

To: Gary Jackson, City Manager
Jeff Richardson, Assistant City Manager

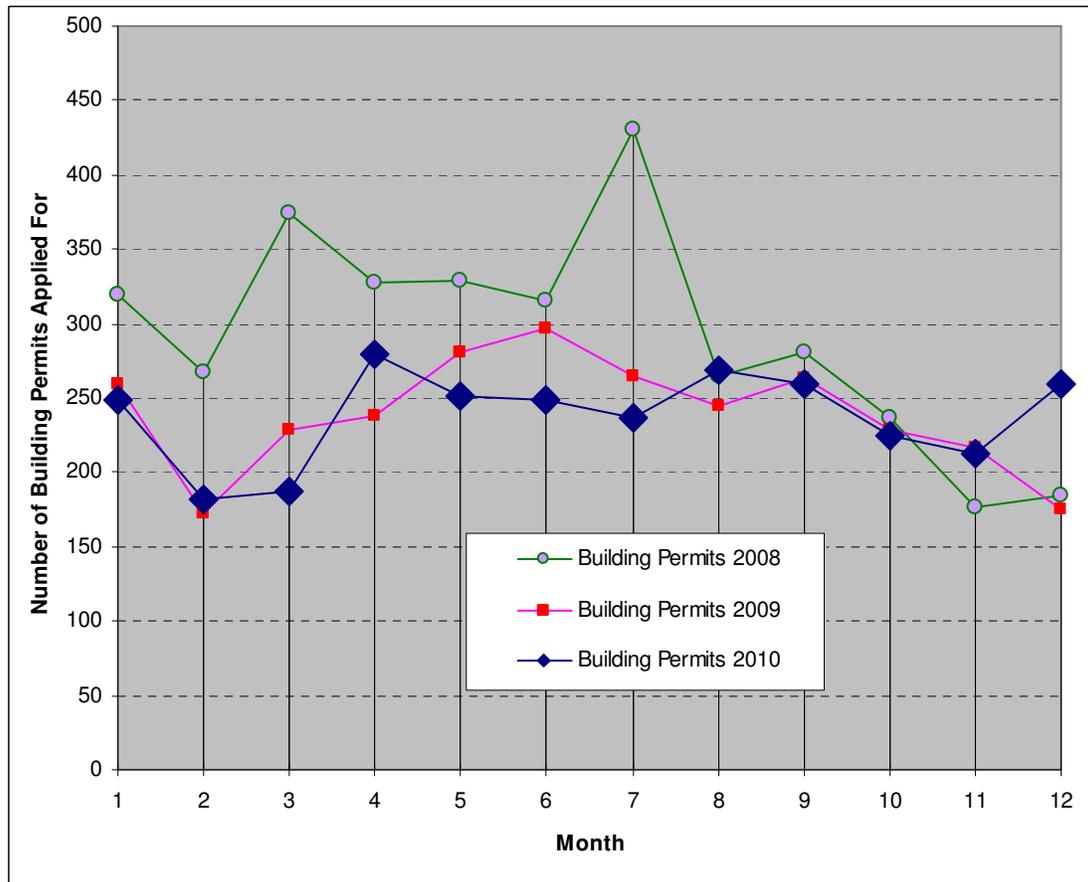
From: Robert Griffin, Building Safety Director

