



# Metropolitan Nashville and Davidson County, TN

## Legislation Text

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**File #:** BL2022-1215, **Version:** 2

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An ordinance amending Title 16 of the Metropolitan Code of Laws by adding Section 16.04.177 and amending Sections 16.12.220, 16.16.400, 16.20.250, and 16.28.110 relating to fee schedules for building permits, gas/mechanical permits, plumbing permits and electrical permits as well as fees relating to inspections, re-inspections, examination of plans, refunds, as well as administrative fees and other fees charged by the Department of Codes Administration.

WHEREAS, the fee schedules utilized by the Department of Codes Administration have been in place for a number of years; and,

WHEREAS, an independent consultant was retained to determine whether and to what extent a fee increase is necessary to cover the full cost of services provided by the Department of Codes Administration and the Metropolitan Fire Marshal's office for plans review and inspection services related to building construction; and,

WHEREAS, the independent consultant performed an analysis of the scope of services provided by the Department of Codes Administration, Fire Marshal's office and others related to building construction; and,

WHEREAS, the independent consultant determined that a fee increase is reasonable and necessary to cover the full cost of providing said services; and,

WHEREAS, the fee schedules proposed herein are based upon the general recommendations of the independent consultant.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That Chapter 16.04 Article 1 of the Metropolitan Code of Laws is hereby amended by adding section 16.04.177 as follows:

The rates set forth in chapters 16.12, 16.16, 16.20, and 16.28 shall be adjusted on July 1, 2022, and on July 1 of each succeeding year by the greater of (1) a percentage equal to the percentage change in the CPI Urban Index (CPI-U) over the preceding year and (b) 3%, unless the change in the CPI-U is negative, in which case there shall be no change for that fiscal year. Notice of the annual adjustments to begin on July 1, 2022, shall be provided to each member of the Metropolitan Council and published on the Metropolitan Government's website at least 30 days before an adjustment goes into effect. Not later than the third anniversary of the effective date of this ordinance, and at least every three years thereafter, the department shall engage a qualified consultant to perform a rate study and analysis to confirm the department's costs in providing services and determine whether the rates then in effect are fair and reasonable.

Section 2. That Sections 16.12.220 A, B, and C of the Metropolitan Code of Laws are hereby amended by deleting the existing language and substituting instead the following:

16.12.220 Fee schedule-Plumbing Permits and Fixture classifications.

A. No plumbing permit shall be held valid until the fees prescribed in this section shall have been paid, nor

shall an amendment or change to an existing permit be approved until such additional fees as may be due shall have been paid.

B. Permit fees for the installation of plumbing systems, devices, equipment and fixtures, including but not limited to the installation of fixtures, sewer connections, septic tanks, hot water heaters, repairs and alterations to existing plumbing installations and systems, shall be as follows:

Minimum fee (each permit) ... \$75.00

\*Plumbing fixtures (each fixture) ... \$11.00

Each additional building drain ... \$32.00

Sewer connection ... \$80.00

Water service connection ... \$80.00

Septic tank and disposal field ... \$80.00

Hot water heater ... \$43.00

Re-inspection fee (each) ... \$50.00

\* Each fixture outlet shall be counted as one fixture in figuring the total permit fee, whether or not the fixture is actually set at the time the plumbing system is installed.

C. The classifications listed below, among others, shall each be counted as one fixture:

Area drains;

Backflow preventers;

Baptisteries;

Bathtubs (with or without overhead shower);

Boiler blow-off tanks;

Combination sink and tray;

Commercial icemakers.

Dental lavatory;

Dental unit or cuspidor;

Diluting tanks and interceptors;

Dishwasher (fixed unit);

Disposal units (commercial);

Drinking fountains;

Floor drains;

Grease traps and interceptors;

Kitchen sinks;

Lavatory;  
Pools, fountains and aquaria;  
Roof drains;  
Shower drains;  
Slop sinks  
Solar panels when connected to plumbing system;  
Sump pumps;  
Swimming pools;  
Urinals;  
Washers (clothes, domestic, fixed drains);  
Washers (commercial, fixed drains);  
Water closets;  
Water tanks.

