AN ORDINANCE OF THE NIXA CITY COUNCIL AMENDING SECTIONS OF CHAPTER 2 AS THEY RELATE TO PLANNING AND DEVELOPMENT FEES

Background:

The application / permit fees associated with the Planning and Development Department and the Planning and Zoning Commission, are established in Sec. 2-151. This section was last updated in 2023 for the purpose of consolidating all fees into one section. During the review of our fees at that time, staff learned that many of the fees for the Planning and Development Department and the PZ Commission have not been updated for some time. The intent of the proposed fees is to reflect staff's involvement with certain projects, the number of public hearings that some items must be presented at, number of inspections with building projects, and the overall increases in staff wages and cost of living.

Analysis:

Fees Related to Planning and Zoning Commission Items:
The fees related to items that go in front of the Planning and Zoning Commission were last updated in 2009. Since that time, the level of involvement of staff in these processes has increased. In the past, we relied on the applicant to send certified letters to all property owners within 185' of the applicant's property. Often the applicant would provide bare basic information in the letter, which resulted in numerous phone calls from confused property owners. Staff have since taken over this process and now the property owners receive a very thorough notification letter that explains what is happening and has resources for them if they want to do their own research along with contact information if they would prefer to talk to staff.

In addition to increasing the base application fees Preliminary Plats and Final Plat applications, staff is proposing to increase the cost per lot amount. The current cost for a preliminary plat is $350 plus $1per lot. Staff is proposing to increase the application fee to $500 plus $2 per lot. For example, under current fees, a preliminary plat consisting of 100 residential lots would cost the applicant $450. Under the proposed fees, the same preliminary plat would cost the applicant $700. A 55% increase for this example. Staff has to review the preliminary plat to adopted subdivision regulations, coordinate review with other departments, both internal and external to the city, answer any questions from the public and media, and prepare and present the item for three public hearings.

As part of this fee update, the number of public hearings that each item must be presented to is taken into consideration. Public hearings require prep work to ensure

that we present accurate and factual information to the elected and appointed officials, and to the general public. On average, staff is proposing a 59% increase to the fees related to items that go before the Planning and Zoning Commission. Individually, these increases range from 30% for Annexations, to 150% for the Board of Adjustments. These increases are due to the increased level of involvement and review coordination that staff has with each item and the increases in staff salaries since 2014.

Type	Application	Current	Proposed	Increase	Notes	Notes2	Established
P&Z	Annexation	$ 500.00	$ 650.00	30%			2009
	Rezone	$ 250.00	$ 350.00	40%			2009
	Minor Subdivision	$ 150.00	$ 250.00	67%			2009
	Special Use Permit	$ 250.00	$ 350.00	40%			2009
	Board of Adjustment	$ 200.00	$ 500.00	150%			2009
	Preliminary Plat	$ 350.00	$ 500.00	43%	$500+$2 per lot	Current +$1 per lot	2009
	Final Plat Review	$ 200.00	$ 300.00	50%	$300+$2 per lot	Current +$1 per lot	1993
	Right-of-way Vacation	$ 100.00	$ 150.00	50%			2009
	Stormwater Buyout	$ -	$ 150.00				

Fees Related to Residential Building Permits:
Similar to the application fees for P&Z items, a majority of the fees associated with residential building permits have not been adjusted for many years. When evaluating fees for residential building permits, staff's level of involvement, required inspections, review coordination, cost of vehicles, cost of fuel, and staff salaries were all taken into consideration.

Inspection fees or penalties for a third or fourth reinspection are also being proposed. We have run into numerous situations where builders are using our inspectors to perform quality control for them and rely on us to create lists of everything that needs to be completed prior to moving to the next phase of their building. This often results in our inspectors doing three or more reinspection's of a building that is stuck at a certain phase of construction. While we are here to help builders and guide them through the building process, the builder should be held accountable for failing to correct the listed violations. For the third reinspection, we are proposing a $75 fee. For the fourth reinspection and any reinspection's thereafter, we are proposing a $150 fee.

