MINUTES REPORT
BUILDING INDUSTRY OVERSIGHT COMMITTEE (BIOC)
THURSDAY, February 5, 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
Audra Ennis, Permitting and Regulatory Review Manager
Billie Jacoby, CRS Coordinator/Reg Review Supervisor
Jack McStravic, Deputy Building Official
Janet Miller, DCD Planning
Marc Mora, Assistant County Manager
Antia Richards, Senior Fiscal Officer
Marc Washburn, Manager of Strategic Performance
Pete Winton, Asst. County Manager/ Chief Financial Officer

Outside Parties

Phillip Ford, Executive Director, Lee Building Industry Association
Ian Moore, Project Manager, Compass Construction

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 – January 8, 2026

Mr. Malaniak made a motion to approve the January 8, 2026 minutes. The motion was seconded by Mr. Lyons. The motion was called and passed 4-0.

DCD Fee Structure Review

Mr. Gabor stated that, although he understands staff's rationale and logic for today's proposal, he could not support the proposed percentage increases as he felt they were too high. Even though staff lists the current budget at $22M, that is not really where the budget is going to end up. He felt there were other reductions that could be factored in such as the credit card fees of $1.6M, staffing, and vacant positions that are not being filled.

Ms. Barker reviewed the methodology behind the numbers being presented at today's meeting and noted it is based on time measurement activities (the actual amount of time the reviews take). Staff also must factor in salary information and health benefits because that contributes to the direct labor costs. This information was used to determine what the fees should be for each individual service. She noted that staff also identified several areas where the Department of Community Development (DCD) is not recovering costs at all such as the Customer Service Representatives who are the ones who process the permits. Currently, no fees are collected for their time in processing the permits. This is where the application fee would come in. Ms. Barker stated that she outlined in their packet some of the new fees. She noted that staff does not know what the volume is going to be but some of the fees are increasing while others are decreasing. It is dependent on the actual time measurement data. She noted that staff is trying to be transparent by breaking the fees out more granularly rather than have them lumped together in a permit fee because it is hard for staff to determine whether that fee is actually covering all the services that are associated with the process. She reviewed the new fees and the rationale behind them with the Building Industry Oversight Committee.

Mr. Gabor agreed with the breakdown and felt that needed to be done but felt that the percentage staff is currently proposing is too high. From an industry standpoint, the county needs to be sensitive to the current market conditions. He did not feel the industry could absorb this kind of increase all at once since the increase is so high. He felt staff needed to review the budget and efficiencies further to get DCD operating at a lesser number, especially since there is currently a downturn in the market. He was in favor of coming up with something that is reasonable and makes sense but not have such an impact to the industry such as a 30% increase in fees globally whether it is residential or commercial and then evaluate the budget throughout the year to see if the fund balance stabilizes.

Mr. McStravic stated he had done a comparison between Lee County and other surrounding municipalities. Looking at an example of a house value using $170.00 per square foot, the home costs $397,600. In Cape Coral, it is a $1,557.00 permit fee. In Charlotte County, the permit fee is $2,200.00. He felt that what is being proposed today is in line with the surrounding jurisdictions for pricing of permits.

Mr. Gabor stated that, although he understands that and realizes our current fee is low, he is trying to get to the next step of determining what is the appropriate fee to implement at this time. The fees are going to increase but there will be efficiencies that will come into play as well. He brought up the issue of Artificial Intelligence (AI) and other technology that will allow the county to do much more with a smaller team. The productivity of staff will increase with the new technology.

Ms. Barker stated that staff has done a lot of research and have participated in many demonstrations. Staff has plans to move forward with many upgrades to systems and have integration with additional systems for efficiency, but they currently cannot afford it. Although our workload is beginning to slowly decline, there are numbers to show that overall, the workload is still there for staff. Staff is not filling positions as they become vacant in an effort to reduce staff without having major impacts. Although staff does not want to have major impacts to the industry, they are also trying to be sensitive to that internally as well. The new fees will help DCD stabilize the fund balance. Ms. Barker also noted that Ms. Richards did an assessment of the budget. As of January, we average $800,000 in revenue. Using that projection moving forward, the reserve balance will be depleted by September. If we add a 30% or 40% increase, we will still deplete the reserve balance.

