



FY20 LAND DEVELOPMENT SERVICES BUDGET COMMITTEE

March 18, 2019

Dena R. Diorio
County Manager - Mecklenburg County
Charlotte-Mecklenburg Government Center
600 E. 4th ST
Charlotte, NC 28202

Dear County Manager Diorio,

In December 2010, the six Town Managers and the Storm Water Services Division of Land Use & Environmental Services Agency (LUESA) assembled a Land Development Services Budget Committee to review and consider endorsing the proposed budget – specifically comparing revenues to expenses, addressing shortfalls and considering changes to the County's fee schedule. Each year the Committee has met to review upcoming budgets.

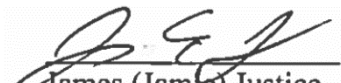
In March 2018, Huntersville informed the County that the Town was researching the possibility of providing their own Land Development services beginning July 1, 2019. Since then, County staff have been working closely with Huntersville on the transition of services. As such, the FY20 Land Development services budget takes into account the County no longer providing these services for Huntersville but does include some funding from Huntersville to assist with the transition. Also, beginning July 1, 2019, the Town of Huntersville will no longer be part of the Land Development Services Budget Committee.

In February 2019, the Committee met to start the budget review process for the FY20 budget. On March 11, the Committee met to review the proposed FY20 budget as contained in a memo dated March 8, 2019 from Don Ceccarelli (Program Manager). **The Land Development Services Budget Committee has come to consensus and recommends that LUESA present, and the Mecklenburg Board of County Commissioners adopt, a FY20 Permitting & Compliance budget that: 1) modifies Land Development, Zoning and Floodplain Permitting fees and 2) eliminates two vacant Storm Water - Permitting & Compliance staff positions consistent with information provided in the March 8, 2019 budget memo.** The Committee's recommendation is consistent with LUESA's proposed budget that was submitted on February 13, 2019. For the proposed FY20 budget, projected revenues are expected to cover budgeted expenses. Different from previous budgets, the proposed budget includes a transfer to reserves based on the Land Development Services Goals and Approaches document and proposed changes to the fee schedule, both attached.

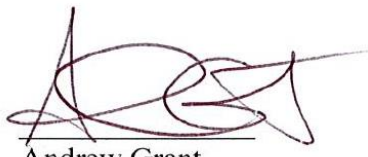
On behalf of the five Towns, Mecklenburg County provides Land Development services which consist of plan review, permitting and inspection of new development and redevelopment for zoning, erosion control, storm water, and transportation requirements. These services are provided consistent with Interlocal Agreements. The City of Charlotte provides its own land development services within the City and its extraterritorial jurisdiction.

Thank you and please do not hesitate to contact us if you have questions.

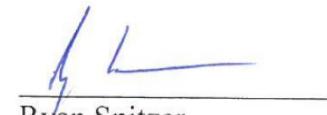
Regards,



James (Jamie) Justice
Town of Davidson



Andrew Grant
Town of Cornelius




Ryan Spitzer
Town of Pineville



Brian Welch
Town of Mint Hill



Hazen Blodgett
Town of Matthews



W. Dave Canaan
Mecklenburg County

FY20 County Storm Water Budget

Land Development Services

Goals and Approaches

GOAL #1: County Recover 100% of its Costs

Impacts to the Storm Water (STW) - Permitting and Compliance (P&C) fees:

- Implemented detailed time/expense tracking system in FY18
- Developed 100% cost recoverable, hourly rate and fee models in FY19
- A combination of the above is intended to have the 10 different revenue streams more accurately fund the 10 different services STW provides (minimizes subsidies)
- Proposed fee increases are summarized as follows:
 - Fully-fund Zoning services using zoning fees
 - Fully-fund Land Development Services for short-term development projects (development that takes approximately a year or less to complete) using Land Development fees
 - Fully-fund first-year of Land Development Services for long-term development projects (multi-year projects) and partially-fund remaining years' Land Development Services using Land Development fees
 - See attached for proposed fee increases
- The last time fees were increased:
 - Floodplain – FY08
 - Zoning Fees – FY10
 - Land Development Fees – FY12
- Data from the time/expense tracking, permitting, County finance and other systems will be used populate the 100% cost recoverable, hourly rate and fee models annually. This should facilitate incremental increases in fees (when needed) more frequently than having large increases that span numerous years
- NOTE: The 100% cost recovery model has also increased the Town's cost for water quality services provided by the County.

GOAL #2 – Budget to Attain Land Development Reserve Goal in FY22

Impacts to the STW - P&C fees:

In addition to the information contained in Goal #1 above:

- Land Development Reserves, funded by pre-paid fees, are intended to maintain services during an economic downturn so that there is not a reduction in services.

- Established a Land Development reserve goal equivalent to one full-year of Land Development operating costs (very similar to LUESA-Code Enforcement's reserve goal).
- Reserves are currently 58% of the goal (FY19 dollars)
- Proposed fee increases for multi-year development (small residential, large residential and large commercial) are included as follows to set aside reserve fees to cover approximately 50% of existing projects' future costs. The increase the Land Development Reserves:
 - Assumes reserves will be needed in FY22 to continue providing services for multi-year projects
 - The first of a two-year phase-in of fee increases occurs in FY20, and the second occurs in FY21
 - By FY21, fees for multi-year development are anticipated to cover 50% of future multi-year project costs
 - The "50% of future multi-year project costs" approach assumes future years' Land Development fees will cover the other 50% of project costs (not a total shutdown in development activity)
 - See attached for proposed fee increases

GOAL #3: Successfully Transition Land Development Services to the Town of Huntersville

Impacts to the STW - P&C budget:

- Eliminated two vacant positions – Zoning and Erosion Control Inspector
- FY20 Budget includes revenue from Huntersville to help with transition
- Move some services from STW - Engineering & Mitigation to STW - P&C
- Funding allocations: Storm Water (52%), Land Development (45%), Cashed Bonds (2%), Tax Funding (1%)
- FY20 budget strategy is fiscally responsible, provides flexibility to address unknowns (market, pace of Huntersville transition, etc.) and maintains a certain depth of resources.

