eligible for the Expedited Building Plan Review Process.

There is another unique requirement for commercial projects that are eligible for the Expedited Building Plan Review Program. This eligibility is associated with worker protection standards; the requirements were approved by the Austin City Council in the form of a Resolution (No. 20160910-029). The worker protection standard is only applicable to commercial projects that exceed 75,000 square feet in size or \$7.5 million in dollar value. Commercial projects that meet the size or valuation criteria listed above will provide the City of Austin with a Better Builder Certificate verifying that the applicant is working with a third-party to meet worker protection standards.

The developer's adherence to meeting these worker protection standards will be monitored by a third-party who will be at the construction site.

Overall, commercial projects will be reviewed during the Expedited Buidling Plan Review process by the following disciplines: Building, Plumbing, Mechanical, Electrical, Zoning, Structural, Energy, Fire, Health, and Water.

(2) Residential Projects

The Expedited Building Plan Review program in Austin is unique in that it is the only city that will perform expedited plan review for residential projects as part of its Expedited program. Similar to commercial projects, not all residential projects are eligible for the Expedited Building Plan Review Program. Eligible projects include condominiums, duplexes, residential remodels, townhomes, accessory units / secondary apartments, and single-family homes. The following table shows by project type the residential projects eligible for the Expedited Building Plan Review Program and the average volume of those projects over the last five years.

| Project Type | Annual Volume ² |
|--|----------------------------|
| Accessory Use to Primary | 126 |
| Two Family Buildings (Duplex) | 88 |
| Resident Other Non-Resident Building | 1 |
| Residential Structures other than Building | 499 |
| Residential Garage / Carport Addition | 140 |
| Residential Retaining Wall | 30 |
| Addition & Alterations | 1,175 |
| Renovations / Remodel | 3,599 |
| Addition to Increase Housing Units | 4 |
| Secondary Apartment | 59 |
| Single-Family Houses | 2,223 |
| TOTAL | 7,944 |

As the prior table shows, there are on average approximately 7,944 projects eligible for Residential Expedited Building Plan Review. The review disciplines that will be involved in the Residential Expedited Building Plan Review program are Building, Zoning, Structural, Fire, and Arborist.

3. DISCIPLINES INVOLVED IN EXPEDITED BUILDING PLAN REVIEW PROCESS

There are a total of eleven disciplines that are involved in the Expedited Building Plan Review Process: Eight are within DSD (Building, Mechanical, Electrical, Plumbing, Zoning, Structural, Energy, and Arborist Program) and three are outside of DSD (Fire Prevention, Environmental Health Services, and Austin Water Utility). These reviews help protect public health and safety, and provide minimum safeguards for people at homes, schools, and workplaces by ensuring compliance with national, state, and local codes and ordinances. The following subsections discuss the review type for each of these review types:

(1) Building

Building plan review is responsible for reviewing Residential and Commercial construction plans for compliance with the International Building and Residential Codes. Commercial and Residential plan review looks at technical reviews of building plans for compliance with current building codes.

(2) Mechanical

The Mechanical plan review discipline looks at commercial plans to ensure full compliance with state mechanical codes for new construction, additions, and alterations. Mechanical plan review focuses on the safety of heating, ventilation, and air conditioning systems. The major issues addressed in these reviews relate to fuel burning appliances, cooling systems, heating systems, appliance venting, location and protection of appliances, and other such issues.

² The annual volume is calculated by taking the average of 5 years of workload statistics for the different project types.

(3) Electrical

The Electrical plan review discipline looks at commercial plans to ensure full compliance with the National Electrical Code for new construction, additions, and alterations. Electrical plan review focuses on installations (voltages, connections, markings, etc.), circuits and circuit protection, methods and materials for wiring (wiring devices, conductors, cables, etc.), and general-purpose equipment (cords, receptacles, switches, heaters, etc.).

(4) Plumbing

The Plumbing plan review discipline looks at commercial plans to ensure full compliance with the adopted Plumbing Code for new construction, additions, and alterations. Plumbing plan review focuses on protecting public health and safety in buildings for all water and wastewater related design, installation and inspection. The major issues addressed in these reviews relate to water heaters, anti-scalding devices, backflow prevention methods, water pipe sizing and many other such issues.

