

Billings City Administrator Weekly Report

June 8, 2023

1. **GOSCMA** – Kevin and I traveled to Williston, ND to attend the Great Open Spaces City Manager Association annual conference (MT, ND, SD & WY). It's been interesting to be in the center of the Bakken Formation and how the boom and bust has impacted the city over the past several decades. So far, we've met with our lead architect on our city hall project, toured their ~250,000 sq ft rec center, met with their Lieutenant Governor and a legislator, and will be seeing several infrastructure improvements before returning Friday. Thank you, Jeff, and Cape Air, it was easy, fast and inexpensive to travel to rural Montana in route to ND.

2. Budget Q & A ~

May 16, 2023, City Council Work Session

Building

Question: Can you provide a fee comparison schedule and calculation for building permits?

Answer: See attached report showing the permit costs for a typical single-family residence with a valuation of \$450,000 and a typical office building with a valuation of \$1,500,000. Pages two and three show the 'typical' permit case studies that we used for comparison with the actual fees the owner/contractor paid for these two projects.

Question: Can we reduce building permits by a specific building type, or does it have to be equal across all sectors?

Answer: Yes, the City can choose to incentivize certain building permit types and reduce or eliminate building permit fees. However, depending on revenues and expenses, other permit costs may need to be increased to offset the reduction. Further, building permit fees are around 0.5% of the construction cost of a project, so would likely not provide much incentive.

Question: Can the Building Division offer a code review/ design assistance service and guidance to downtown business and building owners seeking permits for new businesses or remodels?

Answer: Yes, the Building Division can provide education and code assistance, however, we do not currently have a program in place and such an initiative would require additional resources and staff time. We are working on bringing ideas for such a program to a future Council work session for discussion.

ALSO please see the attached Permit Cost Comparison slides.

3. Next Week's Meetings/Task Forces

- a. Local Affairs Committee, Monday, June 12th 4:00 pm, City Hall Conference Room
- b. Budget and Finance Committee, Wednesday, June 14th 9:00 am, City Hall Conference Room

- c. Legislative Committee, Wednesday, June 14th 4:00 pm, City Hall Conference Room
- d. Southside Task Force, Thursday, June 15th 6:30 pm, Hope Center, 425 S. 28th

4. From the PIO Desk:

More rain and flash flooding forecast for Billings
<https://www.billingsmt.gov/CivicAlerts.aspx?AID=2488>

BFD

Photos: Billings Fire Department graduates twelve new firefighters

https://billingsgazette.com/news/local/photos-billings-fire-department-graduates-twelve-new-firefighters/collection_b4248202-062f-11ee-8e22-a386f0fe318a.html#1

Billings PD and Fire to Demonstrate New High-tech Drones 6/8 in Lockwood

<https://realnewsmontana.com/ixp/628/p/billings-police-fire-drones/>

Council

Remains of 27 buried at Riverside Cemetery on Wednesday

https://billingsgazette.com/news/photo-remains-of-27-buried-at-riverside-cemetery-on-wednesday/article_94900d68-056b-11ee-a4fe-434c51c30112.html

PW

Photo: Aerial view of Inner Belt Loop construction

https://billingsgazette.com/news/photo-aerial-view-of-inner-belt-loop-construction/article_3d9e3e6a-0536-11ee-88e5-57ca3d6f9ef0.html

Massive sinkhole among flood damage; City of Billings is working to fix

<https://www.ktvq.com/news/local-news/massive-sinkhole-among-flood-damage-city-of-billings-is-working-to-fix>

Billings crews clear flooded streets

https://billingsgazette.com/news/local/billings-crews-clear-flooded-streets/article_7a970828-0244-11ee-90ba-e3f9d47194d1.html

Billings crews respond to flooded streets

<https://www.ktvq.com/news/local-news/billings-crews-respond-to-flooded-streets>

Flooding

City of Billings issues rare weather advisory; more heavy rain and flash flooding likely

<https://www.yourbigsky.com/billings-beat/city-of-billings-issues-rare-weather-advisory-more-heavy-rain-and-flash-flooding-likely/>

City officials warn of potential second round of flooding headed to Billings

<https://www.ktvq.com/news/local-news/city-officials-warn-of-potential-second-round-of-flooding-headed-to-billings>

Billings did you wake up to flooding? Please don't call 911

<https://realnewsmontana.com/ixp/628/p/billings-did-you-wake-up-to-flooding-please-dont-call-911/>

In other news...