Date: 5 January 2011

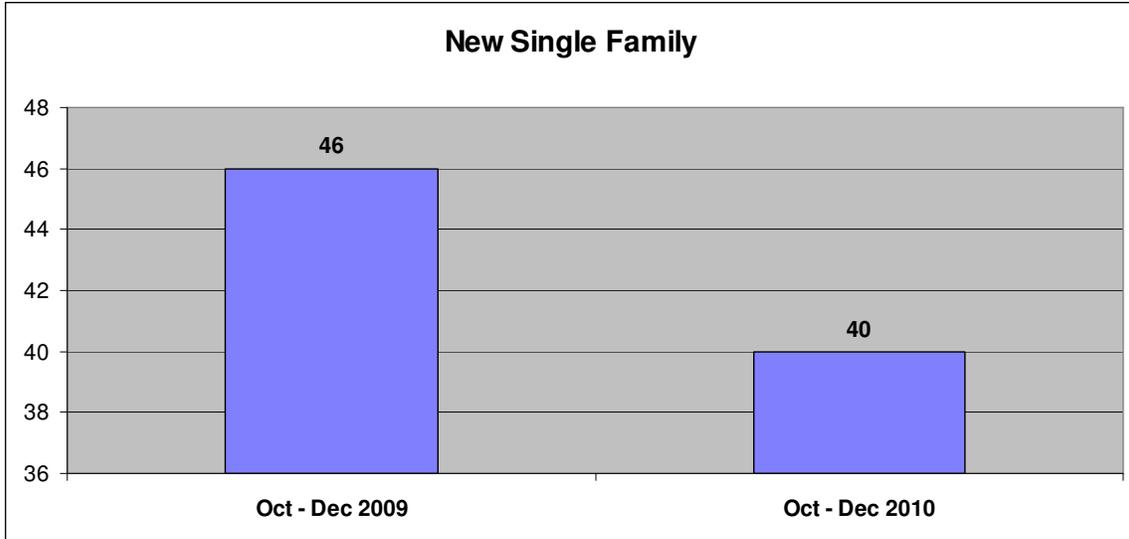
Subject: 2nd Quarter and 6-month (July - December 2010) Building Permit Activity

Building permit activity has experienced mixed results for the past quarter and six-month period. The number of permits has remained very high with residential remodel and additions increasing in the cost of the work and commercial remodel, renovations, and additions exceeding the previous year but that cost of work is smaller. New commercial projects have been less and much smaller than in previous time periods. It does appear that most permit areas are remaining steady rather than declining or showing improvement in the second quarter compared to the first quarter or previous year.

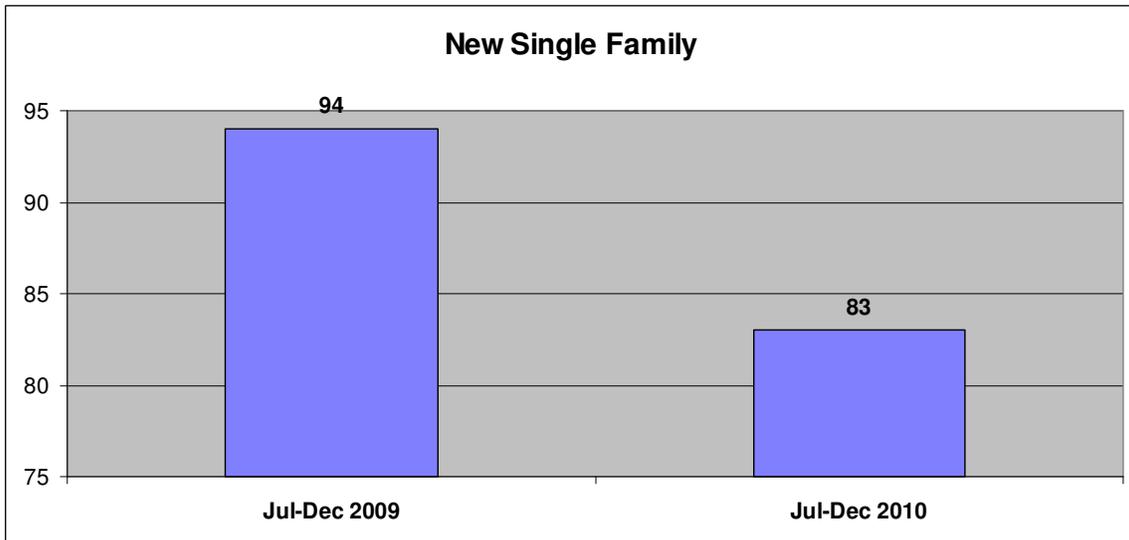
Applications are one indicator and the past six months has been positive.



