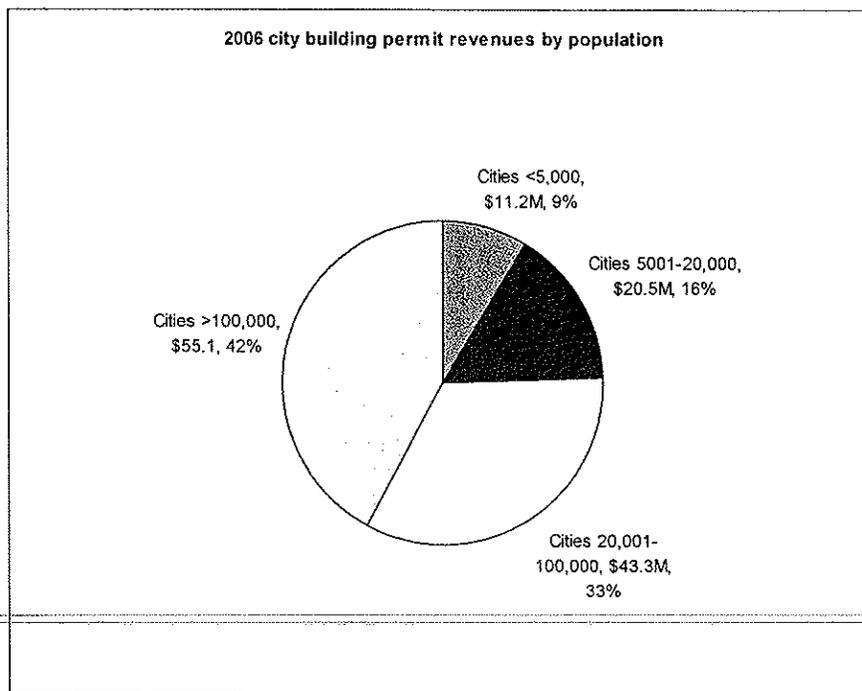


## Overview of City Building Permit Revenues and Expenses

Cities receive \$129 million in revenue from building permits, plumbing permits, septic permits, etc.



Most cities' revenue from building permits goes into the general fund. Very few cities manage these revenues as an enterprise fund.

- Between 2004-2006, 27 cities reported some portion or all of their building permits as an enterprise fund
- In 2006, city building, structure and equipment permits reported as enterprise funds totaled \$48.5 million.
  - Seattle accounted for \$40.2 million of the \$48.5 million
  - Only 16 cities reported more than \$5,000 in their enterprise fund

256 cities reported revenue from building permits (\$129 million).

94 cities reported expenses for building permits and plan reviews in building and land development (\$77.1 million).

Other related expenses include:

- Engineering (engineering plans and services, studies and surveys, etc.) - \$49.3 million
- Planning and community development (comprehensive planning, zoning regulations, land use administration, etc.) - \$97.7 million

An informal survey of city finance directors indicates that most city building permit revenues go to the general fund and that the expenses for permit services, inspections, plan reviews (sometimes including comp planning) often exceed permit revenues.

- One small east side city reports that 2008 building/planning department revenues are projected to be \$158,000, while expenditures are projected to be \$530,000.
- A medium west side city reports that building permit revenues typically cover about 65 to 70 percent of the city community development services on an annual basis (not including administrative overhead).

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Fiscal data is from The Washington State Auditor's Local Government Finance Reporting System

### Source:

Jim Justin, Association of Washington Cities

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