(5) Zoning

Residential Zoning plan review ensures projects are constructed in accordance with the appropriate zoning requirements in the Land Development Code, and meet special conditions such as Residential Design and Compatibility Standards (McMansion) or Neighborhood Conservation Combining Districts (NCCD) regulations. Commercial Zoning plan review verifies compliance with the Land Development Code 25-2 Subchapter E and that the construction documents match the approved Site Plan or Site Plan Exemption.

(6) Structural

Similar to Plumbing, Electrical, and Mechanical reviews, the Development Services Department has a separate review process for structural integrity. The structural review consists of reviewing structural plans submitted during the plan review process for framing, foundation of the buildings, and evaluating the overall skeleton / structure of the building.

(7) Energy

The Energy discipline, as part of Development Services, reviews commercial plans for compliance with the Energy Code, Austin Energy guidelines, and ASHRAE standards. These reviews ensure that a building's structure, as well as the mechanical, electrical, and plumbing components are energy efficient, and meet sustainability goals.

(8) Arborist Program

The City Arborist Program reviews development plans for compliance with urban forest preservation and replenishment regulations. City Arborist staff will only review residential plans as part of expedited review as commercial and industrial properties are reviewed via the site plan review process. The City Arborist Program reviews will likely include a site and tree assessment or verification during the expedited review.

(9) Fire Prevention

The Fire Prevention Division of the Fire Department is responsible for fire safety features of new and renovated commercial or multi-family buildings. Plan reviews look at fire access roads, hydrant placement, smoke control and ventilation, and egress systems. Additionally, these reviews ensure that National Fire Protection Association standards are met. There is the possibility that as part of the Fire Prevention discipline review, certain projects will require a Hazardous Materials Review. If this review is required there will be a need for a Hazardous Materials Review in addition to the Fire Prevention Review. This Hazardous Material review should be billed at the hourly rate for the Hazardous Materials Review Engineer.

(10) Environmental Health Services

The Environmental Health Services (EHS) division of the Austin Public Health Department is responsible for ensuring compliance with public health codes, including food safety, waste disposal, and pool safety. EHS reviewers would look at commercial plans only when the proposed occupancy includes food preparation, food storage, or point of sale. Multi-family development (triplex or greater) that includes public pools would need to be reviewed for filtration and fencing requirements. Depending on the proposed project, staff may need to do a site visit in order to provide accurate comments or final plan approvals.

(11) Austin Water Utility

The Special Services Division of the Austin Water Utility administers and enforces Cross Connection Control / Water Protection and Industrial Waste Control / Pretreatment programs. Austin Water plan reviews of commercial projects are meant to ensure safeguards are in place to protect the public water system from contamination hazards. Pretreatment plan reviews of commercial projects help safeguard the quality of wastewater discharged into the City's wastewater system by ensuring that local, state, and federal regulations are met. Depending on the proposed project, staff may need to do a site visit in order to provide accurate comments or final plan approvals.

4. STAFFING LEVELS OF THE EXPEDITED BUILDING PLAN REVIEW PROGRAM

The Development Services Department is proposing a Strike team staffing model. The following table shows the proposed staffing of the Strike Team by discipline / functional area.

| Department | Discipline | Position Title | Positions |
|----------------------|---------------------|--|-----------|
| DSD | Administrative | Development Services Manager | 1 |
| DSD | Administrative | Chief Plans Examiner | 1 |
| DSD | Administrative | Planner II | 1 |
| DSD | Administrative | Business Process Specialist | 1 |
| DSD | Building | Engineering Associate C | 1 |
| DSD | Mechanical | Engineering Associate C | 1 |
| DSD | Electrical | Engineering Associate C | 1 |
| DSD | Plumbing | Engineering Associate C | 1 |
| DSD | Zoning | Planner, Senior | 1 |
| DSD | Arborist | Environmental Review Specialist, Sr | 1 |
| DSD | Structure | Engineer - C | 1 |
| DSD | Energy | Engineering Associate C | 1 |
| Fire | Fire | Engineer - C | 1 |
| Health & Human Svc | Health / Ind. Waste | Environmental Health Officer III | 1 |
| Watershed Protection | Water | Pretreatment Compliance Specialist Sr. | 1 |

As the table shows, the Department is initially only proposing one individual per discipline or review area, with the caveat that if volume increases significantly another Strike team should be hired.