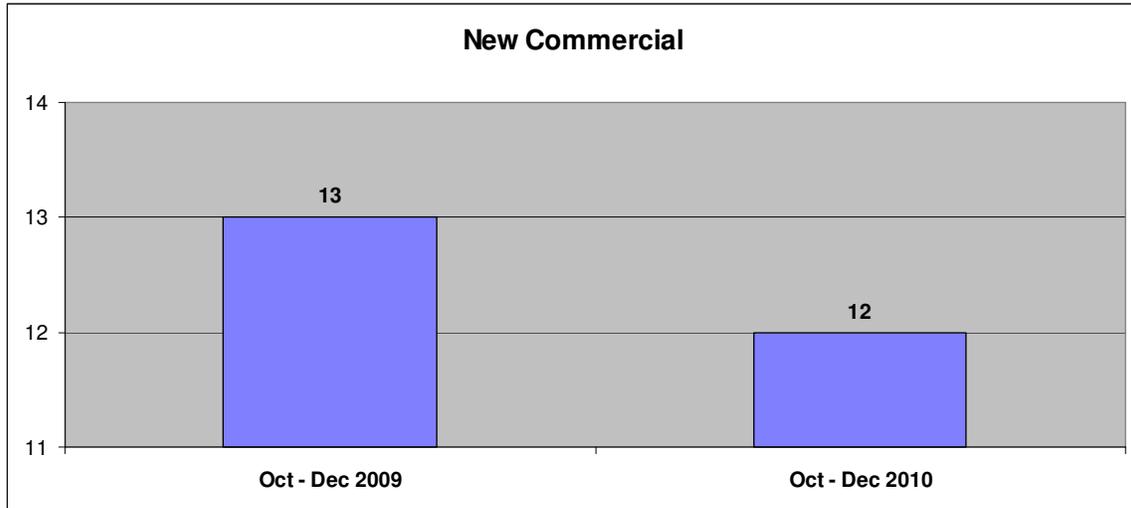
One and two-family home permits were down 6 permits for the quarter. The value of each home permitted in the second quarter decreased by 11.5% to an average value of \$182,024 or an average decrease of \$23,766 per home.



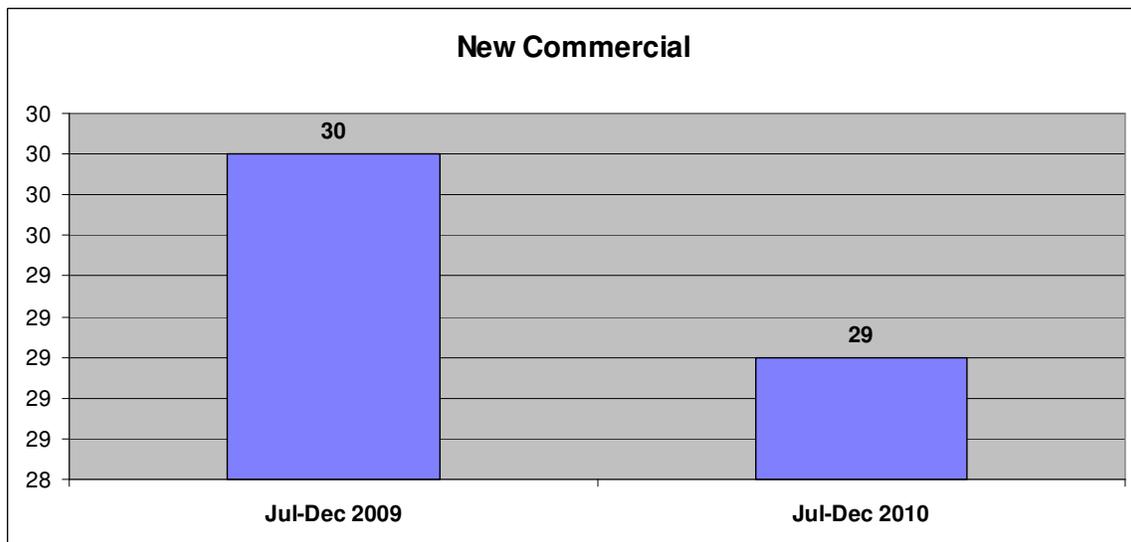
The first 6-months of the fiscal year had single family homes down 11 permits or 11.7%. The average value decreased by 26.5% to \$141,317 or by \$50,961 per home.