The biggest change to residential building permits, will be moving away from a basic cost per square foot method and switching to the Building Valuation Data (BVD) that is provided by the International Code Council (ICC). The BVD table provides the average construction costs per square foot. The table reflects relative value of one construction classification/occupancy group to another so that more expensive construction is assessed greater than less expensive construction. The BVD table provides staff with a simplified way to determine the estimated value of a building that does not rely on the applicant to determine the cost of construction. The ICC updates the BVD at six-month intervals. Staff would prefer to use the most recent available BVD table that the ICC provides. The BVD table is based on national averages, because of this, the ICC provides a formula to create a local area multiplier. The multiplier should be updated

yearly as the previous year's annual construction value is part of the formula. Another part of the formula asks what percentage of the Planning and Development Department operating budget is expected to be provided by building permit revenue. In 2025, permit revenue covered about 40% of the Planning and Development Departments budget. So far in 2026, we are covering about 34% of our operating budget. Staff would recommend setting the percentage to 50%. Most of the research conducted on this local area multiplier appears to show communities wanting to have permit revenue cover 75%-80% of their operating costs.

Example:

Permit Fee Multiplier

Determine the Permit Fee Multiplier:

1. Based on historical records, determine the total annual construction value which has occurred within the jurisdiction for the past year.
2. Determine the percentage (%) of the building department budget expected to be provided by building permit revenue.
3.

$$\text{Permit Fee Multiplier} = \frac{\text{Bldg. Dept. Budget x (\%)}}{\text{Total Annual Construction Value}}$$

Example

The building department operates on a $300,000 budget, and it expects to cover 75 percent of that from building permit fees. The total annual construction value which occurred within the jurisdiction in the previous year is $30,000,000.

$$\text{Permit Fee Multiplier} = \frac{\$300{,}000 \times 75\%}{\$30{,}000{,}000} = 0.0075$$

Permit Fee

The permit fee is determined using the building gross area, the Square Foot Construction Cost and the Permit Fee Multiplier.

Permit Fee = Gross Area x Square Foot Construction Cost
X Permit Fee Multiplier

Cost Comparison:
For a new residential build of a 1972 sq.ft. home. With current fee of $.37 per square foot, the permit fee would be $729.64. This does not include any other fees collected by the permit. Under the BVD multiplier with the assumption that we approve the 50% recovery, the same home would cost $1,387.66.

Staff is also proposing a non-refundable application fee and a raise in the plan review fee. The non-refundable application fee will cover our time spent on applications that end up never being issued.

Type	Application	Current	Proposed	Increase	Notes	Notes2	Established
Residential	Plan Review	$ 50.00	$ 100.00	100%			2005
	MEP	$ 40.00	$ 60.00	50%			2010
	Shed	$ 40.00	$ 50.00	25%	Over 200 SqFt=Multiplier		2010
	Fence	$ 40.00	$ 50.00	25%			2010
	Deck	$ 75.00	$ 125.00	67%			2010
	Storm Shelter	$ 80.00	$ 50.00	-38%			2010
	Demo	$ 75.00	$ 75.00	0%			2010
	Special Event Permit		$ 75.00				
	Sign / Temp Sign	$ 50.00	$ 50.00	0%			2010
	Firework Stand	$ 100.00	$ 100.00	0%			2010
	Solar		$ 100.00				
	Above Ground Pool	$ 80.00	$ 80.00	0%			
	Inground Pool	$ 160.00	$ 160.00	0%			2010
	Rental Inspection	$ 25.00	$ 50.00	100%	Late Charge $10	Third Inspection $50	2015
	SF Application Fee		$ 50.00				
	SF per Sq.Ft.	0.037	Multiplier		Third Inspection $75	Fourth Inspection $150	2020
	SF Remodel		Multiplier				2010

Fees Related to Commercial Building Permits:
Similar to our residential building permits, staff is recommending moving away from the current $.25 per square foot and switching to the BVD formula.

