

How County Permits & Fees Affect New Housing Prices

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Most of the housing developments built in Washoe County over the past few years have had rents higher than the average Northern Nevada worker can afford. [Last week](#), Channel 2 spoke with builders about why that is. This week, we look into how permitting and fees at the county level impact the final cost.

Don Tatro, the Executive Director of the Builders Association of Northern Nevada said, among other things, higher fees and permitting rates are driving up the cost of new developments. On Monday, Washoe County officials broke down that process for us.

In Washoe County, there is a long process involving multiple, different departments, before a piece of land can be developed. That begins in the "entitlement phase," in which a landowner submits a plan, and the county assesses it to make sure it's zoned correctly, safe, and suitable for the intended development. That involves studies for traffic impact, water use, and services like police and fire. This also involves opportunities for public comment; more, if it's a large or controversial project. Once it passes that phase, the owner can submit an application for a building permit. The county will then look at the specific building proposed for the site, and run it through similar assessments for safety and code adherence. Once that application is accepted, the owner can begin building.

Tatro said the whole process can cost upwards of \$40,000 for a single family home. County officials said that there is a range of costs depending on the location, any zoning changes, how much infrastructure needs to be built, and the size of the development, but in general, \$40,000 is a reasonable estimate.

"Washoe County is not necessarily an impediment to development. We work with the applicants," Washoe County Planning Manager Trevor Lloyd said. "We are

bound by state law that says you have to make sure that you're applying the health and safety requirements for any development."

Some of those costs, like the building permit application, have come down. Building permits went down four percent since 2016, due to a change in technology. Others, however, have gone up, including health inspection fees and infrastructure fees.

"Expansion of infrastructure costs money," Washoe County Director of Planning and Building Mojra Hauenstein said. "So the more people we get online on our existing infrastructure, the more it costs to expand infrastructure."

That means that developments trying to build in new areas without pre-existing infrastructure incur higher fees and then cost more. And that's a problem, because currently, a lot of Washoe County land has a cap on how much housing can be built per acre. In the unincorporated parts of Washoe County (outside of Reno and Sparks), land parcels have a maximum of five dwelling units per acre. At a time when most public officials are trying to push high-density, infill development, this cap encourages sprawl. And the more sprawl, the more expensive the development.

However, the county is working on an update to the regional plan, which could change that cap.

"We are asking for some flexibility in the new update," Hauenstein said, "because the market has uses and things that we didn't see 20 years ago."

They are hoping to have the new regional plan drafted sometime in 2018.