

Planning for a Project

BUDGETING TIME, MONEY & QUALITY

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First time engaging in an architectural project for either your home or a commercial property, then an exciting yet unfamiliar world awaits. If you've already hired an architect, then they should have provided you with similar information that I'm about to share with you. For further project planning resources see articles: *Selecting an Architect*, *Working with your Architect* and *Selecting a Builder*.

If you haven't hired an architect, the following should be of assistance in helping you determine the initial soft costs, along with a project timeframe that standard project will take from design commencement to construction starting.

HOW MUCH WILL IT COST?

A primary concern is always budget. Costs will vary depending on your needs, objectives, and locale; however, there are some rules of thumb that are effective in establishing the initial upfront costs. As you define your scope of work with its associated construction budget, the project soft cost is linked to the construction budget.

SOFT COST

The first cost or upfront cost to account for is called 'soft cost'. These are the fees you need to budget for separate from the purchase of the property and the building construction budget. Below is a list of potential soft costs with associated fees that are typical for most remodels, renovations, additions, and new construction. Depending on the *scope of work*, the percentages will adjust some along with selecting the team of qualified AE Professionals whose expertise is required and/or necessary for a project's success.

Typical soft costs including professional and municipal fees range from 13% - 20% of

construction cost and can reach 25% depending on contracted services. This range is the result of the combination of the following: scope of work, required and/or needed professionals, as well as the quantity and quality of professional services rendered.

In the case of a higher fee percentage, more time and attention will be allocated to the development of the design and as a result more detailed drawings and specifications will be provided. Once you meet with your architect, the architect will develop a list of the other AEC professionals necessary for your project to be successful, along with an overall financial breakdown of your project soft costs based on your scope of work and objectives.

It is important to mention, beyond the drawings and documents *required* to secure a building permit, you the client determine the type of additional service you would like from your professionals. The building permit drawings are only required to include the drawings and documents established by the planning and building departments where the project is to be built. These drawings and documents illustrate to the AHJ that all planning ordinances and building codes applicable to your project have met the jurisdictions approval to build. This is referred to as a 'permit set'.

Typically, most finish details, interior elevations and specifications are not required in the permit set and may be excluded. If you determine that you only want this level of professional service, it will keep your professional fees to the lower end of the percentage of construction. However, keep in mind, the reduction of this additional information will affect the accuracy of construction bids, as well as the quality of your finished product.

STANDARD PROFESSIONAL FEES: 13 - 20%

The fees below are based on a percentage of a \$250,000 construction budget.

The percentage of construction is related to another equation which is the sum of projected hours to complete scope of work x staff hourly rates. Between these two equations a reasonable fee is established.

Note: as the construction costs go up, the professional fee percentage can move toward the lower end of the percentage range.

- Architect: 6 - 12%
(Depending on scope of work)
- Structural Engineer: 2 - 3%
(May not be required)
- Civil Engineer 1 - 2%
(May not be required)
- Geotechnical Engineer 1 - 2%
(May not be require)
- Electrical Engineer 1 - 2%
(Typically required for commercial projects)
- Plumbing & Mechanical Engineer: 2 -3%
(Typically required for commercial projects)

ADDITIONAL PROFESSIONAL FEES

Note: Depending on your scope of work, additional professionals may be required.

- Landscape Architect: 1 - 3%
(Depending on scope of work)
- Interior Designer: 1 - 4%
(Depending on scope of work)
- Lighting Designer: 1/2 -1%
(Not standard)
- Acoustic Engineer: 1/2 - 1%
(Not standard)
- Audio/Visual Engineer: 1/2 - 1%
(Not standard)

MUNICIPAL PERMIT FEES: 2 - 4%

- Building Permit: 1 - 2%
(Based Scope of Work Construction Valuation)
- Planning Entitlement Permit: 1 - 2%
(Check with local municipality if required.)



HOW MUCH TIME?

We've established a baseline for potential soft costs; now let's look at the amount of time associated with developing the design and then securing building permission from your local authority having jurisdiction (AHJ). The time associated with preparing the design documents will vary depending

on the size and complexity of the scope of work. However, there are some general timeframes you can begin to plan for.

DESIGN PROCESS TIMEFRAME

A project that has a construction budget between \$150,000 - \$250,000 will take 2 - 3 months on average in order to produce the design and complete the building permit drawings. After this threshold, you can plan on an additional month for every \$250,000 of construction cost. So, a million-dollar budget would take approximately 6 months to prepare. The design documentation process can require more or less time depending on the quantity and quality of service you require from your architect. However, this is a reasonable baseline.

SECURING PERMISSION TO BUILD

Once the drawing documents have been completed, it is time to submit to the local municipality for what is called "plan review". In order to receive permission to build, the drawings and supporting documents are required to be reviewed and approved by the AHJ plan examiner(s). Each municipal process varies slightly, however there are general timeframes that seem to be consistent.

BUILDING DEPARTMENT PLAN REVIEW TIMEFRAME

On call required drawing and supporting documents are submitted to the responsible governing agency(s), the first round of plan review takes between 6-10 weeks.

After the first review, typically there are reviewer's comments which require the AE team to make corrections to the drawings and supporting documents, the second round of review takes between 4-6 weeks. (On average every round after the second round of review takes 2-3 weeks.)

An average timeframe to receive AHJ approval to build is 8-12 weeks depending on the scope of work.

Note: *Check with your local AHJ for their exact plan review timeframes. Also, you need to take into account the additional time necessary for your professionals to make the required corrections to the drawings and documents before resubmitting.*

The above timeframe does not include either a **Planning Entitlement Permit or Design Review**, which would precede the building permit review. Typically, planning entitlement permits are not required for moderate remodels, renovations and additions, however if your project is *new construction, change of use or a significant remodel/addition*, you may require a planning entitlement permit, which could take between 3-9 months depending on scope of work and the local municipality.

Note: *Check with your local municipality for guidelines, timeframes and fees.*

GENERAL PLANNING

So now you have an overview of the potential soft costs and timeframes to plan for. I need to emphasize, these costs and timeframes are based on the average project, every project has their own priorities and parameters. The information provided, is to assist you in your preliminary due diligence. The exact soft costs and timeframes will be prepared by your architect after a thorough analysis of your project scope of work with the local planning and building code requirements have been evaluated.

About

Tuvia Poliskin is a practicing architect in Washington, California and Indiana with 30 years experience in AEC Industry. He has taught and written on subjects ranging from Principles and Elements of Design, Building Systems, Building Code and Professional Practice.

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