Section 3. That sections 16.16.400 A, B, and C of the Metropolitan Code of Laws are hereby amended by deleting the existing language and substituting instead the following:

16.16.400 Fee Schedule-Gas/mechanical permits and Classification of appliances.

A. No gas/mechanical permit shall be held valid until the fees prescribed in this section shall have been paid, nor shall an amendment or change to an existing permit be approved until such additional fees as may be due shall have been paid.

B. Permit fees for the installation of gas/mechanical systems, devices, equipment and fixtures, including but not limited to the installation of fixtures, repairs and alterations to existing gas/mechanical installations and systems, shall be as follows:

1. Fee schedule.

Minimum fee (each permit) ... \$75.00

\*Gas and/or mechanical appliance (each in excess of first appliance), residential ... \$11.00

\*Gas and/or mechanical appliance (each in excess of first appliance), commercial ... \$16.00

Gas meter connection ... \$11.00

Hot water heater ... \$21.00

Fuel Piping (under ground fuel lines) ... \$50.00

Re-inspection fee (each) ... \$50.00

\* Each appliance outlet shall be counted as one appliance in figuring the total permit fee, whether or not the appliance is actually installed at the time the gas/mechanical system is installed.

2. In addition, fees for heating, ventilating, ductwork (installation without heating/cooling equipment), air-conditioning and refrigeration systems or alterations or replacement and/or additions shall also be based upon

total Btuh and/or kilowatts input of all appliances at the rate of thirty-two dollars (\$32.00) per one hundred thousand Btuh or fraction thereof.

C. The classifications listed below shall each be counted as one fixture, equipment or appliance:

Air-conditioning unit;

Air handling unit;

Alt. fuel system;

Boiler;

Broiler;

Collector, dust etc.;

Condensing unit or condenser;

Cooling tower;

Conversion burner;

Dryer;

Duct heater;

Duct system;

Exhaust fan, hood;

Factory built fireplace or insert;

Fire or smoke damper;

Fryer;

Furnace;

Gas logs unit;

Gas piping;

Grill or griddle;

Heat exchanger;

Humidifier or dehumidifier;

Incinerator;

Infrared heater;

Make up air unit;

Oven;

Package unit;

Pool or sauna heater;

Power venter;  
Radon removal system;  
Range or cook top unit;  
Recirculating fan unit;  
Refrigeration unit;  
Rooftop unit;  
Room heater;  
Stationary gas engines, turbines;  
Stove, solid fuel or laundry;  
Tank, oil or LP;  
Unit heater;  
Water heater or circulation tank.

Section 4. That Sections 16.20.250 A, B, and C of the Metropolitan Code of Laws are hereby amended by deleting the existing language and substituting instead the following:

16.20.250 Fee Schedule - Electrical Permits.

A. No electrical permit shall be held valid until the fees prescribed in this section shall have been paid, nor shall an amendment or change to an existing permit be approved until such additional fees, as may be due, shall have been paid.

B. In addition to any other penalty imposed for failure to obtain a permit where electrical work of any type, for which a permit is required, is commenced before a permit is issued, the permit fees shall be tripled.

C. Permit fees for the installation of any electrical system or part thereof, including but not limited to the installation of both new electrical systems and additions, alterations and repairs to existing electrical systems, the installation of electrical fixtures, equipment and devices and appurtenances thereto, shall be as follows:

1. Lighting circuits or any circuit where outlets are intended to be installed for low-voltage devices or lamp-holding devices and receptacles for the attachment of small, portable electrical devices and appliances; 130 volts or less:

a. For the installation of 10 or fewer such outlets ... \$6.00

b. For additional outlets over 10, each ... \$1.00

2. Motors and generators:

One horsepower or less each ... \$2.00

Two to 10 horsepower, each ... \$8.00

Over 10 horsepower, each ... \$14.00

Motor-generator sets ... \$20.00

3. Electric ranges:

Residential, each ... \$20.00

Commercial, each ... \$25.00

4. Water heaters:

Residential, each ... \$15.00

Commercial, each ... \$20.00

5. Electric heat and electrically heated appliances other than ranges and water heaters:

One to five kw, each ... \$8.00

Five to 10 kw, each ... \$14.00

Over 10 kw, each ... \$20.00

6. Electric dryers:

Residential, each ... \$10.00

Commercial, each ... \$14.00

7. Electric signs (excluding service), each ... \$20.00

8. Service, new installation, increasing size, or relocation, per meter ... \$12.00

9. Installation of any wiring, device, apparatus, appliance or equipment not specifically covered herein, such as but not limited to disconnects, 220 volt receptacles, each ... \$9.00

