Council Study Session Meeting Agenda

ASHLAND CITY COUNCIL
STUDY SESSION AGENDA

Monday, August 17, 2026
Council Chambers, 1175 E Main Street

Live stream via RVTV Prime at rvtv.sou.edu or broadcast on Spectrum 180.

Public comment is welcome on agenda items.
To **speak electronically** during the meeting or to submit **written comments** in advance, please complete the online Public Comment Form by 10 a.m. the day of the meeting.

5:30 p.m. Study Session

I. CALL TO ORDER

II. REPORTS AND PRESENTATIONS

a. APD Annual Report to Council

b. Building Division Fee Structure and Dedicated Building Fund

c. Asante Payment Use Proposal

III. ADJOURNMENT

If you need special assistance to participate in this meeting, please contact Alissa Kolodzinski at recorder@ashlandoregon.gov or 541.488.5307 (TTY phone number 1.800.735.2900). Notification at least three business days before the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting in compliance with the Americans with Disabilities Act.

***Agendas and minutes for City of Ashland Council, Commission and Committee meetings may be found at the City website, ashlandoregon.gov,

Council Study Session

Date: August 17, 2026

Agenda Item	APD Annual Report to Council
Department	Police
From	Tighe O'Meara, Police Chief

TIME ESTIMATE
20 Minutes

CATEGORY
Informational - this is to inform the body on a particular topic. No motion or direction needed.

SUMMARY
Since 2008 the police department has come before Council to provide an annual use of force report. This presentation has grown in scope and now includes use of force, crime and clearance rates, an update on the enhanced law enforcement area (ELEA), as well as the most recent data from Statistical Transparency Of Policing (STOP), select city parks and the new camping ordinance.

POLICIES, PLANS & GOALS SUPPORTED

BACKGROUND AND ADDITIONAL INFORMATION
Use of Force Information

During 2025 the APD used force 31 times, this is a decrease from 2024's reported 43 instances. Pre-2024 the use of force report did not include instances of officers displaying a weapon (i.e. firearm, Taser, pepper spray) to gain compliance. 2024 and beyond this data is considered a use of force incident and is included. In 2025 a request from Council was made to retroactively analyze how the inclusion of the display of a weapon would have impacted reported use of force numbers for past years. This data capture and analysis was found to be problematic as reporting practices have evolved as has related equipment. For example, in recent years APD officers' holsters have been outfitted with sensors that detect when a firearm is removed from the holster, activating all police recording devices within 30 meters (body worn and vehicle-based). This allows for greater accountability and tracking of the display of weapons. Going forward PD will continue to report on presentation of a weapon as a use of force incident.

APD had 652 jail lodgings in 2025, down slightly from the previous year when that number was 717.

In 2025 27 of the 31 reported uses of force involved suspects identified as being white, three were as being black, and one suspect's race was listed as unknown.

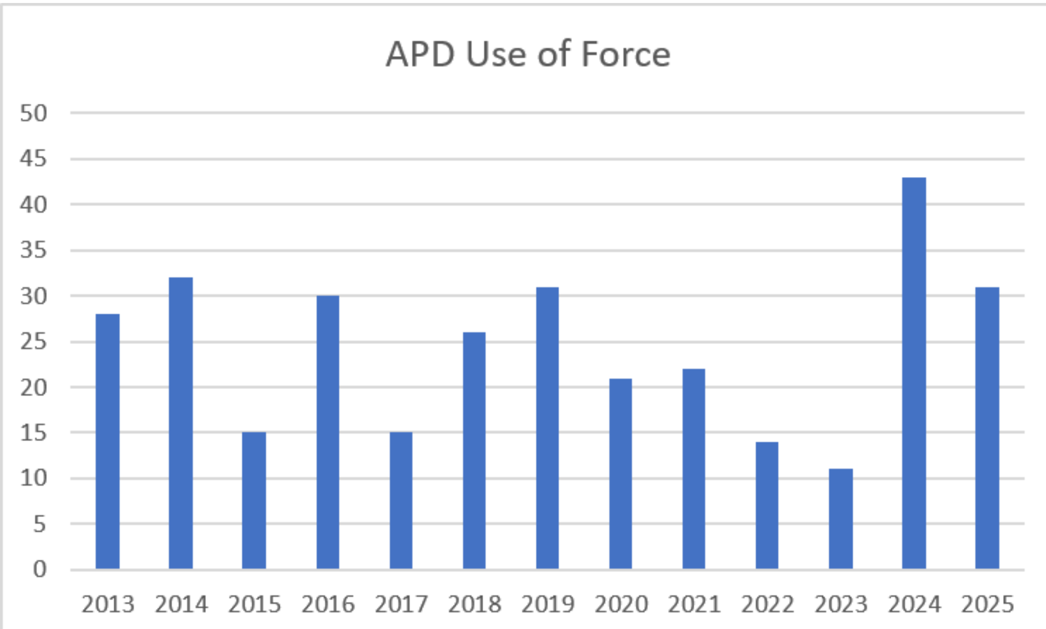
Additionally, in 2025:
- The Taser was deployed four times
- The Taser was displayed but not deployed 7 times
- The less lethal shotgun was displayed but not used once
- Oleoresin Capsicum Spray (Pepper Spray) was not used
- A firearm was displayed on five occasions
- The expandable baton was not used

Seven instances of officers being injured during use of force incidents were reported in 2025, all minor.

Nine suspects reported being injured during use of force incidents in 2025, five injuries reported as minor scrapes, bruises etc., and four injuries being the result of penetration by Taser probes

The department's use of force review board reviews all instances of use of force. All the incidents of use of force in 2025 were deemed to be within policy.

In 2025 APD handled 27,054 calls for service (CFS) and investigated 2,273 cases. This means that less than 1.5% of the cases handled by the department resulted in a use of force. Just looking at the number of actual custodial arrests made in 2025 (652), 31 uses of force represents less than 5% of actual physical arrests resulted in a use of force incident.



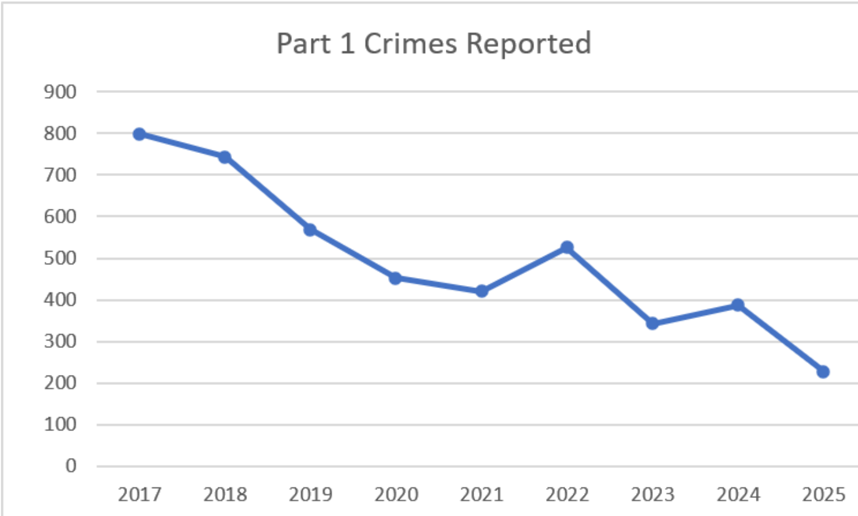
During 2025 Ashland officers received a total of 1,036 hours of use of force training.

Crime Rates and Clearances

Reported crime statistics can be influenced by several factors. Several team members, both internal and external, both sworn and non-sworn, touch APD reports and ensuring 100% accuracy in reporting is very problematic and hard to achieve. Every year the APD reports its crime statistics to the State of Oregon, and through them to the Federal Bureau of Investigation. While these reported crime statistics may not be exactly a 1 for 1 match depending on which database is accessed and which report is analyzed, they do paint a generally accurate picture of crime in Ashland. Additionally, staffing changes have caused some processes to be lost, leading to those processes needing to be recreated.

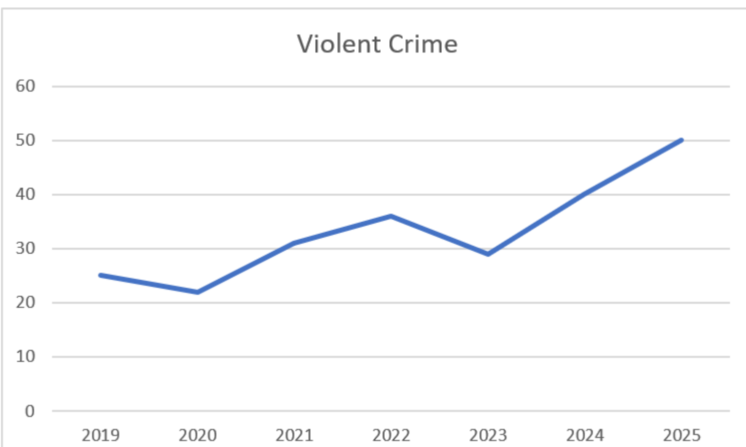
APD continues to work toward additional training for its entire team to ensure the most accurate reporting possible going forward.

In previous years APD has brought info to Council on what had been termed "Part 1 Crimes." "Part 1 crimes" were those that were reported annually to the FBI for inclusion in the Uniform Crime Report. They were homicide, rape, robbery, aggravated assault, burglary, auto theft, arson and larceny. Nationally all law enforcement agencies have moved from Uniform Crime Reporting to a new system called National Incident Based Reporting System that has re-categorized reported crimes. However, for purposes of continuity APD is still reporting what were previously called "Part 1 crimes." In 2025 Ashland saw 227 Part 1 Crimes reported, down from 2024's 387.



Violent crime is defined as homicide, rape, robbery and aggravated assault. There were 50 violent crimes reported in Ashland in 2025, up from 40 in 2024. Clearance rates for violent crime remain very high at 66%.

In 2025 the City saw 1 homicide reported, 1 rape, 9 robberies and 39 aggravated assaults.



Crime data for the state is available for public viewing at oregon.gov/osp/pages/uniform-crime-reporting-data.aspx

Enhanced Law Enforcement Area

The Enhanced Law Enforcement Area (ELEA) ordinance has been in effect since August of 2012. Recently an additional geographic area was defined as a second ELEA (the Ashland Street business corridor). In early 2025 the process by which a person can be expelled from an ELEA was modified. Like the original version of the expulsion process, the decision to expel remains with the Municipal Court Judge. The current process is based on an officer's petition to the court after multiple violation level offenses have occurred, or two or more non-person misdemeanors have occurred, or one or more felony or person crime has occurred.

As of this report there are three people who are under expulsions orders issued by the court, with 11 people total having faced court-ordered expulsion since the process changed in early 2025. This data includes both areas.

Additionally, there are currently 21 expulsions orders in place for individuals from parks and/or the night lawn, with the same judicial appeal process being in place, and being heavily utilized. Unlike the recently modified ELEA expulsion process, the ability to expel a person from a park for violating park rules has been in place for many years, and remains a valuable tool to mitigate negative behavior in parks. This tool was used effectively recently in Garfield Park, when there were a small number of people who were engaging in particularly negative behavior, contributing significantly to conflicts between park users and park neighbors. The expulsion tool was used, as was the appeals process. After the process played out the bad actors were removed from Garfield Park, and the tension immediately lessened.

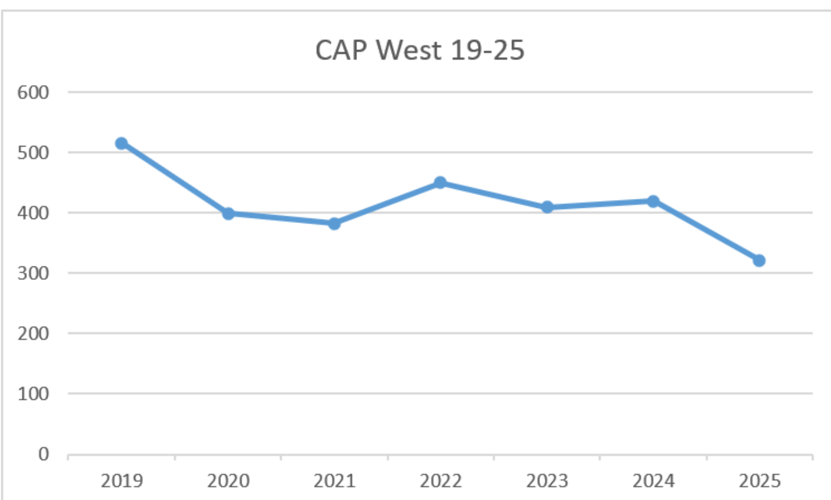
Calls for Service in Downtown Area and Ashland Street Business Corridor

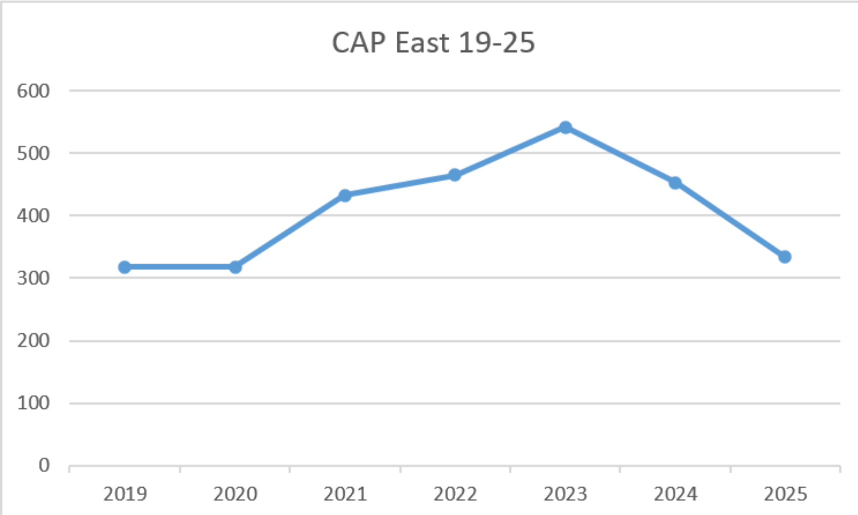
For several years, going back into to 2010's, downtown (now called Concentrated Area Patrol Wast, or CAP Wast) has been viewed through the lens of a handful of calls for service being analyzed. Those calls for service included drinking in public, disorderly conduct, noise and other complaints that collectively have allowed a picture to be painted on quality of life in the downtown area. That approach worked, and allowed for the successful navigation of the introduction of the original Enhanced Law Enforcement Area.

More recently, APD and Council have worked through the conversation around a second ELEA along the Ashland Street business corridor (now called CAP East). During these conversations, different calls for service have been used to provide data on the situation downtown, while different metrics (calls for service) have been used to inform the conversations around the need for the new ELEA.

In order to make sure that both areas are being looked at through the same lens going forward, annual updates will include the same calls for service types for both areas, so future conversations are informed in the same manner.

These graphs indicate calls for service from 2019 through 2025 for assault, disorderly conduct, drug violations, liquor law violations, suspicious situations, theft and trespassing.





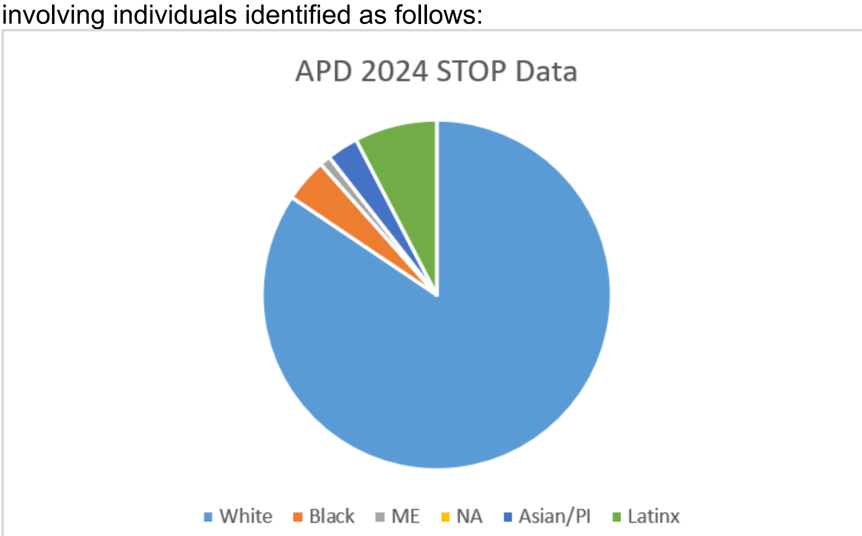
Both of these data sets indicate encouraging trends, with downtown continuing to generally trend downward, and with reported negative behavior along the Ashland Street business corridor continuing to trend down since it peaked in 2023 and new strategies were implemented and discussion began around the implementation of the new ELEA.

It should be noted, however, that in the last several weeks there have been two robberies reported in CAP East, one involving the discharge of a firearm.

Statistical Transparency of Policing (STOP)

The Oregon legislature has mandated that all police officers in the state record certain demographic and enforcement data for officer-initiated enforcement stops. The most recent data that is available is for the period of July 1, 2024 through June 30, 2025. This data is available through the department's webpage under the "STOP Data" button.

For that period of time data for the Ashland Police Department indicates that officer-initiated enforcement stops involving individuals identified as follows:



Asian or Pacific Islander 3.5% Middle Eastern 1%

Black	3.4%	Native American	1%
Latinx	8.1%	White	83.75%

This data is dependent on an officer's observations, not an inquiry, and seems to be consistent with Ashland's demographics. Age information is not available through this report.

The Ashland Police Department will always strive to equitably serve the entire community. With that in mind, we need to recognize that STOP data will never match perfectly with demographic data for the community. Demographic data varies from source to source, so the exact representation of a specific race within the community cannot be perfectly known. Also, we need to recognize that STOP data is solely dependent on an officer's perception and is not derived from an inquiry into how the person identifies. STOP data does not allow for a person to be identified as multi-racial, which many people do. Demographic data does allow for this, and 3-4% of the Ashland population identifies as such. Ashland is a tourist town, a university town, and is on the I-5 corridor as well. All of this information skews the data on who is actually present in the community and how they might be perceived by the officer. Again, this all comes together to create a situation that will never allow the STOP to perfectly match up with the demographic data.

Also, again, and most importantly, we will always work to make sure all members of the community are being treated equitably.

Calls for Service Around Parks

At Council's request staff is continuing to bring forward information on CFS in parks. APD pulled data from four of the main parks, Lithia, Triangle, Garfield and Clay Street.