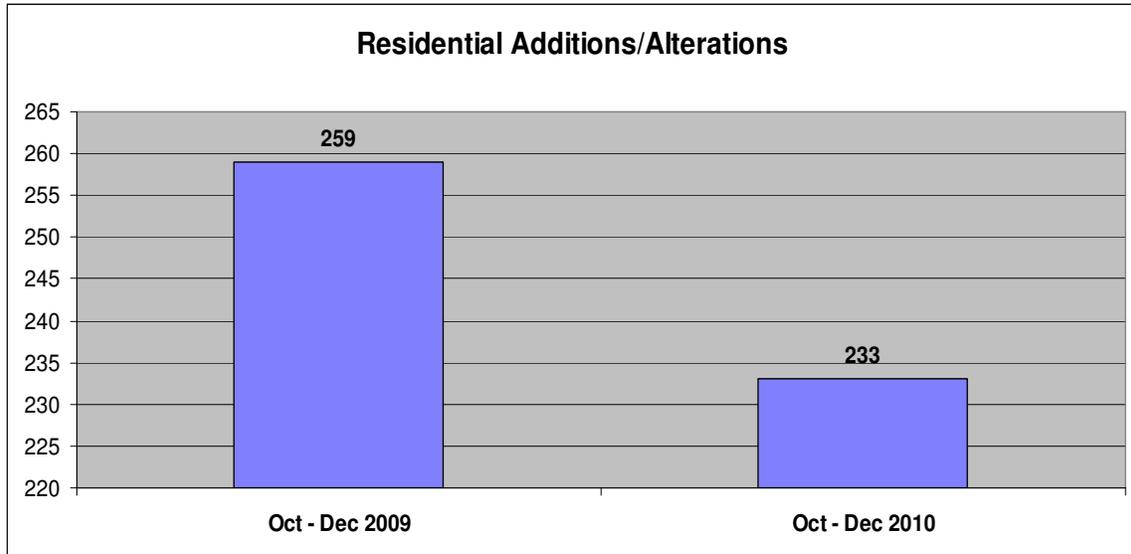
The decline in overall construction value for all permits is directly related to commercial activity. The number of permits as compared to the second quarter of last year is down 1 permit. However, the average construction value for new commercial was 50.3% less than in 2010 or a drop of \$308,063 per permit.