10. Distribution, lighting or switch panels:

200 amperes or less, each ... \$10.00

201 to 400 amperes, each ... \$20.00

401 to 800 amperes, each ... \$30.00

801 to 1600 amperes, each ... \$50.00

1601 to 3000 amperes, each ... \$75.00

3001 to 6000 amperes, each ... \$145.00

Each additional 100 amperes or fraction thereof ... \$3.00

11. Minimum fee (each permit) ... \$75.00 (Including permit for the installation of any electrical system or part thereof, including but not limited to the installation of both new electrical systems and additions, alterations and repairs to existing electrical systems, the installation of electrical fixtures, equipment and devices and appurtenances thereto, temporary services, etc.)

12. Re-inspection fee (each) ... \$50.00

13. Service releases:

Residential, one-family or two-family, except condominium units, each service riser ... \$75.00

Residential, more than two-family, and condominium units, each service riser ... \$75.00

Commercial or industrial, each service riser ... \$102.00

14. Emergency re-connection of service, each ... \$102.00

Section 5. That Section 16.28.110 of the Metropolitan Code of Laws is hereby amended by deleting the existing language and substituting instead the following:

16.28.110 Fee schedule-Building permits.

A. Building Permit Fees. The fee for building permits shall be determined as set forth in this section.

1. Building Permit Fees for Residential Construction based on valuation. Residential

construction includes one-family and two-family residential construction and townhouses as defined by the 2018 Edition of the International Residential Code, but not multi-family construction shall be \$5.00 per \$1,000 total valuation.

2. Building Permit Fees for Commercial Construction and all other Construction other than one-family and two-family residential construction and townhouses as defined by the 2018 Edition of the International Residential Code, shall be based on valuation.

TOTAL VALUATION

FEES

\$0.00 to \$2,000.00

\$40.39

\$2000.01 to \$50,000.00 \$40.39 for the first \$2,000.00 plus \$6.92 for each additional thousand or fraction thereof, to and including \$50,000.00.

\$50,000.01 to \$100,000.00 \$372.71 for the first \$50,000.00 plus \$5.57 for each additional thousand or fraction thereof, to and including \$100,000.00.

\$100,000.01 to \$500,000.00 \$651.38 for the first \$100,000.00 plus \$4.19 for each additional thousand or fraction thereof, to and including \$500,000.00.

\$500,000.01 and up \$2,326.84 for the first \$500,000.00 plus \$2.79 for each additional thousand or fraction thereof.

B. Moving of Buildings or Structures. For the moving of any building or structure where such necessitates the transportation of such building or structure in public rights-of-way or on public streets, the fee shall be two hundred and fifty-two dollars (\$252.00); except, that such fee shall not be charged for the moving of temporary construction office sheds, mobile homes or house trailers.

C. Signs. For the erection, construction or alteration of any sign, billboard, awning, marquee or similar structure, the fee shall be determined from Section A. 2. above using the schedule for commercial construction. The minimum fee for a permit to erect a sign shall be fifty-five dollars (\$55.00).

D. Trailers and Mobile Homes. For each trailer or mobile home located on an individual site, lot, trailer park, mobile home subdivision or apartment complex, there shall be a fee of fifty-five dollars (\$55.00), such fee to be charged on the original location of a trailer or mobile home on the site. For each succeeding trailer or mobile home moved onto a lot not within a trailer park, mobile home subdivision or apartment complex, there shall be required a use and occupancy permit.

E. Certificate of Occupancy and Compliance. For the issuance of a use and occupancy permit or certificate of compliance where there has been no building permit issued, the fee shall be fifty-five dollars (\$55.00).

F. Re-inspection Fee. For a re-inspection, the fee shall be fifty dollars (\$50.00).

G. Plans Examination Fees.

1. For the examination for code compliance of plans, specifications, drawings and other data, the plans examination fee shall be:

TOTAL VALUATION

FEES

\$0.00 to \$275,000.00 one-half of the building permit fee as set forth in subsection A of this section.

