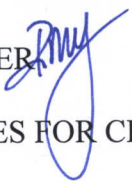


City of Alexandria, Virginia

MEMORANDUM

**DATE:** JUNE 6, 2012  
**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL  
**FROM:** RASHAD M. YOUNG, CITY MANAGER   
**SUBJECT:** CONSIDERATION OF REDUCED FEES FOR CERTAIN HISTORIC DISTRICT APPLICATIONS

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**ISSUE:** Consideration of proposed fee reductions charged by the Department of Planning & Zoning for certain applications in the historic districts.

**RECOMMENDATION:** That the City Council adopt the attached amendments to the Planning and Zoning fee schedule for certain applications in the Historic District.

**BACKGROUND:** In 2008, City Council adopted a new fee schedule, raising a variety of Planning and Zoning fees. The new fees were proposed to better offset actual costs of the Department's work program. Included in the long list of application types for which fees were raised were fees for BAR applications.

Since that time, a series of actions has reduced some fees for some BAR cases. In late 2009 Council agreed to reduce the fee for all sign applications in the historic districts and to reduce the fees for administrative BAR approval. In 2010 and 2011, a number of new BAR policies were also adopted which have made the BAR process more efficient and certain, and in many cases, more affordable. Most significant has been the creation of an extensive staff-level BAR administrative approval process, which provides an alternative to a full BAR hearing for a series of common home improvements such as replacement of windows, roofing, siding, exterior lights, and doors. The process is relatively quick, requiring only a two page application, a \$75 fee, and no more than one or two days for review and approval. While the administrative approvals do not result in a substantial reduction in work for staff, they have been very positively received by the community and allow the Boards to spend time on larger, more significant projects. They also require a much lower application fee than if a BAR hearing were required. Since 2010, over 350 administrative applications have been approved, comprising approximately 50% of all BAR cases.

Despite these positive changes, BAR Staff, BAR members, and the public, have consistently expressed concern that the BAR fees charged for some *residential projects* are still too high and

often not financially proportionate to the scale of the project. BAR fees are one of the concerns which led to the creation of the Parker-Gray BAR Ad Hoc Design Guidelines Work Group (“Parker-Gray Group”), a group currently meeting to discuss issues about a variety of regulations in the Parker-Gray Historic District. In some cases, the BAR fees for projects such as the addition of a mud room, a bathroom, a one-story garage, or a modest family room are excessive for property owners seeking to add a relatively small amount of living or storage space. For example, a homeowner in Parker-Gray is currently interested in adding 122 square foot closet and bathroom but the current BAR application fee alone is \$1,323. Likewise, another resident in Parker-Gray seeks to install a prefabricated one-car garage, which will cost \$1,288 in BAR application fees. Within historic districts, high fees provide a disincentive to seek BAR approval for exterior improvements to buildings.

It is recommended that Council approve the attached fee schedule, as the City zoning ordinance does not require an ordinance or resolution to change these zoning ordinance fees.

### **DISCUSSION:**

#### 1. Reduction of fees for small residential projects.

As a result of discussion with the Parker Gray Group, staff has carefully reviewed the existing fees and recommends the following changes, all reflected in Attachment 1. The proposed fee changes focus on residential projects and distinguishes between small and large projects in a way the current fee schedule does not.

- a. For small amounts of residential demolition, such as removal of a small rear porch or a shed less than 250 square feet in area, the fee is reduced from \$200 and \$250 to \$100. For larger residential demolitions, the fee is reduced from \$2,000 to \$1,000.
- b. For small residential additions, the fee is reduced from \$1,000 or more to \$100. A threshold of 250 square feet was used to quantify what is considered a small addition. The intent is to give property residents enough square footage for modest additional living and/or storage space, such as a one car garage, mudroom, rear porch or bedroom. Larger additions will typically require an architect and bank loan, so the current BAR fee is more proportionate to the cost of those projects.
- c. Alterations which do not constitute an addition were previously divided into those with and without construction, a difficult distinction, but are now combined into one category and the fee is reduced from \$150 and \$250 to \$100. Examples of alterations requiring BAR review include new dormers, a trellis or garden wall or a storefront alteration.
- d. For minor amendments to BAR approved plans, the fee is reduced from \$150 to \$75 and reviewed and approved administratively. A minor amendment is generally requested when a small change is made during bidding or construction and staff finds the change to be in keeping with the spirit and intent of the Board’s approval.
- e. A new category is proposed for reapproval of expired plans, allowing applicants to return to the Board with the same design without paying another a full application fee, which may

have originally cost anywhere between \$250 and \$5,000. The reapproval fee proposed is \$100.

- f. A new category is also created for a one-year extension of an active BAR approval which can be approved administratively for \$75. The period of validity for BAR approvals is one year and, although not common, when an applicant cannot build out the project during that time, this new administrative process will allow the applicant to avoid a BAR hearing for an extension.

The proposed fee reductions were unanimously endorsed by the Old and Historic Alexandria District BAR on May 16, 2012. At their May 23 meeting, the Parker-Gray Board of Architectural Review voted to endorse staff's recommended fee reductions by a vote of 4-1.

