

# **2012 Building Inspection Year End Report**

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The year 2012 was the second year after changes were made in the structure and implementation of how building inspection services were provided to Village of Kronenwetter residents. In December of 2010, Kronenwetter contracted with the Village of Weston to provide building inspection services to Kronenwetter. Scott Tatro has served as the Village's building inspector for the past two years, while Kronenwetter Staff continues to provide the building inspection administrative services to residents. With the new process, building inspection services were provided in a much more efficient and effective way in 2012.

Another noteworthy change took place in early April when the Village Board passed Ordinance No. 12-06, which amended the building inspection fee schedule to more fairly assess the costs of providing building inspection services to residents. The changes to the fee schedule dealt mostly with commercial and industrial permit fees, bringing them more in line with surrounding communities.

After seeing the number of building permits falling the previous three years, 2012 saw an increase in building permits taken out compared to 2011 and actually rebounded to match the 179 permits that were taken out in 2010. A total of 171 building permits were taken out in 2011, down from 179 in 2010 and 182 in 2009. It's interesting to note that of those 179 building permits, 31 were for reroofing projects, a project that did not require a permit until February 2011. If not for those reroofing permits the last two years the total number of building permits would have dropped off even more sharply.

The total number of overall permits taken out only tells part of the story; following the trend of overall permit numbers the number of permits taken out for the construction of single family residential homes also rose slightly. In 2009, 32 single family permits were taken out, 2010 saw that number fall to 24, 2011 fell to 16, and 2012 saw that number rebound to 20. In addition to those 20 single family homes, 4 condominium units were added around Golden Pond. It seems that we have hit the bottom in terms of single family home permits in 2011 and expect over 20 new single family homes in 2013. In addition to the residential construction, the Village oversaw a building permit for JX Truck Center on Kronenwetter Drive.

Another measurement to show how construction has affected the Village can be seen by reviewing the estimated building cost of all the projects in the past several years. In 2009, the 182 permits estimated a building cost of approximately \$8.0 million, in 2010 the 179 permits estimated a value that shrank to \$5.9 million, the 171 permits taken out in 2011 only an estimated \$3.8 million, and that rebounded to \$8.9 million this past year. The biggest factor in the fluctuation of these numbers can be attributed to the change in the number of single family residential homes, multi-family or commercial construction on a year by year basis. It's no secret that larger numbers of new residential and commercial construction have historically correlated with higher estimated building costs for the Village.

In 2013, the Village will be hiring a new Planning Technician position. This new employee will be able to provide more support to the Building Inspector as well as actively search out projects which do not take out the proper permits. Most forecasts you read for 2013 say the Village can expect to see a slight increase in building activity in 2013. Based on significant research and in-depth analysis of macro-trends, the 2013 Dodge Construction Outlook details the forecast for single family housing in 2013 will improve 7 percent. According to that outlook, the market will continue to struggle based on the excess supply of homes due to foreclosures that continue to depress the market.