# **COMMUNITY AFFAIRS**

## **DIVISION OF CODES AND STANDARDS**

## **Uniform Construction Code**

Fees

# Proposed Amendments: N.J.A.C. 5:23-4.18 and 4.20

Authorized By: Charles A. Richman, Commissioner, Department of Community Affairs.

Authority: N.J.S.A. 52:27D-124

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2015 -

Submit written comments by January 15, 2016, to:

Gabrielle N. Gallagher Department of Community Affairs PO Box 800 Trenton, New Jersey 08625-0800 Fax No. (609) 984-6696 Email: <u>Gabrielle.Gallagher@dca.nj.gov</u>

# CHARLES A. RICHMAN Commissioner

The agency proposal follows:

## **Summary**

Under the Uniform Construction Code Act and regulations, enforcing agency fees are to be set to cover the cost of code enforcement. In general, the rules in place for municipal and Departmental fees accomplish this. However, there remains an outlier in the fees generated for large open-volume buildings. The calculation of a fee based on volume for these structures tends to generate a fee that is excessive as compared to the enforcement effort required. The proposed amendments are intended to address this by capping the height at 20 feet for purposes of calculating the volume upon which the fee is based. This will reduce the fee to reflect more accurately the associated work for the construction code enforcing agency.

As the Department has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

#### **Social Impact**

It is anticipated that the proposed amendments will have a positive social impact in that public health and safety will be maintained while the fees charged for large, open volume buildings will better reflect the cost of code enforcement.

#### **Economic Impact**

The proposed amendments will have a positive economic impact in that they will reduce the fees for large, open-volume buildings to reflect more accurately the cost of code enforcement for these projects.

#### **Federal Standards Statement**

No Federal standards analysis is required because the amendments are not being proposed under the authority of, or in order to implement, comply with, or participate in any program established under Federal law or a State statute that incorporates or refers to Federal law, standards, or requirements.

## **Jobs Impact**

The Department does not anticipate either the creation or loss of any jobs as a result of the proposed amendments.

#### **Agriculture Industry Impact**

The proposed amendments would have a positive impact upon the agricultural industry in that they would limit permit fees for the construction of barns, silos and other large, openvolume buildings.

## **Regulatory Flexibility Analysis**

The proposed amendments do not place any reporting or recordkeeping burden upon "small businesses," as defined in the New Jersey Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. There are no professional services required as a result the proposed amendments. The proposed amendments would have a positive impact on small businesses undertaking the construction of large, open-volume structures as the fees charged will be reduced to better reflect the cost of code enforcement for these projects.

#### **Housing Affordability Impact Analysis**

The proposed amendments would not have any impact on the cost of housing.

#### **Smart Growth Development Impact Analysis**

Adoption of the proposed amendments would not impose any impact on smart growth and it is not anticipated that such would evoke a change in housing production within Planning Areas 1 and 2, or within designated centers, under the State Development and Redevelopment Plan.

**Full text** of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

5:23-4.18 Standards for municipal fees

(a) - (b) (No change.)

(c) Basic construction fee: The basic construction fee shall be computed on the basis of the volume of the building or, in the case of alterations, the estimated construction cost, and the number and types of plumbing, electrical and fire protection fixtures and devices as herein provided.

1. Fees for new construction or alterations shall be as follows:

i. - v. (No change.)

v. The unit rates may vary for different occupancy groups or structures of different sizes within the same occupancy group.

vi. The unit rate for large, open-volume, single story spaces in buildings, such as barns, silos, greenhouses, warehouses, distribution centers, and other agricultural, [recreational,] and storage-use [buildings] occupancies, shall be less than the unit rate for other types of

buildings and occupancy classifications. This shall be clearly indicated in the ordinance and schedule;

(1) For the purpose of applying this regulation, "large" shall be defined as a Class 1 building as per N.J.A.C. 5:23-4.3A(d)3.

(2) For the purpose of calculating the volume to determine the fee for these spaces, the height shall be limited to 20 feet notwithstanding the fact that the actual height of the space may be greater than 20 feet.

Renumber vi. - ix. as vii. - x. (No change in text.)

2. – 6. (No change.)

(d) - (l) (No change.)

5:23-4.20 Department fees

(a) - (b) (No change.)

(c) Departmental (enforcing agency) fees shall be as follows:

1. (No change.)

2. The basic construction permit fee shall be the sum of the parts computed on the basis of the volume or cost of construction, the number of plumbing fixtures and pieces of equipment, the number of electrical fixtures and rating of electrical devices, the number of sprinklers, standpipes, and detectors (smoke and heat) at the unit rates, and/or the applicable flat fees as provided in this subchapter plus any special fees.

i. Building volume or cost: The fees for new construction or alteration are as follows:

(1) Fees for new construction shall be based upon the volume of the structure. Volume shall be computed in accordance with *N.J.A.C. 5:23-2.28*. The new construction fee shall be in the amount of \$ 0.038 per cubic foot of volume for buildings and structures of all [use] groups and types of construction as classified and defined in [articles] **Chapters** 3 and 6, respectively, of the building subcode; [except that the]

(2) The fee shall be \$ 0.021 per cubic foot of volume for [use] groups A-1, A-2, A-3, A-4, A-5, F-1, F-2, S-1, and S-2, and the fee shall be \$ 0.0011 per cubic foot for structures on farms, including commercial farm buildings under *N.J.A.C.* 5:23-3.2(d), with the maximum fee for such structures on farms not to exceed \$ 1,602.

(A) For purposes of calculating the volume to determine the fee for large, open-volume, single story spaces in buildings, such as barns, silos, greenhouses, warehouses, distribution centers, and other agricultural and storage-use occupancies, the height shall be limited to 20 feet notwithstanding the fact that the actual height of the space may be greater than 20 feet.

(B) For the purpose of applying this regulation, "large" shall be defined as a Class 1 building as per N.J.A.C. 5:23-4.3A(d)3.

(2) - (8) (No change.)

ii. - iv. (No change.)

3. – 10. (No change.)

(d) - (e) (No change.)