



BUILDING INDUSTRY OVERSIGHT COMMITTEE
Community Development / Public Works Building
1500 Monroe Street, Fort Myers, FL 33901
First Floor Conf. Room 1B

THURSDAY, February 5, 2025
8:00 A.M.

AGENDA

1. Call to Order/Review of Affidavit of Posting
2. Special Meeting: DCD Fee Structure Review
3. Adjournment – Next Meeting Date: April 9, 2026

To view a copy of the agenda, go to www.leegov.com/dcd/calendar. For more information, contact Tad Delnay, (239) 533-8108.

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**MINUTES REPORT
BUILDING INDUSTRY OVERSIGHT COMMITTEE (BIOC)
THURSDAY, January 8, 2026**

Committee Members Present

Steve Gabor
Matthew Johnson

Bobby Lyons
Marc Malaniak

Committee Members Absent

Steve Wojcechowkyj

Lee County Government Representatives

Christy Barker, Senior Manager, Operations
Erika Compean Garcia, Sr Team Executive Assistant
Tad Delnay, Building Official
Jack McStravic, Deputy Bldg Official

Janet Miller, DCD Planning
Antia Richards, Senior Fiscal Officer
Marc Washburn, Manager of Strategic
Performance – Customer Advocate

Call to Order/Affidavit of Posting

Mr. Gabor called the meeting to order at 8:30 a.m. Mr. Gabor asked if the meeting was adequately posted. Ms. Garcia stated it was. Please note that the attorney's office previously reviewed the Notarized Affidavit of Posting and advised staff that it was legally sufficient.

Approval of Minutes – October 9, 2025

Mr. Malaniak made a motion to approve the October 9, 2025 minutes. The motion was seconded by Mr. Lyons. The motion was called and passed 4-0.

Revenue/Expense Reports/Fees/Fund Balance Report/Staffing Levels/Levels of Service

Ms. Richards gave an overview of the revenue/expense reports and the Community Development Fiscal Overview for December 2025 (distributed at the meeting). During the revenue/expense review, it was noted that there is a monthly loss of \$545,517 and the year-to-date loss is \$2,774,230.

Mr. Gabor stated it seemed as if the county was cutting into the fund balance faster than everyone thought. He asked staff to explain why this might be happening.

Mr. Delnay stated that Ms. Richards and Ms. Barker had been evaluating why this might be taking place. They began looking into some of the county's processes to see if there are some areas where there could be some cost savings. One improvement is that staff will be collecting fees upfront instead of waiting until after the permit is issued. There are times that several sections such as Plan Review and Zoning will perform their reviews and then the applicant does not end up picking up their permit, so no one gets paid for their review time. Collecting the fees up front will address this issue. In addition, the square footage plays a part in the fee amount. For instance, after the applicant pays upfront for their permit fees and Plan Review begins their review, they add a second fee that is collected prior to issuance based on the associated square footage.

Ms. Barker stated she wanted to discuss the month of December before discussing the process breakdown. She noted that Ms. Richards stated that December numbers were extremely low compared to what staff was expecting in prior years. The county has changed their cost model with Forte (the payment gateway). There is a learning curve with new technology and there have been issues between the funds being collected versus being processed by the cashiers, and then actually payment being posted into the account. Staff is investigating whether those funds are being held up but will be in the account as of January.

Mr. Malaniak asked if there were any charges that hit at the beginning of the year that will not continue through the year.

Ms. Richards stated there were some charges that affected the October numbers but somehow were moved back to the previous fiscal year. Ms. Richards stated she would have to investigate further to determine what exactly was moved to the previous year. When she prepared the current analysis, it was for December only. She also believed that October might have reflected when the Accela payment went out.

Ms. Barker confirmed that during the past quarter several payments for programs were made.

Ms. Richards stated that technology was a huge expense. Out of the \$2,483,309 deficit, over \$1,000,000 of that was in technology alone.

Ms. Barker stated that is an annual fee so it will not be paid again until next year.

Mr. Malaniak asked if there were any other expenditures for this year that will be large amounts.

Ms. Barker stated there would be large expenditures in February due to renewals and Forerunner as well as Qless.

Ms. Richards stated she would have to look into it, but Forerunner may not be due until September and the charge for Qless may only be \$30,000.

