HOW WE ARRIVE AT BUILDING VALUATIONS



This handout is intended only as a guide and is based in part on the 2015 Minnesota State Building Code, Minnetrista City ordinances, and good building practice. While every attempt has been made to insure the correctness of this handout, no guarantees are made to its accuracy or completeness. Responsibility for compliance with applicable codes and ordinances falls on the owner or contractor. For specific questions regarding code requirements, refer to the applicable codes or contact your local Building Department.

The question is often asked how we arrive at building valuations and why the value on the permit may be different from the value placed on the application by the contractor or homeowner.

State law requires that the fee for a building permit be based on the *value* (*not cost*) *of the labor and materials*, even if a homeowner does the work himself or herself. This serves two purposes. First, a more accurate record of the total value of construction occurring in the city results. Second, permit applicants doing similar jobs will pay approximately the same fee so there is the issue of fairness.

Staff members establish values for new construction including decks, garages, basement finishes, screen porches, and similar work based on valuation tables provided by the Minnesota Department of Labor and Industry. State law requires that the building department establish the final building valuation.

Per square foot cost values used by the Inspections Division are conservative. You may find that an estimate provided by a contractor will be higher than the value established by the city for the same type of work.