



CITY OF SAINT PAUL
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DATE: December 22, 2016
TO: Planning Commission
FROM: Zoning Committee
RE: Zoning Fee Study and Amendments

Zoning Code § 61.302, *Application forms and fees*, prescribes fees to defray the costs of zoning permits and approvals pursuant to MN Stat. §§ 462.351-364, which require fees to be fair, reasonable, and proportionate to the actual cost of the service for which the fee is imposed; require zoning fees to be prescribed by ordinance; and require Planning Commission review and recommendation for Zoning Code amendments. Zoning Code § 61.801(b) provides that Zoning Code text amendments may be initiated by the City Council or by the Planning Commission.

Zoning Code § 61.302(a) states that fees for applications filed with the planning administrator (in PED) shall be paid to the Department of Planning and Economic Development and fees for applications filed with the zoning administrator (in DSI) shall be paid to the Department of Safety and Inspections. The fees for some specific types of applications are sometimes paid to DSI and sometimes paid to PED because for case-specific reasons the applications are sometimes required to be filed with the zoning administrator in DSI and sometimes required to be filed with the planning administrator in PED. Except for an update to zoning fees about a year ago that just applied to DSI fees, zoning staff in PED and DSI have always worked closely together to recommend coordinated and consistent zoning fee amendments

The relationship of zoning fees to the cost of the service for which the fee is imposed was studied in 2010. In that study, DSI and PED zoning staff prepared detailed cost estimates for processing the various types of zoning applications. A table prepared in 2010 summarizing that work is attached. It shows the estimated actual cost of each type of application, the proposed fee, and the % of the cost recovered by the proposed fee. It also shows the fees Minneapolis and Bloomington were charging at that time. The amendments to zoning fees prescribed in Zoning Code § 61.302 recommended in the 2010 study and adopted by the City Council in January 2011 set fees at an appropriate percentage of the cost to the City for review and administration of each particular type of zoning application, generally between 60% and 100% of the estimated cost.

All of the work done in the 2010 study to prepare detailed cost estimates for the various types of zoning applications doesn't need to be redone now, but the fees do need to be adjusted periodically for inflation. The total amount of zoning fees per year does not justify the time and cost of going through the process of amending the Zoning Code to adjust zoning fees

every year. DSI collected a total of \$206,025 in 2014 and \$244,277 in 2015 in zoning fees under the fee schedule in Zoning Code § 61.302. PED collected a total of \$61,879 in 2014 and \$67,023 in 2015. The last two zoning fee studies/amendments for all DSI and PED zoning fees were in 2005 and in 2010/2011, about five years apart.

Two tables with inflation data that apply to Saint Paul through 2015 are attached. The table for Minneapolis – Saint Paul shows inflation of 8.9% in the first five years after the zoning fees were amended at the end of 2010. The table for state and local government shows inflation of 9.8% in the five years from 2010 to 2015.

During their budget process in 2015, a DSI proposal for an across-the-board increase for all DSI fees (building permit fees, license fees, etc. as well as zoning fees collected by DSI) was discussed with the Mayor and Council, and a 3% across-the board increase was agreed to. When the Planning Commission reviewed these proposed zoning fee increases in November 2015, options for more coordinated and consistent amendments were considered to adjust zoning fees for inflation (rather than just a 3% increase), and to include the zoning fees paid to PED (rather than just the fees paid to DSI). However, the Deputy Mayor was not comfortable with moving ahead at that time with something other than what DSI has already discussed with the Mayor and Council, so the City Council adopted a 3% increase that just applied to zoning fees collected by DSI.

On December 4, 2015, the Planning Commission passed Resolution # 15-78 to consider adjustments of fees prescribed in Zoning Code § 61.302, *Application forms and fees*, to reflect an increase in costs due to inflation since the fees were set in 2011. More recently, DSI has proposed a 2% increase in zoning fees collected by DSI. In October the Deputy Mayor indicated support for increasing zoning fees collected by PED by 3% to catch up with the 3% increase in DSI zoning fees last year, and then increasing all zoning fees an additional 2%.

Committee Recommendation

The Zoning Committee recommends initiation of a zoning study to consider adjustments of fees prescribed in Zoning Code § 61.302, *Application forms and fees*, to reflect an increase in costs due to inflation since the fees were last set, and recommends the following draft amendments to Zoning Code § 61.302, *Application forms and fees* to increase zoning fees collected by PED by 3% to catch up with the 3% increase in DSI zoning fees last year, and then increasing all zoning fees an additional 2%.