There are several issues regarding utilizing a baseline staffing of one in the Expedited Building Plan Review Program. One individual per discipline does not take into account if that individual is on vacation, sick, training, or is being over-utilized between the three program areas (Preliminary Plan Review, Quick Turn-Around, and Expedited Building Plan Review). While the Development Services Department has proposed the solution of flexing staff from the regular plan review teams or other departments / divisions as needed, there are several issues with that solution. The following points outline some of those key issues:

- Utilization of regular plan review staff reduces the time that those staff have available to conduct plan reviews for projects that are not utilizing Expedited Building Plan Review Program services. As such, it penalizes those applicants that are going through the regular plan review process, by delaying their review turnaround times.
- There is already an established team dynamic within the Expedited Building Plan Review Program and that team dynamic would have to be constantly adjusted or shifted as a result of new individuals being flexed in and out as necessary.
- While staff within DSD might be able to flex in and out of regular plan review to provide support to the Expedited Building Plan Review process, the implication is

that other Departments (Fire, Health, and Water) also have additional staff that are available to flex on as-needed basis.

As the points above outline, one individual / position per discipline is insufficient to meet the needs of the Expedited Building Plan Review Program. Therefore, the project team is proposing that in the long-term when the Department implements a Strike Team 2, two positions per discipline are hired (Long-Term). The two positions per discipline are more reflective of best management practices for staffing a team. Therefore, for two strike teams, there will be a total of three individuals per position, with one individual available to flex between the two different strike teams. The extra individual per position provides several benefits, discussed as follows:

- Coverage for other individuals that are out either due to sick, vacation, training, or other types of leave. There is no danger of the inability to meet applicant needs due to lack of staff availability.
- Ability to schedule concurrent expedited review sessions, if all individuals necessary are present.
- Additional support to provide full service Preliminary Plan Review and Quick Turn-Around through the Expedited Building Plan Review Service.

As the points above suggest, the utilization of three individuals per discipline enables for a complete Strike team in the long-term.

The primary assumption of the Expedited Plan Review Program is that the majority of eligible projects in the Commercial category will take advantage of the program. Based upon information provided in the previous section there are approximately 4,410 projects eligible on an annual basis. The project team utilized the assumption of four-hour blocks of review, and based upon this assumption, the maximum number of commercial projects that could be completed by one strike team would be 330 commercial projects. This represents approximately 7% of all eligible commercial projects.

However, the department has also proposed providing residential expedited plan review services and depending upon the staffing scenarios the project team calculated the maximum number of residential project reviews that could occur. Under the proposed staffing of a singular Strike team the Strike team would be unable to process any residential permits if it maxes out at 330 commercial projects.

Recommendation #5: The Department should implement one Strike team initially, at one individual per discipline and when two Strike Teams are implemented they should have three individuals per discipline. This long-term scenario will ensure that the expedited level of service is constantly available to applicants without impacting the level of service provided in regular plan review.

5. BENEFITS OF THE EXPEDITED BUILDING PLAN REVIEW PROGRAM

The primary beneficiary of the Expedited Building Plan Review Unit is the applicant, as they will receive their building plan review permit in a quicker timeframe. Additionally, there are several benefits of the Expedited Permitting Program for the City. These benefits include:

- More efficient review process that could be translated to the regular review process.
- Inspections that are quicker as the project will have been reviewed comprehensively prior to issuance of expedited plan review permit.
- Staff can be utilized to work on Preliminary Plan Review, Quick Turnaround, or within their own departments as support on an as-needed basis.
- A comprehensive approach to plan review that distributes knowledge among the work groups, including knowledge regarding how the disciplines inter-affect each other.
- Utilizing the program as the basis for implementing new changes to development practices such as encouraging electronic submittals of applications and plans.

The points discussed above suggest that implementing the Expedited Building Plan Review Program will not only benefit applicants, but has the potential to also benefit participating departments.

3. PROGRAM COST ANALYSIS

This chapter calculates the total cost associated with implementing the Expedited Building Plan Review Program based upon the two different staffing scenarios discussed in the previous chapter. The following sections discuss the cost components of the program and the total cost analyzed.

1. COST COMPONENTS

There are several cost components in a total cost analysis: salaries, benefits, services and supplies costs, one-time costs, departmental overhead, and citywide overhead. The following points discuss the type of costs included in each component.