‘Transformational’: Billings awarded EPA money for property clean up development

<https://www.ktvq.com/news/local-news/transformational-billings-awarded-epa-money-for-property-clean-up-development>

MDT seeks public comment on upcoming Billings area safety improvement projects

https://billingsgazette.com/news/local/mdt-seeks-public-comment-on-upcoming-billings-area-safety-improvement-projects/article_8fb69944-00be-11ee-b339-b36c0304ea61.html

New survey seeks feedback on Billings Public Schools

https://billingsgazette.com/news/local/new-survey-seeks-feedback-on-billings-public-schools/article_788c6c4e-000f-11ee-9873-f3635f0677fa.html

Par Pacific acquires Exxonmobil’s Billings refinery

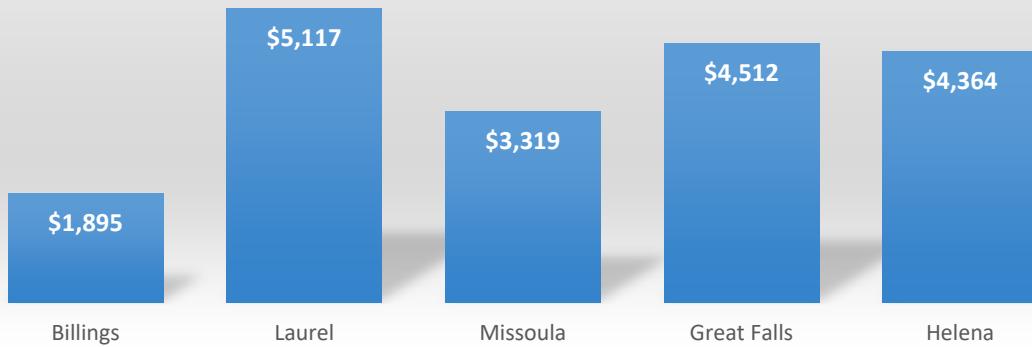
https://billingsgazette.com/news/local/photos-par-pacific-acquires-exxonmobil-s-billings-refinery-in-310-m-deal-now-par-montana/article_c9069f52-00b7-11ee-9d38-6f2852de19cd.html

Building Permit Cost Comparisons

Comparison of Building Permit Costs Between Select Montana Cities

New Single Family Residence Valued at \$450,000

■ Building Div Fees



New Commercial Office Building Valued at \$1.5M

■ Building Div Fees



Notes:

- Building Division Fees include only building permit fees and plan review fees collected by the Building Division. Engineering, planning, fire, system development fees, etc, are not included in the above numbers.
- Data was collected by Building Division Staff from 5/29/23 - 6/6/23 via phone, email, and city websites.
- Bozeman was excluded from these charts due to not responding by the reporting deadline.

New Single Family Residence

Permitted in 2023

2514 Buffalo Ridge

Valuation: \$450,000

Building Permit Fee	\$1,895.25
Planning Review Fee	\$135.00
Engineering Plan Review Fee	\$140.00
Sewer System Development Fee	\$3,120.00
Water System Development Fee	\$2,950.00
Right of Way Permit	\$450.00
Mechanical Permit	\$75.50
Electrical Permit	\$130.00
Plumbing Permit	\$123.00
Total Fees	\$9,018.75

These are the total fees paid to the City of Billings by the contractor or owner to construct a new Single Family Residence valued at \$450,000. The total city fees represent 2% of the cost of the home (valuation is based on the actual cost of land, materials, and labor to build the house, not necessarily the sale price or market value of the house). Note also that the Building Division does not charge a Plan Review fee for projects reviewed under the International Residential Code (IRC).

The fees collected by the Building Division are about 25% of the total fees paid, with the majority of the fees paid to Public Works for water and sewer connections.

New Commercial Office Building

Permitted in 2022

3545 Gable Rd

Valuation: \$1,500,000

With a Fire Sprinkler System

Building Plan Review Fee	\$3,004.79
Building Permit Fee	\$4,622.75
Planning Review Fee	\$115.00
Planning Landscape Fee	\$230.00
Engineering Plan Review Fee	\$1,000.00
Sewer System Development Fee	\$8,471.87
Water System Development Fee	\$15,140.00
Right of Way Permit	\$1,041.00
Mechanical Permit	\$129.50
Electrical Permit	\$1,166.00
Plumbing Permit	\$172.00
Total Fees	\$35,092.91

These are the total fees paid to the City of Billings by the contractor or owner to construct a new Commercial Office Building valued at \$1,500,000. The total city fees represent about 2.3% of the cost of the building (valuation is based on the actual cost of land, materials, and labor to build the building, not necessarily the sale price or market value of the building).

The fees collected by the Building Division are about 26% of the total fees paid, with the majority of the fees paid to Public Works for water and sewer connections. Note that commercial water and sewer system development fees can vary greatly depending on the size of tap and if there is a fire line for a fire sprinkler system.