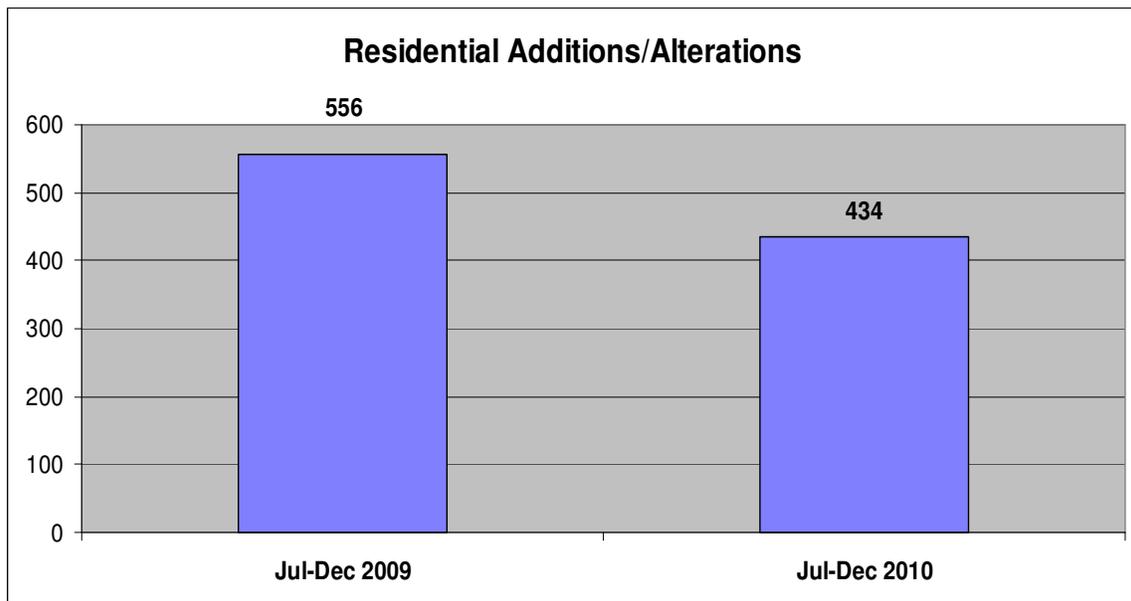
New commercial for the period of July through December 2010 experienced a 64.1% decline in construction value per permit from \$431,056 to \$154,693, a decline of \$276,363 per permit issued. For the period the total value of all commercial permits declined by \$8,445,572.



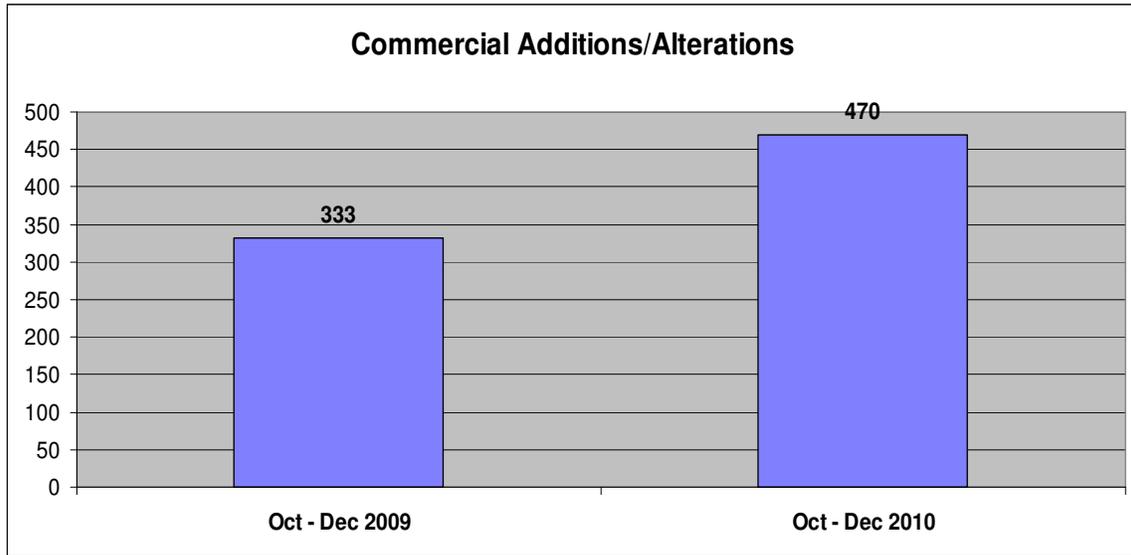
One and two-family additions and alterations have been very consistent. The second quarter these permits were the lower as compared to 2009. The construction values average was 30.6% more or \$4,421 per permit in 2010.