- **Salaries** This cost category represents the FY17 budgeted salary costs associated with proposed positions for each discipline.
- **Benefits** This cost category represents benefit costs including: medical, dental, retirement, etc. These costs were calculated at 46% of FY17 budgeted salary costs for each discipline's proposed position(s).
- Commodities This cost category accounts for operating supplies such as desks, computers, and other workstation needs. These costs were estimated at \$3,500 for each new position.
- Startup Costs This cost category accounts for the purchase of a new vehicle to be used for site inspections prior to or during the expedited review process (i.e. Arborist or Utilities) and Smartboard tables that will allow staff to make real-time comments or edits to electronic plans, and communicate with satellite applicants. These costs were projected to be \$55,000, however, as they are one-time costs, they have been annualized with a useful life of 5 years to \$11,000.
- Departmental Overhead This cost category represents the projected portion of salaries, benefits, and expenditures associated with Development Services Department management and support staff, including Finance, HR, Purchasing, IT, etc. This overhead has been calculated at 22.41%, and applied to each position's total direct costs.
- **Citywide Overhead** This cost category represents the projected portion of salaries, benefits, and expenditures associated with citywide indirect services such as City Manager, City Attorney, Controller, etc. This overhead has been calculated by the City at 17.00%, and applied to each position's total direct costs.

Combined, these cost components represent the full cost associated with providing Expedited Building Plan Review services.

2. TOTAL COST ANALYSIS – HOURLY RATE PER DISCIPLINE

The original proposal of the Expedited Building Plan Review Program intended to assess the Expedited Review Fee based on the number of hours utilized by each discipline. The following table shows by position title the hourly rate components for each of the costs listed in the previous section:

| Position Title | Salary Hrly Rate | Benefits Hrly Rate | Commodities Hrly Rate | Startup Costs Hrly Rate | Dept Overhead Hrly Rate | Citywide Overhead Hrly Rate | Fully Burdened Hrly Rate |
|--|------------------------|--------------------------|--------------------------|----------------------------------|-------------------------------|-----------------------------------|--------------------------------|
| Development Services Manager | \$71.93 | \$33.09 | \$2.65 | \$0.55 | \$24.13 | \$18.30 | \$150.64 |
| Chief Plans Examiner | \$60.14 | \$27.67 | \$2.65 | \$0.55 | \$20.27 | \$15.38 | \$126.66 |
| Planner II | \$40.58 | \$18.67 | \$2.65 | \$0.55 | \$13.87 | \$10.52 | \$86.84 |
| Business Process Specialist | \$49.66 | \$22.84 | \$2.65 | \$0.55 | \$16.84 | \$12.77 | \$105.31 |
| Engineering Associate C | \$57.11 | \$26.27 | \$2.65 | \$0.55 | \$19.28 | \$14.62 | \$120.48 |
| Engineering Associate C | \$57.11 | \$26.27 | \$2.65 | \$0.55 | \$19.28 | \$14.62 | \$120.48 |
| Engineering Associate C | \$57.11 | \$26.27 | \$2.65 | \$0.55 | \$19.28 | \$14.62 | \$120.48 |
| Engineering Associate C | \$57.11 | \$26.27 | \$2.65 | \$0.55 | \$19.28 | \$14.62 | \$120.48 |
| Planner, Senior | \$57.11 | \$26.27 | \$2.65 | \$0.55 | \$19.28 | \$14.62 | \$120.48 |
| Environmental Review Specialist, Sr | \$52.60 | \$24.20 | \$2.65 | \$0.55 | \$17.80 | \$13.51 | \$111.32 |
| Engineer - C | \$75.07 | \$34.53 | \$2.65 | \$0.55 | \$25.15 | \$19.08 | \$157.03 |
| Engineering Associate C | \$57.11 | \$26.27 | \$2.65 | \$0.55 | \$19.28 | \$14.62 | \$120.48 |
| Engineer - C | \$75.07 | \$34.53 | \$2.65 | \$0.55 | \$25.15 | \$19.08 | \$157.03 |
| Environmental Health Officer III | \$44.67 | \$20.55 | \$2.65 | \$0.55 | \$15.21 | \$11.54 | \$95.16 |
| Pretreatment Compliance Specialist Sr. | \$55.71 | \$25.63 | \$2.65 | \$0.55 | \$18.82 | \$14.28 | \$117.64 |

