



**BUILDING INDUSTRY OVERSIGHT COMMITTEE**  
**Community Development / Public Works Building**  
**1500 Monroe Street**  
**First Floor Conf. Room 1B**

**THURSDAY, AUGUST 12, 2021**  
**8:30 A.M.**

**AGENDA**

1. Call to Order/Review of Affidavit of Posting
2. Approval of Minutes – June 10, 2021
3. Revenue/Expense Reports
4. Fund Balance Report
5. Staffing Levels, Levels of Service
6. Adjournment – Next Meeting Date: October 14, 2021

To view a copy of the agenda, go to [www.leegov.com/dcd/calendar](http://www.leegov.com/dcd/calendar).

For more information, contact Debbie Carpenter, (239) 533-8345 or [DCarpenter@leegov.com](mailto:DCarpenter@leegov.com).

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**MINUTES REPORT  
BUILDING INDUSTRY OVERSIGHT COMMITTEE (BIOC)  
THURSDAY, JUNE 10, 2021**

**Committee Members Present**

Bobby Lyons  
Steve Wojcechowskyj  
Steve Gabor  
Matthew Johnson

**Committee Members Absent**

none

**Lee County Government Representatives**

Glen Salyer, Assistant County Manager  
David Loveland, Director, Community Development  
Shawn McNulty, Building Official  
Antia Richards, Sr. Planner  
Debbie Carpenter, DCD Administrative Services, Recorder  
Audra Ennis, Manager, DCD Regulatory Review  
Mikki Rozdolski, Manager, Planning  
Jennifer Harden, Permitting Chief

**Members of the Public**

Phillip Ford, Exec. Vice President, LBIA

**Call to Order/Affidavit**

Mr. Steve Gabor called the meeting to order at 8:30 a.m. Ms. Debbie Carpenter, recording secretary, said the County Attorney's office advised that the Affidavit of Posting was sufficient as to form and content and the meeting could proceed.

**Approval of Minutes**

**Mr. Steve Wojcechowskyj made a motion to approve the April 8, 2021 minutes. Mr. Bobby Lyons seconded. The motion was called and carried unanimously.**

**Revenue/Expense/Fund Balance Reports**

Ms. Antia Richards reviewed the fiscal reports. May expenses were \$786,000 making expenses year-to-date \$6,138,000. Revenue for May was \$826,888 which brought the year to date total revenues to \$6,736,300. The gain for May was almost \$40,000. The total gain for FY20/21 was \$598,297 and the Fund's Running Balance increased to \$15,018,000. A review of the report entitled Proposal to Reduce the County's Building Permit Fee Fund Balance (Reserves) showed only \$313,689 expended so far for the expenses approved by the Board back in November. The lobby is open and the invoices for that work have either not come in or are in the process of being applied to the correct departments; the same for the technology and capital expenditures (vehicles). Salaries, benefits and GIS charges for the 16 mid-year positions also have yet to affect the fund balance but the monthly expenses should start reflecting those increases soon as many of those positions have been filled. As of last week (first week of June), Mr. McNulty said the pure discount for the fee reduction was at \$1.8M.

**Permit Fee Waivers as match for Affordable Housing Tax Credit Applications**

Mr. David Loveland said this item was scheduled to be presented to the Board on June 15, 2021 in connection with tax credit programs now available for Affordable Housing. He explained the County's current approach to affordable housing. He said that most of the money received from the State SHIP

program has been allocated to non-profits for building or rehabbing. Until recently the County has not had much experience with private, for-profit affordable housing developers, but interest has increased. In connection with for-profits, there are a couple of tax credit programs available. One is a 9% tax credit that requires local government contribution. The County has a system where that contribution would come out of a trust fund that developers have contributed money to in the past toward bonus density for affordable housing projects. That credit is awarded once every two years after approval by the BoCC. This is an existing program but rarely used, though a few years ago the Board approved a 9% credit, pulled that money out of the fund account but then the project fell through. There is a smaller, 4% tax credit program through the SAIL program which only requires a local match of \$50,000. Multiple developers can apply for this credit through the SAIL Program but only one 4% credit will be awarded by the state per year. This is a new concept and there is no renewable funding source for this, therefore, if the project application is successful, the County is proposing a commitment to waive up to \$50,000 of the project's permit fees. Staff wanted to make the Committee aware of this before taking it to the Board. Mr. Phillip Ford mentioned that he was aware of new legislature in the last session that addressed affordable housing. This credit is only applicable to affordable housing and developers must agree to keep these as affordable units for a number of years, and this will be monitored by the state.