Mr. Gabor stated it looked as if the normal loss is currently \$500,000-\$600,000 per month and in November there was the \$1,100,000 amount for technology when you add up all the different sections of Community Development.

Mr. Malaniak concurred and stated that at this rate the fund balance would be depleted by the end of the year.

Ms. Barker stated this was obviously not the position the county wants to be in. Staff has met with senior leadership in August regarding this issue. She referred to the sheet entitled "*Departmental Fiscal Initiatives and Fee Structure Review*." Ms. Barker explained that this document represents the budgetary gap and explains how the reserves got depleted. Attached to this document is another document entitled "*Timeline of Revenue Losses, Costs, & Staff Growth (2019-2026)*." This document highlights the big events that have happened along the way. In reviewing these documents with the BIOC, she noted the following:

- Staff identified that the decline technically started in 2019, which is when a new Bill came into effect that would only allow the county to maintain a certain amount in reserves. The State determined that we had too much money in the reserve account and stated we either had to give some of the money back or spend it down, so a plan was put in place to spend it down.
- As it turned out, the money was spent down during 2022 when Hurricane Ian hit our area as well as other storms.
- The Fee Study that was prepared in 2021 took prior years volume, budget, and revenue into consideration and did not anticipate the future.
- In 2020, COVID hit, so there were fee waivers and permit extensions being given out. In 2020, there was also a 25% fee reduction instituted. She referred to the chart which showed that by 2023 everything changed.

- There were also increases in the cost of living, staffing, salary increases, increased benefits, additional employees, and the increased operating expenses. There were 86 staff members in 2019 and 136 in 2025. Additional staff was needed to handle the influx in permits due to the storms. Staff realized they had an influx of cost and expense and that the revenue was starting to decline.
- Staff performed an internal fee study to evaluate our fees to make sure they are in line with where they need to be. This is an extensive process because staff wants to do an accurate and thorough job. They are evaluating record type by record type. Ms. Barker noted that Mr. Washburn was working with all of the section managers and supervisors and staff members to understand what processes are involved in every part of the record from intake to closure. Staff is also identifying the time that it takes for each of those processes in addition to trying to identify streamlining opportunities as well as using that information to determine whether the fees are covering the cost.
- So far, the data is collected, and staff has several cost models that need to be evaluated but there will definitely be fee increases. Staff just needs to make sure we are applying them to the right record types and the right services. Staff does not want to have one record type supplement another. It needs to be fair across the board. Senior leadership is in support of staff's plan.

Mr. Malaniak asked if there is any idea on how much the fees are going to change.

Ms. Barker stated that since 2019 the budget allows 70% for staffing and 30% for operational. In the analysis that has been done so far, the fees appear to only cover the direct labor costs, but not all the indirect costs or the technology costs. Staff believes the fee increase might be 30%; however, that will only break us even but not replenish the reserves. Staff is trying to be as conservative as possible but take into consideration the fact that there are likely to be cost of living increases again this year, which is something the county has no control over. Ms. Barker stated that once we have a good cost model, it will be presented to the BIOC. From there, it will go before the Board of County Commissioners. Ms. Barker stated that if staff feels the increase will be too impactful, they might potentially phase it out, so it is not so much at once. However, she expressed concerns with that approach because it will most likely cause a bottleneck or panic to where there will be an influx of permits submitted, so there are many things to take into consideration. Once the model is complete, it can just be re-run annually so staff can see where things might need to be adjusted either up or down.

Mr. Lyons asked how much the fees were decreased.

Ms. Barker stated they were decreased by 30%.

Ms. Richards stated they were decreased in 2021 when the Fee Study was prepared.

Mr. Malaniak asked if there were any statutory regulations to be concerned about if the county increases the fees.

Ms. Barker stated there would be no statutory regulations to abide by as long as there is not a hurricane or some type of executive order.

Ms. Richards stated we also need to take into consideration the current DCD vacancies that staff will be keeping vacant. Staff has calculated almost \$150,000 coming back to the revenue. Staff cannot adjust the budget because it has already been approved.

Ms. Barker stated that one DCD position was transferred, so there are 9 vacant positions. She noted that our full time employees (FTEs) went from 136 since 2025 to 126.

Ms. Richards noted that she budgeted \$300,000 for Forte, but it will only cost approximately \$60,000. Since this is still a new program, she was not certain what they would actually charge.