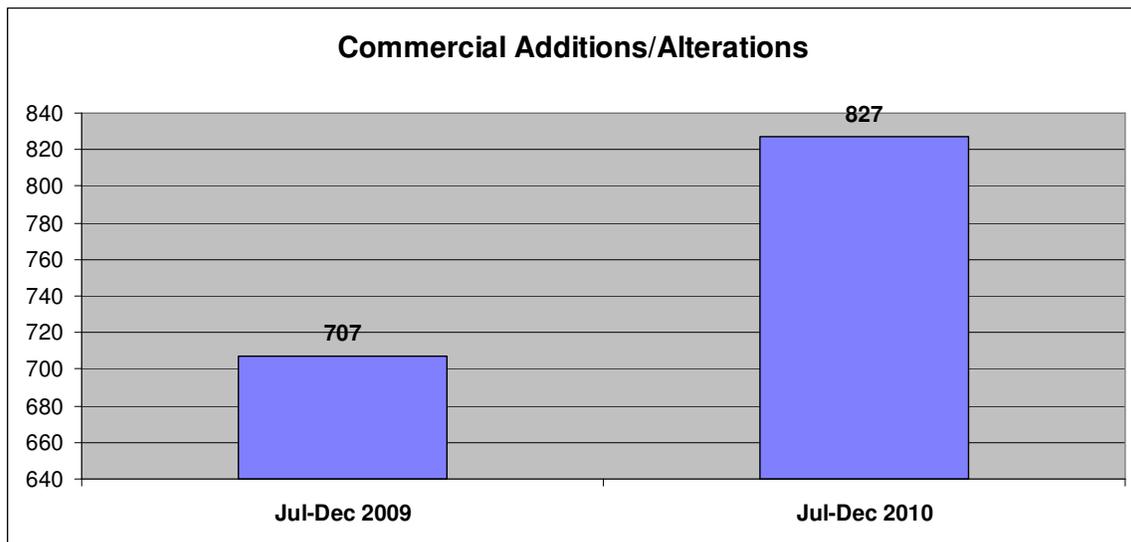
The 6-months had 122 less permits overall or a decline of 21.9%. The average construction value for each permit increased by \$5,396 or 45.3%.



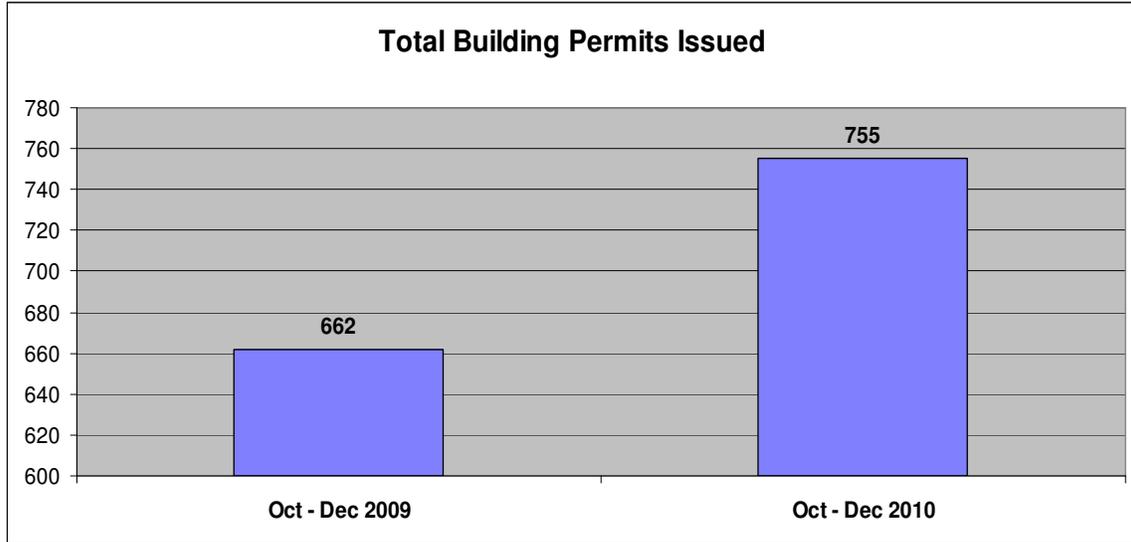
The second quarter of fiscal year 2011 experienced another increase in commercial additions and alterations. The average construction value for these permits decreased by 40.4% or \$35,823 to an average value of \$52,945 which was less of a decrease than the previous quarter.