Type	Application	Current	Proposed	Increase	Notes	Notes2	Established
Commercial	Plan Review		$ 100.00				2005
	Commercial Application		$ 100.00		Non-Refundable		
	New Commercial	$ 0.25	Multiplier		Per square foot		2015
	Commercial Infill No Changes	$ 60.00	$ 100.00	67%			2010
	Commercial Alteration		Multiplier				
	Commercial Addition		Mulitplier				
	MEP	60	$ 80.00	33%			2010

The language in this memo does not mention every single fee change for Planning and Development permits that staff is proposing. The tables that have been inserted into the memo should include all or close to all proposed changes. These changes are being proposed because a majority of the fees associated with development in the City of Nixa have not been evaluated for many years. The proposed changes reflect the level of involvement that staff has in each permit type. It also reflects the changes in staff wages since the last time the fees were adjusted. The Planning and Development Department is not trying to cover 100% of our operating costs with our permit revenues. We simply want to maintain or slightly improve the percentage of which our permit revenue covers our operating costs.

Recommendation:

The proposed changes to the permit and application fees for the Planning and Development Department reflect staff's level of involvement to provide excellent customer service. The proposed changes also take into account that staff salaries have increased and current fee's no longer adequately cover our involvement in the processes. Since 2014, the salaries for the Planning and Development staff that are

involved in these processes, have risen on average 65%. Staff recommends approval and that these changes would go into effect on January 1, 2027.

MEMO SUBMITTED BY:

Scott Godbey | Director of Planning and Development
sgodbey@nixa.com | 417-725-5850

COUNCIL BILL NO. 2026-32 **ORDINANCE NO. _____**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF NIXA AMENDING CHAPTER 2, ARTICLE IV, SECTION 2-151(3) OF THE NIXA CITY CODE FOR THE PURPOSE OF MODIFYING FEES ADMINISTERED BY THE PLANNING AND DEVELOPMENT DEPARTMENT.

WHEREAS the City, through its Planning and Development Department oversees the permitting and safety inspection process for many types of construction, development, zoning, and special use activities; and

WHEREAS there has not been a comprehensive review and update to the fees for City services and other charges overseen by the Planning and Development Department for several years and they are in need of updates to accommodate the increasing costs of providing programs and services; and

WHEREAS the proposed amended changes will allow the Planning and Development Department to come closer to recouping the costs of providing certain services to those wishing to avail themselves of the City's permitting processes; and

WHEREAS the City Council desires to adopt the amendments contained herein.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NIXA, AS FOLLOWS, THAT:

SECTION 1: Chapter 2, Article IV, Section 2-151(3) of the Nixa City Code is hereby amended as set forth in "Council Bill Exhibit A," which is attached hereto and incorporated herein by this reference.

SECTION 2: Aside from the modifications described in Section 1, all other portions of Section 2-151(3) of the Nixa City Code shall remain unmodified.

SECTION 3: The City Attorney, when codifying the provisions of this Ordinance, is authorized to provide for different section numbers, subsection numbers, and different internal citation references than those provided herein when such section numbers, subsection numbers, or internal citation references are in error or are contrary to the intent of this Ordinance.

SECTION 4: Savings Clause. Nothing in this Ordinance shall be construed to affect any suit or proceeding now pending in any court or any rights acquired, or liability incurred nor any cause or causes of action occurred or existing, under any act or ordinance repealed hereby.

SECTION 5: Severability Clause. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The Council hereby declares that it would have adopted the Ordinance and each section, subsection, sentence, clause, or

phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 6: This Ordinance shall be in full force and effect on January 1, 2027, and after its approval by the Mayor, subject to the provisions of section 3.11(g) of the City Charter.

ADOPTED BY THE COUNCIL THIS _____ DAY OF _____ 2026.