\$275,000.01 to \$5,000,000.00 \$1,338.54 for the first \$275,000.00 plus \$0.18 per thousand for each additional thousand or fraction thereof, to and including \$5,000,000.00.

\$5,000,000.01 and above \$2,181.82 for the first \$5,000,000.00 plus \$0.07 per thousand for each additional thousand or fraction thereof.

Such plan-examination fee is in addition to the building permit fee and in no case shall this be refunded even if there is not a subsequent building permit issued. If an issued building permit is due a refund as per Section 16.28.140, in no case shall the plans examination fee be refunded.

2. Exceptions from plans examination fee:

- a. One- and two-family dwelling building permits;
- b. Townhouse building permits;
- c. Demolition permits;
- d. Blasting permits;

H. Use verification letter. The fee for a letter to confirm the zoning designation and entitlements within the designation shall be fifty dollars (\$50.00).

I. Beer and liquor letter. The fee for a letter to confirm the distance requirements pertaining to the sale of beer and liquor as required by state law shall be forty dollars (\$40.00).

J. Workforce housing fee adjustments.

1. In order to facilitate the provision of workforce housing within the area of the metropolitan government, the permit fees provided in subsections A. and H. of this section shall be reduced by twenty-five percent for new home construction, or the rehabilitation of existing dilapidated and vacant homes, to be used for workforce housing.

2. For purposes of this subsection, "workforce housing" means housing that meets one of the following two criteria:

- a. Housing to be sold at a price at or below two and one-half times ninety-five percent of the median family income currently listed for Davidson County as established by the U.S. Department of Housing and Urban Development; or
- b. Housing to be rented for at least five years at an annual rental amount that is at or below thirty percent of seventy percent of the median family income currently listed for Davidson County as established by the U.S. Department of Housing and Urban Development.

3. The director shall have the authority to promulgate rules and regulations to implement the provisions of this

subsection, provided such rules and regulations are not inconsistent with the express provisions of this subsection. Applicants obtaining the twenty-five percent reduction in permit fees for workforce housing shall provide the director with a sworn affidavit that the residences constructed will satisfy the criteria set forth above and shall file a deed restriction with the Davidson County Register of Deeds requiring that the property remain a workforce housing unit for at least five years. In the event the property does not remain a workforce housing unit for at least five years, the permit holder shall pay to the Metropolitan Government the amount of the permit fee reduction provided above plus interest at the rate of ten percent per annum.

K. Waiver. Upon resolution by the metropolitan council, building, electrical, gas/mechanical, and/or plumbing permit fees may be waived by the director of codes administration when a state of emergency is declared by the mayor.

Section 6. That this ordinance shall take effect at 12:01 AM on July 1, 2022, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

### Analysis

This ordinance, as amended, amends provisions of Title 16 of the Metropolitan Code of Laws to increase fees charged by the Department of Codes Administration ("Codes").

An independent consultant was retained to determine whether a fee increase is necessary to cover the full cost of services provided by Codes and the Metropolitan Fire Marshal's office for plans review and inspection services related to building construction. The consultant performed an analysis of the scope of services provided by Codes, the Fire Marshal's office, and others relating to building construction. The consultant determined that a fee increase is reasonable and necessary to cover the full cost of providing these services.

This ordinance would provide for a slight increase in most existing fees for permits issued by Codes and the Fire Marshal's office. Fees for plumbing permits for the repair or alteration to an existing septic tank or field, electrical permits for lighting for lunch wagons, medical service vehicles, and similar structures on wheels, and fees for blasting permits for six or twelve months would be eliminated.

New fees would be implemented for zoning letters and liquor letters. The zoning letter fee would be \$50 and the liquor letter fee would be \$40. A new fee for residential construction would be imposed at \$5 per \$1,000 of construction value.

Additionally, a new Metropolitan Code provision would be added to allow the fee schedule set forth in Chapters 16.12, 16.16, 16.20, and 16.28 of the Metropolitan Code to be adjusted on July 1 of each year by the greater of (a) a percentage equal to the percentage change in the CPI Urban Index (CPI-U) over the preceding year and (b) 3%. However, if the change in the CPI-U is negative, there would be no change in the fees for that fiscal year.

This ordinance would take effect July 1, 2022 at 12:01 AM.