This chart represents how many of each type of call for service was initiated for each park.

2025

Call Summary - Parks

CLAY STREET PARK	
Call Type	**Total Calls**
Suspicious	3
Trespass	1
Parking Violation	1
Camping	1
Dog Off Leash	1
Disorderly Conduct	1
Subject Stop	1
Fireworks	1
Ord Viol - No details	1
Juvenile Problem	1
Noise Complaint	1
Grand Total	**13**

GARFIELD PARK	
Call Type	**Total Calls**
Disorderly Conduct	22
Camping	18
Subject Stop	11
Welfare Check	8
Suspicious	8
Animal Problem	6
Prop Lost/Found/Rec	5
Ord Viol - No Details	5
Medical (NRUR)	4
Assist to Public	4
Drug Laws	3
Property Left Behind	3
Juvenile Problem	3
Noise Complaint	3
Criminal Mischief	2
Trespass	2
Theft	2
Menacing w/a Weapon	2
Warrant	2
Assist Agency	1
Attempted UUMV	1
Traffic Complaint	1
Citizen Flag-down	1
Burning Incense	1
Dog Control	1
Threats	1
Assist to Medical	1
Domestic Dispute	1
Smoking	1
Family Offense/Abuse	1
Sex Offender Reg	1
Liquor Law Violation	1
Grand Total	**126**

LITHIA PARK	
Call Type	**Total Calls**
Suspicious	23
Animal Problem	22
Prop Lost/Found/Rec	19
Disorderly Conduct	14
Subject Stop	12
Assist to Public	12
Parking Violation	11
Medical (NRUR)	11
Camping	10
Noise Complaint	8
Indecent Exposure	6
Harassment	5
Welfare Check	5
Assist Agency	4
Criminal Mischief	4
Theft	4
No Notes in CAD	3
Assault	3
Warrant	2
Threats	2
Hit & Run	2
Dogs	2
Person Down	2
Juvenile Problem	2
Drug Laws	1
Attempted Theft	1
Found Child	1
Public Safety Hazard	1
Assist to Medical	1
Sex Offense	1
Trespass	1
Missing Adult	1
Attempt to Locate	1
Suicidal Subject	1
Liqour Law	1
Grand Total	**199**

TRIANGLE PARK	
Call Type	**Total Calls**
Subject Stop	5
Welfare Check	4
Trespass	1
Camping	1
Suspicious	1
Disorderly Conduct	1
Warrant	1
Noise Complaint	1
Bite Injury	1
Public Urination	1
Grand Total	**17**

The following data represents most prevalent ordinance violations called in or enforced in each park over the last few years.

Ordinance Calls

Park	2021		2022		2023		2024		2025	
Garfield Park	BBQ Concerns	1	Camping	11	Camping	40	Camping	6	Camping	18
	Dog Off Leash	1			DOC Transients	3	Storing Property	5	Ord Viol - No Details	5
	Park Curfew	1			No notes in CAD	3	Bus Camping	4	Storing Property	3
					Dog Off Leash	1	Ord Viol- No details	4	Smoking	1
					Trash Dumped	1	Smoking	2	Dog Control	1
					Homeless in Playground	1	Curfew	1	Noise Complaint	1
Ordinance Totals		3		11		49		22		29
Lithia Park	Camping	11	Camping	20	Camping	15	Camping	14	Camping	10
	Skateboarding	5	Dogs	2	Car Camping	4	Dog	3	Ord Viol - No Details	3
	Car Camping	4	Car Camping	2	Dogs	2	Car Camping	2	Dogs	2
	Fire Pit/Camp Stoves	3	Erosion Control	1	Curfew	2	Noise	2	Liqour Law	1
	Litter	2	Skateboarder	1	Urinating	1	Permit Required	1	Noise Complaint	1
	Dogs	3	Warming Fire	1	Smoking	1	Drinking	1		
	No violations seen	2	Drinking	1	Drinking	1	Curfew	1		
	Bounce House	1	Fishing	1	Warrant	1	Panhandle	1		
	Abandoned Car	1	Ord Viol- No details	2	Bathing in Fountain	1	Ord Viol- No details	1		
	Drug Use	1			Campfire	1				
					Fishing	1				
					Ord Viol- No details	1				
Ordinance Totals		33		31		31		26		17
Triangle Park	Camping	4	Public Urination	1	Camping	41	Camping	1	Camping	1
	Park Curfew	1	Smoking	1					Public Urination	1
			Ord Viol - No details	1						
Ordinance Totals		5		3		41		1		2
Clay Street Park	Camping	1	RV Camping	2	Camping	23	Camping	6	Camping	1
									Dog Off Leash	1
									Ord Viol - No details	1
Ordinance Totals		1		2		23		6		3

Camping Ordinance Enforcement

The camping ordinance was amended in January of 2024 to allow for enhanced penalties for repeat violations. In 2025 there were a total of 65 enforcements actions for prohibited camping within Ashland, 63 were violation (non-criminal) level, and two were misdemeanor (criminal) level.

Spidrtech
Approximately 90% of calls to dispatch (Emergency Communication of Southern Oregon) originate from a cell phone (as opposed to a landline). For most calls placed to dispatch (not all as it wouldn't be appropriate in some situations, such as domestic violence calls for service), the caller receives updates on the officer's response time, a call for service number or case number, as well as an ability to submit feedback. APD enjoys a very high feedback participation rate, and also enjoys a very high satisfaction rate as reported back via this platform.

This platform captures a lot of data, all of it voluntarily provided of course. There is an additional level of data that also captures demographic data, again, voluntarily.

Some of the main data points from APD's 2025 Spidrtech platform:

1,679 respondents - the overall satisfaction rating for APD response time was 4.68 of 5
1,679 respondents - the overall satisfaction rating for Professionalism of the Officer was 4.74 of 5
2,409 respondents - the overall satisfaction rating for The Ashland Police Department was 4.56 of 5
2,382 respondents - the overall feeling of safety in the City of Ashland was rated 4.22 of 5

According to the platform that tracks this data for departments across the country, these numbers are higher than national averages, as is our participation rate in the survey offered, at 28.48%.

Requested data on Community Member Well Being

In the previous annual report to Council, it was requested that information be brought back on the number of suicides that have taken place. While this is hard to analyze and present as a data point (i.e., how is it reported, as a suicidal person, a person in traffic, a welfare check, a domestic dispute etc.), the number of complaints of a suicidal person called in to APD in 2025 was 123. This is not to say that many people took their own lives, just that many calls for service came in that were coded as a suicidal person. Far fewer were actual completed events. This number of calls for service coded this way is consistent with numbers in general for the previous years.

FISCAL IMPACTS

N/A

SUGGESTED ACTIONS, AND/OR OPTIONS

Informational only

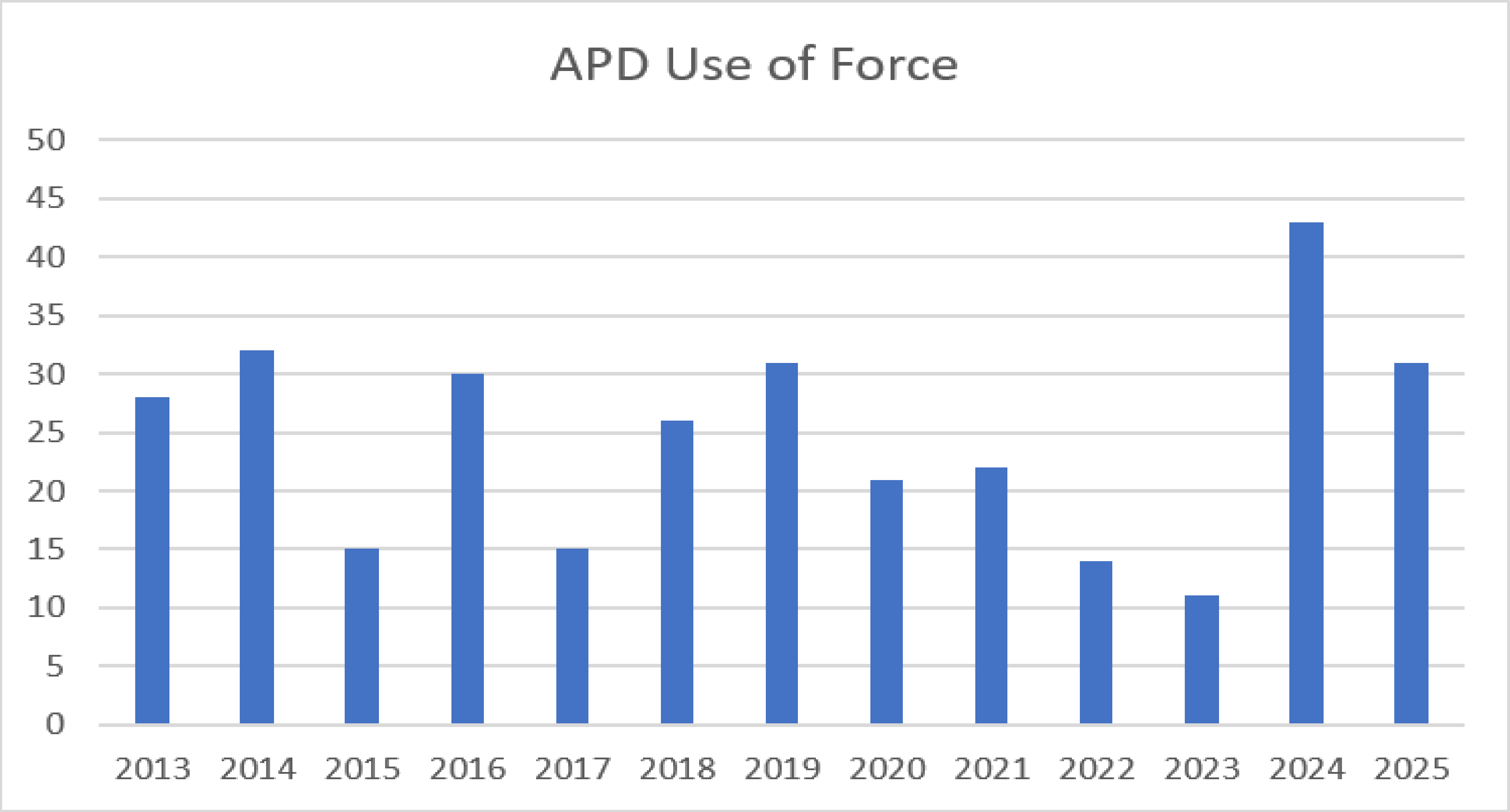
REFERENCES & ATTACHMENTS

1. Annual 2025 report to Council 08172026

Annual Report to Council

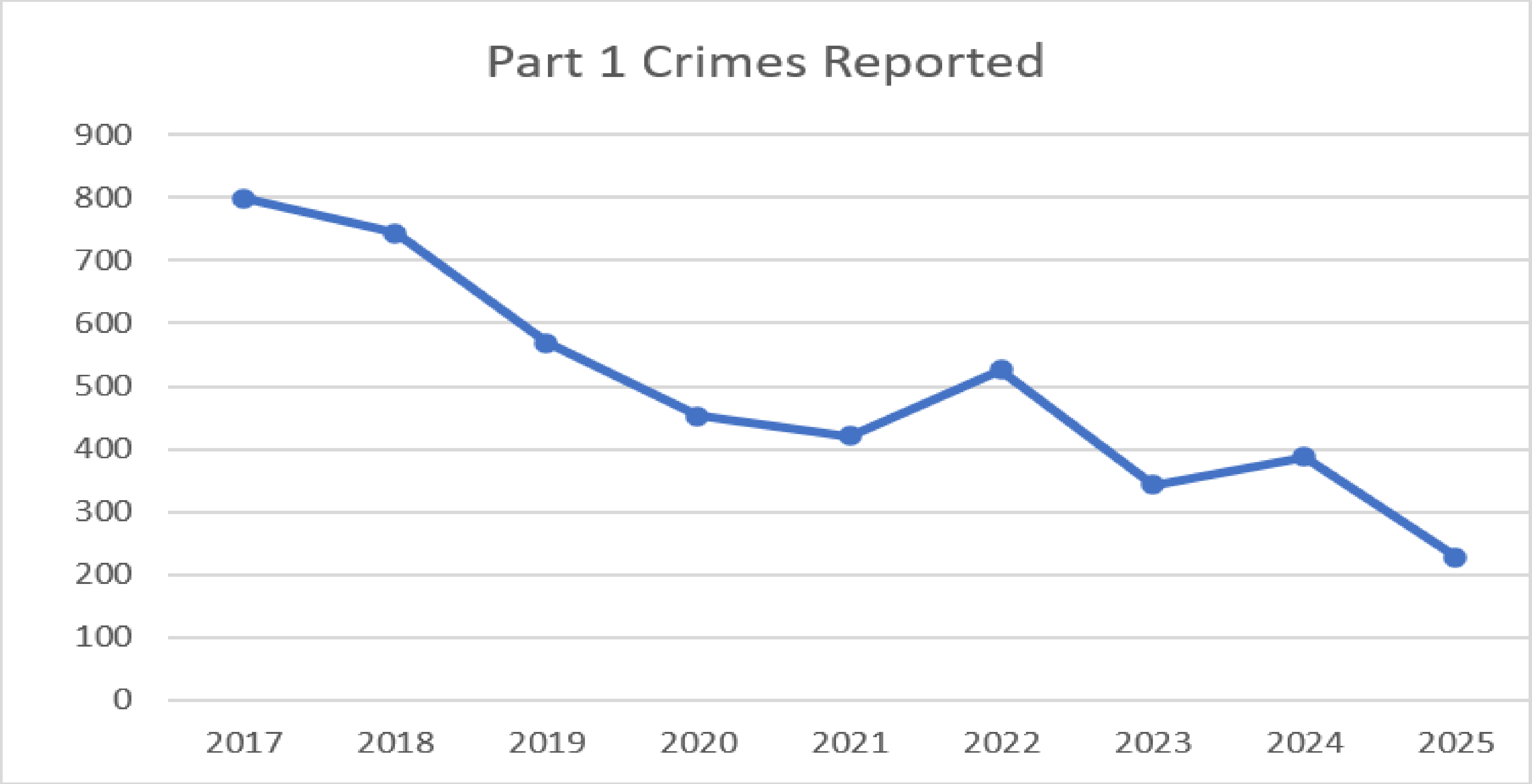
Chief Tighe O’Meara

Use of force



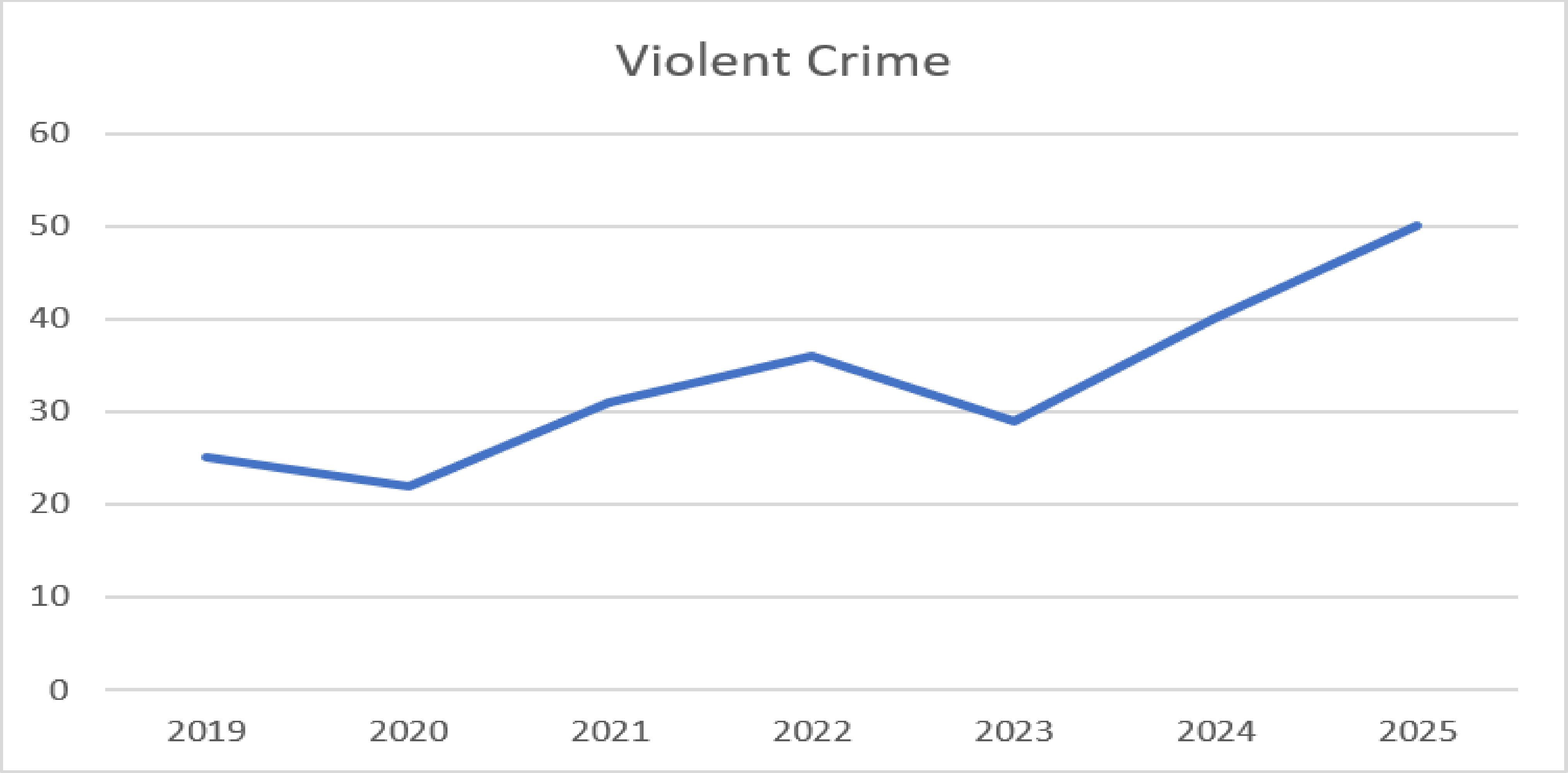
APD Use of Force
50
45
40
35
30
25
20
15
10
5
0
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

