TOWN OF Herndon VIRGINIA

ZOTA #25-02: Adjustment of Community Development Fee Schedule in accordance with a Comprehensive Fee Evaluation

Planning Commission Work Session
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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 the adoption of ZOTA #24-01 in May 2024.
  - Immediate change to raise fees in accordance with rising costs
  - Only took the rate of inflation into account with the increase
- Prior to ZOTA #24-01, development fees were last adjusted with ZOTA #06-01 in June 2006.

Project Description

- The proposed development fee schedule was developed to address increased costs to the Town through staff review time, and update 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). Fees include:
  - 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 and permits.

Project Description (cont.)

- The evaluation of fees included:
  - Comprehensive evaluation of fees in neighboring jurisdictions (Leesburg, Fairfax City, Vienna, Fairfax County, Arlington County, Loudoun County, Alexandria City).
  - Staff time and cost analysis per application type.
    - Staff time collected from the departments of: Community Development, Public Works-Engineering, Building Inspections, Public Works-Operations, Town Attorney.
  - Process evaluation and fee structure comparison/reform
- Application fees that are limited by the Code of Virginia or regulated by other sections of the town code have not been adjusted as part of this evaluation
- 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.

Fiscal Impact

- Adoption of the increase in development application fees in its current form will result in increased fee revenue for the Town.
  - Based on applications submitted in FY2024 there would be an increase in application revenue from approximately $11,800 to $50,825; this equates to 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, due to notable increases in legislative application fees.

Top Fee Comparison Table

	Number of Applications FY24	Town of Herndon Proposed	Fairfax City	Leesburg	Falls Church	Vienna	Loudoun County	Fairfax County	Alexandria City	Arlington County
Zoning Appropriateness Permits	156	$25.00	$70.00	*Tied with Building Permits	$0.00	$0.00	$210.00	Not tied to zoning	Not tied to zoning	Not tied to zoning
Permanent Sign License (Administrative)	40	$200.00	$165.00	$75.00	$165.00	$95.00	$235.00	$95.00	$285.00	$122.00
Zoning Inspection Permits	34	$50.00	$35.00	$50.00	$220.00	$100.00	$165.00	$100.00	N/A	N/A
HDO - Staff Review COA (Residential)	26	$0.00	$50.00	$25.00	$110.00	$50.00	N/A	N/A	$135.00	N/A
Temporary Use Permit (less than 90 days)	17	$50.00	$210.00	$150.00	$55.00	*Varies on Use	*Varies on Use	*Varies on Use	*Varies on Use	*Varies on Use
Building Location Surveys	14	$250.00	N/A	N/A	N/A	$100-$300	N/A	N/A	N/A	N/A
Roll-Off Dumpsters/PODs	8	$25.00	$0.00	$30.00	$0.00	$25.00	N/A	N/A	N/A	N/A

- Comparing fees among neighboring localities can be challenging due to differing processes, resources, and naming conventions.
- Town staff believes the top fee comparison table provides sufficient data from other jurisdictions to justify the proposed adjustments.

Post – Work Session Fee Changes

- Increased Development Fees for:
  - Zoning Map Amendments (ZMA)
  - Comprehensive Plan Amendments (CPA)
  - Development Plans
  - Proffer Condition Amendments (PCA)

	Proposed (2/10)	Post-PC WS	Fairfax City	Leesburg	Falls Church	Vienna	Loudoun County	Fairfax County
ZMA	$13,000.00	$15,000.00	$11,100.00	$16,000.00	$3,850, plus $110.00 per 1,0000 sq.ft.	$15,000.00	$27,720.00 - Non-Resid. $35,605.00 – Resid.	$32,055 (most districts)
PCA	$5,000.00	$9,000.00	$5,325.00	$10,000.00	$2,750.00	$5,000.00	$20,575.00 - Non-Resid. $26,230.00 – Resid.	Varies based on request $500-$15,000.00
Development Plans	$17,000.00	$19,000.00	$21,125.00	N/A	$5,500.00	N/A	Included in cost of ZMA where req.	Included in cost of ZMA in req. districts.
Additional Submissions	$1,750.00 (after 3)	$1,750.00 (after 3)	N/A	$1,200.00 (after 3)	N/A	N/A	$1,560.00 (after 3rd)	N/A
CPA	$5,250.00	$5,500.00	$5,325.00	$5,600.00	$1,650.00	$1,600.00	$1,600.00	Not privately generated

Post – Work Session Fee Changes (Cont.)

Town of Herndon (current)	Town of Herndon (proposed)	Fairfax City	Town of Leesburg	Town of Vienna	City of Falls Church
$8,943	$24,000	$26,375	$16,000	$16,000	$24,750

- To better demonstrate the fee adjustment impacts on large-scale developments, the above figures have been calculated for fees associated with the 555 Herndon Parkway re-zoning project
  - 4.34-acre property
  - Development Plan
  - Three (3) Modification Requests
  - Does not account for Architectural Review Board Fees (additional $1,000)
  - Under the current fee schedule, there is a potential for less money received due to the current Traffic Impact Study fee structure

Post – Work Session Fee Changes (Cont.)

- Removed $10,000 cap on recovery of consultant fees for Flood Plain and Traffic Impact Studies
- Addition of a fee for Minor Proffer Condition Amendment (PCA) for Residential
  - With an increase in the general Proffer Condition Amendment fee, we felt it was appropriate to add a differentiated fee for more minor PCAs.
  - This fee would only apply to residential properties.
- Re-organization of Historic District Overlay fees
  - Staff believes the proposed fees provide appropriate subsidies to town residents who want to improve their historic district properties.

Staff Recommendation/Next Steps

- Staff recommends the Planning Commission recommend approval of the draft ordinance to the Town Council as presented.
  - Following the Planning Commissions recommendation, staff can bring ZOTA #25-02 to the Town Council for consideration and action.