As the table above shows, the fully burdened hourly rate by position varies from a low of \$87 / hr for Planner II to a high of \$157 / hr for the Engineer C. However, there are certain positions in the unit whose cost should be part of the unit overhead rate calculation — Development Services Manager, Chief Plans Examiner, Planner II, and Business Process Specialist. The following table calculates the total administrative cost associated with these four positions and distributes it over the fee-related positions to calculate the unit overhead hourly rate.

| Category | Amount |
|--|-----------|
| Total Unit Administrative Cost | \$592,251 |
| # of Fee Related Positions | 11 |
| Productive Hours / Position ³ | 1,322 |
| Total Fee Related Hours | 14,542 |
| Unit Administrative Cost / Hour | \$40.73 |

The table above shows that the unit administrative hourly rate cost is \$40.73 / hour. This unit administrative hourly rate should be added to the hourly rate per discipline to arrive at the fully burdened hourly rate per position per discipline. The following table shows by discipline and by position the fully burdened hourly rate.

| Discipline | Position Title | Fully Burdened Hourly Rate |
|---------------------|--|-------------------------------|
| Building | Engineering Associate C | \$152.04 |
| Mechanical | Engineering Associate C | \$152.04 |
| Electrical | Engineering Associate C | \$152.04 |
| Plumbing | Engineering Associate C | \$152.04 |
| Zoning | Planner, Senior | \$146.04 |
| Arborist | Environmental Review Specialist, Sr | \$152.04 |
| Structure | Engineer - C | \$197.76 |
| Energy | Engineering Associate C | \$152.04 |
| Fire | Engineer - C | \$197.76 |
| Health / Ind. Waste | Environmental Health Officer III | \$135.89 |
| Water | Pretreatment Compliance Specialist Sr. | \$158.37 |

The table above shows that the fully burdened hourly rate per discipline varies from a low of \$136 / hour for Health / Industrial Waste to a high of \$198 / hour for Fire and Structural review. Based upon this analysis, if a commercial project required the review of all disciplines the hourly charge for the commercial project would be \$1,596 / hour. Similarly, if a residential project required the review of all relevant disciplines the hourly rate charge would be \$648 / hour.

3. TOTAL COST ANALYSIS

As discussed in the previous chapter, the Development Services Department initially proposed an Expedited Building Plan Review Strike team of one individual per position. Based upon that staffing scenario, the project team took the cost components discussed previously and calculated the total cost associated with the Expedited Building Plan Review Process. The following table details the proposed costs for Expedited Building Plan Review by major cost category.

| Cost Category | Amount |
|---------------|-------------|
| Salaries | \$1,147,566 |
| Benefits | \$527,880 |
| Commodities | \$52,500 |

³ The productive available hours of 1,322 were calculated through an independent study conducted for the Development Services Department. See pg. 404 of Zucker Austin Development Review Report.

| Cost Category | Amount | |
|-----------------------|-------------|--|
| Startup Cost | \$11,000 | |
| Departmental Overhead | \$387,233 | |
| Citywide Overhead | \$293,751 | |
| TOTAL | \$2,419,930 | |

As the table above shows, total projected costs associated with one individual per discipline would be approximately \$2.4 million, with 69% of that cost being associated with staff salary and benefits. The project team took the total cost of the program and divided it by the total productive hours to calculate the fully burdened hourly rate for the Expedited Building Plan Review Program. The following table shows this calculation:

| Category | Amount |
|--|-------------|
| Expedited Building Plan Review Cost | \$2,419,930 |
| Total Positions | 15 |
| Productive Hours / Position ⁴ | 1,322 |
| Total Productive Hours | 19,830 |
| Cost / Hour | \$122 |

As the table above shows, the fully burdened hourly rate for the Expedited Review Program is \$122 / hour. As the previous chapter discussed there are three main types of services that the Expedited Building Plan Review Program encompasses: Completeness Check, Residential, and Commercial Plan Review. The following table shows by service area, the disciplines included and the hourly rate.

| Service | Disciplines | Hourly Rate |
|--------------------|--|-------------|
| Completeness Check | Admin | \$488 |
| Residential | Admin, Building, Zoning, Structural, Fire, and Arborist | \$1,098 |
| Commercial | Admin, Building, Mechanical, Electrical, Plumbing, Zoning, Structural, Energy, Fire, Health, and Water | \$1,708 |

As the table shows, there is a dramatic difference in the hourly rate between Residential and Commercial as there are significantly less review disciplines involved in each of the Expedited Permit Review processes. The application of the fully burdened hourly rates calculated in this scenario will be discussed in the following chapter.