## 2. Reducing the administrative approval fee.

The Parker-Gray Work Group unanimously endorsed the reductions listed above. In addition, the majority of the Group (by a 5-4 vote) recommended that the fee for administrative approvals be reduced from \$75 to \$25. Staff does not support this recommendation for two reasons. First, the administrative approval fee was only added in 2009, first at \$150 and then reduced to \$75. Second, staff expects additional case types to become eligible for administrative approval as a result of the on-going work of the Parker-Gray Group. While that group is not likely to conclude its work until summer, it appears that it will recommend to the Parker-Gray Board that many projects now requiring BAR review will either require a lesser staff review or no review at all. Staff recommends that any reevaluation of the administrative approval fee wait until after the changes recommended by the Parker-Gray work group are initiated and their effect can be evaluated.

**FISCAL IMPACT:** The fiscal impact of the proposed fee changes is a loss of revenue of approximately \$25,000 annually starting in FY 2013. If approved, the fees would become effective immediately.

**ATTACHMENT:** Current and Proposed Planning and Zoning BAR Fee Schedule

### **STAFF:**

Faroll Hamer, Director, Planning and Zoning  
Barbara Ross, Deputy Director, Planning and Zoning  
Al Cox, FAIA, Historic Preservation Manager, Planning & Zoning  
Stephanie Sample, Urban Planner, Planning & Zoning

**DRAFT**  
Department of Planning and Zoning Fee Schedule Changes

Previous & Current Fee Schedule				Proposed BAR Fee Schedule				
Fee Type		2008 Fee Schedule	Current Fee Schedule	Fee Type		Proposed Fee Amount		
Demolition/Encapsulation with alteration	Residential	100	250	Capsulation or Partial Demolition of over 25 sq. ft. of exterior building Roof, Wall, or Surface	Residential	100		
	Non Residential	100	500		Non Residential	500		
	with DSP/DSUP		2,500		with DSP/DSUP	2,500		
Demolition/Encapsulation with addition	Residential	100	200	Complete or Partial Demolition of Less than 250 gross sq. ft. of Floor Area	Residential	100		
	Non Residential	200	1,000		Non Residential	1,000		
	with DSP/DSUP		2,000		with DSP/DSUP	2,000		
Complete Demolition	Residential	1,000	2,000	Complete or Partial Demolition of 250 or More gross sq. ft. of Floor Area of any Structure (regardless of visibility)	Residential	1,000		
	Non Residential	1,000	2,500		Non Residential	2,500		
	with DSP/DSUP		10,000		with DSP/DSUP	10,000		
New Buildings	Residential	800	1,200 plus \$1/sf	New Buildings	Residential	1,200 plus \$1/sf		
	Non Residential	1,500	2,000 plus \$1/sf		Non Residential	2,000 plus \$1/sf		
	with DSP/DSUP		5,000 plus \$1/10sf		with DSP/DSUP	5,000 plus \$1/10sf		
Addition	Residential	500	1,000 plus \$1/sf	Addition or Accessory Structure with Less than 250 gross sq. ft. of new Floor Area	Residential	100		
	Non Residential	800	1,600 plus \$1/sf		Non Residential	500		
	with DSP/DSUP	1,000	3,000 plus \$1/10/sf		with DSP/DSUP	1,500		
Alterations with construction	Residential	50	250	Alterations with no increase in floor area *	Residential	100		
	Non Residential	150	300		Non Residential	300		
	with DSP/DSUP		2,500		with DSP/DSUP	1,500		
Alterations, no construction	Residential	50	150	Waiver (Yard, Vision Clearance, HVAC Screen, or Fence Height, etc., not otherwise part of a pending BAR application)	Residential	100		
	Non Residential	150	300		Non Residential	200		
	with DSP/DSUP		1,500		with DSP/DSUP	1,000		
Waiver (Vision Clearance/HVAC Screens)	Residential	50	100	Signs requiring BAR Hearing	Residential	n/a		
	Non Residential	100	200		Non Residential	250		
	with DSP/DSUP		1,000		with DSP/DSUP	2,500		
Signs	Residential	50	250	Minor Amendment to Plans Previously Approved by the BAR	Residential	75		
	Non Residential	150	250		Non Residential	300		
	with DSP/DSUP		2,500		with DSP/DSUP	500		
Minor Amendment	Residential		150	BAR Re-approval of Previously Approved Expired Plans (with no Substantial Changes)	Residential	100		
	Non Residential		300		Non Residential	300		
	with DSP/DSUP		500		with DSP/DSUP	500		
Administrative Approvals	Residential		75	One Year Administrative Extension of Active BAR Approval - One Time Only [requires a text amendment for administrative approval] **		75		
	Non Residential		150		Administrative Approvals	Residential	75	
	Signs		75		Non Residential	150		
Appeal to City Council		150	200	Appeal to City Council		200		
Revised applications beyond the 2nd review			150	Revised applications beyond the 2nd review		150		
Deferral beyond the 2nd hearing			150	Deferral beyond the 2nd hearing		150		
				* This proposed category combines previous categories for Alterations With and Without Construction. Alterations include items such as changes to a façade or cellular antenna reviews.				
				** Alternatively, amend the Zoning Ordinance to extend BAR approval to 2 years with no administrative extensions				
				Only single family dwellings and individual condo units are considered residential for the purposes of this fee schedule.				
				Fees for all applicable categories apply cumulatively for each case				
				Shaded cells indicate proposed changes to existing fee schedule				
				DRAFT Updated May 14, 2012				