“part 1” crime

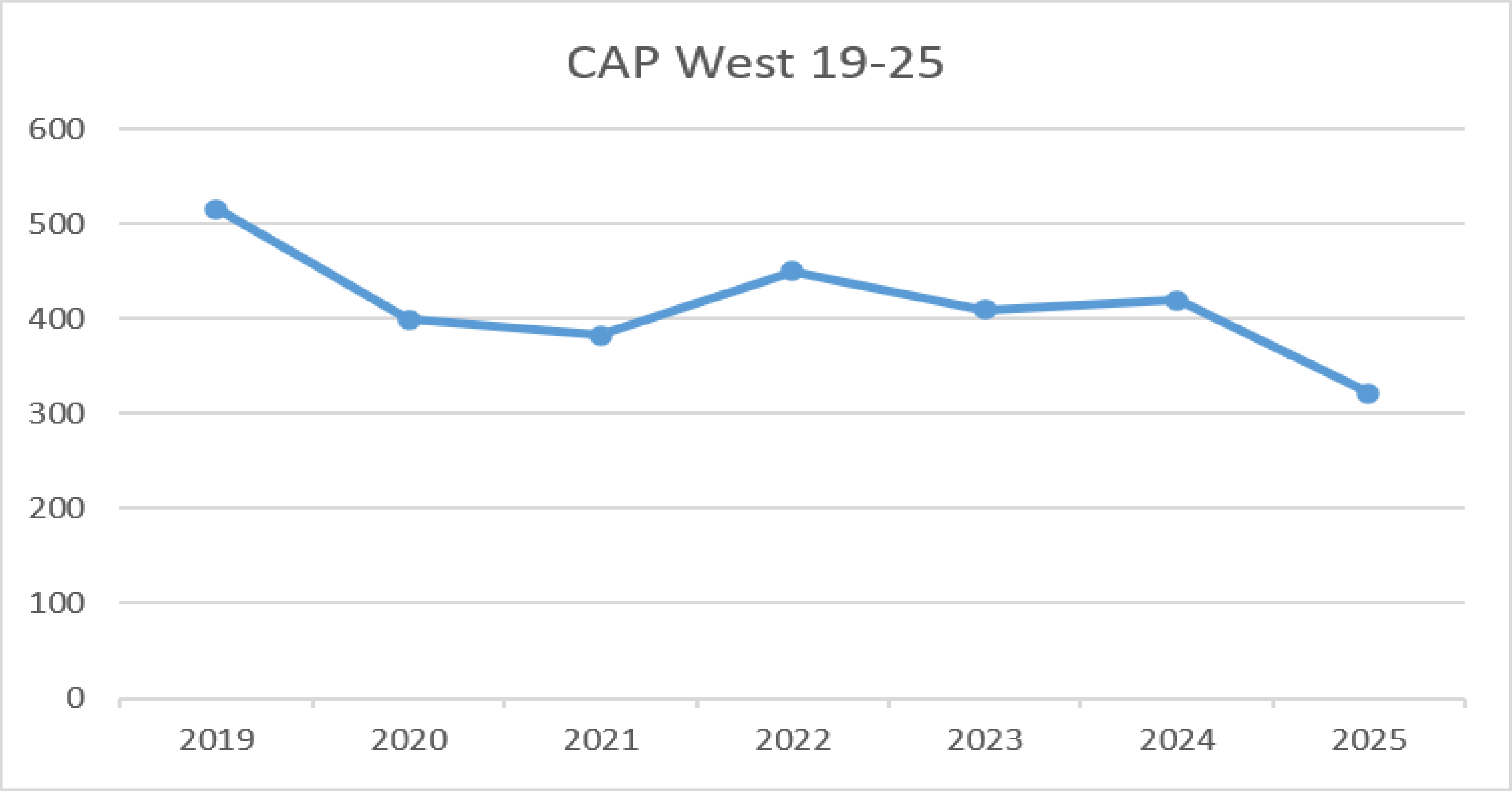


Better Together

violent crime



ELEA CAP West



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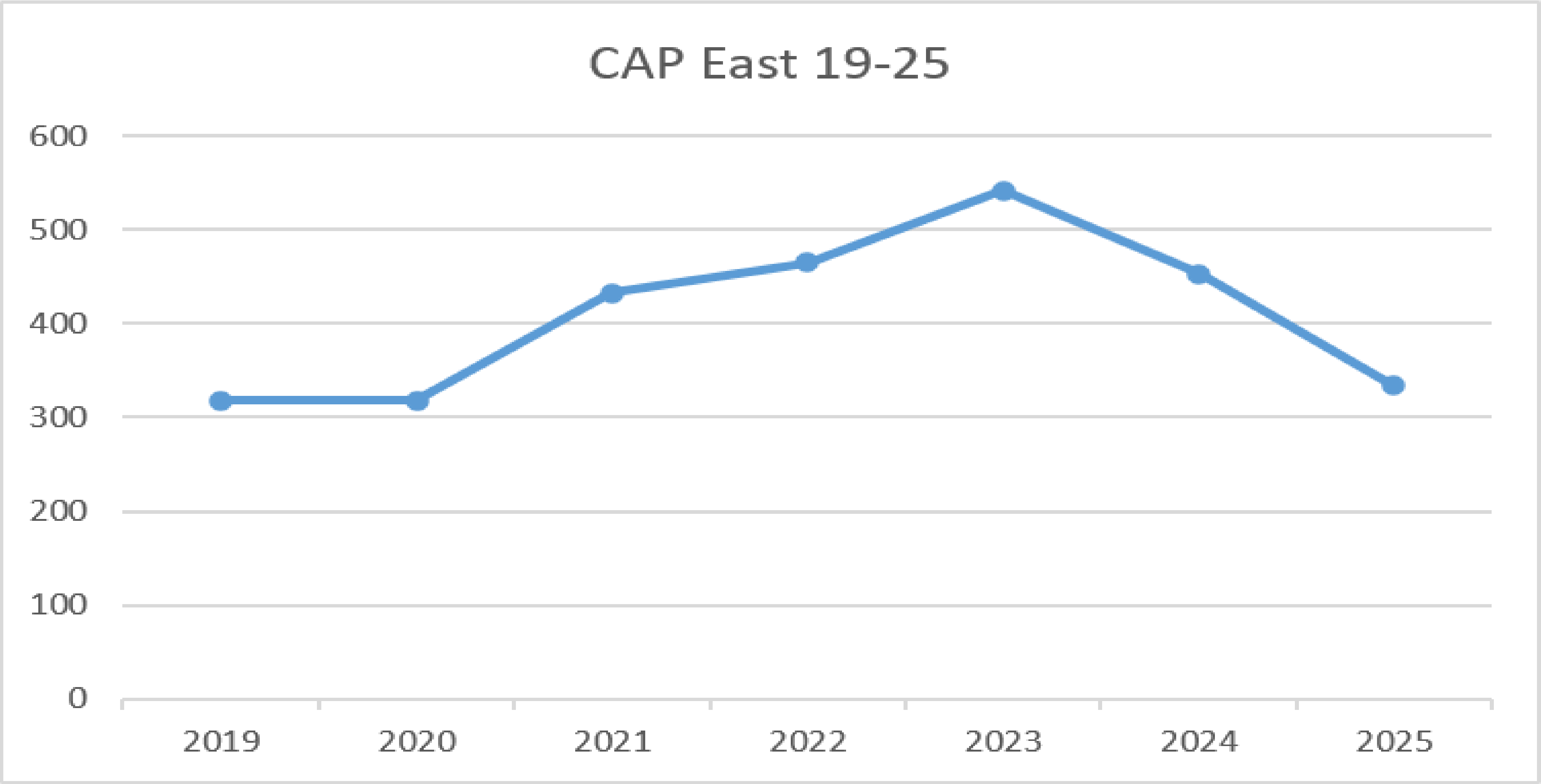
ELEA CAP East



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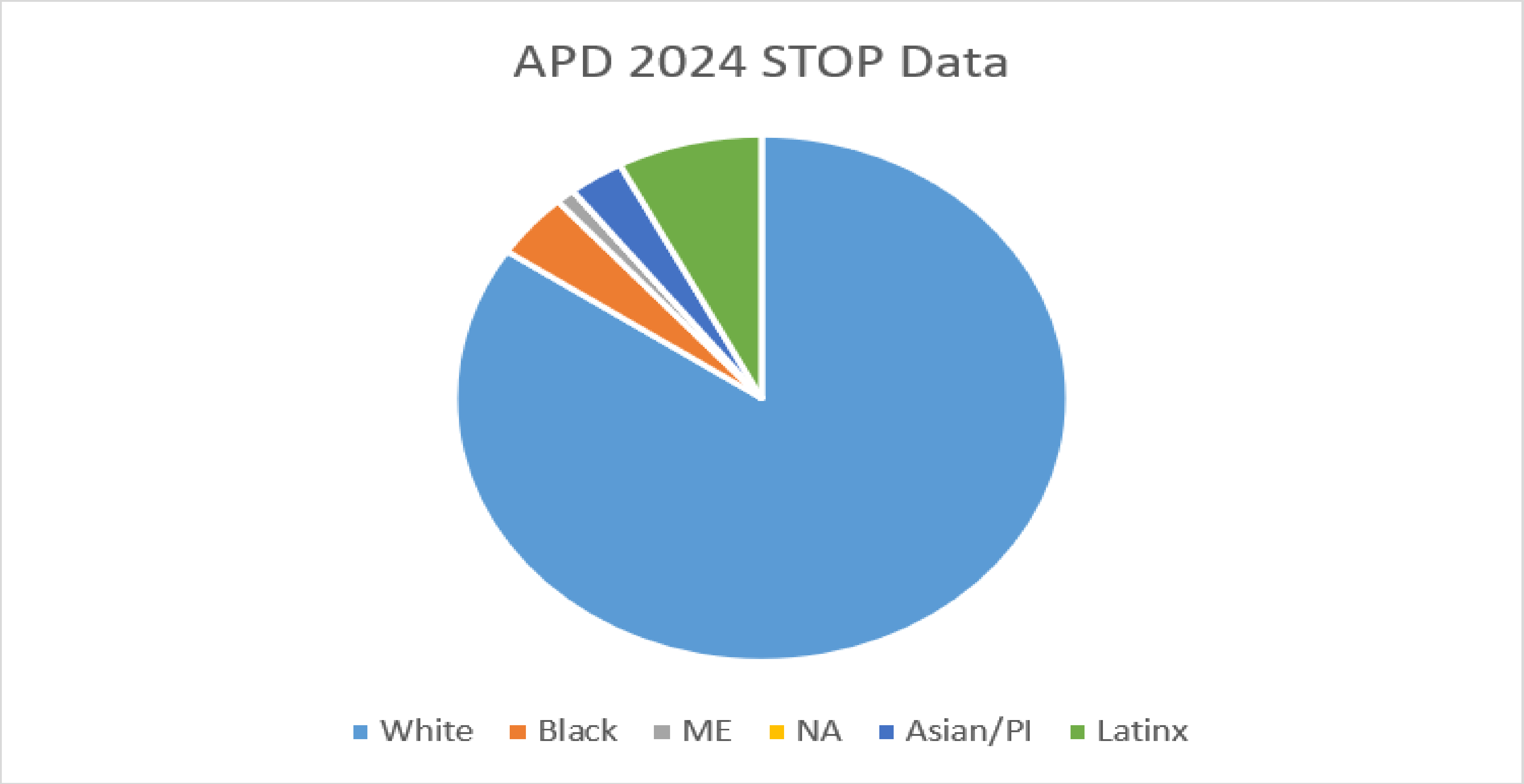
STOP Data



CFS Parks 2025

2025

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Dogs	2
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Parks Ords ’21-’25

Ordinance Calls

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Spidrtech

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2,382 respondents - the ***overall feeling of safety in the City of Ashland*** was rated **4.22 of 5**

Better Together

QUESTIONS?

Council Study Session

Date: August 17, 2026

Agenda Item	Building Division Fee Structure and Dedicated Building Fund
Department	Community Development
From	Brandon Goldman, Director of Community Development, Steven Matiaco

TIME ESTIMATE
45 minutes

CATEGORY
Staff Direction - provide direction to staff on the body's desired next steps.

SUMMARY
Staff is seeking Council direction to proceed with forming a dedicated Building Fund supported by full cost recovery from building permit fees. This would separate the Building Division from the General Fund, so that development, rather than the general taxpayer, pays for the construction plan review and inspection services it uses. The proposed fee structure to support this objective, along with a recommended approach for supporting affordable housing, is described below, with the fee schedule provided as an attachment.

POLICIES, PLANS & GOALS SUPPORTED

- **ORS 455.210 and applicable Building Codes Division rules (OAR Chapter 918):** These require that building permit fees fund the building inspection program.
- **Council Priority, Efficient and Effective Government:** A self supporting Building Fund aligns program revenues with the services they fund and reduces reliance on the General Fund.
- **Council Priority, Risk Reduction:** A resourced Building Division enforces wildfire hardening and life safety standards and supports disaster response and recovery.

BACKGROUND AND ADDITIONAL INFORMATION

The Building Division
The Building Division reviews construction plans and inspects work to confirm that buildings meet the state building code. Under Oregon law this is a required local responsibility, carried out under the oversight of the State Building Codes Division. The code sets minimum standards for structural strength, fire and life safety, and plumbing, mechanical, and electrical systems, and the Division applies those standards to every project, from a residential remodel to a large commercial building. State law also sets service deadlines for Building Departments to conduct their reviews and inspections.

Ashland operates a full service Building Division, meaning we provide plan review and inspections. This is a significant benefit to the community because a local division keeps projects moving, gives builders and homeowners a direct point of contact, and avoids the delays and added cost that come with routing work to another jurisdiction or an outside firm. Responsive local inspection service is one of the most valuable things the Division provides to those building in Ashland.

The Building Division staff includes one Building Official, two full time inspectors, one full time equivalent front counter permit technician, a half time Development Services Coordinator, and two tenths of the Community Development Director's time. This is the equivalent of 4.7 full time employees, which is the minimum necessary to accommodate permit requests, plan reviews, and inspection services over the past five years.

The Division is also a vital resource in disaster response and recovery. Following an earthquake, wildfire, flood, or other event that damages buildings, the Division's certified staff assess structures to determine whether they remain safe to occupy or must be posted as hazardous. This work protects life safety in the critical period after a disaster and supports the community's recovery.

The Division is currently operating with 4.2 full time equivalents, reflecting a temporary reduction of half a position in response to City funding constraints and a current slowdown in permit activity. Cost recovery is assessed against the full 4.7 full time equivalent complement, which represents the staffing needed to serve development at normal activity levels. As permit activity recovers, the City anticipates restoring the reduced position and adding permit technician capacity so the Division can continue to review and inspect development in a timely way. More broadly, the Community Development Department has reduced its staffing from 16 positions in 2023, to just 12 current staff in 2026 as part of Citywide cost saving efforts.

Professional Services and Training

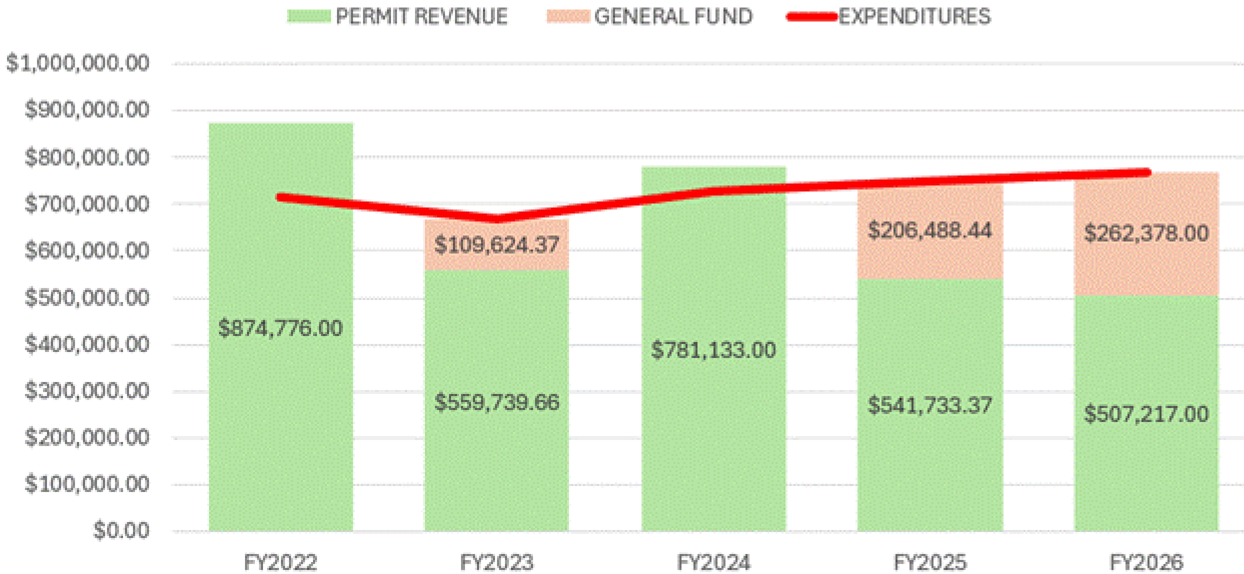
The Division's costs also include professional services and ongoing training, both necessary to deliver reliable service. Professional services cover third party plan review and inspections when a project requires a certification the Division does not hold in-house, such as an A-Level Electrical and Plumbing inspector and plans examiner, or when workload temporarily exceeds staff capacity or qualifications. The recent transfer of fire alarms and fire suppression review and inspections from the Fire Division to the Building Division is another example where reliance on additional professional services and additional staff training is necessary. Training is not optional. Oregon requires inspectors and plans examiners to complete continuing education to maintain their certifications, and the building code itself is updated on a regular cycle. Funding this training keeps staff certified across the disciplines the Division relies on and ensures that reviews and inspections reflect the current codes. Both costs are part of the true cost of operating the Division.