4. TOTAL COST ANALYSIS - LONG-TERM

As discussed in the previous chapter, it is the project team's recommendation that in the long-term in order for there to be two Strike team's fully available for Expedited Building Plan Review the basic assumption needs to be three individuals per position / review discipline. The following table details the proposed costs for Expedited Building Plan Review by major cost category for the long-term scenario.

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⁴ The productive available hours of 1,322 were calculated through an independent study conducted for the Development Services Department. See pg. 404 of Zucker Austin Development Review Report.

| Cost Category | Long Term Scenario | |
|-----------------------|--------------------|--|
| Salaries | 2,985,476.00 | |
| Benefits | 1,373,318.96 | |
| Commodities | 143,500.00 | |
| Startup Cost | \$11,000 | |
| Departmental Overhead | \$1,008,964 | |
| Citywide Overhead | \$765,390 | |
| TOTAL | \$6,287,649 | |

The table above shows, that total projected costs associated with long-term would be about \$4.5 million, with approximately 69% of those costs related to personnel (salaries and benefits). The project team utilized this total cost to calculate the fully burdened hourly rate for Expedited Building Plan Review Service with two Strike teams.

| Category | Amount |
|---|-------------|
| Long Term - Expedited Building Plan Review Cost | \$6,287,649 |
| Total Positions ⁵ | 15 |
| Productive Hours / Position ⁶ | 1,872 |
| Total Productive Hours | 28,080 |
| Cost / Hour | \$163.76 |

As the table above shows, the fully burdened hourly rate for the Expedited Building Plan Review Program is \$164 / hour. As the previous chapter discussed, there are three main types of services that the Expedited Building Plan Review Program encompasses: Completeness Check, Residential, and Commercial Plan Review. The following table shows by service area, the positions / disciplines included and the hourly rate.

| Service | Disciplines | Hourly Rate |
|--------------------|--|-------------|
| Completeness Check | Admin | \$819 |
| Residential | Admin, Building, Zoning, Structural, Fire, and Arborist | \$1,474 |
| Commercial | Admin, Building, Mechanical, Electrical, Plumbing, Zoning, Structural, Energy, Fire, Health, and Water | \$2,293 |

As the table above shows, there is a dramatic difference in the hourly rate between Residential and Commercial as there are significantly less review disciplines involved in that Expedited Permit Review. The application of the fully burdened hourly rates calculated in this scenario will be discussed in the following chapter.

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⁵ The total cost of the Long-Term scenario is budgeted based upon 28 individuals; however, there are only 15 full-time positions available for a Strike team to provide Expedited Plan Review services.

⁶ The 1,872 productive hours reflect 2,080 hours discounted by 10% for mandatory local, state, and federal holidays, as there are individuals available for all business hours.

4. PROPOSED FEE STRUCTURE

This chapter provides an analysis of the proposed fee structure for the Expedited Program, including the discussion of implementing a Completeness Check or intake fee and an Expedited Building Plan Review fee based upon an hourly rate per discipline or minimum set of hours. The minimum hours will vary based upon the type of expedited review (commercial vs. residential). This chapter will also provide examples of how the current plan review fee compares to the expedited permit review fee for both scenarios. The following subsections discuss each of the three fees and the recommended structure for implementation.

1. COMPLETENESS CHECK FEE

As the Expedited Building Plan Review process flowchart in Chapter 2 of this report showed, one of the initial steps of the process is to ensure that the plans submitted for the Expedited Plan Review Permitting Program are sufficient and complete to perform the Expedited Plan Review. The review of those plans is known as the Completeness Check.

The Completeness Check fee accounts for administrative staff reviewing and routing plans to necessary disciplines. The Completeness Check accounts for two hours of staff time for the Chief Plans Examiner, Planner II, Business Process Specialist, and Development Services Manager. The following chart compares the Completeness Check fee calculated under the two different scenarios.

| Category | Proposed Fee | Long-Term Fee |
|---------------------------------|--------------|---------------|
| Intake / Completeness Check Fee | \$976 | \$1,638 |

As shown above, the Completeness Check fee is higher under the long-term scenario. The Completeness Check fee should be collected by the Planner II at intake, prior to any review being completed by the Planner II.

