

## Agenda Item # 7

Uniform Regional Valuation Proposal to:

MAG Building Codes Committee  
April 2004

### PROGRAM DESCRIPTION

With the support of the MAG Management Committee and Executive Committee, the Building Codes Committee would develop and maintain a program to publish valuation tables for new construction, with an agreement by the member communities to refer to such table for the purpose of determining the valuations used to derive permit and plan review fees.

### PROGRAM OBJECTIVE

Construction valuations are applied generically to categories of buildings, based on an agreed-upon definition of "valuation". Though unique characteristics of individual buildings often will result in differences in actual construction cost, these differences are as likely to apply to buildings in a given jurisdiction as they are to buildings in different jurisdictions. The average cost of components across a region, the so-called "sticks and bricks", are not markedly affected by jurisdictional boundaries. In an effort to add predictability and reliability to this common base factor, a uniform valuation table, maintained through an on-going open process, should be established. This program would be independent of permit fee and revenue considerations; individual jurisdictions can and should continue to make these determination locally, by maintaining appropriate fee tables, based on a uniform valuation table. The table should be updated on a regular basis in response to changing valuations, and may include values based on both national and local data.

### PROGRAM ELEMENTS

Development phase

- I. Identify an authoritative valuation table source. Example – International Code Council valuation table, with Arizona regional modifier.
- II. Seek input from interested parties. Examples – HBACA, BOMA, AGC, consultants, member jurisdictions. The parties should provide input about legitimate local variables, if any; a standard definition of "valuation"; building categories for which standards are not currently established, and others.
- III. Survey jurisdictions' procedures for implementation of valuation tables, re staff v. Council roles.
- IV. Establish schedule for implementation – target date, development phase milestones.
- V. Identify needs for additional information about categories not maintained in national surveys. Examples – patio covers, rigid frame buildings, canopies, fences/walls, tenant improvements.
- VI. Review options available to the committee for program maintenance – standing sub-committee, forum, MAG staff.
- VII. Draft MOU (?) for implementation, including methodology for fee table modifications and "revenue-neutral" elements.

