

**OFFICE OF THE CITY MANAGER  
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION  
DECEMBER 6, 2022 AGENDA**

<p><b>Subject:</b></p> <p>Proposed Building Permit and related fee increases for 2023.</p> <p><b>Submitted By:</b></p> <p>Planning &amp; Development Department</p>	<p><b>Action Required:</b></p> <p style="text-align: center;">√ <b>Ordinance Resolution</b></p>	<p><b>Approved By:</b></p> <p style="text-align: center;">Bruce T. Moore City Manager</p>
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<p><b>SYNOPSIS</b></p>	<p>An ordinance to increase all Building Permit and construction-related fees for 2023.</p>
<p><b>FISCAL IMPACT</b></p>	<p>The increases will continue to fund the Building Codes Division and will provide funds for additional training, computer equipment and up-to-date software.</p>
<p><b>RECOMMENDATION</b></p>	<p>Approval of the ordinance.</p>
<p><b>BACKGROUND</b></p>	<p>In 2019, the Board of Directors approved a fee increase of 3%; this proposal would increase fees between 5% and 10%. To offset the increase in fees, the City has increased the minimum dollar amount requirement for obtaining a permit from \$500.00 to \$5,000.00, which will allow citizens and contractors to perform and complete smaller building projects. In addition, fences, storage buildings, residential roofs, tool sheds, etc., where the floor area is less than 200 square-feet wouldn't be required to obtain a Building Permit.</p> <p>The Building Codes Division has compared fee assessments of other municipalities in the State of Arkansas and in adjacent states that are similar in size to Little Rock. Attached are those comparisons based on Building Permits, valuations and permit costs. The two (2) major building organizations, the Greater Little Rock Homebuilders Association and the Arkansas Associated General Contractors, were contacted via mail outlining the proposed increases.</p>

## Commercial and Residential Building Fees

Valuation	Little Rock Current	Little Rock Proposed	North Little Rock	*Fayetteville	Jackson, MS	Tulsa, OK	Memphis, TN
\$50,000	\$219	\$250	\$250	\$266	\$500	\$248	\$275
\$100,000	\$348	\$420	\$350	\$460	\$800	\$520	\$450
\$250,000	\$924	\$1,170	\$1,100	\$1,210	\$1,800	\$1,563	\$1,325
\$500,000	\$1,268	\$1,620	\$1,600	\$1,660	\$2,500	\$2,250	\$2,200
\$1,000,000	\$2,144	\$2,870	\$2,850	\$2,660	\$4,000	\$3,625	\$3,950

*\*Fayetteville, AR – Impact fees are in addition to Building Permit Fees*