Recommendation #6: The intake fee should be collected at the time of application submission and should be based on two hours of the Completeness Check hourly rate.

2. RESIDENTIAL EXPEDITED PLAN REVIEW FEE

Once the Planner II determines that the plan is complete for Expedited Plan Review, the Planner II notifies the developer that the plans are eligible for review and schedules the applicant for an Expedited Plan Review Session. Based upon the plans submitted, the Planner II will schedule the applicant in either one or multiple two-hour blocks of review. As such, the base fee for a Residential Expedited Plan Review should

be two hours of the Residential Plan Review hourly rate. The following chart compares the base Residential Expedited Plan Review fee between the two scenarios.

| Category | Proposed Fee | Long-Term Fee |
|--------------------------------|--------------|---------------|
| Residential Review Hourly Rate | \$2,197 | \$2,948 |

The base residential Expedited Plan Review fee should be collected prior to entrance into the scheduled Residential Expedited Plan Review meeting. Upon completion of the meeting if there is a need for an additional meeting, another two-hour block should be booked for Residential Plan Review. If there is need for additional reviews that are discipline specific, a per discipline per hourly rate should be charged based upon the disciplines that are required for that review.

To provide some additional context to the Expedited Building Plan Review Program, the project team took some residential projects and calculated the regular plan review fee and compared it to the Expedited Building Plan Review Fee for both scenarios. The following table shows the results of these scenarios.

| Project Type | Current Fee | Proposed Fee | Long-Term Fee |
|---------------------|-------------|--------------|---------------|
| SFR - 1,500 sq. ft. | \$342 | \$2,197 | \$2,948 |
| Duplex | \$342 | \$2,197 | \$2,948 |

As shown above, the current plan review fee would be \$342, compared to \$2,200 for the initial proposed fee, or \$3,000 under the long-term scenario. The expedited review fees are approximately six times and nine times the current fee.

Recommendation #7: The Residential Building Expedited Plan Review fee should be scheduled in two-hour time blocks and any additional reviews should be charged on an hourly basis based upon the necessary disciplines required for the review.

3. COMMERCIAL EXPEDITED PLAN REVIEW FEE

Similar to Residential Expedited Plan Review, once the Planner II determines that the plan is complete for Expedited Plan Review, the Planner II notifies the developer that the plans are eligible for review and schedules the applicant for an Expedited Plan Review Session.

For Commercial Projects the Expedited Plan Review sessions are either going to be completed in four-hour blocks. Based upon the plans submitted the Planner II will schedule the applicant for either one or multiple four hour blocks of review initially. As such, the base fee for a Commercial Expedited Plan Review should be based off of four hours of the Commercial Plan Review hourly rate. The following chart compares the base Commercial Expedited Plan Review fee between the proposed and long-term scenario.

| Category | Proposed Fee | Long-Term |
|-------------------------------|--------------|-----------|
| Commercial Review Hourly Rate | \$6,834 | \$9,170 |

The base Commercial Expedited Plan Review fee should be collected prior to entrance into the scheduled Commercial Expedited Plan Review meeting. Upon completion of the meeting if there is a need for an additional meeting, another four-hour block should be booked for Commercial Plan Review. If there is need for additional reviews that are discipline specific, a per discipline per hourly rate should be charged based upon the disciplines that are required for that review. For example, certain Commercial Projects will require a Hazardous Material Review, then the Applicant would be charged a separate review fee that would be based only on the Hazardous Material Discipline hourly rate.