ATTEST:

_____ _____
PRESIDING OFFICER CITY CLERK

APPROVED BY THE MAYOR THIS _____ DAY OF _____ 2026.

ATTEST:

_____ _____
MAYOR CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

COUNCIL BILL EXHIBIT A

(1) Section 2-151(b)(3) shall be repealed and adopting in lieu thereof a new Section 2-151(b)(3) which said subparagraph shall read as follows (Explanation: Language in bold-face type (e.g., **thus**) is language to be added. Language in bold-faced brackets (e.g., **[**~~thus~~**]**) is not enacted and is intended to be omitted or deleted):

Fee Name	Fee Amount	Fee Description/Code Section
Planning and Development Fees		
Rental Inspection	**[**~~$25.00~~**] $50.00**	(See Sec. 101-11, 103-31, & 103-33).
Rental Inspection Penalty **(Early Move in Fee)**	**[**~~$50.00~~**] $75.00**	(See Sec. 103-33).
Rental Reinspection Penalty	**[**~~$25.00~~**] 3rd inspection and thereafter $50.00**	Applies when City is required to reinspect a unit. (See Sec. 103-33).
New Commercial Building Permit	**[**~~$0.25 per square feet~~**] Permit Fee in 2-151(3.1)(b), below**	(See Sec. 101-11 & 117-100).
Residential Plan Review Fee	**[**~~$50.00~~**] $100.00**	(See Sec. 101-11).
Commercial Plan Review Fee	**$100.00 nonrefundable application fee plus fee amount.** Fee amount is based on the hourly rate charged by the City's authorized third-party reviewer. The city shall provide an estimate of the fee amount to applicant. Additional review time shall be charged to the applicant before a certificate of occupancy is issued.	Fee charged for the inspection by the City of commercial building plans when an applicant is seeking a certificate of occupancy for said building. (See Sec. 101-11).
New Single Family Structure Permit	**[**~~$0.47 per square feet of the structure~~**] $50.00 nonrefundable application fee plus Permit Fee in 2-151(3.1)(b), below**	(See Sec. 101-11).
Residential Alteration	**[**~~$0.37 per square footage effected by the remodel~~ ~~When mechanical alterations are part of the remodel $40 shall be charged. When plumbing alterations are part of the remodel~~	Fee charged for the permitting and inspection by the City of a **[**~~remodel~~**] alteration** of a residential building (internal or external **[**~~remodel~~**] alteration**). (See Sec.

	~~$40 shall be charged. When electrical alterations are part of the remodel $40 shall be charged~~.**]** **Permit Fee in 2-151(3.1)(b), below, x 0.5**	101-11).
Residential Addition	**Permit Fee in 2-151(3.1)(b), below**	**(See Sec. 101-11)**
Residential Mechanical, Plumbing, Electrical	**$60 each**	**(See Sec. 101-11)**
Residential and Commercial Reinspection Fees	**Third reinspection $50** **Fourth reinspection and any subsequent reinspection related to the same issues $150**	**(See Sec. 101-11)**

Fee Name	Fee Amount	Fee Description/Code Section
Commercial **[**~~Remodel~~**] Alterations**	**[**~~$0.25 per square footage effected by the remodel. When mechanical alterations are part of the remodel $60 shall be charged. When plumbing alterations are part of the remodel $60 shall be charged. When electrical alterations are part of the remodel $60 shall be charged.~~**]** **Permit Fee in 2-151(3.1)(b), below, x 0.5**	Fee charged for the permitting and inspection by the City of a**n** [~~remodel~~**] alteration** of a commercial building. (See Sec. 101-11).
Commercial **[**~~Alterations~~**] Addition**	**[**~~$60.00~~**] Permit Fee in 2-151(3.1)(b), below**	**Fee charged for the permitting and inspection by the City of an addition of a commercial building (See Sec. 101-11)** **[**~~Fee charged for the permitting and inspection by the City of the infill of a commercial building in which no structural,~~

