

# ‘PLANNING FOR THE FUTURE’

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FEASIBILITY STUDY OF CITY-ISSUED BUILDING PERMITS

FOR THE CITY OF PEMBROKE

ALEX FLOYD AND MAX HOLLOWAY

PUBLIC AND NON-PROFIT FINANCIAL MANAGEMENT

NOV. 14, 2016



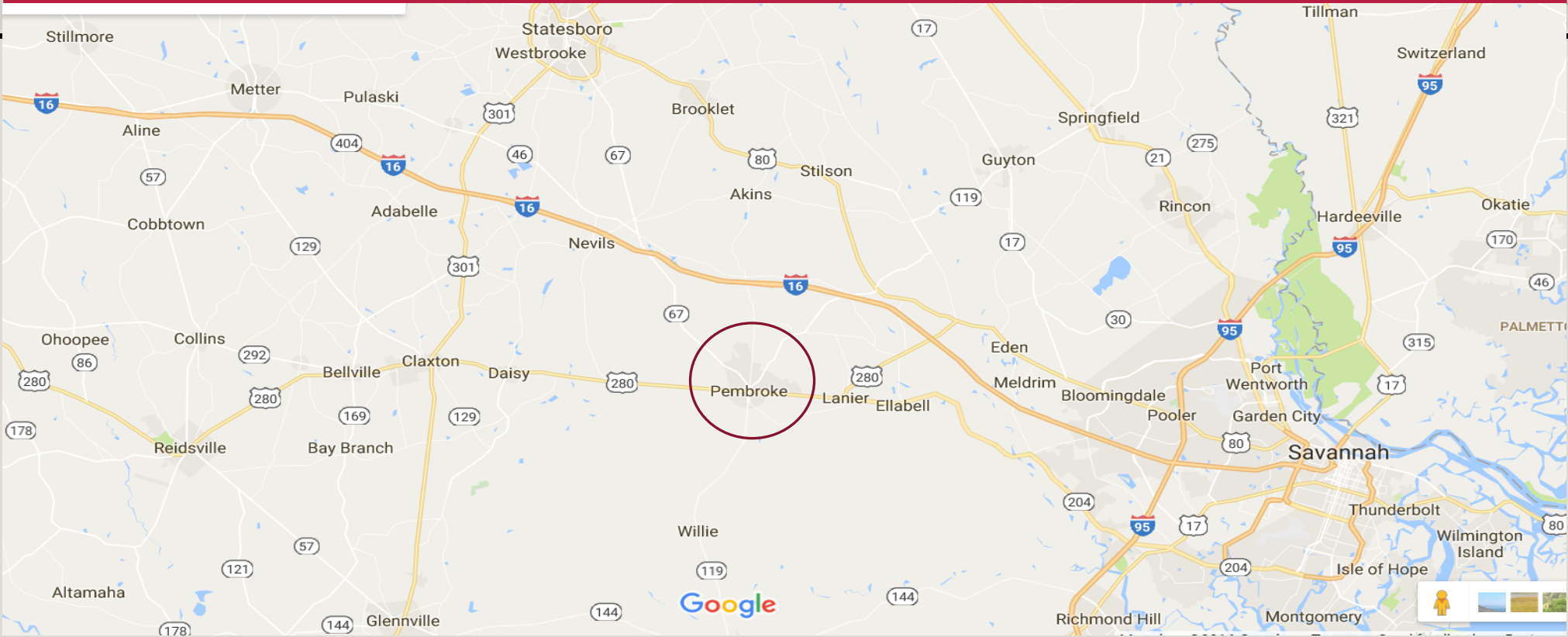
# BACKGROUND

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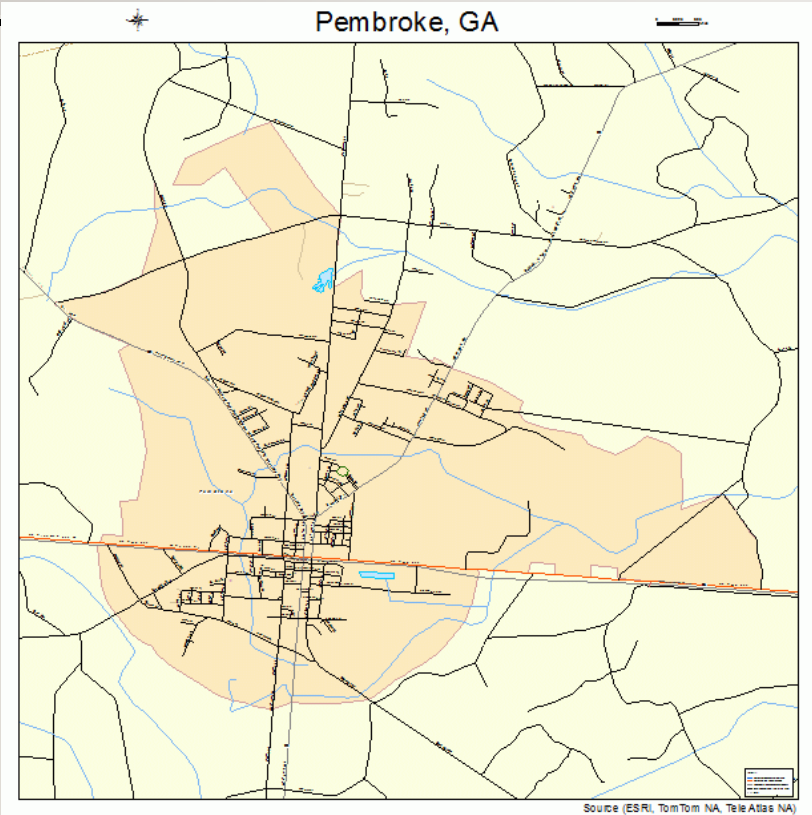
- North Bryan County, Georgia.
- 1905 Savannah and Western Railroad.
- County Seat
- 7.61 square miles
- Coastal sandy-soils in seasonal floodplains.
- 2,400 people in 850 households.
- Average Pembroke citizen: white, 28.8 years old, earns \$16,500 annually and lives in a home with a value of \$119,000.
- High Commuter Traffic

# LOCATION





# MAPS



# PEMBROKE'S GOVERNMENT

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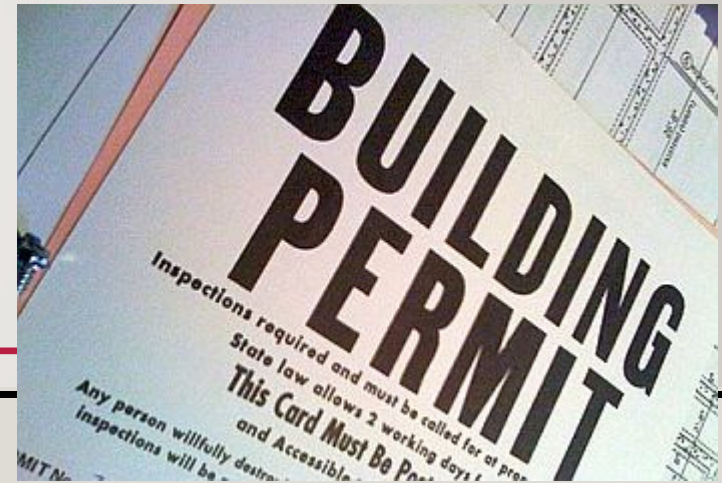


- Council-Mayor
- Water and street depts.
- Public Safety: Police dept., Fire chief
- Staff: three clerks, a planner and a downtown development director



# PURPOSE OF THE STUDY

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- City Building permits as an alternative source of revenue.
- Residential, accessory and commercial buildings, adding onto existing buildings and mobile homes with a value over \$1,000
- Issued by Planner Dain Reams

# CURRENT PERMITTING PROCESS (PERSONNEL)

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- Issued by Bryan County Planning and Zoning
- Staff include inspectors, a planner and an office manager
- Supervised by County Manager and Board of Commissioners
- Volume: 20-25 permits a year in north Bryan
- Average of 10 within Pembroke city limits

# CURRENT PERMITTING PROCESS (RESIDENTIAL)

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- Residential Rate: .273 per square foot of finished structure or \$30 whichever is more
  - 110 square feet is the 'break even' point
- Average permit 2,600 square foot house (\$709.80)
- \$16,000 per year on north Bryan residential permits
- Power-related inspections



# CURRENT PERMITTING PROCESS (COMMERCIAL)

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- Commercial Rate: .007% of estimated finished cost up to \$1,000,000 (\$7,000)
  - For projects over \$1,000,000, .004% is charged. (\$4,000+)
- Not many within city limits
- Lack of existing commercial space
- Pembroke would likely earn less than \$2,000 per year on commercial permitting.