Building Safety Division Expenses, BN 2025-2027 Adopted

Expense category	**BN2027 Adopted**		**Projected expenses**	
	FY2026	**FY2027**	**FY2027**	**FY2028**
Staff Costs, Salaries, & Benefits (4.7 FTE)	$744,082.00	$772,258.00	$772,258.00	$792,283.00
Professional Services (3rd Party Review, IGAs, Contracts)	$22,500.00	$15,000.00	$50,000.00	$50,000.00
Training & Certification	$17,450.00	$17,450.00	$17,450.00	$17,450.00
Technology	$25,342.00	$21,413.00	$21,413.00	$22,483.65
Internal Charges	$48,764.00	$49,267.00	$49,267.00	$70,841.00
Other Materials & Services	$6,675.00	$6,675.00	$6,675.00	$7,008.75
Total Building Safety Division expenses	**$864,813.00**	**$882,063.00**	**$917,063.00**	**$960,066.40**

These figures reflect the full cost of operating the Building Division, including staff and benefits for the 4.7 full time equivalent complement, professional services, training and certification, technology, and internal charges. Building permit and plan review fees currently recover approximately 74 percent of this amount. The remaining share absorbed by the General Fund has averaged $115,689 each year over the last five years, rising to as much as $262,378 in the most recent fiscal year, FY2026. Establishing a dedicated Building Fund with full cost recovery would shift that cost to the development activity that generates it, instead of tax payers at large.

Building Division Revenue and Expenditures



Why a Dedicated Building Fund

A central purpose of this effort is to establish the Building Division as a dedicated fund, separate from the General Fund, so that development pays for the services it uses and the General Fund is relieved of that ongoing obligation. Oregon law requires that building permit revenue be used solely for the administration and enforcement of the building inspection program, and it may not be spent on unrelated City services. In practice, the State Building Codes Division expects building programs to be self-supporting, funded by the permit and plan review fees paid by those undertaking development, and most Oregon jurisdictions operate their programs this way.

Ashland's Building Division currently operates within the General Fund and does not fully recover its costs through fees, so a portion of the program is supported by property taxpayers who are not engaged in development. A dedicated Building Fund would hold building revenues and expenses separately, give Council and the public a transparent picture of the program's true cost, and maintain a reserve to keep service steady through the normal ups and downs of development activity.

Proposed Fee Structure Outline

Rather than applying a uniform increase across all building fees, staff has structured the proposal to concentrate the increases on charges that scale with a building's valuation, along with targeted adjustments to fees that no longer reflect the cost of service. The result is a progressive structure in which the size of the increase tracks the value and review effort of each project.

The proposed structure makes targeted adjustments across the six fee categories described below.

Staff has projected the revenue the proposed adjustments would generate. Because the new fees would take effect January 1, 2027, partway through the fiscal year, FY2027 reflects only a partial year at the proposed rates, while FY2028 is the first full year under the new structure. The table below shows the projection by revenue category. At full implementation, the proposed fees are expected to generate approximately $1.06 million per year, supporting the move to full cost recovery and the modest reserve described under Fiscal Impacts.

Building Safety Division Revenues, FY2027 and FY2028, with New Fees Effective January 1, 2027

Revenue category	FY2027	FY2028
Building permits (structural, plan review, mechanical, electrical, plumbing, and Building Division services)	$759,603	$823,373
Community Development Fee (0.5 percent to Building Fund)	$104,384	$208,767
Technology Fee	$12,351	$24,701
Total Building Safety Division revenues	**$876,338**	**$1,056,841**

The proposed structure makes targeted adjustments across the six fee categories described below.

1. Structural Permit and Plan Check Fee. This fee is based on project valuation and scales with the value of the building under review. Concentrating a share of the increase here ties the fee more closely to the level of inspection services and plan review effort that larger projects require.

2. Community Development Fee. This fee is currently set at 1.2 percent of construction valuation and supports Community Development services through the General Fund. It would increase by 0.3 percent to a total of 1.5 percent, apportioned as 1.0 percent to the General Fund to continue supporting planning, housing, and code compliance services, and 0.5 percent dedicated to the new Building Fund.

3. Minimum permit fees. The minimum fees for minor permits would be adjusted to correlate with the actual cost of reviewing and inspecting those permits, setting a minimum charge of $135 per permit. This reflects the current cost of providing the service, including on site inspections, so that small permits recover the staff time they actually require. The minimum applies only to the smallest standalone permits. Most projects involve multiple components, and the combined fees for those projects exceed the minimum, so the minimum charge would not be triggered.

4. Commercial mechanical fees. Commercial mechanical fees, which cover the review and inspection of systems such as commercial heating, ventilation, and air conditioning, are based on the value of the mechanical installation. The adjustment would bring these fees in line with the current cost of the plan review and field inspection the work requires, so that larger and more complex mechanical systems pay in proportion to the review effort they demand.

5. Technology Fee (new). The Division depends on permit and inspection software, an online portal, and related systems for application intake, plan review, inspection scheduling, and records management. A new technology fee, a flat 3 percent of the building permit fee (exclusive of the Community Development Fee, System Development Charges, and similar charges) would recover these costs from the permit activity that generates them. A fee of this kind is now fairly standard among Oregon jurisdictions and reflects recent statutory requirements applied to building departments statewide, ORS 455.095 and 455.098, to have electronic plan submission software. It is expected to generate approximately $24,000 annually, matching the software licensing, equipment rental, and other technology costs attributable to the Building Division.

6. Fire Plan Check Fee. This category is restructured rather than increased. Ashland Fire and Rescue currently collects a Fire Plan Check Fee equal to 24 percent of the Structural Plan Check and Permit Fee. Because that charge is tied to permit value rather than to the work performed, and because the responsibility for fire alarm and sprinkler review and inspections has moved to the Building Division, staff proposes to eliminate the percentage based fee and replace it with a cost based charge of $125 per hour, billed by Ashland Fire and Rescue only when Ashland Fire and Rescue actually reviews the fire code items that fall outside the building code.. This restructuring is described in full in the Fire Plan Check Fee section.

Fixed fees are charges for individual building components and minor permits, rather than fees calculated from a project's valuation. They cover discrete items such as a plumbing fixture like a sink or water heater, an electrical service or circuit, a mechanical appliance like a furnace or fan, or a reinspection. Under the proposal these fixed fees would remain unchanged in the coming year. Future adjustments would be limited to expected CPI increases in subsequent years, consistent with the annual cost of living adjustments already applied to the fee schedule.

Because the increases are concentrated on valuation based fees, the structure is progressive in its effect. Larger, higher value developments pay fees that reflect their higher valuation and the greater review effort they require, while smaller, lower value projects see a proportionately smaller increase in real dollars with projects valued under $50,000 having a reduced permit cost. This aligns the cost of service more closely with the scale of each project, and allows the City to reach full cost recovery while limiting the effect on the smallest and lowest value permits.

Fire Plan Check Fee

Fire related plan review in Ashland currently involves two separate charges, both calculated as a percentage of the Structural Permit and Plan Check Fee. The Building Division collects a Fire Life Safety Fee equal to 40 percent of the Structural Plan Check Fee for plans that require a Fire and Life Safety Review, and Ashland Fire and Rescue collects a Fire Plan Check Fee equal to 24 percent of the combined Structural Permit and Plan Check Fee of any permit reviewed. Ashland Fire and Rescue historically reviewed and inspected all fire and life safety components of a development, including fire suppression and alarm systems which are scoped under the building code.

That review is now divided. Oregon Building Codes Division rules require fire and life safety plan review and inspections to be performed by a certified Fire and Life Safety Plans Examiner and Structural A-Level Inspector (OAR 918-098-1015), so over the past year the review of fire suppression alarm and sprinkler systems has shifted to the Building Division. This review requires certified staff or professional services, at an estimated cost on the order of $35,000 per year, which the Building Division's proposed fee increases are set to cover. Ashland Fire and Rescue now reviews only a subset of fire code items that fall outside the building code, principally fire apparatus access and hydrant and water supply capacity.

Because Ashland Fire and Rescue's Fire Plan Check Fee is calculated as a percentage of the Structural Plan Check Fee, it no longer corresponds to the limited review Ashland Fire and Rescue still performs. It currently generates approximately $93,000 per year. Because the proposal increases the Structural Plan Check Fee, leaving this fee as a percentage would raise Ashland Fire and Rescue's collection to more than $150,000 per year, far more than the cost of the work involved.

Staff therefore proposes to eliminate the percentage based Fire Plan Check Fee and replace it with a cost based charge of $125 per hour, billed only when Ashland Fire and Rescue actually performs a review of the fire code items that fall outside the building code. Based on recent review activity, this is expected to generate approximately $20,000 to $25,000 per year, aligning the charge with the actual cost of the work Ashland Fire and Rescue performs. The Building Division's proposed increases under the commercial Structural Permits will create additional building division revenue to help offset the costs associated with taking on these additional reviews and inspections.

Together, these changes substantially reduce the fire related charges that applicants pay, while ensuring that each agency recovers the cost of the work it actually performs. Staff would establish the new hourly methodology by repealing and replacing Resolution 2006-09, which adopted the current Fire Protection Plans Review and Inspection Fee Schedule.

Affordable Housing and the Construction Excise Tax

Council also asked staff to consider opportunities to subsidize affordable housing. The City already waives or defers System Development Charges, Community Development Fees, and Engineering Services fees for qualified affordable housing that remains affordable for the required period. Building permit and plan review fees, which fund the Building Division, are not waived, and the fee structure described above is set to recover the cost of service and a modest reserve, with no additional margin to absorb waived permit fees. Subsidizing those fees from within the Building Fund would either draw the program below its cost recovery target or require raising fees on all other applicants. For that reason, staff recommends funding this support from a dedicated source outside the Building Fund.

The Construction Excise Tax (CET) is a potential funding source that is already part of the City's adopted housing strategy. Council adopted the Housing Production Strategy in May 2023, and the State acknowledged it. That Strategy includes Action M, a strategic action to establish a CET, which was targeted for implementation in 2026. Staff prioritized other required housing legislation ahead of it, which delayed the CET, but that work is now positioned to be completed for implementation by July 1, 2027, so that the expected revenue can be reflected in the 2027 to 2029 biennial budget.

The CET, authorized under Oregon law at ORS 320.170 to 320.195, applies to construction that creates a new structure or adds square footage, and it is separate from and additional to building permit fees and System Development Charges. State law establishes caps and directs how CET revenue can be used.

Paying the building permit and plan review fees for qualified affordable housing is an eligible use of the developer incentive and affordable housing program shares, and staff recommends it as a use of these funds. Because the CET stands apart from the Building Fund, the fees would still be paid in full from CET proceeds, so affordable housing is supported without reducing Building Division cost recovery. The same proceeds can also fund the broader range of affordable housing development the Housing Production Strategy describes, giving Council flexibility to direct support where it advances the City's housing goals.

FISCAL IMPACTS

Full cost recovery ensures that development pays for the cost of the services it uses, rather than shifting that cost to property taxpayers through the General Fund. The proposed fee structure is designed to reach full cost recovery, with fees set modestly above 100 percent as needed to build and maintain a reserve. Reaching that target would eliminate the annual General Fund subsidy and allow the City to redirect those funds to other community priorities through the biannual budget process.

Once established, the Building Fund would maintain a reserve target of approximately 15 percent of annual expenditures, along with a contingency of approximately 3 percent, to manage fluctuations in development activity. Staff also anticipates an initial one time capitalization of approximately $135,000 from the Equipment Replacement Fund attributable to Building Division vehicles, as part of the budget process that establishes the fund.

The proposed fee changes would take effect January 1, 2027, with no cost of living adjustment applied at this time. Annual CPI increases would then be proposed beginning in July 2027 to hold cost recovery over time.

The Construction Excise Tax is a separate revenue source, not part of the Building Fund, and would move through its own approval process independent of the fee amendments proposed to establish the Building Fund. Through that process, the Housing and Human Services Advisory Committee would review and develop the CET in conjunction with the Housing Production Strategy, setting the rate at a level sufficient to cover building permit fees for designated affordable housing units and to support other housing programs. The rate could range between approximately 0.33 and 1 percent, with the exemptions required by state law, including affordable housing, public and school improvements, private schools, religious worship facilities, hospitals, and agricultural buildings. The City could also consider additional local exemptions where allowed by law, such as childcare facilities, if consistent with its housing goals.

SUGGESTED ACTIONS, AND/OR OPTIONS

Direction Requested

Staff requests Council direction on the following.

1. A dedicated, self supporting Building Fund. Direction to proceed toward establishing a Building Fund, separate from the General Fund, funded through building permit and plan review fees, with fees set to reach full cost recovery and to build a modest reserve over time.

2. The proposed fee structure. Direction to proceed with the proposed approach, which concentrates increases on valuation based fees, recalibrates minimum permit and commercial mechanical fees to the cost of service, adds a technology fee, holds fixed fees flat with future CPI adjustments, and replaces the percentage based Fire Plan Check Fee with a cost based hourly charge. Staff would return in on October 6th with the implementing resolutions to go into effect on January 1, 2027.

3. The Construction Excise Tax as the affordable housing mechanism. Direction to fund affordable housing permit costs through a Construction Excise Tax, rather than from the Building Fund, and to initiate that work with the Housing and Human Services Advisory Committee toward implementation by July 1, 2027.

Suggested Next Steps

With Council direction to proceed, staff would advance the proposal on two separate tracks.

1. Building fee schedule. Staff would complete the State Building Codes Division review of the proposed building fees and return to Council with the resolutions needed to put the changes into effect January 1, 2027.

- A resolution amending the Miscellaneous Fees and Charges schedule to adopt the Building Division fee adjustments, including the new technology fee.
- A resolution repealing and replacing Resolution 2006-09, adopted in May 2006, which established the Fire Protection Plans Review and Inspection Fee Schedule, to replace the percentage based Fire Plan Check Fee with a cost based hourly charge.
- Subject to the Building Codes Division's review, this could return to Council for adoption as early as October 6, or later if the State's review of the revised methodology takes additional time.

.**2. Construction Excise Tax.** Staff would begin the CET review with the Housing and Human Services Advisory Committee, developing a plan for the use of funds, with the goal of implementation by July 1, 2027, so the expected revenue can be reflected in the 2027 to 2029 biennial budget.

REFERENCES & ATTACHMENTS

1. 2026-08-11_Misc Fees and Charges Book_Proposed Fees
2. 2026-08-11_Current vs Proposed Fees_Bar Graphs_FINAL
3. CET_description_approved_HPS_May2023
4. Jurisdiction Fee structure comparison 2026
5. 2006-09 Fire Protection Review Fees
6. Building Deptartment dedicated-fees ORS 455-210 and 479-845

Building Miscellaneous Fees and Charges

Permit Fees for Commercial and Residential

In accordance with OAR 918-050-0100: "Residential construction permit fees shall be calculated using the following methodologies. (c) Effective January 1, 2009, a structural permit fee for new construction and additions shall be calculated using the ICC Building Valuation Data Table current April 1 of each year, multiplied by the square footage of the dwelling unit to determine the valuation. The valuation shall then be applied to the municipality's fee schedule to determine the permit fee. The plan review fee shall be based on a pre-determined percentage of the permit fee set by the municipality. (A) The square footage of a dwelling, addition, or garage shall be determined from outside exterior wall to outside exterior wall for each level. (B) The square footage of a carport, covered porch, or deck shall be calculated separately at fifty percent of the value of a private garage from the ICC Building Valuation Data Table current as of April 1. (C) Permit fees for an alteration or repair shall be calculated based on the fair market value as determined by the Building Official, and then applying the valuation to the municipality's fee schedule

Commercial construction permit fees shall be calculated using the following methodologies. (c) A structural permit fee shall be calculated by applying the valuation to the municipality's fee schedule with a set minimum fee. Valuation shall be the greater of either. (A) The valuation based on the ICC Building Valuation Table current as of April 1 of each year, using the occupancy and construction type as determined by the Building Official, multiplied by the square footage of the structure; or (B) The value as stated by the applicant and approved by the building official. (C) When the construction or occupancy does not fit the ICC Building Valuation Data Table, the valuation shall be determined by the Building Official with input from the applicant."

A 1.5% Community Development Fee will be charged to all Building permits scoped from the Oregon Residential Specialty Code (ORSC) or the Oregon Structural Specialty Code (OSSC). The fee will be applied to the total valuation of the permit. Example; ($100,000 Valuation = $100,000 x .015 = $1,500 Community Development Fee).

Each year on July 1, beginning in 2027, all building fees will increase by the Consumer Price Index (CPI).

Building Permit Fees

Fee Description	2026/2027 Fee
One and two family dwellings and townhouses scoped under the ORSC **Total Value of Work Performed**	
$1.00 to ~~$500.00~~ $15,000	~~$95.20 per hour~~ $135 Minimum Fee
~~$501.00 to $2,000.00~~ $15,001 to $100,000	~~$95.20 for the first $500.00 plus $10.60 for each additional $1,000.00 or fraction thereof, to and including $2,000.00~~ $135 plus $9 for each additional $1,000 or faction thereof
$100,001.00 ~~and up~~ to $375,000 $375,000.00 and up	~~$786.95~~ $900.00 for the first $100,000.00 plus ~~$4.30~~ $5 for each additional $1,000.00 or fraction thereof up to $375,000.00 $2,275 for the first $375,000 plus $8 for each additional
All other Structural permits scoped under the OSSC $1.00 to $13,000	$135 Minimum Fee
$13,001 to $100,000	$130 plus $10 for each additional $1,000 or faction thereof
$100,001 and up	$1,000 for the first $100,000 plus $7 for each additional $1,000 or fraction thereof

Plan Review Fee for Commercial and Residential

Fee Description	2026/2027 Fee
Plan Review Fee	A plan review fee equal to 65% of the structural permit fee shall be due at application
Fire and Life Safety Plan Review *(When applicable)*	40% of structural permit fee
Additional Plan Review required by changes, additions, or revisions	$95.20 per hour (1/2-hour minimum) Plus valuation increase based on tables
Special Inspection Agreement (QAA) Review Fee	$95.20 per hour
Foundation Only	$290.90 + 10% of the total building permit fee for each phase of work. Not to exceed $1,538.85 for each phase.
Residential Deferred Submittal Fee	65% of the structural permit fee calculated using the total valuation of the deferred portion + $103.10 per deferred item
Commercial Deferred Submittal *(Payable at building plan review and is addition to plan review of deferred work)*	65% of the structural permit fee calculated using the total valuation of the deferred portion + $103.10 per deferred item
Phased Permit Fee	$290.90 + 10% of the total building permit fee for each phase of work. Not to exceed $1,538.85 for each phase.
Shell Building and Tenant Improvement Spaces	Permit fee for the construction of the shell building is based on 80% the valuation determined by building valuation data. The tenant improvement permit fee is based on 20% of the valuation.
Foundation Only	$290.90 + 10% of the total building permit fee for each phase of work. Not to exceed $1,538.85 for each phase.

