

How much does permitting cost?

The following estimated soft costs (up-front costs before construction begins) are a combination of site plan drafting and zoning research, licensing fee to Urban Infill Project, and permitting fees from the governing jurisdiction for each project.

In the City of Tucson, roughly \$7,000-\$12,000 In Pima County, roughly \$5,000-\$10,000.

These numbers are conservative and are based on the realities of recent project data.

What are the costs to Urban Infill Project?

<u>Site Plan drafting and zoning research</u> – Average of \$800 - \$1,000 per site (assuming there are no odd site circumstances). If the site is in a floodplain or historic district, or if an IID, DDO, or complex revision is requested by the client, there are additional requirements for the City or County and will take longer. Site planners will charge an hourly rate for work that is above and beyond a typical, or simple site plan process. This price varies and is not a service offered by the Urban Infill Project (UIP).

<u>Permit Submittal Management</u> – Average of \$200 per site. UIP provides direct assistance / instructions to site designers so they can manage the submittal process efficiently.

<u>Licensing fee to Urban Infill Project for use of Model Plan</u> – Varies between \$3500 - \$4,800; pricing per model is on our website under Step 2. Bulk pricing is available for the use of more than 1 of the same models on a single site.

UIP charges a \$400 revision fee for any significant changes to our plans that are included in the permitting documents — we call this a "complex revision." The site planner will also charge an additional fee to cover their time describing those revisions that will be submitted with your specific site submittal package as a one-time revision. Simple revisions are limited and described below.

<u>Building Permit +Impact fee from City of Tucson</u> varies between \$3,500 and \$5,000 for an ADU – based on Square Footage. The impact fee is set by the state or AZ and currently is non-negotiable.

<u>Pima County</u> does not view a guest house as a second residence and therefore, their fees are between \$750 and \$2000 for an accessory structure with no new sewer hookup, new water meter, no increased water meter size, and no impact fees. This cost does not include anything related to the septic system.

UIP has no control over the cost of permitting that is established by governing jurisdictions. Those fees are subject to change. UIP is an advocate for the reduction of impact fees in the City of Tucson; we say so publicly and will continue to educate people on why that is important to help our community thrive through the creation of infill housing.

What is the process for permitting using your ADU plans?

The first step is to complete a site plan. You may use any design drafter or Architect familiar with local zoning regulations to complete this step. First, determine which of our units physically fit on your property with respect to existing site dimensions and locations of existing structures. Next, contact the local governing jurisdiction to determine zoning regulations such as required setbacks and square footage limitations. This is available through each jurisdiction's online development code documents. You may hire any Architect or drafter to complete the site plan, or we can provide a recommendation to one of our experienced consultants. We will provide a .dwg file to anyone who needs it with scaled floor plans.

After the site plan and any acceptable plan revisions are completed and drafted in accordance with the governing jurisdiction's requirements for zoning review, contact UIP. You will fill out our waivers, pay for the use of our model plan and fill out a Model Use Authorization Form that we sign and provide to the governing jurisdiction, connecting our model plan to your property.

The Governing agency has their own internal process for site-specific reviews. The City of Tucson currently states a 15-day turn-around and Pima County states 10-days or less.

If a property is in an historic neighborhood, if the main house is on a national historic registry, if the property is in a floodplain, or other property anomalies or overlays exist; the review process may take longer, and the reviewing agency will ask for additional documentation. UIP has had its products approved by the City of Tucson's historic review commission for specific properties and have had designs approved in a Pima County Floodplain.

Please note that if your home is in a neighborhood governed by an HOA, you must first check with the HOA. In most cases, those neighborhoods cannot accommodate ADU's.

Once the reviewing agency is completed with the site-specific review and approval is granted, you can start construction immediately.

UIP has a list of recommended contractors who have put construction bids together and are familiar with our plans. If you choose a contractor outside our network, we have bid documents we can share with them, and they should start putting their construction estimate together as soon as you submit for permit, or earlier.

Does UIP do conversions, additions, or remodels?

Not currently. UIP only sells pre-approved, free-standing ADU plans. Our buildings can be attached to an existing structure requiring a custom modification detail and one-time revision.

Does UIP have any modular, or pre-manufactured buildings available? Can you help someone permit a shipping container building or any other factory-built structure?

Not currently. UIP only sells site-built structures. In the state of Arizona, any modular or factory-built homes must be permitted through a state agency and the permitting process is a different process than working with local jurisdictional building review agencies.

UIP can accommodate factory-made wall panels or pre-manufactured items such as roof trusses, specialty insulated blocks, Structural Insulated Panel Systems (SIPS), or other innovative construction materials or methods. In these cases, you will need to procure engineering drawings from the product manufacturer that will be submitted with the site plan as a one-time site-specific revision to the approved model plan. We can provide the necessary drawings for you to coordinate with those outside manufacturers or engineers.

What are the construction costs to build a UIP model?

We have begun to establish industry relationships to assist in gathering construction bids more quickly – we are happy to share what we have so far with your builder.

We do not manage construction for ADU's currently – there is a list of preferred builders available on our website who are all familiar with our plans.

There is a high degree of variability among builders and the cost of construction is based on individual contractor bids. We are seeing numbers generally between \$95,000 and \$200,000. We have not seen any bids come in below \$85,000, and that one is for our smallest unit: the Micro 144 studio loft.

How are people paying for construction?

People pay for ADU construction a couple of ways. First is through personal savings. Second, is through equity in the main house / property. This equity can be pulled out through a Home Equity Line of Credit (HELOC). This is money that can be paid back over time from rent the ADU incurs and does not affect an existing mortgage interest rate. Many people use a combination of HELOC and personal savings. The third method is through a construction loan. If there is an existing mortgage on the property, taking out a construction loan will require the existing and new loan to be re-financed into a single mortgage upon completion of construction. This new re-financed loan will be subject to interest rates of the time.

UIP is an advocate for new finance options and is seeking out new products through lenders, creative or private equity, and grant opportunities.

Can you make changes to the model plans?

Some minor modifications are possible. They are called revisions, or one-time revisions to a model plan. Those changes are site-specific. The overall shape of the envelope cannot be altered; meaning the roof shape cannot be changed, the square footage cannot be *increased*, a bathroom or plumbing fixture cannot be added, and the overall height or roof slopes cannot be changed.

If a change to the construction method or material assembly is requested, a shop drawing or engineering from a manufacturer is required.

If a significant change to the shape of the envelope or a change of square footage is requested, this is a major modification (complex revision) and will require UIP to agree to accommodate that change through a revision drawing.

Minor changes/modifications (simple revision) that can be accommodated in the field include:

Opening size reduction (window or door)

Opening location in the wall to accommodate views or privacy (this must still meet building code requirements) Interior walls may be added or reconfigured – please run these changes by the original designer to ensure new or removed walls don't affect the roof structure.

Interior or exterior finish materials may be changed/specified per project.

Bathroom or Kitchen layout may be modified in the field – please note that existing configurations are intended to accommodate accessibility needs.

How is working with UIP different than working with a custom design architect or planner?

The Urban Infill Project does not provide design services typical of architects or architectural designers. UIP sells model plans only and customers are empowered to make decisions according to their own desires and site conditions. We recommend that homeowners work directly with a builder and site planner to make final decisions about site placement, material selections and finishes, and model plan alterations. We are available to assist site planners and customers to understand the limitations of, and process for, altering model plans. We offer the additional service of permit management, and we can recommend preferred builders, lenders, or site planners.