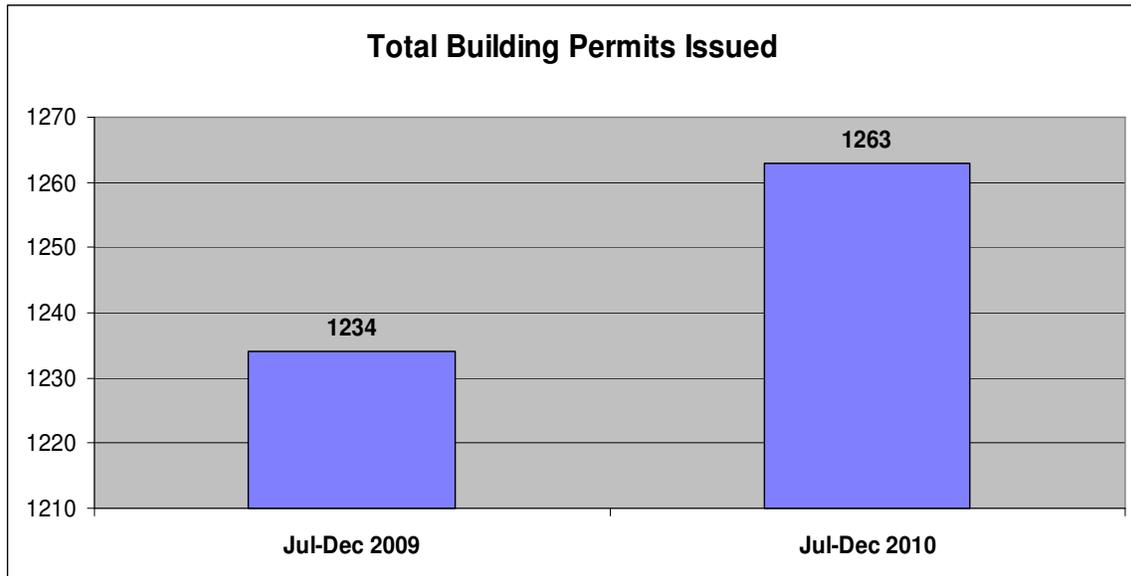
These permits increased by 92.4% or 120 permits for the six month period. However, the average value decreased by 50.6% from \$93,275 to \$46,063 per permit or a \$47,212 decrease in 2010.