Miscellaneous Fees for Commercial

Fee Description	20225/2026 Fee
Commercial Fire Sprinkler/ Fire Suppression/Fire Alarm	Total value of work performed (structural permit fee)
Commercial Fire Sprinkler/ Fire Suppression/Fire Alarm Review	65% of structural permit fee

Note: See appendix for methodology for calculation of valuation for all permit fees utilizing valuation/value of work

Inspection Fees for Commercial and Residential

Fee Description	2026/2027 Fee
Re-inspection Fee - Per Hour, 1/2 Hour Min.	$95.20
Inspections Outside Normal Business Hours - Per Hour, Per Inspector, 1 Hour Min.	$137.55
Temporary Certificate of Occupancy and Reapplication Fee(s)	$52.90 per discipline/permit. Renewal required every 30 days
Site Observation-Inspection - Per Hour, 1 Hour Min. *(e.g. pre permit consultation)*	$95.20
Without additional work done - per hour, $150 min	$95.20
Special inspection report - per hour	$68.75
Re-issued Certificate of Occupancy	No Charge

Demolition Fees

Fee Description	2026/2027 Fee
Demolition Review Fee *(non-exempt structures)*	$380.80
Demolition Permit Fee - Per Building, 1 Hour Min. (Permit fee for verifying utilities have been safely removed and capped off)	$95.20
Demolition Capping off Sewer, Water, Rain Drain - Per Hour, 1 Hour Min. Minimum Fee	$95.20 $135.00

Residential Plumbing Permit Fees

Fee Description	2026/2027 Fee
New Residential	
1 bathroom/kitchen (includes: first 100 feet of water/sewer lines; hose-bibs ice maker; under floor low-point drains; and rain-drain packages)	$423.10
2 bathrooms/1 kitchen	$528.85
3 bathrooms/1 kitchen	$608.20
Each additional bathroom (over 3)	$52.90
Each additional kitchen (over 1)	$52.90
Remodel / Alterations	
Remodel / Alterations (minimum fee)	~~$79.35~~ $135
Each fixture, appurtenance, and first 100 ft. of piping	$21.20
Minimum fee (when purchased as a bathroom unit(s) - includes the first 100 ft. of water service, sanitary & storm)	~~$79.35~~ $135
Piping or private storm drainage systems exceeding the first 100 ft.	$21.20
Backflow assembly	$26.45
Re-pipe water supply	$95.20
Alternate water heating systems (coils, heat pumps, etc)	$63.50
Solar	$63.50
Swimming pool piping	$52.90

Residential Plumbing Permit Fees, Continued

Fee Description	2026/2027 Fee
Residential Fire Sprinkler *(includes plan review)*	
0-2,000 square feet	$211.55
2,001-3,600 square feet	$264.45
3,601-7,200 square feet	$370.25
7,201+ square feet	$476.00
Manufactured Dwelling or Pre-Fab	
Connections to building sewer and water supply - per space	$52.90
RV and Manufactured Dwelling Parks	
Installation fee	$158.65
State fee	$31.75
Factory manufactured awning/carport	Fee based on valuation of installation cost and system equipment. Refer to structural permit fees.
Each additional 10 spaces Minimum Plumbing Fee for any Plumbing Permit	$105.80 $135.00

Commercial Plumbing Permit Fees

Fee Description	2026/2027 Fee
Commercial, Industrial, and Dwellings Other than One- or Two-family	
Minimum fee	~~$79.35~~ $135
Each fixture	$42.30
Swimming pool piping	$63.50
Piping - per foot	$0.80
Plumbing plan review	30% of permit fee
Sanitary Services	
First 100 feet	$0.80
Each additional 100 Feet or fraction thereof	$0.80
Storm Services	
First 100 feet	$0.80
Each additional 100 Feet or fraction thereof	$0.80
Water Services	
First 100 feet	$0.80
Each additional 100 Feet or fraction thereof	$0.80

Commercial Plumbing Permit Fees, Continued

Fee Description	2026/2027 Fee
Commercial Fire Sprinkler (including plan review)	
Fee based on valuation of installation cost and system equipment	
$1.00 to $500.00	$135 Min. $95.20 per hour
$501.00 to $2,000.00	$95.20 for the first $500.00 plus $10.60 for each additional $1,000.00 or fraction thereof, to and including $2,000.00
$2,001.00 to $25,000.00	$116.35 for the first $2,000.00 plus $8.50 for each additional $1,000.00 or fraction thereof, to and including $25,000.00
$25,001.00 to $50,000.00	$311.00 for the first $25,000.00 plus $8.50 for each additional $1,000.00 or fraction thereof, to and including $50,000.00
$50,001.00 to $100,000.00	$522.50 for the first $50,000.00 plus $5.30 for each additional $1,000.00 or fraction thereof, to and including $100,000.00
$100,001.00 and up	$786.95 for the first $100,000.00 plus $4.30 for each additional $1,000.00 or fraction thereof
Fire sprinkler/fire suppression/fire alarm plan review	65% of ~~structural~~ permit fee
Minimum permit fee	~~$95.20~~ $135
Miscellaneous	
Minimum fee	~~$95.20~~ $135
Specialty fixtures	$42.30
Re-inspection (no. of hrs. x fee per hour)	$95.20/hr. (1/2 hr. minimum)
Special requested inspections (no. of hrs. x fee per hour)	$95.20
Medical Gas Piping	
Minimum fee	~~$52.90~~ $135
Valuation $500 to $2,000	$52.90 + $5.30 per $1000 of valuation
Valuation $2,001 to $25,000	$132.25 + $19.05 per $1000 of valuation
Valuation $25,001 to $50,000	$571.15 + $14.85 per $1000 of valuation
Valuation $50,001 to $100,000	$941.35+ $9.55 per $1000 of valuation
Valuation greater than $100,000	$1,417.35 + $8.50 per $1000 of valuation
Rainwater Harvesting System	
Fee based on valuation of work to be performed.	
Minimum fee	~~$79.35~~ $135
Valuation $1 to $500	$79.35 for the first $500 plus $9.55 for each additional $100 or fraction thereof, to and including $2,000
Valuation $2,001 to $25,000	$222.15 for the first $2,000 plus $10.60 per $1,000, or fraction thereof, to and including $25,000
Valuation $25,001 to $50,000	$465.40 for the first $25,000 plus $10.60 per $1,000, or fraction thereof, to and including $50,000
Valuation $50,001 to $100,000	$729.85 for the first $50,000 plus $9.55 per $1,000, or fraction thereof, to and including $100,000
Valuation greater than $100,000	$1,205.25 for the first $100,000 plus $9.55per $1,000 or fraction thereof

Commercial Mechanical Permit Fees

Fee Description	2026/2027 Fee
Commercial Mechanical Permit Fees	
Valuation $1 to ~~$500~~ $1,000 (minimum Fee)	~~$95.20~~$135/minimum
Valuation ~~$501~~ $1,001 to $10,000	~~$95.20~~ for the first ~~$2,000.00~~ $1,000 plus ~~$10.60~~ $18.60 for each additional $1,000.00 or fraction thereof.
$10,001 to $100,000	$302.40 for the first $10,000 plus $12.40 for each additional $1,000 or fraction thereof.
Valuation $100,000+	~~$1,103.15~~ 1418.40 for the first $100,000 plus ~~$10.30~~ $8.68 for each additional $1,000.00 or fraction thereof.
Deferred submittals + fees	$103.10 each item plus 65% of mechanical permit fee of deferred submittal valuation.
Plan review fee	25% of permit fee
Miscellaneous Fees	
Re-inspection	$95.20
Specially requested inspection (per hour)	$68.75
Regulated equipment (un-classed)	$52.90

Residential Mechanical Permit Fees

Fee Description	2026/2027 Fee
Mechanical Permit Minimum Fee	~~$79.35~~ $135
Furnace/Burner including ducts & vents	
Up to 100k BTU/hr.	$21.20
Over 100k BTU/hr.	$21.20
Heaters/Stoves/Vents	
Unit heater	$21.20
Wood/pellet/gas stove/flue	$21.20
Repair/alter/add to heating appliance or refrigeration unit or cooling system/absorption system	$21.20
Evaporated cooler	$21.20
Vent fan with one duct/appliance vent	$21.20
Hood with exhaust and duct	$21.20
Floor furnace including vent	$21.20
Gas Piping	
One to four outlets (any number of outlets)	$21.20
Air-handling Units, including Ducts	
Up to 10,000 CFM	$21.20
Over 10,000 CFM	$21.20

Residential Mechanical Permit Fees, Continued

Fee Description	2026/2027 Fee
Compressor/Absorption System/Heat Pump	
Up to 3 hp/100K BTU	$21.20
Up to 15 hp/500K BTU	$21.20
Up to 30 hp/1,000 BTU	$21.20
Up to 50 hp/1,750 BTU	$37.05
Over 50 hp/1,750 BTU	$47.65
Incinerator	
Domestic incinerator	$21.20

Electrical Permit Fees

Fee Description	2026/2027 Fee
Minimum Electrical Fee for any Permit Type	$135.00
Residential per unit, service included	
1,000 sq. ft. or less	$142.80
Each additional 500 sq. ft. or portion thereof	$26.45
Limited energy	$33.85
Each manufactured home or modular dwelling service or feeder	$52.90
Multi-family residential	$37.05
Residential and Commercial—Services or Feeders/Installation, Alteration, Relocation	
200 amps or less	$100.50
201 to 400 amps	$121.65
401 to 600 amps	$201.00
601 to 1,000 amps	$264.45
Over 1,000 amps or volts	$581.75
Reconnect only	$79.35
Temporary Services or Feeders	
200 amps or less	$79.35
201 to 400 amps	$105.80
401 to 600 amps	$158.65
601 to 1000 amps	$264.45
Over 1,000 amps or volts	$476.00
Branch Circuits: New, Alteration, Extension Per Panel	
Branch circuits with purchase of a service or feeder	$6.40
Branch circuits without purchase of a service or feeder:	
First branch circuit	$68.75
Each additional branch circuit	$7.95

Electrical Permit Fees, Continued

Fee Description	2026/2027 Fee
Miscellaneous Fees: service or feeder not included	
Each pump or irrigation circuit	$68.75
Each sign or outline lighting	$68.75
Signal circuit(s) or low voltage system, alteration or extension (each system)	$68.75
Subdivision lighting per pole in addition to service	$42.30
Swimming pool (panel, 3 circuits and bonding)	$95.20
Specially requested inspection (per hour)	$95.20
Each additional inspection over the allowable in any of the above, for those not covered under residential inspection caps (per inspection) - per hour, 1/2 hour min.	$95.20
Special inspection - per hour, 1/2 hour min.	$95.20
Reinspection - per hour, 1/2 hour min.	$95.20
Field review-change of use - per hour, 1/2 hour min.	$95.20

Residential Restricted Energy Electrical Permit Fees

Fee Description	2026/2027 Fee
Fee for All Systems[1], Including:	$26.45
Audio and stereo systems	
Burglar alarm system	
Doorbell	
Garage-door opener	
Heating, ventilation, & air-conditioning systems	
Landscape lighting & sprinkler controls	
Landscape irrigation controls	
Outdoor landscape lighting	
Vacuum Systems	
Each Additional Inspection	$26.45

[1]For new construction, this permit fee covers all systems listed or can be sold separately.

Renewable Energy Systems

Fee Description	2026/2027 Fee
Renewable Energy Systems	
5 KVA or less	~~$105.80~~ $135
5.01 KVA to 15 KVA	~~$105.80~~ $135
15.01 KVA to 25 KVA	$165.00
25.01 KVA and above	$165.00 plus $6.65/KVA for each additional
Minimum Fee	$135.00

Renewable Energy Systems, Continued

Fee Description	2026/2027 Fee
Engineered Systems *(Separate Electrical application required)*	
Plan Review	65% of permit
Re-Inspection Fee - per hour, 1/2 hour minimum	$95.20
Wind generation systems in excess of 25 KVA:	
25.01 KVA to 50 KVA	$215.80
50.10 KVA to 100 KVA	$496.05
For wind generations systems that exceed 100 KVA the permit fee shall be calculated in accordance with OAR 918-309-0040	
Solar generation systems in excess of 25 KVA, per KVA	$6.65

The permit charge will not increase beyond the calculation for 100 KVA. Permits issued under this sub-section include three inspections. Additional inspections will be billed at an hourly rate.

Building Permit Reinstatement Fee

Fee Description	2026/2027 Fee

A building permit expires after a period of 180 days from the date of issue with no inspection activity.

To reactivate an expired permit, a fee of $50.00 per construction discipline is required (Building, Plumbing, Mechanical, Electrical).

If the sum of the original permit fee subject to reinstatement is less than $50.00, a reinstatement fee equal to half of the value of the original permit fee shall be accessed for permit reinstatement.

Grading/Excavation Fees

Fee Description	2026/2027 Fee
Minimum Permit Fee	$135.00
Grading Fees	
Plan Review Fee - per hour	$95.20
50 cubic yards or less	No Fee
51-100 cubic yards	$132.25
101-1,000 cubic yards	$211.55
1,001-10,000 cubic yards	$423.10
10,001-100,000 cubic yards	$528.85 for the first 10,001 cubic yards plus $52.90 for each additional 10,000 cubic yards or fraction thereof
Additional plan review required for changes, additions, or revisions to approved plans - per hour, 1/2 hour minimum	$95.20
Permit Fees	
50 cubic yards or less	No fee
51-100 cubic yards	$105.80
101-1,000 cubic yards	$105.80 for first 101 yards plus $37.05 for each additional 100 cubic yards or fraction thereof

Other Building Fees

Fee Description	2026/2027 Fee
Investigation Fees	
Investigation Fee A - Low effort to determine compliance. Per hour.	$95.20
Investigation Fee B - Medium effort to gain compliance. Stop work order posted. Applicant obtains required permits within 10 business days. Per hour, $150 minimum.	$95.20
Investigation Fee C - High effort to gain compliance. Applicant failed to meet deadline or has had more than one documented violation in 12 months for starting work without permits. Per hour, $250 minimum.	$95.20
Technology Fee	3% of the fee of all building permits issued will be charged a Technology Fee to help support costs of maintaining the building division's electronic permitting systems.

State of Oregon Surcharge - ORS 455.210(4)

State of Oregon permit surcharge is 12% of structural, plumbing, mechanical and electrical components of the overall building permit.

Building Permit Refund Policy

The City of Ashland Community Development Department offers partial refunds for building permits that have been issued, have had no inspections performed and have not yet expired (six months from issue date). Refunds for permits that have expired are limited to any Systems Development Charges (SDC's) that were part of the permit fees.

How to Request a Refund

Submit a letter of refund request signed by applicant/owner with a mailing address for the refund check to the Community Development Department at 51 Winburn Way. The refund will be processed within 30 days of the date of the request letter.

The following fees are not refundable

- Building Plan Check Fee
- Fire Protection Review Fee
- 50% of Community Development Fee (maximum equal to Building Plan Check Fee)
- 50% of Engineering Development Fee (maximum equal to Building Plan Check Fee)

The remainder of the permit fees are refundable. A $50.00 administrative fee will be subtracted from the eligible refund amount for costs associated with the refund process.

Other Planning/Community Development Fees

Fee Description	2026/2027 Fee
Appeals	
Appeal for initial public hearing *(Building Appeals Board/Demolition Review Board/Planning Commission)*	$158.65
Appeal for final decision of City	$343.80
Solar Access Permits	$66.15+15.10/lot
Community Development Fee	
This fee is charged concurrently with Building Permit Fees at the time of building permit application for all building permits requiring a plan review. Fee shall not exceed $30,000 per building permit for the Ashland School District. Of the 1.5% fee charged, 1% will be allocated to the general fund and the other .5% will be allocated to the building division fund.	~~1.2%~~ 1.5% of new construction per building code definition of valuation
Copy Fees/Prepared Documents	
Site Design & Use Standards	$5.00
Street Tree Guide	$5.00
Transportation Element	$5.00
Downtown Plans (2001, 1998)	$5.00
Street Standards Guide	$5.00
Comprehensive Plan/Land Use Code	$40.00
Marijuana/Hemp/Psilocybin Land Use Compatibility Statement (LUCS)	$248.30
Zoning Verification Letter (ZVL)	$54.75
1200-C Permit Verification	$54.75

Research Fee

Electronic documents that can be located by a routine file search of 15 minutes or less will be provided at no charge. Record requests that exceed 15 minutes of staff time to complete will be charged a minimum $25 research fee (see page 2). Prepayment and written approval to proceed is required before any research work is done by staff.

Planning Refund Policy

Applications withdrawn prior to completeness review: A $100 administrative fee shall be retained; the remaining balance shall be refunded.

Applications withdrawn following completeness review but prior to public notice: Twenty-five percent (25%) of the total fee shall be retained; the remaining balance shall be refunded.

Applications withdrawn following public notice but prior to a hearing or final decision: Fifty percent (50%) of the total fee shall be retained; the remaining balance shall be refunded.

Applications withdrawn at or after the hearing stage: No refund shall be issued.