		~~mechanical, electrical, or plumbing modifications are part of the infill.(Sec. 101-11).~~**]**
Commercial Infill (No changes)	**$100**	**Fee charged for the permitting and inspection by the City of the infill of a commercial building in which no structural, mechanical, electrical, or plumbing modifications are part of the infill (Sec. 101-11)**
Commercial Mechanical, Plumbing, Electrical	**$80 each**	**(See Sec. 101-11)**
Accessory Building	**[**~~$40.00~~**] $50.00 when structure is 200 square feet or less. When greater than 200 square feet, it will be subject to the Permit Fee in 2-151(3.1)(a), below.** When mechanical alterations are **[**~~part of the remodel $40~~**] added to the structure $60.00** shall be charged. When plumbing alterations are **[**~~part of the remodel $40~~**] added to the structure $60.00** shall be charged. When electrical alterations are **[**~~part of the remodel $40~~**] added to the structure $60.00** shall be charged.	Fee charged for the permitting and inspection by the City of the placement or construction of an accessory building. (See Sec. 117-278 & Sec. 103-1 (International Residential Code).
Fence	**[**~~$40.00~~**] $50.00**	Fee charged for the permitting and inspection by the City of the placement or construction of fence. (See Sec. 105-60).

Above Ground Pool	$80.00	Fee charged for the permitting and inspection by the City of the placement or construction of an above ground pool. (See Sec. 117-278).
In Ground Pool	$160.00	Fee charged for the permitting and inspection by the City of the placement or construction of an inground pool. (See Sec. 117-278).
Deck & Patio	**[**~~$75.00~~**] $125.00**	Fee charged for the permitting and inspection by the City of the placement or construction of a deck. (See Sec. 117-278).
Solar Permit	**[**~~$40.00~~**] $100.00**	Permit issued for the inspection of the electrical connection of solar panel arrays.
Sign	$50.00	Fee charged for the permitting and inspection by the City of the placement or construction of a sign. (See Ch. 113).
Temporary Sign	**[**~~$25.00~~**] $50.00**	Fee charged for the permitting and inspection by the City of the placement or construction of a temporary sign. (See Ch. 113).
Fireworks Stand	$100.00	Fee charged for the permitting and inspection by the City of the placement or construction of a fireworks stand. (See Ch. 16, Art. IV, Division 4).
Storm Shelter	**[**~~$80.00~~**] $50.00**	Fee charged for the permitting and inspection by the City of the placement or construction

		of a storm shelter. (See Sec. 101-11).

Fee Name	Fee Amount	Fee Description/Code Section
Building Demolition	$75.00	Fee charged for the permitting and inspection by the City of the removal or demolitions of a structure. (See Sec. 101-11).
Annexation	**[**~~$500.00~~**] $650.00**	Fee charged for the review and processing of a voluntary petition for annexation of real property into the City limits.
Zoning Map Amendment (Rezone)	**[**~~$250.00~~**] $350.00**	Fee charged for the review and processing of an application for a zoning map amendment (petition to rezone). (See Sec. 101-11).
Special Use Permit	**[**~~$250.00~~**] $350.00**	Fee charged for the review and processing of an application for the issuance of a special use permit. (See Sec. 101-11).
Minor Subdivision Plat	**[**~~$150.00~~**] $250.00**	Fee charged for the review and processing of an application for a minor subdivision plat. (See Sec. 101-11).
Major Subdivision Preliminary Plat	**[**~~$350.00 + $1.00 per lot created~~**] $500.00 + $2.00 per lot created**	Fee charged for the review and processing of an application for a major subdivision preliminary plat. (See Sec. 101-11).