Ms. Barker stated staff is estimating \$800,000-\$900,000 in savings with the position holds as well as the credit card convenience fees not having to be paid out of the building fund. She referred the BIOC to the document entitled *"Building Department – Previous and Projected Expenditures – September 30, 2019 – Present"* and gave an overview of it.

Ms. Richards stated that management decided to cover the salary for *"Administration,"* which used to be charged to the Building Department. This is \$881,187.50 listed on Page 4 of the document mentioned above. She noted that the figure above the \$881,187.50, which is \$967,269.90, represents the amount staff is projecting to have as a credit due to the vacancies and Forte.

Mr. Gabor asked for clarification that staff is projecting the budget to be \$19,000,000

Ms. Richards stated that is correct. We are entitled to \$18,860,000, but in 2026-2027, considering the increase in the cost of living, it should go back to approximately \$19,657,000.

Mr. Ford referred to the \$1,400,000 for hurricane response. He asked if the county considered asking the state for the monies for cost recovery. He asked if staff had any discussion about the state reimbursing the fund.

Ms. Barker stated staff did prepare the required data collection necessary to request reimbursement from FEMA, but they have yet to see any of the reimbursement funds for any of our requests. In addition, there has been no information from FEMA on how much we qualify for. Because of this, staff cannot count on it when calculating the budget. Another issue is that the county cannot ask for reimbursement of uncollected revenue due to waiving fees or for staff time. She felt that the \$1,400,000 is conservative due to the 24/25 fiscal year fee assessment by record type. It might be more like \$2,000,000.

Mr. Malaniak referred to earlier discussion where some permits do not get picked up causing lost revenue because the county was not collecting the fees upfront. He asked if staff knew how many permits were not getting picked up. He also asked for clarification that if someone does not end up claiming their permit, the county is unable to recover those fees.

Ms. Barker stated that is correct. The county is currently unable to recover those fees. However, she did not know the exact number of permits that were never claimed and how much it equates to. Ms. Barker stated she could provide that information to the BIOC at a later date.

Mr. Johnson asked if there would be any way to lock them out of another permit if they did not pay for/claim a previous permit type.

Staff stated they would be unable to do that. However, this issue will be rectified by collecting the fees upfront from now on instead of waiting until the permit is issued.

Mr. Gabor asked if there was a growing backlog. In other words, are there more permits that have been approved than those getting picked up compared to a year ago? He also asked if it was affecting us even more considering the market conditions.

Ms. Barker stated she did not have that information but could provide it to the BIOC at a later date.

Mr. Delnay stated that is something typically seen when there is a code change. There is typically an influx of permit submittals because many people want to submit their permits before the new code takes effect.

Mr. Malaniak asked if the fee for a permit application is \$75.00.

Ms. Barker stated that is correct and it does not cover Plan Review based on the time measurements conducted.

Mr. Malaniak stated the fee in Collier is \$325.00 and it was increased to \$525 as of January 1st.

Ms. Barker stated that Mr. McStravic conducted research on neighboring agencies.

Mr. McStravic stated Lee County currently has the cheapest permit fees compared to neighboring agencies plus other jurisdictions our size. For a 2,500 square foot house, our permitting fees are \$835 while Charlotte County charges \$1,320 and Bonita Springs charges \$3,263.

Mr. Malaniak asked for confirmation that those fees include all of the Plan Review fees.

Mr. McStravic stated that was correct.

Mr. McStravic stated that Polk County charges \$1,920 for a 2,500 square foot house and Pinellas County charges \$4,500.

Ms. Barker stated that the comparative surveys are helpful to a point but at the same time *"our cost is our cost."* However, the comparatives help staff when presenting this to the Board of County Commissioners. That being said, our actual cost still needs to get covered regardless of what other counties/jurisdictions are doing. Staff recognizes that we need to be conservative but at the same time aggressively pursue what we need to have a healthy budget and reserve.

Mr. Delnay stated he had hoped we would be further along in this process, but staff also wants to be good stewards of the community, making sure we are looking at every process, and making sure it is fair across the board. This means we cannot merely look at what other municipalities are doing and just match it.

Ms. Barker concurred that there are a lot of easy ways to do this, but the county wants to do it correctly; however, they also understand there are time constraints.

Mr. Delnay stated we are looking at the processes that can be changed right now.

