

PLANNING & DEVELOPMENT

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 Timothy Huey
 Director

To: Mahesh Sharma, County Administrator

From: Timothy Huey, Planning Director

Date: January 28, 2019

Re: Discussion of proposal to require all subcontractors to obtain separate permits for work conducted on behalf of a general contractor or property owner and discontinue the practice of having the general contractor's permit cover all work.

Scott County is the only jurisdiction in the Quad Cities that does not require sub-contractors to obtain individual permits for work being completed on projects where a general building permit has been issued. When a building permit for a new house, room addition or accessory building has been issued that permit has been deemed to cover the electrical, mechanical and plumbing work of the project. Staff is recommending that practice be changed to require separate permits be issued for all the types of work performed by licensed contractors.

The purpose of this change would be to allow better tracking and monitoring of the subcontractors doing such work and also to increase the permit revenue for code enforcement in an equitable manner to offset or hopefully cover the cost of the requested additional building inspector position with the Department. Building Permit fees are intended to cover the cost of providing building inspection services and are therefore set as a percentage of the value of the project. The bigger and higher value of the project, the higher the building permit fee would be; and the greater time and complexities the inspections of the project would require.

The estimated budget increase needed to cover the cost of a new building inspector position would be about \$77,000 salary and benefits. The Department is already assigned two vehicles so there would be an existing vehicle available for this position to use.

Estimates of the increase in revenue such a change could be anticipated to generate are based on the last calendar year of permit activity:

Estimate of annual subcontractor permit revenue:

New Houses	\$45,000
Room Additions and remodels	\$35,000
Accessory buildings	\$3,500
Mobile Homes	<u>\$500</u>
Total	\$84,000

These numbers will vary from year to year based on the economy but staff always is conservative with revenue estimates for building permits. However, the coming few years have great potential for new house permits to remain steady or increase with the new subdivision in Riverdale (with houses starting at \$450,000), the Valley View Farms addition with 30 plus lots, additional lots in Park View and the City of LeClaire has approved a new sub-division with 24 zero lot line homes and a possible new significant subdivision on the north west corner of the city is being considered also.

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES THAT
THIS RESOLUTION HAS BEEN FORMALLY APPROVED BY
THE BOARD OF SUPERVISORS ON _____
DATE

SCOTT COUNTY AUDITOR

RESOLUTION
SCOTT COUNTY BOARD OF SUPERVISORS

February 7, 2019

**TO REQUIRE ALL ELECTRICAL, MECHANICAL AND PLUMBING
SUBCONTRACTORS TO OBTAIN SEPARATE PERMITS FOR ALL WORK
COMPLETED IN THE UNINCORPORATED AREA OF SCOTT COUNTY AND
CERTAIN CITIES WITHIN SCOTT COUNTY**

WHEREAS, It has been the practice of the Planning and Development Department to deem the building permit issued to a general contractor or property owner for any project requiring a building permit to also cover all the work to be completed by the subcontractors for all the electrical, mechanical and plumbing work on the project.

WHEREAS, So as not to place a greater financial burden on the property tax payers of the County but in order to generate additional permit revenue to cover the cost of additional building inspection staff and also to improve public safety, ensure code compliant construction while still providing efficient and responsive building inspection services.

NOW THEREFORE;

BE IT RESOLVED by the Scott County Board of Supervisors as follows:

Section 1 The Board hereby approves that the Building Inspection Department require all electrical, mechanical and plumbing subcontractors obtain separate permits for work completed under a general construction permit.

Section 2. This resolution shall take effect April 1, 2019.