Draft amendments to Zoning Code § 61.302, *Application forms and fees*

Sec. 61.302. Application forms and fees.

- (a) *Application forms and fee.* All applications shall be filed on appropriate forms. Pursuant to Minn. Stat. § 462.353, subd. 4, a fee to defray the costs incurred in administering official zoning controls established pursuant to Minn. Stat. § 462.351-364, as set forth in the schedule below, shall be paid by the applicant when a zoning application is filed. The fee for

applications filed with the planning administrator shall be paid to the department of planning and economic development. The fee for applications filed with the zoning administrator shall be paid to the department of safety and inspections. Zoning control application fees shall be amended by ordinance.

- (b) *Fee schedule.* Fees for the following zoning control applications shall be as follows:
- (1) *Site plan review:*
 - a. Three hundred fifty-seven ~~dollars~~ (~~\$350~~357.00) residential, one (1) to two (2) dwelling units. Three hundred ~~twenty-five~~ thirty-two ~~dollars~~ (~~\$325~~332.00) for additions to one- and two-family dwellings.
 - b. Five hundred ~~fifteen~~ twenty-five ~~dollars~~ (~~\$515~~525.00) up to ten thousand (10,000) square feet of land and two hundred ~~six~~ ten ~~dollars~~ (~~\$206~~210.00) for each additional ten thousand (10,000) square feet of land for all other uses, and an additional fee of two hundred ~~sixty-eight~~ seventy-three ~~dollars~~ (~~\$268~~273.00) for sites on steep slopes or in the river corridor or tree preservation overlay districts. For any site plan for which a travel demand management plan is required, there is an additional fee of four hundred ~~sixty-four~~ seventy-three ~~dollars~~ (~~\$464~~473.00). For any site plan for which parkland dedication is required, there is an additional fee of five (5) percent of the parkland dedication fee up to one-hundred two ~~dollars~~ (~~\$100~~102.00).
 - c. In addition to the site plan review fee, three hundred ~~nine~~ fifteen ~~dollars~~ (~~\$309~~315.00) for site plans that are reviewed before the planning commission.
 - d. ~~Thirty-two~~ one ~~dollars~~ (~~\$31~~32.00) for agricultural uses required by section 65.771(a) and farmer's markets required by section 65.515(b).
 - (2) *Conditional use permit:* Eight hundred forty ~~dollars~~ (~~\$800~~840.00) up to one (1) acre of land, two hundred ten ~~dollars~~ (~~\$200~~210.00) for each additional acre of land, and an additional fee of one hundred ~~eighty~~ ninety ~~dollars~~ (~~\$180~~190.00) for a river corridor conditional use permit.
 - (3) *Major variance:*
 - a. Five hundred ~~thirty-six~~ forty-seven ~~dollars~~ (~~\$536~~547.00) one- and two-family residential and signs.
 - b. Five hundred ~~seventy-seven~~ eighty-nine ~~dollars~~ (~~\$577~~589.00) multiple-family residential.
 - c. Eight hundred ~~thirty-nine~~ fifty-six ~~dollars~~ (~~\$839~~856.00) commercial, industrial, institutional.
 - (4) *Minor variance:* Four hundred ~~thirty-three~~ forty-two ~~dollars~~ (~~\$433~~442.00).
 - (5) *Nonconforming use permit, determination of similar use:* Seven hundred thirty-five ~~dollars~~ (~~\$700~~735.00).
 - (6) *Appeals:*
 - a. Five hundred ~~thirty-six~~ forty-seven ~~dollars~~ (~~\$536~~547.00) for appeals from administrative decisions to the board of zoning appeals or planning commission.
 - b. Four hundred ~~fifty-three~~ sixty-two ~~dollars~~ (~~\$453~~462.00) for appeals from decisions of the board of zoning appeals or planning commission to the city council.