Fire Miscellaneous Fees and Charges, Continued

Fee Description	2026/2027 Fee
Emergency Medical Services	
AF&R ambulance membership- basic annual	$55.00
Ambulance waiting time, per 1/2 hour	$58.20
Ambulance stand by - per hour, 2 hour minimum	$126.95
On scene coordinator - per hour	$63.50
Extra attendant - each	$58.20
Emergency Medical Services/Standby Fees	
Structure engine standby for events - per hour	$513.05
Brush engine standby for events - per hour	$322.60
Fire and Life Safety Division standby - per hour	$116.35

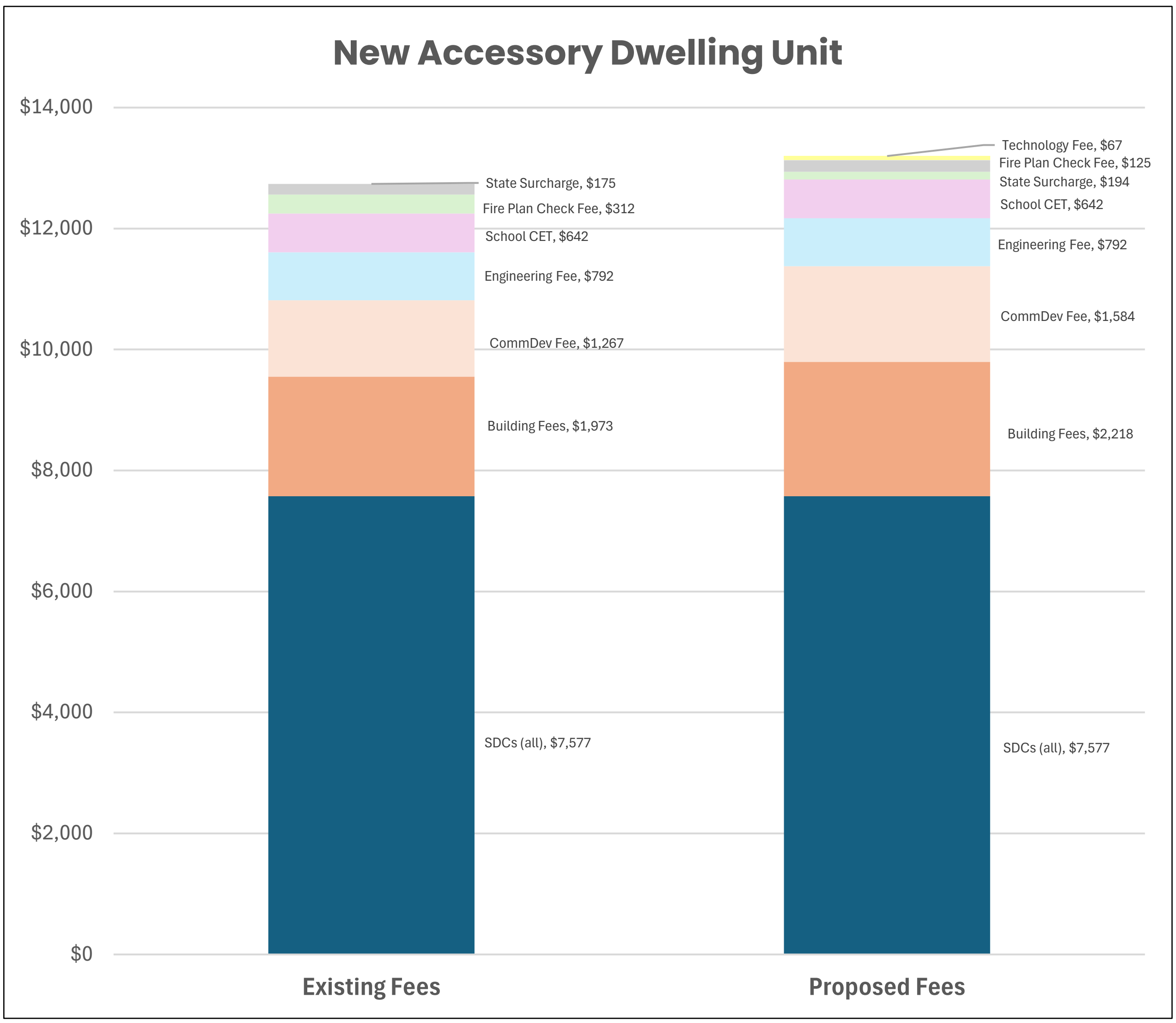
Fire Marshal Review Fees

Fee Description	2026/2027 Fee
Plan Checks	
Any building permit requiring Fire Plan Check	~~24% of the Building Division Structural Permit Fee and Plan Check Fee~~ $125/Hr. – 1hr Min.
~~Condominium~~	~~24% of the Building Division Structural Permit Fee and Plan Check Fee~~
Survey Plat Review Fees	
Partition plats	$113.20
Condominium plats	$243.30
Subdivision plats	$243.30
Other	
All hydrant flow requests. To be charged to the developer or installer	$158.65
False alarm charge	$264.45
First Aid/CPR Classes - Per Person Cost	
Basic Life Support (BLS) for Healthcare Providers CPR Class	$74.10
Heart Saver CPR & First Aid Class	$74.10
Heart Saver CPR Class	$47.65
Family and Friends CPR Class	$7.40

New Accessory Dwelling Unit

Size: 600 square feet
Valuation: $105,552.00 (per ICC Valuation Chart)

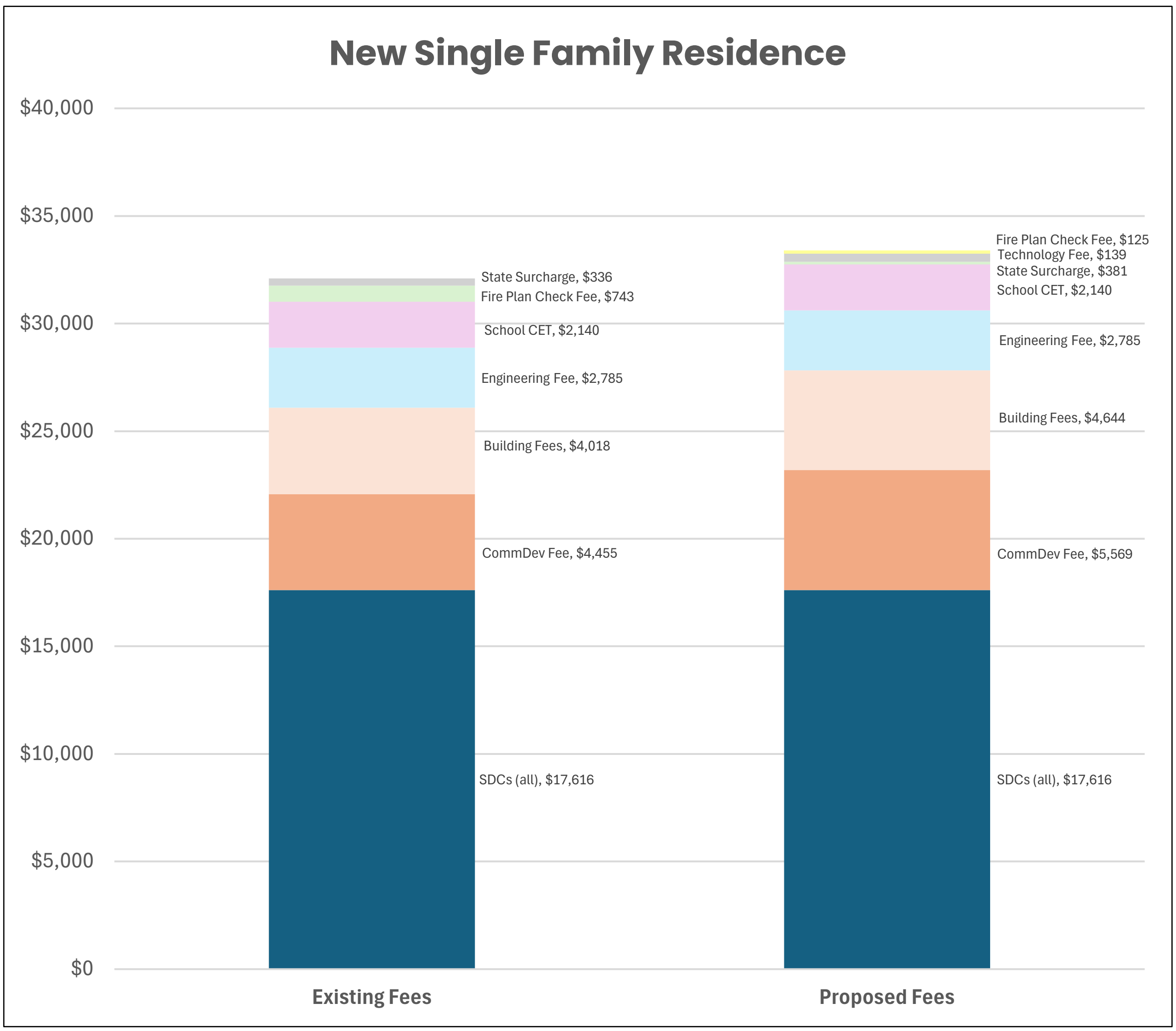
New ADU	Existing Fees	Proposed Fees
SDCs (all)	$7,577	$7,577
Building Fees	$1,973	$2,218
CommDev Fee	$1,267	$1,584
Engineering Fee	$792	$792
School CET	$642	$642
Fire Plan Check Fee	$312	$125
State Surcharge	$175	$194
Technology Fee	$0	$67
TOTAL	**$12,738**	**$13,199**



New Single Family Residence

Size: 2,000 square feet + 500 square foot garage
Valuation: $371,280 (per ICC Valuation Chart)

New SFR	Existing Fees	Proposed Fees
SDCs (all)	$17,616	$17,616
CommDev Fee	$4,455	$5,569
Building Fees	$4,018	$4,644
Engineering Fee	$2,785	$2,785
School CET	$2,140	$2,140
Fire Plan Check Fee	$743	$125
State Surcharge	$336	$381
Technology Fee	$0	$139
TOTAL	**$32,093**	**$33,399**



New Residential Addition

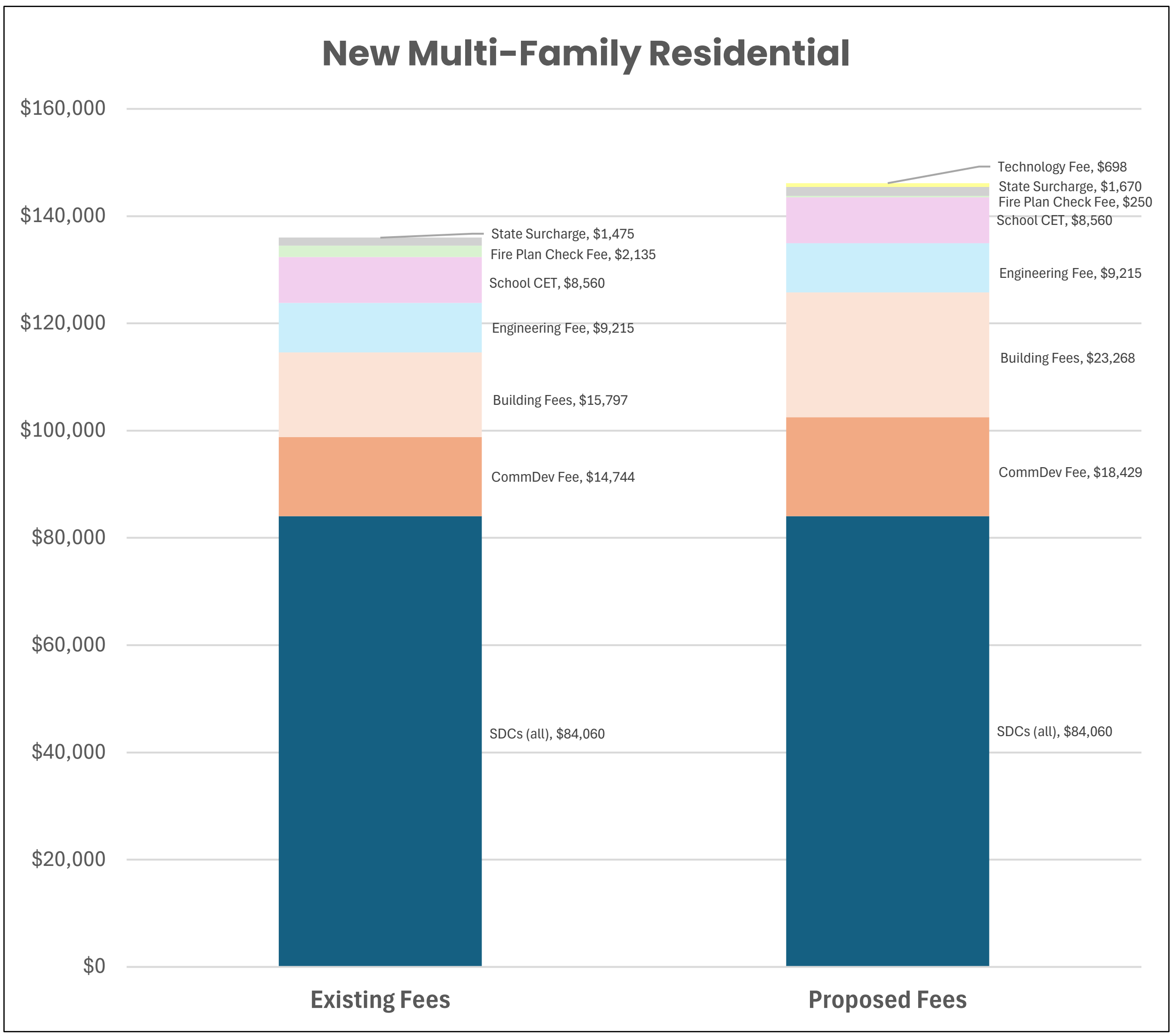
Size: 300 square feet
Valuation: $50,000

New Residential Addition	Existing Fees	Proposed Fees
SDCs (all)	$1,644	$1,644
Building Fees	$838	$743
CommDev Fee	$600	$750
School CET	$321	$321
Fire Plan Check Fee	$201	$125
State Surcharge	$61	$54
Engineering Fee	$0	$0
Technology Fee	$0	$22
TOTAL	**$3,665**	**$3,659**

New Multi-Family Residential

Size: 10 Units. 8,000 square feet
Valuation: $1,228,640

New MFR	Existing Fees	Proposed Fees
SDCs (all)	$84,060	$84,060
Building Fees	$15,797	$23,268
CommDev Fee	$14,744	$18,429
Engineering Fee	$9,215	$9,215
School CET	$8,560	$8,560
Fire Plan Check Fee	$2,135	$250
State Surcharge	$1,475	$1,670
Technology Fee	$0	$698
TOTAL	**$135,986**	**$146,150**



Commercial Tenant Improvement

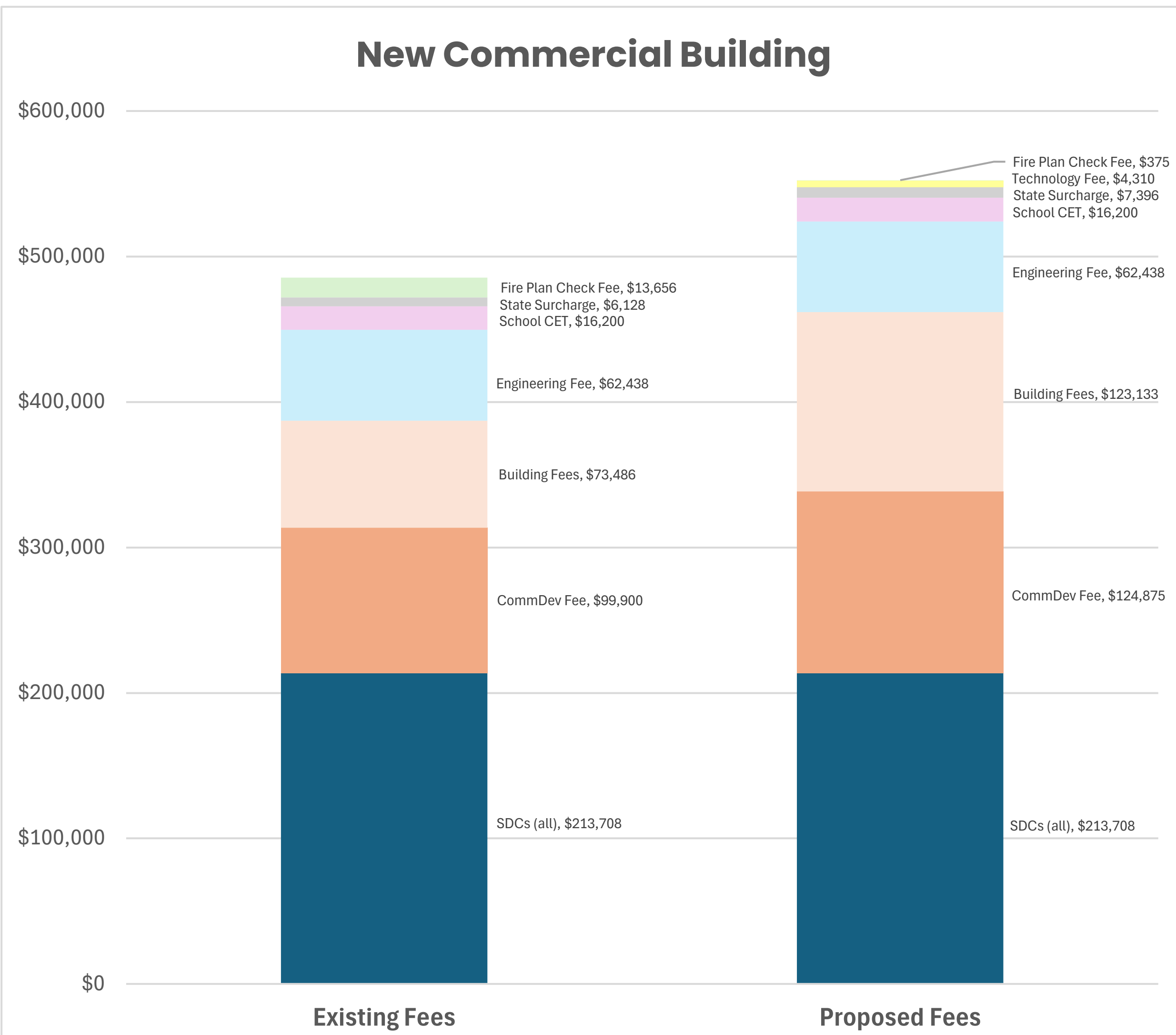
Valuation: $75,000

New Tenant Improvement	Existing Fees	Proposed Fees
Building Fees	$1,049	$1,114
CommDev Fee	$900	$1,125
Fire Plan Check Fee	$252	$0
State Surcharge	$76	$81
Technology Fee	$0	$33
SDCs (all)	$0	$0
Engineering Fee	$0	$0
School CET	$0	$0
TOTAL	**$2,277**	**$2,353**

New Commercial Office Building

Size: 30,000 square feet
Valuation: $8,325,000

New Commercial Building	Existing Fees	Proposed Fees
SDCs (all)	$213,708	$213,708
CommDev Fee	$99,900	$124,875
Building Fees	$73,486	$123,133
Engineering Fee	$62,438	$62,438
School CET	$16,200	$16,200
State Surcharge	$6,128	$7,396
Technology Fee	$0	$4,310
Fire Plan Check Fee	$13,656	$375
TOTAL	**$485,516**	**$552,060**



City of Ashland

Housing Production Strategy

Date May 2023

Prepared for: City of Ashland

Final REPORT

ECONorthwest
ECONOMICS · FINANCE · PLANNING

KOIN Center
222 SW Columbia Street
Suite 1600
Portland, OR 97201
503-222-6060

Funding Sources

M. Establish a Construction Excise Tax

Rationale

Construction Excise Tax (CET) is one of few options to generate additional locally-controlled funding for affordable housing. A CET is intended to provide funding to support development of affordable housing. The funds from the CET are required by State law to be spent on developer incentives, supporting affordable housing programs, and homeownership programs. Ashland does not collect a Construction Excise Tax for affordable housing as allowed by SB 1533.