Mr. Marc Mora introduced Mr. Pete Winton who is the Chief Fiscal Officer for the county and, as such, is responsible for balancing the entire budget for the county. Although in this particular meeting we are specifically talking about the building fund in Community Development, all departments are part of the overall county budget. He wanted the Board to keep that in mind during these conversations. Regarding Mr. Gabor's comments about efficiencies, Mr. Mora stated he agreed with that, and it is something that DCD is pushed to do every day. He felt DCD staff did a tremendous job with identifying and enhancing their efficiencies. However, it is a balancing act when looking at fees and full cost recovery. The industry has expectations of DCD staff and desire a certain level of service, for instance, with review/turnaround times. It may not be possible to keep the fees as is while keeping the current level of service. Therefore, not raising the fees could have impacts on the level of service.

Mr. Winton stated that volume affects the building fees because when there is a lot of volume, the fees decrease even though in a normal state it would not be full cost recovery. The county cannot raise the fees for full cost recovery when the volume takes care of that. However, when the volume decreases, we need to raise the fees, so it is counter intuitive to how the cycles go. Many times, the industry benefits from volume because the outcome is full cost recovery, but when the volume goes down, all of that falls apart.

Ms. Barker stated there were mistakes made when there was a reduction in fees in 2022. In addition to the fees being reduced, fees were also being waived and we were providing discounts. The fees were reduced to a point where they are not covering services.

Mr. Winton noted this is an example of how there are peaks and valleys with volume.

Ms. Barker referred everyone to the third tab, which dealt with commercial projects and went over the breakdown of the proposed fee increases. She used an 8-unit townhome as an example. She noted that under this 3rd tab, it includes the fee schedule from 2021, the current fee schedule, and the proposed fee schedule. She noted that some fees are being increased while others are being decreased. In addition, some new fees are being added. She stated that if you look at the previous fee schedule versus the proposed, it is still less than what the fees were in 2021. The reduction in the fees were so drastic that they no longer cover our services based on the time measurements that staff performed. This is where the new fees are coming from without even looking at what the previous or current fees were or the budget. She noted that none of that was taken into consideration with this exercise in order to come up with the new proposed fees.

Mr. Gabor stated that when the analysis was done in 2021 and the industry was told that commercial was going to be decreased and by what percentage, he questioned why there was such a difference between commercial and residential.

Ms. Barker stated that when she was evaluating it, she wondered why commercial was 10 cents per square foot while residential was 15 cents per square foot, especially when the inspections would take longer, require more licensed staff, and have more complex reviews. As a result, staff discussed whether they were comfortable with where we are square footage wise with the multiplier for residential. They decided to use that as their baseline and apply it to commercial because it should at least be what residential is, if not higher. She noted that this entire proposal was staff's conservative approach. However, she agreed that the night and day between the current fee schedule and the proposed fee schedule does have a shock factor. Ms. Barker stated that she had been involved in two other fee studies and noted the challenge with fee studies is the consultants that are doing the study are not experts in the field that they are analyzing. Although they ask for information and staff provides it to them, the consultants do not ask any questions and there are no sanity checks or cross referencing. She noted that over the last three weeks, staff has collected data, met and challenged each other on the time measurements and conducted cross comparisons with other like types and questioned why is one higher than the other one. Why does one take longer than the other? Why is plumbing less than mechanical? Staff went through these exercises with each other to try and be fair and as consistent as possible. Ms. Barker admitted this system is not 100% because it is based off of what staff is stating is the average time. In some instances, staff is uncertain whether they can trust the information because it seems high and staff seeks to reduce those times. Ms. Barker stated that regardless of where we go with this, staff's plan internally is to put time accounting into our Accela application where staff will be required to enter in the amount of time it took to accomplish their tasks. As a result of this, within 3 months, staff should have better data. Although today's information is not perfect, it is what staff could accomplish in a short amount of time that they felt comfortable presenting.