# PROPOSED PERMITTING PROCESS

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- Personnel (Planner I, currently \$13.58 per hour)
- Training (Courses at GSU, ArcGIS training, 32 hours, \$5,000)
- Software (ArcGIS \$2500 per year)
- Equipment (Projector, Drone \$2000-\$3000)
- Continuing Education (yearly GMA classes, \$400-\$600)
- Inspector? (Planner I, new position, county, contract)
- Each permit would take an estimated 6 hours ( $6 * 13.58 = \$81.48$ )

# COSTS AND PROJECTED BREAKEVEN POINT

- Startup Cost: \$7,500
  - \$5,000 Planning training
  - \$2,500 drone
- Yearly Maintenance Cost: \$4,630
  - \$3,000 in yearly training and ArcGIS renewal
  - 120 permit hours @ \$13.58 per hour
- Potential Revenue: \$8,100
  - 10 residential permits @ \$710 each
  - \$1,000 in commercial permitting

	Year 1	Year 2	Year 3
Startup Cost	(\$7,500)	(\$4,030)*	(\$560)*
Yearly Cost	(\$4,630)	(\$4,630)	(\$4,630)
Yearly Revenue	\$8,100	\$8,100	\$8,100
Yearly Totals	(\$4,030)	(\$560)	\$2,910

\* Negative amount from previous year totals



# LIMITATIONS

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- Planning certification will not transfer to a new employee
- Less revenue generation
  - Majority of permits are for additions to current structures
  - Most commercial permits happen outside of city limits
- Additional cost:
  - Drone maintenance
  - Electrical License or contracting out

# SURVEY RESULTS

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- Reidsville: 2,600, 7.68 square miles, seat of Tattnall County, 31 miles from Pembroke
- Reidsville: handled by City planning and code enforcement officer, sees 25-30 per year. Less than 5 are new construction, 5-10 demolitions, 10-15 remodels, add-ons, etc.
- For new or add-on: \$0.10 per residential square foot, \$0.20 per commercial square foot with no minimum.
- +\$65 'trade fees' for electric, plumbing and HVAC and \$50 administrative fee.
- Stand alone structures with no electric or plumbing are a \$50 flat fee.
- Placement of manufactured home is \$150 flat fee
- Demolition/ moving is a \$50 flat fee

# COST-BENEFIT ANALYSIS (SHORT TERM)

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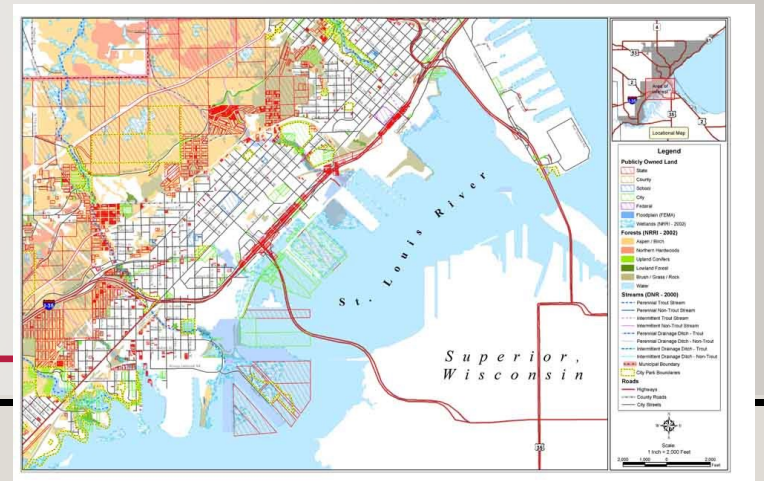


- Not enough potential revenue for new position
  - Less than what a trained planner's salary demands
- Not enough demand
  - 0 single family residential units built in Pembroke City limits in 2016
- Undue burden on new residents
  - \$3,300 'tap fees' for water/sewer system
  - Trash fees, fire fees and property taxes



# COST BENEFIT ANALYSIS (LONG TERM)

- City would benefit from a trained planner's expertise.
  - Professional services
  - Up-to-date tax digest
- Other departments benefit from ArcGIS
  - Water/Sewer lines, hydrants, power easements, etc.
- Building inspector's undivided attention.
  - County divided by Fort Stewart
  - 80% of projects are on south end



# PROPOSED ALTERNATIVE

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- Diversified codes and ordinances
  - Greater flexibility in residential stock.
- New ordinance lowering the minimum square footage
  - 1,000 square feet to 400 square feet (tiny homes)
  - ‘mother-in-law’ homes behind existing houses.
- Two developments of multi-family structure under construction
- Senior-focused apartment complex

# THANK YOU

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- City of Pembroke staff
  - Dain Reams
- Bryan County staff
  - Lori Tyson
- City of Reidsville staff
- [www.pembrokega.net/demographics](http://www.pembrokega.net/demographics)
- [www.bryancounty.net/mapping](http://www.bryancounty.net/mapping)
- [www.google.com/maps](http://www.google.com/maps)
- [www.citydata.com](http://www.citydata.com)