**Mr. Gabor made a motion to approve the program for a 4% tax credit, one time per year, up to \$50,000. Seconded by Mr. Lyons. The motion was called and carried.**

#### **Staffing Levels/Levels of Service**

Mr. Loveland distributed an Organization Chart showing building permit fee funded positions in Community Development. These 98 positions are within plan review, inspections, permitting and regulatory review. The 16 new fee-related positions approved by the Board on 4/20/21 were highlighted in red on the chart; 12 of those have been filled, those highlighted in blue are filled positions but pending to start. Department-wide there have been 23 on-boards since 5/20/21 to help address demand.

Mr. McNulty talked about the levels of service saying there has been some progress. Improvements have been made to some of the processes, in particular a new commercial workflow has been implemented which has helped with those reviews. Residential saw a slight decrease in permit volumes last month (May). Master permits are up which should have an impact industry-wide and staff has had some productive meetings with larger firms about mastering. Increased staffing has helped, but most are still being trained. A new approach to plan reviews includes putting new people on one certain product to get familiar with it and that has produced good results. More recently the bottleneck has been at the end of the process, getting the permit out, but adjustments are being made there as well. The committee asked if the new people were coming in with any experience and there was a brief discussion. Some of the permit staff was shifted to Regulatory Review so they might be considered somewhat experienced, but the staff replacing them have none. Plan Review and Inspector hires came in with little or no experience. Mr. McNulty quoted the former Building Official as saying that it takes a plan reviewer on average, 2 years to handle any permit type or question.

Mr. Loveland said the transition to all electronic submittals went smoothly. The lobby is open and steady during the day. The new kiosk for check-in is working well.

Mr. Gabor said it was important to be creative and suggested some things that he thought would be more efficient, such as when a number of permits for the same product come in, it would be more efficient to review the same plan in each set instead of skipping around. Initially that was something the reviewers were doing, but more recently not as much and that seems to have slowed things down.

#### **Fee Study**

Mr. Loveland said that at the last meeting the plan was to review all the fees over the next few meetings, get the committee's input and have everything ready to take to the Board in December before the temporary permit fee reduction was supposed to sunset. As staff started looking at the

fees, it was evident it was going to be more complicated than originally thought and the timing was probably not going to work. The current plan is to take the time needed to get the fees adjusted correctly since this does not get revisited often. As the time for sunset gets closer, staff can look at the fund balance and other factors and ask the Board for an extension of the permit fee reduction if needed. The goal is to have a fee schedule that comes close to covering the full cost of the service. If needed, the fee schedule could be presented to the board with a recommendation to apply a discount for another short period of time

Mr. McNulty said he started by looking at residential fees first, but it soon became clear that the commercial fees were where the real accumulation of surplus was happening. Using the information that was provided by email before the meeting, Mr. Gabor had also looked at the residential fees and his recommendation was to simplify rather than complicate the fee structure. Mr. McNulty said the consultant had recommended an 18% increase over the current rate so he had been trying to balance that logic with the \$.20 amp instead. Mr. Gabor said the electrical fee is a \$75 flat fee now but his recommendation would be to base the fee on an average and increase or lower the fee accordingly; in this case his analysis showed a slight reduction of the current fee. Ideally, why not do it for mechanical and plumbing too, or combine all the fees into one category such as "trades" and make it easy and clear, even for the average citizen. Mr. Loveland said that once the fee structure is posted, we could include calculators similar to what Collier County has. After more discussion, Mr. McNulty agreed to look at the fees again and where possible determine an average and recommendation for flat fee. He said there would need to be a way to break out the trade fees for remodel projects. He'll take a look at the fees based on today's discussion and come back with more the next meeting.

More discussion followed with respect to continuing with the permit fee reduction past the December deadline. After the fiscal year-end and as the date for sunset approaches staff will have a better idea of what the fund balance looks like in order to make a recommendation to the Board. Mr. Ford said that the City of Fort Myers started with a 25% discount as well, but it took additional discounts before they saw an impact, but he thought that adjusting the commercial fees would have an effect on the fund balance. When asked about reaching the proposed \$2.5M fee reduction amount approved by the Board, Mr. Glen Salyer explained this was a projection not a cap and that the reduction would not end just because it reaches that amount.

Mr. Loveland said that for the August meeting, staff would bring back some revisions to the residential fees, along with one of the other fee categories: commercial, or all the other fees, still with the goal of wrapping everything up in October as planned. Staff will again email information ahead of the meeting to allow Committee members time to digest the information and do research if needed.

Mr. Gabor announced that Mr. Bob Knight had resigned from the committee so there is vacancy to fill. The BIA will be looking for a replacement and mentioned Mark Malaniak with Pulte as being interested.

### **Adjournment**

There was no further discussion and no new business. Mr. Lyons made a motion to adjourn. Mr. Gabor adjourned the meeting at 9:20 a.m.

The next meeting was tentatively scheduled for August 12, 2021.