Storm Water Services

Proposed Change in Land Development, Zoning and Floodplain Permitting Fees¹

Fee Type	FY19 Fee	FY20 Fee	FY 21 Fee
Land Development Fees (Single-year Projects)			
Concept Plan - Commercial	\$ 600	\$ 2,200	\$ 2,200
Concept Plan - Subdivision	\$ 800	\$ 2,200	\$ 2,200
Small Commercial Plan	\$ 1,500	\$ 4,500	\$ 4,500
Plat Review	\$ 1,100	\$ 1,500	\$ 1,500
Erosion Control Only per acre	\$ 450	\$ 620	\$ 620
Driveway Permit	\$ 200	\$ -	\$ -
Minor Revision to Approved Plans	\$ 200	\$ 970	\$ 970
Major Revision to Approved Plans	\$ 700	\$ 1,800	\$ 1,800
Plat Revision	\$ 200	\$ 740	\$ 740
As-Built Survey - Storm Drainage	\$ -	\$ 740	\$ 740
As-Built Survey - BMP	\$ -	\$ 1,100	\$ 1,100
Posting Bond	\$ 370	\$ 1,200	\$ 1,200
Renewing Bond	\$ 370	\$ 1,200	\$ 1,200
Replacing Bond	\$ 370	\$ 1,200	\$ 1,200
Releasing Bond	\$ 370	\$ 1,200	\$ 1,200
Re-Inspection	\$ -	\$ 370	\$ 370
Re-Plan Review (\$/hr)	\$ -	\$ 110	\$ 110
Land Development Fees (Multi-year Projects)			
Large Commercial Plan (>1 acre denuded or PCO applies)	\$ 8,600	\$ 8,600	\$ 9,300
Large Commercial per acre	\$ 250	\$ -	\$ -
Large Commercial per acre (above 5 acre)	\$ -	\$ 1,000	\$ 1,000
Small Subdivision (<10 acres denuded)	\$ 10,000	\$ 13,100	\$ 16,200
Small Subdivision per acre	\$ 650	\$ -	\$ -
Small Subdivision per acre (above 7 acre)	\$ -	\$ 1,000	\$ 1,000
Large Subdivision (>10 acres denuded)	\$ 9,000	\$ 26,700	\$ 35,800
Large Subdivision per acre	\$ 500	\$ -	\$ -
Large Subdivision per acre (above 25 acre)	\$ -	\$ 500	\$ 500
Public Projects	\$ 2,500	\$ 4,600	\$ 4,600
Public Projects per acre	\$ 550	\$ 1,000	\$ 1,000
Zoning²			
Sign <100 ft ²	\$ 115	\$ 160	\$ 160
Sign >100 ft ²	\$ 165	\$ 220	\$ 220
Zoning Use	\$ 115	\$ 160	\$ 160
Single Family Residential	\$ 15	\$ 20	\$ 20
Commercial - MA/MH/PI/CNTY: \$1 to \$3K	\$ 40	\$ 50	\$ 50
Commercial - MA/MH/PI/CNTY: \$3K to \$50K	\$ 80	\$ 110	\$ 110
Commercial - MA/MH/PI/CNTY: \$50K to \$100K	\$ 310	\$ 420	\$ 420
Commercial - MA/MH/PI/CNTY: \$100K to \$1m	\$ 650	\$ 890	\$ 890
Commercial - MA/MH/PI/CNTY: \$1m to \$10m	\$ 770	\$ 1,050	\$ 1,050
Commercial - MA/MH/PI/CNTY: Over \$10m	\$ 770	\$ 1,050	\$ 1,050
Commercial - CN/DA: \$1 to \$3K	\$ 20	\$ 30	\$ 30
Commercial - CN/DA: \$3K to \$50K	\$ 40	\$ 50	\$ 50
Commercial - CN/DA: \$50K to \$100K	\$ 155	\$ 210	\$ 210
Commercial - CN/DA: \$100K to \$1m	\$ 325	\$ 440	\$ 440
Commercial - CN/DA: \$1m to \$10m	\$ 385	\$ 520	\$ 520
Commercial - CN/DA: Over \$10m	\$ 385	\$ 520	\$ 520
Floodplain Permit Fees			
Development in the Flood Fringe - Minor Impact	\$ 250	\$ 540	\$ 540
Development in the Flood Fringe - Major Impact	\$ 1,000	\$ 1,200	\$ 1,200
Development in the Floodway - Minor Impact	\$ 650	\$ 2,600	\$ 2,600
Development in the Floodway - Major Impact	\$ 2,300	\$ 6,200	\$ 6,200
Community Letter of Map Revision	\$ 2,300	\$ 6,200	\$ 6,200

Notes:

- 1 - The Land Development Budget Committee endorsed these fees on 3/11/19 and the Storm Water Advisory Committee was presented the Floodplain Permit Fees for consideration on 2/21/19
- 2 - Abbreviations: Matthews (MA), Mint Hill (MH), Pineville (PI), County (CNTY), Cornelius (CN) and Davidson (DA)