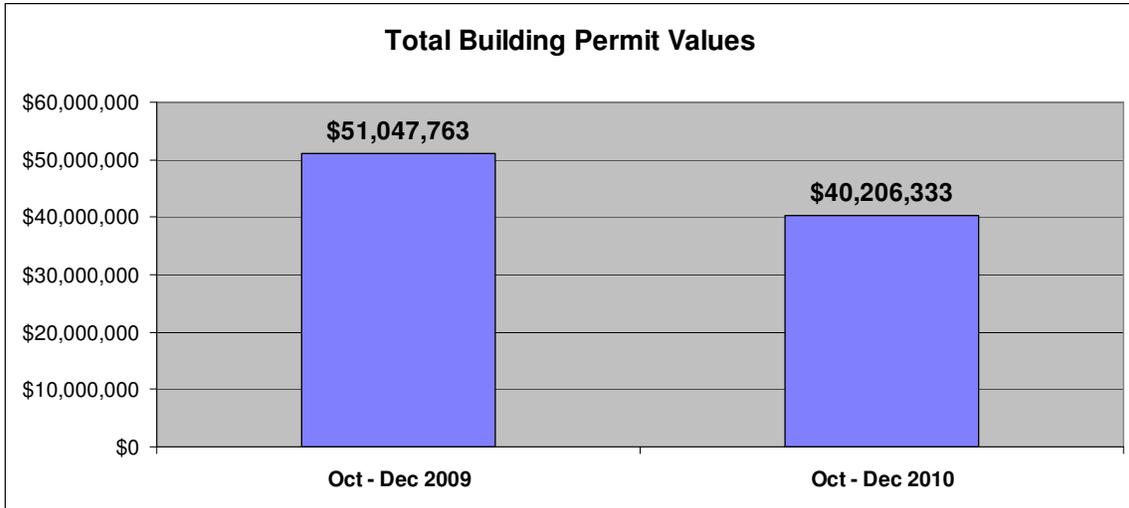
Total permits issued increased by 93 permits or 14% during the second quarter. This is a 48.6% increase in the number of permits issued as compared to the first quarter of fiscal year 2011.



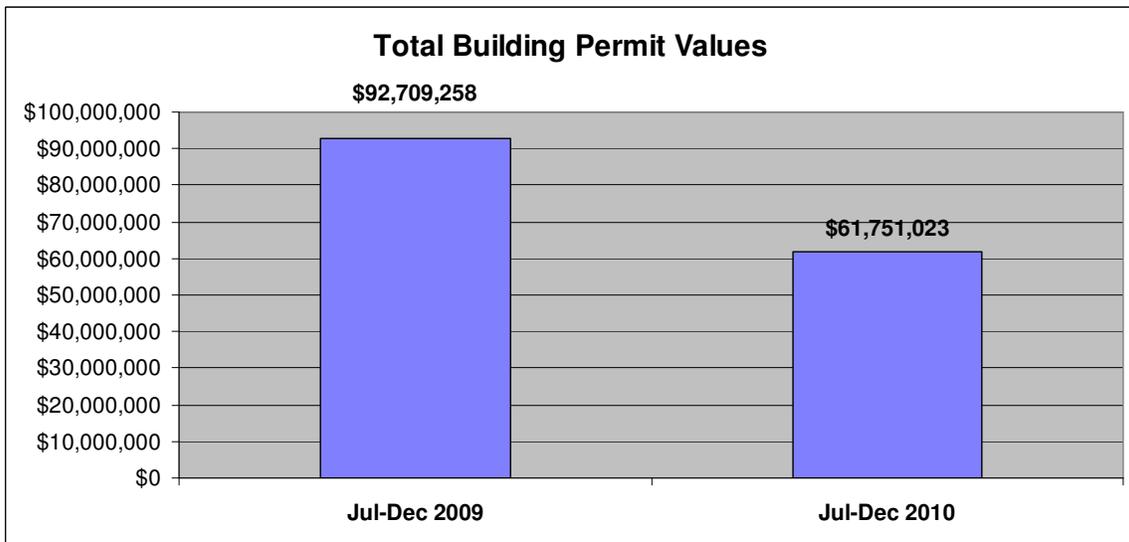
Permits for the six-month period increased by 29 permits as compared to 2009.



The second quarter's average individual permit value decreased by 30.9% to \$53,253.



The six month values fell by 34.9% or by \$26,237 to an average value of \$48,892.



The number of permits issued is remaining high and the size of the project is decreasing. The DSC intake staff is busy with applications and issuing permits. However, all inspections staff has seen a decline in the number of required inspections. Building Safety has 4 inspection positions that have been vacant for over 18 months and 1 additional inspector position that has been vacant for the past 4 months.