Ms. Barker stated that another issue involves previous leadership over DCD who made certain business decisions when there was a healthy reserve such as being lenient on contractors by not charging them a reinspection fee every time. In being transparent with staff in different sections, these types of issues are being discovered where we do not always charge for this or that. Other things are being fixed as well, not just from a fee structure standpoint.

Mr. Lyons asked what the next step would be.

Ms. Barker stated staff has several cost model approaches and are applying them based on the 24/25 fiscal data and determining how close we come to the budget. From there it will be presented to the BIOC and eventually be presented to the Board of County Commissioners.

Mr. Malaniak asked if staff could implement a new fee as of tomorrow if it is approved by the Board of County Commissioners.

Ms. Barker stated that was correct. It can be immediate.

Mr. Gabor stated he was in favor of changing two things to begin with such as: 1) increasing the fees more than 30% because it will not cover everything; and 2) increase the \$75 submittal fee. He felt these two things needed to take place quickly. Therefore, he was in favor of addressing these two issues and then continue working on other facets of the evaluation. If staff comes up with another adjustment at the end of the year, the BIOC can review it at that time, but it is clear that something needs to be implemented in a fair time and communicated properly. Although immediately may not be the answer, notification needs to get out to the industry quickly and then plan for 30-45 days to make that change.

Mr. Malaniak asked when this would go before the Board of County Commissioners.

Mr. Delnay stated staff did not have that information yet because they are still gathering information.

Ms. Barker stated the Board of County Commissioners meet twice per month except in July, but this will be presented to them before July. She noted that DCD implemented a new program called "*DigiPlan*" (the new electronic plan review application), which has significantly improved the quality of submissions coming in. The percentage increase on complete submissions was impressive just from the implementation of the program. Staff is working towards using the information received from the rejections and making additional enhancements to further improve the quality.

Mr. Delnay stated this was part of the topic of interest on the BIA sheet this morning. DCD now has technologies in place that were not available five years ago. He noted that technology continues to grow. Artificial Intelligence (AI) is an example. It will most likely cost a lot of money to utilize something like that, so staff is being mindful of covering our expenses right now but also implement some sort of technology fee to ensure that monies are available for future software.

Mr. Lyons asked if staff had an anticipated date when this might be ready to go before the Board of County Commissioners.

Mr. Delnay suggested there be a Special Meeting of the BIOC that can be legally advertised so that staff can present to them what will be going to the Board of County Commissioners at some point. This way, the BIOC will not have to wait until their April 9th meeting.

It was determined that the Special Meeting of the BIOC would be held on Thursday, February 5, 2026, at 8:00 a.m. (same location). The agenda and minutes would need to be posted to the DCD Web Calendar and the County Administration bulletin boards and meeting calendars by Thursday, 1/22/2026. The BIOC distribution list is sent the agenda and minutes on the same date, and an Affidavit of Posting is provided to the Attorney's Office for their review that the meeting was posted in accordance with the provisions.

The committee members in attendance stated their calendars seemed to be open on February 5th at 8:00 a.m., but staff stated they would take an official poll after today's meeting.

Mr. Malaniak asked if staff could provide the information to the BIOC prior to the February 5th meeting so they can have a preliminary review of the documentation.

Ms. Barker stated staff would provide the documentation to them one week beforehand to give everyone a chance to review it prior to the meeting.

Mr. Malaniak asked if this could potentially go before the Board of County Commissioners on March 1st since it will be ready in time for the February 5th meeting.

Ms. Baker stated the plan would be to finish the proposal, meet with senior leadership first, have everything ready to send to the BIOC one week before February 5th, make whatever modifications necessary based on the outcome of the BIOC meeting, and then go before the Board of County Commissioners at the next available meeting.

Mr. McStravic stated it would most likely be either March 1st or March 15th.

Ms. Barker also stated that staff would be providing them with information on abandoned application volume and how long applications are sitting and ready.

The Committee had no further business to discuss.

Agenda Item 5 - Adjournment

Mr. Lyons made a motion to adjourn. The motion was seconded by Mr. Malaniak. The Chair called the motion, and it passed 4-0.

The meeting adjourned at 9:15 a.m.

The next meeting is scheduled for Thursday, February 5, 2026, at 8:00 a.m. followed by the regularly scheduled meeting of Thursday, April 9, 2026.