

Memorandum



CITY OF DALLAS

DATE March 28, 2025

TO Honorable Mayor and Members of the City Council

SUBJECT **Proposed Amendments to Permitting Fees**

The City of Dallas remains committed to continuous improvement and operational efficiency. As part of this ongoing effort, the Planning and Development Department (PDD) proactively reviews fees to ensure alignment with cost recovery and service expectations.

During a recent review, staff identified an error in the commercial remodel permitting fee formula adopted by City Council in 2024. The error has resulted in a decrease in commercial remodel fee revenue, leading to collections of approximately 50 percent of the anticipated revenue. To correct this error, PDD recommends amending the fee calculation formula to revert to the previous commercial remodel fee structure with an inflation adjustment.

Additionally, PDD recommends a minor adjustment to the Q-Team fee schedule. Currently, the fee for projects under 10,000 square feet is capped at \$2,000, which covers two hours of review time, regardless of how much time is actually spent on the review. These projects typically require more than two hours to complete. To better align fees with the actual cost of service, PDD proposes raising the cap to \$10,000, covering up to 10 hours of review time.

Finally, in response to feedback from our development community, staff is also proposing refinements to the permitting fee structure to improve efficiency, clarity, and customer service for applicants. PDD is proposing to consolidate the zoning verification and address assignment fees into single fees for simplicity. Additionally, staff is proposing the elimination of several low-volume or obsolete fees to simplify the application process for our customers.

To ensure the long-term accuracy and sustainability of the City's permitting fees, staff will regularly conduct audits, engage with stakeholders, and perform a comprehensive fee study every three years. These measures will help prevent discrepancies and ensure fees remain aligned with cost recovery.

PDD will present these proposed amendments to the Economic Development Committee on April 7. Prior to the meeting, staff will reach out to Council members to answer any questions regarding the proposed amendments. If the Committee recommends approval, staff will place the item on the April 23 Council agenda for consideration.

If you have any questions, please contact me or Emily Liu, Director of Planning and Development, at yu.liu@dallas.gov.

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Service First, Now!



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Tammy Palomino, City Attorney
Mark Swann, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Dominique Artis, Chief of Public Safety
Dev Rastogi, Assistant City Manager
- M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Alina Ciocan, Assistant City Manager
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Jack Ireland, Chief Financial Officer
Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I)
Directors and Assistant Directors