

# JUSTIFICATION OF PLANNING AND CODES FEES

Loudon County, Tennessee

## Compliance with Publication 140 Cost Allocation and Fee Recovery Requirements

### Purpose

The purpose of this document is to provide justification for the Planning and Codes Department fee structure for Loudon County, Tennessee, in accordance with the principles outlined in Tennessee Comptroller Publication 140 regarding user fees, cost allocation, and fee recovery.

The Planning and Codes Department provides regulatory, administrative, inspection, enforcement, and development review services necessary to protect the public health, safety, and welfare of the citizens of Loudon County. Fees charged by the department are intended to offset the direct and indirect costs associated with providing these services and are not intended to generate excess revenue beyond reasonable cost recovery.

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### Department Services

The Loudon County Planning and Codes Department provides services including, but not limited to:

- Residential and commercial building permit review
- Building inspections
- Zoning administration
- Site plan review
- Subdivision plat review
- Floodplain administration
- Stormwater and land disturbance review
- Board of Zoning Appeals administration
- Planning Commission administration
- Code enforcement investigations
- Permit issuance and recordkeeping
- Public assistance and technical review

These services are mandated or authorized under Tennessee Code Annotated and adopted county ordinances and building codes.

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## Basis for Fee Justification

### 1. Relationship Between Fees and Services Provided

The Planning and Codes Department fee schedule is structured to reasonably correspond with:

- Complexity of the project
- Estimated construction valuation
- Staff review time
- Number of required inspections
- Administrative processing requirements
- Legal notice requirements
- Long-term record retention responsibilities
- Technology and software utilization
- Legal services

Larger or more complex developments generally require increased staff time, technical review, coordination with outside agencies, and multiple inspections. As a result, fees may vary according to project scope, square footage, valuation, or development intensity.

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### 2. Public Benefit vs. Private Benefit

While planning and codes activities provide a general public benefit through safe construction and orderly development, the direct beneficiaries of permit issuance, plan review, inspections, rezonings, subdivisions, and development approvals are the applicants, property owners, contractors, and developers seeking those approvals.

Accordingly, it is reasonable and appropriate for the County to recover a portion of these costs through user fees charged to applicants rather than funding all services solely through property taxes.

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## Conclusion

The Loudon County Planning and Codes Department fee schedule is justified based upon the actual and reasonable costs associated with administering building codes, zoning regulations, planning functions, inspections, and development review services.

The fees are designed to:

- Promote equitable cost recovery
- Reduce subsidization by general taxpayers
- Maintain qualified staff and inspection services
- Support regulatory compliance activities
- Ensure long-term operational sustainability
- Comply with Tennessee Comptroller guidance regarding user fees and cost allocation principles contained in Publication 140

The County Commission finds that the Planning and Codes fees are reasonably related to the costs of providing the associated governmental services and are necessary for the continued administration and enforcement of County planning and codes programs.

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Prepared (Date): June 2026

## Fee Schedule for Planning Department Services

- Application to the Board of Zoning Appeals: \$0.00
  
- Site Plan Review: Commercial-Industrial-Office \$20.00/acre (Minimum Fee \$200.00)  
Multi Family \$5.00/unit (Minimum Fee \$200.00)
  
- Subdivision Plat Review: Preliminary \$20.00/lot (Minimum Fee \$200.00)  
Final \$10.00/lot (Minimum Fee \$100.00)
  
- Road Closure/Acceptance/Name Change Review Application: \$150.00
  
- Rezoning Application: \$15.00/acre (Minimum Fee \$200.00/Maximum Fee \$500.00)
  
- Grading/Land Disturbance Permit: \$100.00

		FEE NAME: PLANNING PERMITS			
EMPLOYEE TITLE	ANNUAL SALARY + BENEFITS + FIXED COSTS	HOURLY RATE	HOURS INCURRED, AVERAGE APPLICATION (NOTE: PREVIOUS YEAR HISTORICAL AVERAGE: 175)	Cost Basis	DESCRIPTION OF EMPLOYEE DUTIES RELATED TO FEE
PLANNING/CODES DIRECTOR	\$107,061	\$51.47	3	\$154.41	Reviewing subdivision proposal, fielding questions and concerns from public, Planing Commission, etc. Preparation of staff presentation. Attending and presenting application before Planning/Legislative Commission. Flood plain administrator. Maintain/update zoning and subdivision regulations per TCA. Field inspections for project compliance.
PROJECT PLANNER	\$85,452	\$41.08	5	\$205.41	Reviewing proposals, providing staff comments, reviewing revised proposal and providing additional comments as necessary. Preparing staff report related to subdivision proposal. Fielding questions from public and planning commission regarding proposal. Conducting field inspections. Coordinates/maintains stormwater program.
ADMINISTRATIVE ASSISTANT	\$58,549	\$28.15	3	\$84.45	Reviewing for substantial compliance as per TCA and accepting subdivision application. Processing preliminary/completion of documents as per TCA. Fielding questions from members of the public regarding proposal. Preparation for legislative meetings. Maintains records as per legal statutes.
PLANNING COMMISSIONERS	\$75/month X 9 Members	\$75/meeting	12 meetings/year	\$56.25	Paid attendance at Planning Commission Meeting
Operating Costs budget (1% per project)		\$ 21,586		\$215.86	
<b>TOTAL COST</b>				<b>\$716.38</b>	