Description

CET is a tax assessed on construction permits issued by local cities and counties. The tax is assessed as a percent of the value of the improvements for which a permit is sought unless the project is exempted from the tax. The City could use CET revenue funds to support the development or re-development of affordable housing. Affordable housing itself is typically exempt from a CET, and as such this tax on new construction does not impact regulated affordable housing development.

In 2016, the Oregon Legislature passed Senate Bill 1533 which permits cities to adopt a construction excise tax (CET) on the value of new construction projects to raise funds for affordable housing projects. CETs may be residential only, commercial only, or residential and commercial. If the City were to adopt a CET, the tax would be up to 1% of the permit value on residential construction and an uncapped rate on commercial and industrial construction. The allowed uses for CET funding are defined by the state statute. The City may retain 4% of funds to cover administrative costs. The funds remaining must be allocated as follows, if the City uses a residential CET:

- 50% must be used for developer incentives (e.g. fee and SDC waivers, tax abatements, etc.)
- 35% may be used flexibly for affordable housing programs, as defined by the jurisdiction.
- 15% flows to Oregon Housing and Community Services for homeowner programs.
  If the City implements a CET on commercial or industrial uses, 50% of the funds must be used for allowed developer incentives and the remaining 50% are unrestricted. The rate may exceed 1% if levied on commercial or industrial uses.

City Role

Develop and implement the plans for using CET funds for affordable housing development.

Partners and their Role

Lead Partner. City of Ashland Planning Division

Partners. Local developers, Chamber of Commerce, major employers, and the Ashland business community

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Depends on how revenue is used, but would be for extremely low, very low, and low-income and underserved communities.	Depends on how revenue is used, but most likely directed toward 0-60% of Median Family Income, however, could be used to meet other income groups, such as contribution to homeownership for households at 61-80% of Median Family Income.	Renter or Owner	Moderate to high

Potential Risks

Homebuyers and businesses that pay the CET will have slightly higher costs for their homes and for commercial or industrial development. The increase in home prices will not exceed 1% because of the CET and may be smaller if the City establishes a CET below 1%.

Implementation Steps

- Evaluate potential approach. Include projections on potential revenue and what programmatic goals could be accomplished with revenue. Include SWOT analysis for both residential and commercial/industrial.
- Engage with developers, major employers, and the business community in Ashland to evaluate tolerance for a CET on commercial and industrial development and where there are shared interests in supporting local housing production.
- Seek direction on whether to proceed with adoption from City Council at work sessions.
- Ashland City Council could impose the CET by adoption of an ordinance or resolution that conforms to the requirements of ORS 320.192–ORS 320.195.
- If directed, create a plan for the use of CET funds.

Implementation Timeline

Timeline for Adoption	Implementation to Commence	Timeframe of Impact
2025	2026	If a CET is implemented, it may take several years for funds to accumulate to an amount that could be used to support development of housing.

Funding or Revenue Implications

Adopting a CET would provide funding for other strategies. Because a percentage (4%) of the revenue can be applied to the City's costs for administering the program, there should be minimal additional cost for the City.

2026 Jurisdiction Fee Structure Comparison

	Structural Permit Fees 1 & 2 Dwelling Units & Town Houses	Structural Permit Fees All other	Structural Plan Review Fees	Fire and Life Safety Review Fees	Technology Fees	Additional Fees
Ashland Existing	$786.95 for 1st $100k plus $4.30 for each additional 1k	$786.95 for 1st $100k plus $4.30 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	1.2% CommDev Fee allocated to the General Fund
Ashland Proposed	$900 for 1st $100k plus $5 for each additional 1k for $100k-375k plus $8 per additional 1k thereafter	$1,000 for 1st $100k plus $7 each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	1.5% CommDev Fee with .5% allocated to the Building Fund and 1% to the General Fund
Bend	$1237.02 for 1st $100k and $7.14 per additional 1k	$1237.02 for 1st $100k and $7.14 per additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	.33% of Valuation for Industrial fee
Columbia City	$977 for 1st 100k plus $6 for each additional $1k	$977 for 1st 100k plus $6 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	4%	
Coos Bay	$1230.50 for 1st 100k plus $7 for each additional $1k	$1230.50 for 1st 100k plus $7 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	5%	
Crook County	$763.50 for 1st $100k plus $4.25 for each additional $1k	$763.50 for 1st $100k plus $4.25 for each additional $1k	75% of Structural Plan Review	40% of Structural Plan Review	0%	
Curry County	$1,378.91 for 1st $100k plus $4.80 for each additional $1k	$1,378.91 for 1st $100k plus $4.80 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	CommDev Fee .5% of valuation
Dallas	$864.65 for 1st $100k plus $5.03 for each additional $1k	$1,407.96 for 1st $150k plus $7.26 for each additional $1k	85% of Structural Plan Review	60% of Structural Plan Review	4%	
Durham	$987.15 for 1st $100k plus $5 for each additional $1k	$987.15 for 1st $100k plus $5 for each additional $1k	70% of Structural Plan Review	45% of Structural Plan Review	5%	
Fairview	$983 for 1st $100k plus $8 for each additional $1k	$642 for 1st $100k plus $5 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
Florence	$1,035.60 for 1st $100k plus $4.70 for each additional $1k	$1,428.35 for 1st $100k plus $7.20 for each additional $1k from $100k - $500k plus $6.25 for each additional $1k over $500k	65% of Structural Plan Review	40% of Structural Plan Review	6%	5% of permit Fee for Administrative fee plus 5% of permit fee for CommDev Fee plus 3% of permit fee for processing SDC charges and specialty permits
Grant County	$1,010.50 for 1st $100k plus $6 for each additional $1k	$1,010.50 for 1st $100k plus $6 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	5/2025 - Overall Fee increase of 60% to align with cost recover
Happy Valley	$933.24 for 1st $100k plus $5.42 for each additional $1k	$933.24 for 1st $100k plus $5.42 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
Harney County	$1,010.50 for 1st $100k plus $6 for each additional $1k	$1,010.50 for 1st $100k plus $6 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	
Hood River	$1471.96 for 1st $100k plus $7.25 for each additional 1k	$1471.96 for 1st $100k plus $7.25 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	
Jackson County	$767 for 1st $100k plus $4.40 for each additional $1k	$767 for 1st $100k plus $4.40 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review		1.95% CommDev Fee
Jacksonville	$921 for 1st $100k plus $5 for each additional 1k	$921 for 1st $100k plus $5 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
King City	$1187.45 for 1st $100k plus $6.15 for each additional 1k between $100k and $250k plus $6.07 for each additional $1k	$1187.45 for 1st $100k plus $6.15 for each additional 1k between $100k and $250k plus $6.07 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	5%	

Lane County	$1195 for 1st $100k plus $8 for each additional 1k	$1195 for 1st $100k plus $8 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	8% $140 max	
Manzanita	$1,419.06 for 1st $100k plus $7.74 for each additional 1k	$1,419.06 for 1st $100k plus $7.74 for each additional 1k	75% of Structural Plan Review	50% of Structural Plan Review	0%	
Medford	$729.48 for 1st $100k plus $4.03 for each additional $1k	$729.48 for 1st $100k plus $4.03 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review		
Multonomah county	$1,137.78 for 1st $100k plus $5.63 for each additional 1k	$1,137.78 for 1st $100k plus $5.63 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
Newberg	$631.57 for 1st $100k plus $3.25 for each additional 1k	$631.57 for 1st $100k plus $3.25 for each additional 1k	85% of Structural Plan Review	60% of Structural Plan Review	5%	CommDev Fee .75% of valuation goes towards operating permit center
North Bend	$1,085.66 for 1st $100k plus $6.27 for each additional 1k	$1,085.66 for 1st $100k plus $6.27 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
Polk County	$1,367.58 for the first $100k plus $7.45 for each additional $1k	$1,367.58 for the first $100k plus $7.45 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
Sandy	$1,072 for the first $100k plus $6 for each additional $1k	$1,072 for the first $100k plus $6 for each additional $1k	70% of Structural Plan Review	55% of Structural Plan Review	3%	
Scappoose	$1,231.71 for 1st $100k plus $7.70 for each additional $1k	$1,231.71 for 1st $100k plus $7.70 for each additional $1k	75% of Structural Plan Review	40% of Structural Plan Review	0%	
Sherwood	$852 for 1st $100k plus $4.84 for each additional $1k	$949.40 for 1st $100k plus $4.84 for each additional $1k	85% of Structural Plan Review	60% of Structural Plan Review	5%	
Springfield	$1,272 for 1st $100k plus $7 for each additional $1k	$1,272 for 1st $100k plus $7 for each additional $1k	65% of Structural Plan Review	65% of Structural Plan Review	0%	
Talent	$767 for 1st $100k plus $4.40 for each additional $1k	$767 for 1st $100k plus $4.40 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review		1.95% CommDev Fee
Tillamook	$934.11 for 1st $100k plus $6.05 for each additional $1k up to $300k plus $7.21 for each additional $1k	$934.11 for 1st $100k plus $6.05 for each additional $1k up to $300k plus $7.21 for each additional $1k thereafter	65% of Structural Plan Review	50% of Structural Plan Review	0%	
Troutdale	$1,022 for 1st $100k plus $7.91 for each additional $1k up to $500k plus $8.20 for each additional $1k	$1,022 for 1st $100k plus $7.91 for each additional $1k up to $500k plus $8.20 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	5%	
Tualatin	$987.15 for 1st $100k plus $5 for each additional $1k	$987.15 for 1st $100k plus $5 for each additional $1k	70% of Structural Plan Review	70% of Structural Plan Review	5%	
Wasco County	$1,252.23 for 1st $100k plus $7.06 for each additional $1k	$1,252.23 for 1st $100k plus $7.06 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	
Washington County	$1,498 for 1st $100k plus $8.25 for each additional $1k	$1,767 for 1st $100k plus $9.25 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
West Linn	$1,910 for 1st $100k plus $9 for each additional $1k	$1,910 for 1st $100k plus $9 for each additional $1k	75% of Structural Plan Review	45% of Structural Plan Review	0%	Development Services Fee .25% of Valuation
Wood Villiage	$1,021.58 for 1st $100k plus $7.91 for each additional $1k	$656.65 for 1st $100k plus $5.48 for each additional $1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	

Fee Schedules as reported through Building Code Division 2026

0 0

RESOLUTION NO. 2006- 09

A RESOLUTION AUTHORIZING THE AMENDMENT OF THE FIRE PROTECTION PLANS REVIEW AND INSPECTION FEE SCHEDULE ADOPTED BY RESOLUTION 05-30.

Recital: The council being fully informed regarding the advisability of establishing a fire protection plans review and inspection fee schedule as recommended by Margueritte Hickman, City of Ashland Fire Marshal, in her memorandum to the council dated May 8, 2006, deems it in the public interest to amend the fire protection plans review and inspection fee schedule.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. Pursuant to Ashland Municipal Code Section 15.28.150 and 15.28.160, the attached fire protection plans review and inspection fee schedule is hereby adopted.

SECTION 2. This Resolution takes effect upon signing by Mayor.

This resolution was read by title only in accordance with Ashland Municipal Code

§2.04.090 duly PASSED and ADOPTED this 16 day of May, 2006.

Barbara Christensen

Barbara Christensen, City Recorder

SIGNED and APPROVED this 17 day of May, 2006.

John W. Morrison

John Morrison, Mayor

Reviewed as to form:

Beth Lori, Assistant City Attorney

PAGE 1-RESOLUTION

FIRE PROTECTION PLANS REVIEW PERMIT FEES

Fire protection plans review fees will be applied to any building permit that is routed by, or requires interaction with, the fire department. This includes fire suppression and fire alarm systems. These fees will also be applied to subdivision / plat check reviews which are initiated by Public Works Engineering Division. These fees are in addition to and separate from the Building Permit. These fees will be paid following existing city policies. (Prior to issuance of the Building Permit, when Plat Check is submitted for review, or when Subdivision Engineering Service Fees memo is paid.) These fees address those fire protection issues and features, which are not addressed by the Oregon Structural Specialty Code. (Ex: fire apparatus access, fire hydrants and required fire hydrant flows, the specified locations for fire department pumper connections, fire alarm panels and access key boxes)

The fee structure is:

ITEM	FEE
Any Building Permit	24% of the Building Permit Fee and Plan Check fees.
~~New Subdivision or Land Partition~~	~~24% of the Engineering Subdivision Plat Check Fee~~
New Subdivision	24% of the Engineering Subdivision Plat Check Fee
New Land Partition	24% of the Land Partition Plat Check Fee
Fire Hydrant Flow Tests required for new installations	$100 per flow test.
Any review required by the Oregon ~~Uniform~~ Fire Code, and which does not involve a building permit,	$50.00 per hour. A minimum charge of $25.00 will be assessed to these reviews.

When the Building Division assesses additional fees for plan reviews and/or field inspections, any fire department staff time associated with that activity will be included in their fees at their specified rate.

Dedicated Fees

Building Codes Division
Department of Consumer and Business Services

Why is the building inspection fee revenue dedicated?

Permit fees are an important part of the Oregon State Building Code. These fees are set by the local building departments that administer the inspection program but are required to follow the state fee calculation methodology. This system ensures that contractors and builders are able to anticipate what projects require permits throughout the state while providing the required flexibility to local jurisdictions to set reasonable fees necessary to support their building inspection activities.

Local permit fees are required to be dedicated and used only for building inspection administration and enforcement. In this context, the use of the term dedicated means that the funds are only allowed to be used for the building inspection program. The dedicated fee requirement is intended to keep permit fees as low as possible while ensuring an efficient and effective local building department. Dedicated fees also help provide stable funding for local building departments that need to maintain a stable workforce through economic ups and downs. The construction industry tends to not follow broader economic trends, typically experiencing downturns before the rest of the economy. Economic downturns can also create an increase in building inspection program work as more people do smaller projects themselves, raising demand for inspections while lowering overall permit fee revenue. Overall the dedicated fee system not only helps to keep permit fees low, but ensures those funds are being used to pay for staff to be available to issue permits, perform plan reviews, inspect job sites, and administer and enforce the building code in a timely and efficient manner regardless of the broader economic environment.

Building departments are an important part of local economic development and affordable housing. Keeping fees dedicated ensures fees are low and reasonably calculated to support only building department services, which in turn supports safe, affordable buildings and timely, value-added plan reviews and inspections.

FAST FACTS

Local permit fees are required to be dedicated and used only for building inspection administration and enforcement.

Fees are set by the local building departments using the state fee calculation methodology.

Dedicated fees provide stable funding for local building departments; provide timely, value-added plan reviews and inspections; and support safe, affordable buildings.

Statutory authority:

ORS 455.210
ORS 479.845

What is the legal authority for dedicated fees?

State building code fees collected by a local building inspection department are required to be dedicated to the administration and enforcement of the state building code. Additionally, electrical program fees are required to be dedicated to the administration and enforcement of the electrical inspection program. These requirements are based on Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OAR). This dedication of fees is present throughout the state building code statutes and is evidenced by restrictions on the fees collected by the division as well as those collected by local inspection programs.

Statutory authority: ORS 455.210(3)(a) provides authority for a municipality to adopt "fees as may be necessary and reasonable to provide for the administration and enforcement of any specialty code or codes for which the municipality has assumed responsibility under ORS 455.148 or 455.150." Additionally ORS 455.210(3)(c) states that fees collected by the municipality "shall be used for the administration and enforcement of a building inspection program for which the municipality has assumed responsibility under ORS 455.148 or 455.150." The legislature's use of the word "shall" requires that the funds only be used for the building inspection program and does not allow them to be used for any other purpose.

The requirements for assuming a building inspection program under ORS 455.148 or ORS 455.150 are contained, in part, in OAR Chapter 918, division 20. These rules require a municipality to provide adequate funds to administer and enforce the building inspection program (OAR 918-020-0090(1)(a)). A municipality must also account for all revenues collected and expenditures made relating to the administration and enforcement of the building inspection program (OAR 918-020-0090(1)(d)).

Separately in ORS 479.845, the legislature has further restricted the use of fees collected under an electrical inspection program to the administration and enforcement of the electrical specialty code. “Fees collected by a city or county for the enforcement or administration of the electrical specialty code and rules adopted under ORS 479.730 (1) shall be used only for the enforcement and administration of those laws.”

Rules adopted by the division in OAR 918-020-0090(1) also require a local municipality to

> “(d) Account for all revenues collected and expenditures made relating to administration and enforcement of the building inspection program, and account for the electrical program revenues and expenditures separately when administered by the municipality.
>
> (A) Prepare income and expense projections for each code program it will administer and enforce during the reporting period; and
>
> (B) Describe how general administrative overhead costs and losses or surpluses, if any, will be allocated.”

In keeping with OAR 918-020-0090(1), a best accounting practice is to segregate building department funds from other municipal fund categories or accounts.

OAR 918-020-0220 also requires that when adopting new or increased fees a municipality include information showing that the fees are necessary and reasonable, revenue and expense information, and cost allocation methods for expenses, among other requirements.

These statutes and rules form the basis for the legal requirement that local building inspection programs have dedicated fees and only use the revenue generated by the building inspection program to support and pay for the costs associated with providing building inspection services. Additionally, revenue generated by an electrical program needs to be dedicated to the expenses associated with the electrical program.

Common questions

Q: Can building inspection fee revenue be used for shared administrative or other overhead costs?

A: Yes, building inspection revenue can be used to pay for the portion of shared administrative overhead costs that can be attributed to the use by the building inspection program. The charged rate of these costs should be appropriate for the actual use and in line with what other users are being charged for those shared costs.

Q: Can building inspection fee revenue be used to cover the complete cost of a shared employee or other shared equipment, supplies, or offices?

A: No, the building inspection fee revenue must remain dedicated to the building inspection services being provided. If an employee’s time is split between building inspection duties and other tasks, only the proportion of the employee’s time spent on building inspection duties can be paid for with inspection fee revenue. This is also true for other shared equipment, supplies, office space, or services.

Q: Can an ending fund balance be “swept” or otherwise reallocated to another purpose?

A: No, ending fund balances must remain with the building department. Part of fee dedication and program delegation is that fee revenue must be sufficient to fund a building department for multiple years. The construction industry does not always follow the broader economic cycles. Building inspection revenue must stay allocated to the building inspection program. This includes reserves that may be held to ensure adequate and timely services over multiple budget cycles and economic conditions. The program delegation standard is funding for 24 months without unduly increasing short or long-term costs of services to the public.

