Planning Commission Work Session
Agenda Item 2.b.

Agenda Item: **Zoning Ordinance Text Amendment ZOTA #25-02, to amend Chapter 78 (ZONING), Article XV (Decision-Making Authorities, Application Review, and Permitting), Table 78-152.2(b)(3) (Fees for Development Applications) to adjust development fees in accordance with a comprehensive fee evaluation.**

Meeting Date: February 10, 2025

Category: Public Hearings

Prepared by: Collin Okoniewski, Planning Operations Manager

Description:
The proposed text amendment will adjust development application fees to account for the increased cost of staff review times and to bring fees in line with neighboring jurisdictions. Development application fees are specified in Article XV of the zoning ordinance in Table 78-152.2(b)(3). This table includes land use applications (rezoning and special exception), design review applications (Architectural Review Board and Historic District Review Board), Board of Zoning Appeals applications (variance and appeals), site plan and subdivision review applications (including bonding), and miscellaneous administrative zoning reviews.

A comprehensive evaluation of application fees occurred as part of the process. This analysis identified the amount and estimated cost of staff time that is required to review the various types of applications. In addition, the current fees and their structure were compared to those of similar neighboring localities. With the completion of the comprehensive fee evaluation, the goal is for the adjustment of fees by this ZOTA be approved in concurrence with the FY 2026 budget.

Application fees that are limited by the Code of Virginia or regulated by other sections of the town code have not been adjusted.

Fees associated with site plans, single lot development plans, and other construction related fees were not adjusted as part of this fee evaluation due to an upcoming migration of site plan administration from the Department of Community Development to the Department of Public Works, Engineering Division.

Background:
The Town Council approved Resolution 25-G-10, to initiate the consideration of ZOTA #25-02 at its regular meeting, held on January 29th, 2025.

Development application fees were last adjusted with ZOTA #24-01, which passed with Town Council approval in May 2024. ZOTA #24-01 was created to address an immediate need to raise fees in accordance with rising costs, but only took the rate of inflation into account when increasing the fees. Prior to ZOTA #24-01, the last fee adjustment took place with ZOTA #06-01, approved June 2006.

Fiscal Impact:
The amendment will result in increased development application fee revenue. Based on applications submitted in FY2024 there would be an increase in application revenue from approximately $11,800 to $50,825; this equates to roughly a 430% increase.

This is a conservative estimation and takes into account that FY2024 did not produce any large-scale development application submissions. Staff would project that a significantly higher percentage point increase would be expected as development occurs throughout town over the coming years, due to notable increases in legislative application fees.

Staff Recommendation/Next Steps:
Recommend approval of the draft ordinance to the Town Council.

Attachments:
1. Proposed Fee Schedule
2. Ordinance (Proposed)
3. Application Fee Breakdown
4. Application Review Time Analysis
5. Town Review Cost Analysis
6. Staff Presentation