



HOW WE ARRIVE AT BUILDING VALUATIONS

City Of Grand Rapids
Building Safety Division

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This handout is intended only as a guide and is based in part on the 2015 Minnesota State Building Code, Grand Rapids 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 Safety Division

The question is often asked how we arrive at building valuations and why the value on the permit is 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 of the labor and materials**, even if a homeowner does the work himself or herself. This serves two purposes. First, we get 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.

The applicant for a permit shall provide an estimated permit value at the time of application. Permit valuations shall include total value of all construction work, including materials and labor, for which the permit is being issued, such as electrical, gas, mechanical, plumbing equipment, and permanent systems. State law requires that the building department establish the final building valuation.

Building permits fees shall be based on valuations, however, the Building Safety Division may charge a fixed fee for minor one and two family dwelling maintenance permits such as roofing, siding, windows, doors, or other similar projects.