



Construction and Development Fees

There are several fees that may apply to different construction and development projects:

- Building permit and inspection fees
- Utility tap and Aid to Construction fees
- Impact fees
- Subdivision submittal fees

The following information is intended to help applicants understand the fees that apply, and to help with estimating the fees for your project for approximate costs for budgeting and project estimates. See the attached map for the Fairhope Building Permit Jurisdiction.

Building Permit Fees

Building permit fees are established by adopted codes and ordinances of the governing body of the Authority Having Jurisdiction (AHJ). In Fairhope, the adopting ordinance is Ord. xxxx, and it provides a fee schedule for all fees that are assessed with a building permit application.

The following information is an informal listing showing how these fees are calculated, and the basis for these calculations is one of 2 metrics:

- Value of the construction contract for the project
- The International Code Council Building Valuation tables that establish an estimated per square foot cost for each of the construction types as defined in the International Building Code. The tables are updated twice yearly, and the most recently published table will apply:

<https://www.iccsafe.org/codes-tech-support/codes/code-development-process/building-valuation-data/>

Fees listed below are for new construction projects, residential and commercial renovations and alterations have a separate fee schedule. Please contact the Building Dept for more information:

Alabama Construction Industry Craft Training (CICT) fee

\$1.00 per \$1,000.00 of construction value (does not apply to one and two family dwelling projects)

<http://www.bc.alabama.gov/PDFs/2016/MemoCollectionConstructionIndustryCraftTrainingFeesAct2015-308.pdf>

Building permit

\$5.00 for every \$1,000.00 of construction value

Plan Review fee

\$2.50 for every \$1,000.00 of construction value

\$50.00 for one and two family dwelling projects

Security and Structured Wiring permit

\$0.50 for every \$1,000.00 of construction value

\$25.00 for one and two family dwelling projects

Mechanical permit and Inspection fee

\$1.00 for every \$1,000.00 of construction value

\$75.00 for one and two family dwelling projects

Electrical permit and Inspection fee

\$1.00 for every \$1,000.00 of construction value

\$75.00 for one and two family dwelling projects

Plumbing permit and Inspection fee

\$1.00 for every \$1,000.00 of construction value

\$75.00 for one and two family dwelling projects

Gas permit and Inspection fee

\$75.00

\$40.00 for one and two family dwelling projects

Sewer Inspection fee

\$50.00 per unit

\$25.00 for one and two family dwelling projects

Water and Sewer tap fees

The City of Fairhope owns and operates a municipal water and sewer service, including many areas that extend beyond the Fairhope Corporate limits.

For multiple occupant projects (residential and commercial), each tenant space will be charged a separate water and sewer tap fee.

Example: a 4 unit townhome building will pay for 4 water tap fees and 4 sewer tap fees.

Inside the City limits water tap fee

3/4" water tap fee- \$1500.00

1" water tap fee- \$1800.00

2" water tap fee- \$2500.00

Taps larger than 2" are priced individually by the Fairhope Water and Sewer Dept

Outside the City limits water tap fee

3/4" water tap fee- \$1800.00

1" water tap fee- \$2100.00

2" water tap fee- \$2800.00

Taps larger than 2" are priced individually by the Fairhope Water and Sewer Dept

Inside the City limits sewer tap fee

\$600.00

Outside the City limits sewer tap fee

\$2800.00

Fire line/ sprinkler tap fee

No fees are charged for sprinkler line taps. The applicant is responsible for hiring a contractor to perform this tap and the contractor shall coordinate with the Fairhope Water & Sewer Dept for requirements on method and materials for the tap.

Impact Fees

Per Ordinance 1331, the City of Fairhope charges Impact Fees for new development within the Fairhope Corporate limits. New development is defined as a parcel of land that has never contained a building or structure (i.e. unbuilt lot or parcel). The fees are calculated by either one of two methods:

- Impact fee schedule established on Ordinance 1331 (see attached)
- 1% of the total cost of the land AND construction cost combined

Per the legislation approved by the Alabama State Legislature, a maximum of 1% of the combined cost of the land and construction cost may be assessed on any project. This total is the maximum that may be charged on any single building project, separate Impact Fees may be assessed on multiple building sites depending on any preexisting site conditions (i.e. previously multiple building on the site, single buildings with multiple tenants, etc).

If the fee as calculated using the Ordinance fee schedule equals less than 1% of the total project cost (land and structure), the lower amount as calculated using the fee schedule will be assessed.

Sample residential fee worksheet

Example: Single family residence with a 400 amp electrical service, gas service, a construction value of \$255,000.00 and a land cost of \$55,000.00 located inside the Fairhope City limits.

Fee changes for projects located outside the City limits are noted in bold parentheses (...)

Building permit	<u>\$1275.00</u>
Plan review fee	<u>\$50.00</u>
Security/Structured wiring fee	<u>\$25.00</u>
Electrical permit	<u>\$75.00</u>
Mechanical permit	<u>\$75.00</u>
Plumbing permit	<u>\$75.00</u>
Gas permit	<u>\$40.00</u>
Sewer inspection	<u>\$25.00</u>
Water tap fee (3/4")	<u>\$1500.00</u> (\$1800.00)
Sewer tap fee	<u>\$600.00</u> (\$2800.00)
Electrical ATC cost	<u>\$2000.00</u> (no fee charged by City outside of Fairhope service area, separate fees may be required by service provider)
Impact fee	<u>\$3100.00</u> (1% of combined \$255,000.00 and \$55,000.00) (no charge for outside the City Limits)
Total	<u>\$8840.00</u> (\$6240.00)

Sample commercial/ multi-family project fee worksheet

Example: Commercial building with 2 tenants, 600 amp electrical service with directionally bored line, gas service, a construction value of \$800,000.00 and a land cost of \$150,000.00 located inside the Fairhope City limits.

Fee changes for projects located outside the City limits are noted in bold parentheses (XXXX)

Alabama CICT fee	<u>\$800.00</u>
Building permit	<u>\$4000.00</u>
Plan review fee	<u>\$2000.00</u>
Security/Structured wiring fee	<u>\$400.00</u>
Electrical permit	<u>\$800.00</u>
Mechanical permit	<u>\$800.00</u>
Plumbing permit	<u>\$800.00</u>
Gas permit	<u>\$75.00</u>
Sewer inspection	<u>\$50.00</u>
Water tap fee (3/4")	<u>\$3000.00</u> (\$1500.00 x 2 tenants) (\$3200.00- \$1800.00 x 2 tenants)
Sewer tap fee	<u>\$1200.00</u> (\$600.00 x 2 tenants) (\$5600.00- \$2800.00 x 2 tenants)
Electrical ATC cost	<u>\$ \$3000.00</u> + \$9/ linear foot of service line from transformer to meter base (no fee charged by City outside of Fairhope service area, separate fees may be required by service provider)
Impact fee	<u>\$9500.00</u> (1% of combined \$800,000.00 and \$150,000.00) (no charge for outside the City Limits)
Total	<u>\$26,425.00</u> plus \$9/ linear foot of directional bored electrical line. (\$18,525.00- not in Fairhope Electrical Service area)

Electrical Aid to Construction (ATC) fees

Electrical ATC costs are charged only for projects located in the Fairhope Electrical Dept service area (see attached map). **Final ATC costs are calculated for each project by the Electrical Dept** depending on the size of the service, the need (if any) to provide new or larger transformers, and multiple other factors that are specific to each project.

For further information please contact Richard Peterson, PE (Fairhope Utilities Operations Manager) at Richard.peterson@fairhopeal.gov .