MIAMIBEACH

Building Department, 1700 Convention Center Drive, Miami Beach, Florida 33139

COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Mariano Fernandez, Building Official

DATE: April 10, 2017
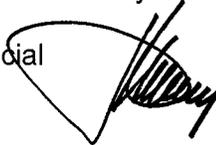
SUBJECT: **AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 14, "ENTITLED "BUILDING REGULATIONS," DIVISION 2, "PERMIT FEES," AND APPENDIX A, AT SECTIONS 14-61, 14-62, 14-66, 14-67, 14-68, 14-70, AND 14-72 IN ORDER TO UPDATE CERTAIN BUILDING FEES; PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.**

Background:

On June 2, 2014, the City of Miami Beach amended its fee code and implemented a new fee schedule, to coincide with the City's new building permit software system, and modified certain fees to better reflect actual costs.

Analysis:

The Building Department continues to review the fee schedule on an annual basis and the Building Official has determined that a more efficient, effective and transparent way to assess fees is necessary. As such, the Building Official recommends the following amendments to the City Code:

- Modifying the multiplier on the building fee calculation for projects with values exceeding $100 million. The current building fee calculation was not intended for projects over $100 million and results in excessive revenue to the Department. The code change would reduce the fees the Building Department would receive. As building fees are considered an enterprise fund, to be used to finance the actual cost expenditures of the department, the modification to the code would better reflect the actual reimbursable costs to the department, and be consistent with the state guidelines for enterprise funds.

- Authorizing the City Manager to be able to waive building fees for City projects. Waiving of fees for City projects will allow more projects to be completed without internal transfer of funds from other accounts into the Building Department. *There is no financial impact since the costs associated with the permit would remain in the City budget.*

- Waiving building fees for photovoltaic installations in order to encourage residents and industry to use photovoltaic energy. This is in support of the City's efforts to increase resilience and sustainability. *Fiscal impact will be less than $2,000.00 per year.*

- Implementing a City of Miami Beach minimum cost, per square foot calculation which would be used for the calculation of building permit fees instead of using the outdated Miami Dade County formula which was established in 1992.

- Increasing Phased permit fee. A Phased Permit is an authorization from the Building Official to start construction before all plans are approved as defined in the Florida Statutes and Florida Building Code. Ordinarily a phased permit is authorized for larger sized projects (i.e.: to allow the foundation to proceed, while other phases of the large project goes through permitting). Under the existing fee structure, and because of its minimal cost, the phased permit process is being abused by applicants, often resulting in the process being utilized by small-scale projects. The proposed fee increase is intended to limit the abuse of the phased permit process. *It is estimated that Fiscal impact will result in an increase in revenues of $25,000.00.*

- Modifying fines for violations. As a result of the recent transfer from Special Master to the Unsafe Structures Board we are recommending to modify fines for violations in accordance with Chapter 8 of the Miami Dade County. *Fiscal impact is not affected since these fees are currently in effect.*

- Modifying various fees to adjust fee amounts in a more efficient way such as by rounding off to the nearest hundredth, eliminating redundancy, etc. *No fiscal impact is anticipated by these minimal adjustments.*

Fiscal Impact:
The proposed Ordinance is not expected to have a negative fiscal impact upon the City.

Recommendation:
The Administration recommends that the City Commission adopt the attached Ordinance.

MVF