

MINUTES

Ad-Hoc Committee to Review Fees

September 6, 2022 / 7:30 AM

City Hall / 41 Green St, 2nd Floor Conference Room

In Attendance: City Councilors – Byron Champlin (Chair), Nathan Fennessy, Mayor Jim Bouley; City Staff – Brian LeBrun, Deputy City Manager - Finance; Carlos Baía, Deputy City Manager – Development; Crayton Brubaker, Community Development Specialist

Excused: Councilor Paula McLaughlin

- 1) **Call to Order:** Chairman Champlin called the meeting to order at 7:34 AM.
- 2) **Approval of Minutes:** Councilor Fennessy moved to adopt the minutes of the August 29, 2022 meeting. The motion was seconded by Mayor Bouley and passed with a unanimous voice vote.
- 3) **Final Discussion of Community Development Fees:**
Mr. Carlos Baía, Deputy City Manager – Development, provided a handout of final findings regarding building permit fees. He noted several building permit fee projections for various real and estimated projects. He noted the differences in building permit revenue for the City, if the square footage portion of the fee calculation was eliminated. A median of 6% was found and was based on calculations of ten development projects.

Mayor Bouley asked if City Manager has authority to waive building permit fees. Mr. Brian LeBrun, Deputy City Manager – Finance, indicated that the City Manager doesn't have that authority, as those fees are ordinance based.

The committee discussed whether lowering the fees would affect perception regarding having a square footage portion and a valuation portion of the building permit fee.

Councilor Fennessy noted the difference of the Concord Hospital Garage project in the handout and asked what other projects might be similar to that for future building permit revenues. Mr. Baía noted any large open space or warehouse projects with empty space may be similar.

Councilor Champlin stated that the purpose of any fee changes is to spur development in Concord. He asked whether large or small projects would be more affected by removing the square footage change in the building permit fee. Mr. Baía stated that large projects would be most affected in the short term, but that many small projects would add up over time.

Councilor Fennessy noted that Concord is competing nationally for job growth and development. He asked whether giving City Manager the ability to waive building permit fees would be plausible. Mr. Baía noted that City Manager having that authority wouldn't be ideal. He noted the current process of the City Manager bringing potential development projects to the City Council and following their guidance through development negotiations and how it works well.

Councilor Champlin asked what the City should do to get on developers' radar and considered a strong prospective community for development.

Mayor Bouley asked what the downside of removing the square footage portion of the building permit fee calculation would be. Mr. Baía stated that this would make a small difference in the revenue numbers, but would likely not affect the amount of development. Mayor Bouley noted there is a perception issue and reducing the fees may be helpful to spur on development.

Mr. LeBrun indicated that packaging all changes together including fee reductions, simplifying the process, and community engagement into one report would be ideal to present these changes to City Council and the public. Councilor Champlin concurred and the committee discussed ways in which the City Council can communicate to the development community that the City is an attractive place for investment.

Mayor Bouley made a motion to recommend to the City Council to change the building permit fee calculation to remove the \$0.10 per square footage portion and leave the \$30 application fee and \$7.60 per \$1000 of valuation the same. Councilor Fennessy seconded the motion. The motion passed with a unanimous voice vote.

- 4) **Next Steps:** Mr. LeBrun has begun drafting the final report, which will be on the City Council agenda for October with a November public hearing.

Councilor Fennessy noted that the report should include the recreation and community use changes as well as the development changes. Mayor Bouley noted the report should highlight major goals and accomplishments, such as accessibility for all, removing barriers to housing and development, increasing affordability, and helping improve community use no matter where someone lives in the City. It was also noted that the report should highlight that a variety of stakeholders were included in the process of evaluating both the recreation fees and the development fees.

- 5) **Adjournment:** Mayor Bouley moved to adjourn and the motion was seconded by Councilor Fennessy. The motion passed with a unanimous vote. The meeting adjourned at 7:57 AM.