- (7) *Rezoning*: One thousand two hundred ~~sixty~~ sixty-three dollars (\$~~1,200~~1,260.00) up to one (1) acre of land, two hundred ~~fifty~~ sixty-three dollars (\$~~250~~263.00) for each additional acre of land, and an additional fee of five hundred ~~twenty-five~~ twenty-five dollars (\$~~500~~525.00) for rezoning to TN3(M) Traditional Neighborhood District with a master plan and an additional fee of one thousand ~~fifty~~ fifty dollars (\$~~1,000~~1,050.00) for rezoning to PD Planned Development District.
- (8) *Reduced fees for multiple approvals*: For any permit or variance application in subparagraph (2) through (6) above submitted for consideration by the planning commission at the same public hearing as a rezoning, or a permit or variance application in subparagraph (2) through (6) with a higher fee, an additional fee of three hundred ~~fifteen~~ fifteen dollars (\$~~300~~315.00) shall be added to the rezoning fee set forth in subparagraph (7) or to the higher fee in subparagraph (2) through (6).
- (9) *Subdivision review*:
 - a. Three hundred ~~fifteen~~ fifteen dollars (\$~~300~~315.00) lot split.
 - b. Six hundred ~~thirty~~ thirty-one dollars (\$~~600~~630.00) up to one (1) acre of land, and one hundred ~~twenty-five~~ thirty-one dollars (\$~~250~~310.00) for each additional acre of land, sans dedicated public streets and open space, for preliminary plat/registered land survey.
 - c. Two hundred ~~twenty-five~~ thirty-six dollars (\$~~225~~236.00) final plat/registered land survey.
 - d. Five hundred ~~twenty~~ forty-six dollars (\$~~500~~546.00) for variance of subdivision regulations to be considered by the city council.
- (10) *Planning commission shared parking permit*: Three hundred ~~fifty~~ sixty-eight dollars (\$~~350~~368.00).
- (11) *City council interim use permit*: Seven hundred ~~thirty-five~~ thirty-five dollars (\$~~700~~735.00)
- (12) *Zoning compliance letter, research*:
 - a. One hundred ~~three~~ five dollars (\$~~103~~105.00) one- and two-family residential.
 - b. Two hundred ~~thirty-seven~~ forty-two dollars (\$~~237~~242.00) all other uses.
 - c. One hundred ~~three~~ five dollars (\$~~103~~105.00) additional for an expedited request.
- (13) *Administrative staff reviews*:
 - a. Three hundred ~~sixty-six~~ seventy-three dollars (\$~~366~~373.00) for review of request for reasonable accommodation.
 - b. Three hundred ~~eight-six~~ ninety-four dollars (\$~~386~~394.00) for review of statement of clarification.
 - c. Two hundred ~~twenty-five~~ one dollars (\$~~224~~225.00) for review of shared parking permit.
 - d. Ninety Eight ~~Eighty-eight~~ dollars (\$~~88~~90.00) for review of demolition permit.
 - e. One hundred ~~eight~~ ten dollars (\$~~108~~110.00) for review of antenna permit.
 - f. One hundred ~~eighteen~~ twenty (\$~~148~~120.00) for a flood plain permit.
- (14) *Historic use variance*: Seven hundred ~~thirty-five~~ thirty-five dollars (\$~~700~~735.00).
- (15) *SFV state fair vending permit*: Annual fee of one hundred ~~twenty-six~~ four dollars (\$~~242~~126.00) per parcel on which vending will occur.

- (16) *Wetland Conservation Act administrative determination:*
- a. One hundred ~~twenty-nine~~ thirty-two dollars (~~\$129~~132.00) for Wetland Conservation Act exemption or no loss compliance letter.
 - b. Wetland delineation review:
 1. One hundred ~~sixty-eight~~ five dollars (~~\$165~~168.00) for sites less than 1 acre.
 2. Three hundred ~~thirty-six~~ three dollars (~~\$330~~336.00) for sites 1 acre or larger.
 - c. Four hundred ~~seventy-four~~ eighty-three dollars (~~\$474~~483.00) for wetland fill and replacement/sequencing plan review.
- (17) *Environmental review:* Actual cost of review processes as determined by the planning director.
- (18) *Late fee:* For any application made for any development commenced without first obtaining all required permits and approvals, the fees listed above shall be doubled, to a maximum additional fee of one thousand fifty dollars (~~\$1,000~~1,050.00), to offset costs associated with investigating, processing and reviewing applications for such development.
- (19) *Refunds:* For a zoning case withdrawn before final approval, the zoning or planning administrator may refund part of the fee based upon the proportion of the work completed at the time of withdrawal.
- (20) *Large sites:* For large sites where only a portion of the site is affected by the zoning action, the zoning or planning administrator may set the fee based on the size of the affected portion of the site.
- (c) *Fee for permits and approvals subject to annual review condition.* A holder of a conditional use permit, nonconforming use permit or variance, which the planning commission, board of zoning appeals or city council, has approved subject to annual review, shall pay to the department of safety and inspections, at the time the zoning administrator provides notice of the annual review to the permit holder, an annual review fee in the sum of sixty-~~three~~two dollars (~~\$62~~63.00).