To provide some additional context to the Expedited Building Plan Review Program, the project team took some commercial projects and calculated the regular plan review fee and compared it to the Expedited Building Plan Review Fee. Many of the commercial projects will require more than a day's worth of meetings to complete the permit review process, as such, the total blocks of commercial time (based on staff time estimates) has been included to help calculate the projected fees for the three different fee structure types. The following table shows the results of these scenarios.

| Project Type | Valuation | Current Fee | Total Time Blocks | Proposed Fee | Long- Term Fee |
|--------------|--------------|----------------|----------------------|-----------------|-------------------|
| Multi-Family | \$10,000,000 | \$15,390 | 15 | \$25,627 | \$34,389 |
| Business | \$3,000,000 | \$4,374 | 4 | \$6,834 | \$9,170 |
| Restaurant | \$575,000 | \$1,342 | 2 | \$3,417 | \$4,585 |

The table above also shows that the Expedited Plan Review fees are significantly higher than the current fee. For the Proposed fee, the Expedited Plan Review fee varies from a low of 1.5x the fee to a high of tripling the current fee. In the long-term, the difference between the Expedited Fee and current fee varies from doubling from the current fee to 3.5x the current fee.

Recommendation #8: The Commercial Building Expedited Building Plan Review fee should be scheduled in four-hour time blocks and any additional reviews should be charged on an hourly basis based upon the hourly rate of the disciplines that require additional review.

4. ADDITIONAL EXPEDITED PLAN REVIEW – PER DISCIPLINE HOURLY RATE

Both of the fee structures proposed above indicate a flat rate for the Expedited Review Program, or a flat rate for specified hours of review (in two hour blocks for Residential and four hour blocks for Commercial). However, if there is a need for expedited plan reviews that only require specific disciplines (beyond the two or four-hour block), the per discipline hourly rate provides the Department with flexibility to charge the applicant directly for the review being conducted. This alternative fee

structure would track time by discipline, and charge the appropriate hourly rate per discipline.

This fee structure would require that the reviewers for each discipline keep track of their time spent reviewing for a specific project. The time spent by each discipline conducting the review would be multiplied by the fully burdened hourly rate per discipline calculated in the previous section of the fee study and also presented in the table below:

| Discipline | Proposed Fee Hourly Rate | | |
|---------------------|-----------------------------|--|--|
| Building | \$163.16 | | |
| Mechanical | \$163.16 | | |
| Electrical | \$163.16 | | |
| Plumbing | \$163.16 | | |
| Zoning | \$163.16 | | |
| Arborist | \$153.99 | | |
| Structure | \$199.71 | | |
| Energy | \$163.16 | | |
| Fire | \$199.71 | | |
| Health / Ind. Waste | \$137.84 | | |
| Water | \$160.32 | | |

As the table above shows, depending upon the discipline the hourly rate would vary from a low of \$138 to a high of \$200. The Expedited team should use the hourly rates shown above to bill for any additional reviews needed during the expedited plan review process.

APPENDIX – COMPARATIVE SURVEY

The appendix presents the detailed results of the comparative survey analysis conducted for the Expedited Building Plan Review program. The following table provides a brief comparison of the five jurisdictions from which responses have been received.

| Category | San Jose, CA | El Paso, TX | Las Vegas, NV | San Antonio, TX | Dallas, TX |
|----------------------------|------------------------|----------------------------|------------------------|---|---|
| Length of Program | 24 years | 8 years | 20 years | 10-12 years | 9 years |
| Fund | General | Enterprise | Enterprise | Enterprise | Enterprise |
| Turnaround Time | 8-10 days | None | 4 hours | 1 day Commercial, 2- 3 days Residential | 2 weeks in-house |
| Fee Structure | % of Plan Review | Flat + Hourly | Flat + Hourly | Per Discipline per Hour | Flat + Hourly |
| Current Fee | 150% of Plan Review | \$264.22 + \$97.17 / hr | \$550 + \$660/ hour | \$100 / hr / discipline | Plan Review Fee + Prequalification Fee (Based on size) + \$1,000 / hr |
| Volume | 2,000 | 75 | 0' | 464 | 686 |
| Other Disciplines involved | Planning, PW, Fire | Fire | None | Mechanical, Electrical, Plumbing, Fire, Trees | Mechanical, Electrical, Plumbing, Zoning, Arborist, Sanitation (as needed), Civil Works (as needed) |

As the table above shows three cities have had the Expedited Review Plan Review Program for more than 10 years and the other two jurisdictions El Paso, and Dallas have had it for 8 and 9 years respective. The majority of jurisdictions (60%) have a flat + hourly system, similar to the proposed structure for Austin.

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⁷ The expedited review program has been discontinued as due to life safety and health concerns, the Expedited Review Program has been put on hold to encourage contractors to go through the normal plan review process.