Major Subdivision Final Plat	**[**~~$200.00 + $1.00 per lot created~~**]** $300.00 + $2.00 per lot created	Fee charged for the review and processing of an application for a major subdivision final plat. (See Sec. 101-11).
Variance **(Board of Adjustment)**	**[**~~$200.00~~**] $500.00**	Fee charged for the review and processing of an application for a variance to the City Board of Adjustment. (See Sec. 101-11).
Easement and Right-of-Way Vacation	**[**~~$100.00~~**] $150.00**	Fee charged for the review and processing of an application for the vacation of a City easement or right-of-way. (See Sec. 101-11).
Fee in Lieu of Detention (Stormwater buy-out)	**$150.00**	**Fee charged for the review and processing of an application for a fee in lieu of stormwater detention. (See Sec. 101-11)**
Planning and Development Fees - Impact Fees (Sewer)		
Residential Sewer Impact Fees	$863.00 (¾") $1,439.00 (1") $4,606.00 (2") $9,212.00 (3") $14,394.00 (4")	Fee is based on the size of water meter. (See Ch. 109).
Apartment Complex	$609.00 (per unit)	(See Ch. 109).
Duplex Homes	$609.00 (per unit)	(See Ch. 109).
Planning and Development Fees - Impact Fees (Police)		
Commercial Shopping Center	$389.42 (25,000 square feet or less) $359.35 (25,001 - 50,000 square feet) $312.94 (50,000 - 100,000 square feet) $269.59 (100,001 square feet or more)	(See Ch. 109).

Fee Name	Fee Amount	Fee Description/Code Section
General Office	$179.49 (10,000 square feet or less) $144.92 (10,001 - 25,000 square feet) $123.39 (25,001 square feet or more)	(See Ch. 109).
Medical/Dental Office	$285.96	(See Ch. 109).
Hospital	$132.81	(See Ch. 109).
Nursing Home	$45.90	(See Ch. 109).
Business Park	$100.99	(See Ch. 109).
Light Industrial	$55.16	(See Ch. 109).
Warehouse	$39.25	(See Ch. 109).
Mini-Warehouse	$19.78	(See Ch. 109).
Churches-without weekday school or daycare	$19.78	(See Ch. 109).
Lodging	$65.00 (per room)	(See Ch. 109).
Day Care	$35.00 (per student)	(See Ch. 109).
Apartment Complex	$106.00 (per unit)	(See Ch. 109).
Duplex Homes	$106.00 (per unit)	(See Ch. 109).
Residential Permit	$106.00	(See Ch. 109).
Planning and Development Fees - Impact Fees (Parks)		
Apartment Complex	$307.00 (per unit).	(See Ch. 109).
Duplex Homes	$307.00 (per unit)	(See Ch. 109).
Residential Permit	$435.00	(See Ch. 109).

(2) A new Section 2-151(b)(3.1) shall be adopted and shall read as follow. (Explanation: Language in bold-face type (e.g., **thus**) is language to be added. Language in bold-faced brackets (e.g., **[**~~thus~~**]**) is not enacted and is intended to be omitted or deleted):

(3.1) Calculation of Building Permit Fees

a. Definitions. The following words, terms, and phrases, when used in this section, shall have the following meanings ascribed to them except where the context clearly indicates a different meaning:

PERMIT FEE MULTIPLIER – a calculation determined annually by the Planning and Development Department to be applied to building permit fees for that year. The calculation is represented by the following mathematical formula:

(Budget x Budget Factor)/Total Construction Value = Permit Fee Multiplier

Budget - the prior year's Planning and Development Department total budget.

Budget Factor – percentage of the Planning and Development Department budget expected to be provided by building permit revenue, currently 50%.

Total Construction Value - the prior year's total construction value as determined by adding all building permits issued in that year.

SQUARE FOOT CONSTRUCTION COST – Factor taken from the most recent update of the International Code Council's Building Valuation Data chart based on the appropriate group and use contained in that chart.

b. Permit Fee. A building permit fee used in the table above is calculated by the following mathematical formula:

Gross Area x Square Foot Construction Cost x Permit Fee Multiplier = Permit Fee

(3) Aside from the modifications described in Council Bill Exhibit A, all other portions of Section 2-151(b)(3) shall remain unmodified.