Q: Can a building inspection program waive fees?

A: Yes, a building official has the authority to waive fees. This is a discretionary decision of the building official and is not regulated by the Building Codes Division. The division does recommend having criteria or other objective standards to apply when making a determination to waive fees for a specific project. This will help avoid any potential inadvertent bias or discrimination. A common example is waiving fees for a charitable organization building housing. A building official would want to avoid treating one charitable organization more favorably than another. Additionally, the state surcharge does not need to be collected if the permit fee is completely waived.

Council Study Session

Date: August 17, 2026

Agenda Item	Asante Payment Use Proposal
Department	Mayor and Council
From	

TIME ESTIMATE
15 minutes

CATEGORY
Staff Direction - provide direction to staff on the body's desired next steps.

SUMMARY
Requested by Council members DuQuenne and Bloom. No Council Communication was provided.

POLICIES, PLANS & GOALS SUPPORTED

BACKGROUND AND ADDITIONAL INFORMATION
This item is on the agenda per the request of Councilor Bloom and Councilor DuQuenne. No council communication was provided.
Council gave direction for it to be brought back no later than October 26th and staff stated it would be brought forward at the study session on 9/14/2026.

FISCAL IMPACTS
The City has received $4 million in unbudgeted revenue.

SUGGESTED ACTIONS, AND/OR OPTIONS
Financial polices adopted by Resolution No. 2023-09 (May 16, 2023)
Budgetary Policies
If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets with any governmental fund, the City will transfer not less than 20 percent of the gain to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate no less than 20 percent to fund capital projects.

REFERENCES & ATTACHMENTS
1. Financial Policies_Final_051623_202405011741216231

Financial Management Policies

The Financial Management Policies apply to fiscal activities of the City of Ashland.

Objectives

The objectives of Ashland's financial policies are as follows:

- To enhance the City Council's decision-making ability by providing accurate information on program and operating costs.
- To employ revenue policies that prevent undue or unbalanced reliance on any one source, distribute the cost of municipal services fairly, and provide adequate funds to operate desired programs.
- To provide and maintain essential public programs, services, facilities, utilities, infrastructure, and capital equipment.
- To protect and enhance the City's credit rating and financial wellbeing.
- To ensure the legal use of all City funds through efficient systems of financial security and internal control.

The City of Ashland does not discriminate in providing services, purchasing goods or services, and in matters of employment.

Investments and Banking

All City funds shall be invested to provide—in order of importance—safety of principal, a sufficient level of liquidity to meet cash flow needs, and the maximum yield possible. One hundred percent of all idle cash will be continuously invested in accordance with State law and recommended government finance industry standards.

The City of Ashland has a Banking Policy of authorized signatures, including facsimile signatures for banking services on behalf of the City of Ashland that is part of this document and is labeled Attachment 1 (one).

The City of Ashland has a detailed Investment Policy and is part of this document is labeled Attachment 2 (two).

Accounting

- The City will maintain an accounting and financial reporting system that conforms to Generally Accepted Accounting Principles (GAAP) and Oregon Local Budget Law and in compliance with Government Accounting Standards Board (GASB) statements. The City will issue a Comprehensive Annual Financial Report (Audit report) each fiscal year. The Annual Comprehensive Financial Report (ACFR) shows fund expenditures and revenues on both a GAAP and budget basis for comparison purposes.

- An independent annual audit will be performed by a certified public accounting firm that will issue an official opinion on the annual financial statements and a management letter as needed or required detailing areas that need improvement.

- Full disclosure will be provided in financial statements and bond representations.

- The accounting systems will be maintained to monitor expenditures and revenues on a monthly basis with thorough analysis and adjustment of the biennium budget as appropriate.

- The accounting system will provide monthly information about cash position and investment performance.

- The City will seek to meet all standards to obtain the Certificate of Achievement for Excellence in financial reporting from the Government Finance Officers Association (GFOA) annually.

Budgetary Policies

- The budget committee will be appointed in conformance with state statutes. The budget committee's chief purpose is to review the city manager's proposed budget and approve a budget and maximum tax levy for City Council consideration. The budget committee may consider and develop recommendations on other financial issues as delegated by the City Council.

- "The Budget Committee Reference Guide" is part of this document and it is Attachment 3 (three).

- The Citizens' Budget Committee services an important service with high visibility within our Ashland community, and it contributes to the community's mood, tone of communications and behavior. It is important that all members are aware of their leadership roles and community influence. The following are the ground rules for the meetings:

    - Keep an open mind
    - Be respectful
    - Don't interrupt
    - Stay on topic
    - It is ok to disagree

- Raise your hand to speak
- Allow others to speak before speaking again
- Be prepared
- Support the relationship to and with the city (fiduciary responsibility)

- The City will finance all current expenditures with current revenues. The City will avoid budgetary practices that balance current expenditures through the obligation of future resources. Appropriation of fund balance or retained earnings will be solely for the purpose of one-time expenditures such as capital projects.

- The City budget will support City Council goals and priorities and the long-range needs of the community.

- In contrast to the line-item budget that focuses exclusively on items to be purchased (such as supplies and equipment), the City will emphasize the use of goals and programs to:

  1. Structure budget choices and information in terms of programs or operating units and their related work activities and impact on constituents and the community,

  2. Provide information on what each program or operating unit is committed to accomplish in long-term goals and in short-term objectives, and

  3. Measure the degree of achievement of program or operating unit objectives (performance measures).

- The City will include multi-year projections in the budget document of at least three years beyond the biennium.

- To maintain fund integrity, the City will manage each fund as an independent entity in accordance with applicable statutes, generally accepted accounting principles, and government finance industry standards.

- The City will allocate direct and administrative costs to each fund based upon the cost of the other fund providing these services to the recipient fund. The City will recalculate the cost of administrative services regularly to identify the impact of inflation and other cost increases.

- If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets within any governmental fund, the City will transfer not less than 20 percent of the gain to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate no less than 20 percent to fund capital projects.

- If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets within any enterprise or internal service fund, the City will commit not less than 10 percent of the gain to net earnings, restrict not less than 10 percent for payment of future long- term liabilities, and designate no less than 20 percent to fund capital projects.

- The City will seek to meet all standards for each adopted budget to obtain the Award for Distinguished Budget Presentation from the Government Finance Officers Association.

Fund Balance Policy

General Fund

The General Fund accounts for all financial resources not accounted for in other funds. Resources include working capital carryover, taxes, licenses and permits, intergovernmental revenue, fines and forfeitures, charges for services, miscellaneous revenues, and inter-fund transfers. Expenditures are for Administration, Human Resources, Legal, Finance, Public Works Support and Facilities, Parks, Innovation and Technology Information Systems, City Recorder, Social Services, Economic and Cultural Development, Police Department, Municipal Court Department, Fire and Rescue Department, City Band, Cemeteries, and the Department of Community Development and payments for services provided by other funds. This fund uses the modified accrual method of accounting.

- The General Fund will maintain an unrestricted and undesignated balance no less than 16.67% percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- At such time as the unrestricted and undesignated balance exceeds 50 percent of the average annual expenditures of the prior three years, the City will transfer not less than 20 percent of the overage to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate no less than 20 percent to fund capital projects.

- If at any time the unrestricted and undesignated balance should fall below 16.67% percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of the average annual operating expenditures over the prior three years.

Special Revenue Funds

Special Revenue funds account for the proceeds of specific sources that are legally restricted to expenditures for specified purposes. Special Revenue funds account for transactions using the modified accrual method of accounting.

***Reserve Fund*.** This fund is used to set aside funds to protect services and to stabilize the budget, and to meet any costs that may arise in the future from unexpected events. As established by Resolution 2010-18, amended by Resolution 2020-09, and clarified by Resolution 2020-26. The resolution is a part of this document and is Attachment 4 (four).

Community Development Block Grant Fund. This fund was established in 1994-1995. The fund accounts for the Block Grant and related expenditures.

- A fund balance policy is not needed since this fund works on a reimbursement basis and proceeds are restricted by federal guidelines.

Street Fund. Revenues are from the state road tax, grants, franchise fees, charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and surfacing of streets.

- The Street Fund will maintain a committed balance of annual revenue of at least 15 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 15 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.

- The City will budget a contingency appropriation to provide for unanticipated expenditures of a nonrecurring nature. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Street Fund. The System Development Charges for Transportation are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Tourism Fund. Revenues are from the Transient Lodging Tax and expenditures are restricted by ORS 320.350.

Housing Fund. Revenue is earmarked in this fund to affordable housing by Ordinance and the dedicated funds are to be used to support affordable housing priorities through receipt of donations and dedicated revenue streams, including but not limited to donations, grants, sale of surplus City property, or any other revenue sources approved by the Ashland City Council or the people of Ashland.

Airport Fund. Revenues are from airport leases and fuel sales. Expenditures are for airport operations.

- The Airport Fund will maintain a committed balance of annual revenue of at least 10 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 10 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.

- No portion of the Airport fund balance is restricted for specific uses.

- Many of the Airport assets have restrictions placed on them by the Federal Aviation Administration. None of the current revenues are pledged to outside lenders.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Capital Projects Funds

Capital improvement funds are established to account for financial resources that are used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds, Internal Service Funds, Special Assessment Funds and Trust Funds). Capital projects funds use the modified accrual method of accounting.

Capital Improvements Fund. This fund accounts for revenues from grants, unbonded assessment payments, and other sources, and will account for the construction of special local improvements, usually streets, with revenues from short- term borrowing and unbonded assessments. Expenditures are for construction, property and equipment acquisition and replacement, improvements and related purposes including facility maintenance, and the repayment of short-term debt principal and interest incurred in financing improvements. The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum or maximum fund balance.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Parks Capital Improvements Fund. The Parks Capital Projects Fund is managed by the Ashland Parks & Recreation Commission per City Charter. This fund is used to account for resources from grants and inter-fund transfers that are to be expended for major park renovations. The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum or maximum fund balance.

SDC Parks Fund. The System Development Charges for Parks are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Expenditures and revenues are accounted for using the modified accrual method of accounting. All bond issues and notes are separated in the accounting system.

- All of the monies within the Debt Service fund are restricted for Debt service until the specific debt is repaid in full. ORS prohibits cities from borrowing this money for any other purpose.

Enterprise Funds

Enterprise funds account for the following operations: (a) those that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) those where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Enterprise funds use full accrual basis of accounting for financial statement presentations. However, the enterprise activities use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition, as well as debt principal transactions.

Water Fund. This fund accounts for water operations. Revenues are from sales of water, other charges for services, and miscellaneous sources. Expenditures are for operations, conservation programs, capital construction, and retirement of debt.

- The Water Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amounts held to comply with debt convenants or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Water Fund. The System Development Charges for Water are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Wastewater Fund. This fund accounts for wastewater treatment and collection. Revenues are from charges for services and taxes. Expenditures are for operations, capital construction, and retirement of debt.

- The Wastewater Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt convenants or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Wastewater Fund. The System Development Charges for Wastewater are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Electric Fund. The Electric Fund accounts for the distribution of purchased electricity according to standards set forth by the Federal Energy Regulatory Commission. Revenues are from sale of electricity and other charges for services and intergovernmental revenues. Expenditures are for related operations. Utility operations include wholesale power purchases, operating expenses, energy conservation incentives, capital outlay, retirement of debt, franchise tax, and related purposes.

- The Electric Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt convenants or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- Debt service reserves are included in the Electric Fund balance. This portion of the Electric Fund balance is restricted and shall not be used in determining the minimum fund balance.

- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Telecommunications Fund. The Telecommunications Fund accounts for the revenues and expenditures of the Ashland Fiber Network.

- The Telecommunications Fund will maintain a minimum balance of 20 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt convenants or legal requirements.

- If at any time the unrestricted and undesignated balance should fall below 20 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.

- Debt service reserves are included in the Telecommunications Fund balance. This portion of the Telecommunications Fund balance is restricted and shall not be used in determining the minimum fund balance.

- The city will budget a contingency appropriation to provide for unanticipated non-recurring expenditure. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Stormwater Fund. Revenues are from charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and construction of storm drains.

- The Stormwater Fund will maintain a committed balance of annual revenue of at least 20 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 20 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.

- The City will budget a contingency appropriation to provide for unanticipated expenditures of a nonrecurring nature. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Stormwater Fund. The System Development Charges for Stormwater are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Internal Service Funds

Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. Internal service funds use full accrual accounting methods for financial statement presentations. However, the internal service funds use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition as well as debt principal transactions.

Insurance Services Fund. Revenues in this fund are from service charges from other departments, investment income, and insurance retrospective rating adjustments. Expenditures are for insurance premiums, self-insurance direct claims, and administration.

- The Insurance Services Fund will maintain an unrestricted and undesignated balance of 50% of the average annual expenses of the prior five years or $500,000 whichever is more. This is the minimum needed to maintain the City's insurance programs and provide for uninsured exposures.

- If at any time the unrestricted and undesignated balance should fall below $500,000, the City will work to restore the balance in no less than two years with not less than one third of the shortfall being restored within each year.

- No portion of the Insurance Services Fund balance is legally restricted for specific uses.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than

3 percent of annual operating expenditures.

Equipment Fund. This fund is used to account for the maintenance and replacement of the City fleet of vehicles and specified equipment. Revenues are from equipment rental and replacement charges. Expenditures are for personnel, materials and services, and capital outlay. This fund is divided into two functions: equipment maintenance and equipment replacement. The purpose of the equipment replacement function is to accumulate adequate funds to replace equipment. This replacement schedule is updated annually.

- The Equipment Fund will maintain a minimum balance calculated to sufficiently fund equipment replacement as determined by use of the replacement value schedule and not less than 20 percent of the average annual operating expenditures of the prior three years.

- If at any time the unrestricted and undesignated balance should fall below the sum of 20 percent of the average annual operating expenditures of the prior three years and 30 percent of the replacement value of in-service equipment and vehicles, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.

- No portion of the Equipment fund balance is legally restricted for specific uses. The City rents equipment at rates that include the replacement cost of the specific piece of equipment.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Trust and Agency Funds

Trust and agency funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, or governmental units, and/or other funds. These include (a) expendable trust funds, (b) non-expendable trust funds, (c) pension trust funds, and (d) agency funds.

Cemetery Trust Fund. The Cemetery Trust Fund is a non-expendable trust fund that uses the accrual basis of accounting. Revenues are from interest income and perpetual care service charges on cemetery operations. Expenditures are for the repurchase of plots and transfers of earnings to the cemetery fund for operations.

- No minimum fund balance policy is recommended.

Revenues

- The City will estimate its annual revenues by an objective, analytical process. Because most revenues are sensitive to conditions outside the City's control, estimates will be conservative.

- The City will make every effort to maintain a diversified and stable revenue base to protect its operation from short-term fluctuations in any one revenue source.

- The City will establish charges for enterprise funds that fully support the total cost of the enterprise. Utility rates will be reviewed annually. Rates will be adjusted as needed to account for major changes in consumption and cost increases.

- The City will identify user fees to the direct beneficiaries of City services to recover all of the full cost of providing that service and compare with existing rates. All user fees will be reviewed biannually to ensure that direct and overhead costs are recovered in the percentage approved by City Council.

- To the extent practicable, new development shall pay necessary fees to meet all identified costs associated with that development.

- The City will work aggressively to collect all delinquent accounts receivable. When necessary, collection procedures will include termination of service, submission to collection agencies, foreclosure, and other available legal remedies.

Expenditures

- The City will provide employee compensation that is competitive with comparable public jurisdictions within the relative recruitment area. Estimated wage increases and changes in employee benefits will be included in the proposed budget under Personnel Services.

- The City is committed to maintaining and improving the productivity of its staff by providing a proper working environment, adequate equipment and supplies, and appropriate training and supervision.

- A Social Service appropriation will be included in the proposed General Fund Budget. This appropriation will increase or decrease relative to the overall General Fund revenues.

- Tourism appropriation will be included in the proposed Tourism Fund Budget. This appropriation will increase or decrease relative to the overall Transient Lodging Tax Revenues.

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Purchasing

- The City will purchase materials, supplies, and equipment through a competitive process that provides the best product for the least cost.

- The City will adhere to all State of Oregon and local requirements for purchasing goods and services. The City will also review policies and procedures at least annually for adherence with industry best practices.

Capital

- The City will provide for adequate maintenance of equipment and capital assets. The City will make regular contributions to the Equipment Replacement Fund and the City Facilities budget to ensure that monies will be available as needed to replace City vehicles and facilities.

- Future operating costs associated with new capital improvements will be itemized, projected, and included in the long-term budget forecast.

- The City will determine and use the most appropriate method for financing all new capital projects.

- Special accounts dedicated for capital improvements will be segregated in the accounting system and used only for the intended capital purposes.

- The Capital Improvement Plan (CIP) will encourage a level capital replacement schedule and anticipate future capital needs. The CIP will present identified needed capital projects for a minimum of six years into the future and include known major projects requiring debt obligations to support them for a minimum of fifteen years into the future.

Debts

- The City will not use long-term borrowing to finance current operations.

- Capital projects, financed through bond proceeds, will be financed for a period not to exceed the useful life of the project.

- Whenever possible, enterprise debt will be self-supporting. Regardless of the type of debt issued, the City will establish a one-year reserve for all self- supporting debt.

- The City will seek to maintain level debt service payments over the duration of an issue and consider the level of debt obligations across funding sources when recommending types and amounts of debt instruments.

- The City will keep the final maturity of general obligation bonds at or below 20 years, with the exception of water supply and land acquisition that will be limited to 30 years.

- The City will maintain a debt coverage ratio, i.e. net revenue to debt service of at least 125% for every debt issue.

- The State of Oregon limits non-self-supporting obligation debt to three percent of the real market value of all taxable property within the City boundaries.

- The City will seek to maintain and improve its bond rating to minimize borrowing costs and to ensure its access to credit markets.

- The City will maintain good communications with bond rating agencies about its financial condition.

Risk Management

- The City will provide an active risk management program that reduces human suffering and protects City assets through loss prevention, insurance, and self- insurance.

- The risk management program will be reviewed at least annually to assure levels of primary and secondary coverage are consistent with City priorities and needs.

- The risk management function will conduct regular meetings of the City Safety Committee, including representatives from each operating department, to review incidents and consider activities or initiatives to reduce the City's loss experience and to enhance safety of City human and physical resource.