## CITY OF BETHLEHEM

## Department of Community and Economic Development

To: Michael Colon, President of City Council

From: Mike Simonson, Chief Building Inspector

Laura Collins, Director of Community and Economic Development

**Re:** Code Enforcement Bureau – Permit Fees and Staffing

**Date:** October 29, 2025

We respectfully request City Council's consideration of the attached ordinance revising Article 1702 of the City of Bethlehem Codified Ordinances relating to fees for the enforcement of Pennsylvania Uniform Construction Code, Act No. 45-1999.

The proposed ordinance revisions would modestly increase construction-related permit fees, for the first time in over twenty years, to cover the cost of staff needed to effectively handle high levels of public and private investment in the city.

Investment in Bethlehem is nearing an all-time high – over the past five years, more than \$1.4 billion dollars in construction activity occurred in the city. That includes everything from a homeowner adding a patio or a pool to Wind Creek building its new hotel and conference center. The City of Bethlehem's Code Enforcement Bureau issued 18,591 permits associated with that \$1.4 billion worth of construction activity. But, as construction activity and, consequently, permitting demands have steadily risen, City staffing levels have remained stagnant.

Since 2020, the number of construction permits the City of Bethlehem Code Enforcement Bureau issued annually increased by 52%. The chart below shows the number of construction permits issued, the estimated total construction value associated with permits, and, critically, the number of employees handling this workload since 2020.

Year	Employees	Permits Issued	Estimated Construction Value
2024	6	4553	\$320,380,446
2023	6	3876	\$251,873,273
2022	6	3749	\$219,892,736
2021	6	3427	\$323,698,522
2020	6	2986	\$305,079,302

There are no indications that construction activity will slow in the coming years.

To function properly and meet high construction demands, the Code Enforcement Bureau needs to be properly staffed. That is why we are proposing to add two employees – a plan reviewer and an additional administrative staff person – paid for with modest permit fee increases.

## Staffing needs

Administering the permitting process to ensure building safety and compliance with the Uniform Construction Code for this volume of construction activity is extremely time and labor intensive. A typical commercial construction project, for example, will require our administrative staff to assist with and process initial applications, enter all permit application activity into the Community Plus system, shepherd projects through the various City reviews, communicate with applicants through multiple rounds of review comments and plan revisions, field status inquiries and other questions from applicants along the way, process and print final permits, and schedule and manage the inspections calendar. On the professional staff side, a typical commercial construction project will involve detailed reviews of multiple plan sets to ensure compliance with building codes (which must be completed within time frames designated by the State), rounds of back-and-forth comments and plan revisions with the applicant's engineers and architects, and then, after permits are issued, dozens if not hundreds of inspections at a given job site throughout the course of construction.

At present, we have Mr. Simonson (Chief Building Inspector), four inspectors (two building/housing; one electrical; and one mechanical), and a permit coordinator working under the Code Enforcement Bureau to handle all this work. We also have a union clerical staff member who assists. Without question, this level of staffing is leaner than comparable neighboring communities. While we have survived, it has been a challenge, and our level of service has suffered at various pinch points in recent years. More than that, our staff is exhausted.

The Code Enforcement Bureau has already implemented changes and made improvements in the permitting process to streamline reviews and relieve some of this pressure, but they have reached the limit of efficiency those improvements can provide without this additional staffing. In recent years, they have simplified permitting for less complex projects like pool and fence installations, digitized files, and utilized half days one day a week to conduct only clerical catch-up work without the constant distraction of counter service. At this point, we must add staff.

## Revenue from fee increases

At present, the Code Enforcement Bureau's expenses already exceed revenue. Therefore, to cover the costs associated with operating the bueau and to pay for the additional staff necessary to carry out the permitting required for sustained high levels of construction activity, we are proposing these modest construction-related permit fee increases. These adjustments will also more closely align our fee schedules with comparable jurisdictions and industry standards.

The construction fee schedule is a bit complex, which is typical. There are different fees for different permit types (building, electrical, plumbing) and different fee schedules within the building permit category based on construction type, size, etc. For example, there are different fee schedules for alterations, roofing, sheds, pools, parking lots, and new construction based on type and size. Some fees are flat, others are a base fee plus additional fees per square foot above a certain threshold.

In short, the attached ordinance revision includes modest increases to all fee categories, which we estimate will result in a roughly 15% total increase in fees collected by the City per year.

Some examples of the proposed increases include the following:

- Alterations costing less than \$5000: from \$50 to \$60
- Alterations costing between \$5,000 and \$500,000: from 1% to 1.2%
- Under 100 sq. ft. sheds: from \$15 to \$18
- Above ground pool: from \$25 to \$30
- New construction, Type 1,2,3: from \$150 + \$0.15/sq. ft. over 500 sq. ft. to \$180 + \$0.2/sq. ft. over 500 sq. ft.

We propose these fee increases after thoughtful consideration of the current schedule, surrounding jurisdictions' fees, and the potential impact on construction in Bethlehem.

Considering all of the above, the Department of Community and Economic Development and its Code Enforcement Bureau respectfully request approval of the ordinance to amend Article 1702 of the Codified Ordinances of the City of Bethlehem to increase construction permit fees.

We are happy to discuss this proposal further and answer any questions you may have.

Mike Simonson

Chief Building Inspector

Laura Collins

Director of Community and Economic Development