Mr. McStravic stated he did a price comparison on the 8-unit townhome scenario. In Charlotte County there fee is $8,498.76. In Collier County they take 1 unit and multiply it by 8, so their fee is $21,000 for an 8 unit structure, which cost $1.9M to build. The Village of Estero's fee is $12,000 and the City of Fort Myers is $10,000. Today's proposal is in line with the other municipalities.

Mr. Malaniak stated that in Collier County a townhome is a single family permit. He noted that although there might be a carriage product that is considered commercial, everything else is going to be residential in those areas and noted that even a duplex here is under one permit. He asked if there is a reason that the surrounding municipalities have individual permits.

Ms. Barker stated it is individual permits because it is one site (one lot). A duplex is still on one site/one lot. It is one permit per one structure per parcel unless it is separated by a property line.

Mr. Gabor felt staff should separate single family and multifamily because there is too much disparity between the two. When he originally was fine with a 30% increase, he was referring to single family residential. He was not in favor of a 73% increase on multi-family. Although he did not know what the correct number should be for an initial increase, he felt this proposal was too high. He felt further review on the commercial projects was needed to come up with a more appropriate number.
Ms. Barker stated a 50% increase across the board is more challenging than it seems when you already have misaligned fees.

Mr. Gabor stated he was not referring to the individual fees, but rather *"globally."* If residential is 30%, what would be a relative percentage for commercial?

Ms. Barker stated staff was looking at it as cost recovering.

Mr. Gabor stated he was trying to lessen the 43% and 73%. Although staff wants to stabilize the fund balance, it comes down to what is reasonable to the industry.

Ms. Barker asked if he was recommending a phased approach where we would eventually get to a full cost recovery.

Mr. Gabor stated that was correct. We start now and try to implement something quickly in relation to single family residential at 30% and commercial at 50% or 60%. It allows staff to get something in the pipeline immediately and then it can be reevaluated at the end of the year.

Ms. Barker stated staff was planning on having quarterly evaluations going forward. In addition to efficiencies, there will be instances where some discounts can be applied under certain circumstances such as developers using master plans that do not require plan review. There will be no need to charge a plan review fee if someone is using a master plan. Also, if the system we use auto issues the permit, why charge an application fee? Ms. Barker noted that in each of the record types, the fees that are broken down by record type are *"if it applies."* They are *"possible"* fees but only if it applies. Staff is also proposing to add in SFHA (Special Flood Hazard Area supplemental fees) because there is additional work that happens with each individual record where it is not standard based on where someone is building. There are additional conditions and requirements that staff has to ensure are being met. She explained there are external sections of the department that are from general MSTU that are involved in the permitting process as well, yet they do not collect anything from the process even though they invest time in the process. She stated that today's approach is a full cost recovery approach, but she understood how the numbers are a shock. Staff tried to be as transparent as possible. Initially, staff was not going to examine commercial projects or include it in the projected increases, but it did not make sense to review everything across the board except commercial. Staff does not want one fee to supplement another. The data provided is broken down and shows justification for everything that is being done.

Mr. Delnay stated that during the review they found some fees were high while others are low causing one type of permit to supplement the lower fees. What is being proposed today is truly the county's **current** cost to do business.

Mr. Winton stated that in the past staff would reduce everything by 15% or 30%. If there are reserves, it is hard for the county to get full cost recovery because the volume is taking care of things. This causes the costs to go up and down because volume goes up and down. The evaluations DCD has performed is something that needs to take place throughout the county.

Mr. Malaniak asked staff to be mindful that there is a huge seasonality to residential. Staff will see permit submittals increase starting this month because January is a strong selling season. When the BIOC meets again in a quarter, the numbers will be increased, but during the summer months it will decrease. He felt staff did a great time in getting permits out, but what is an acceptable review time frame? In some instances, staff gets permits out within 5-7 days. Is three weeks acceptable?

Mr. Moore, Lee County resident, owner of Compass Construction, and a Board member of the Executive Regulatory Oversight Committee, referred to the 8-unit townhome case study and asked if two review cycles on a commercial permit is customary.

Ms. Barker stated that two and a half to three review cycles is average according to the 2024/2025 data.

Mr. Moore stated the following: 1) his company only handles commercial projects. He was in favor of the county only having 1 review cycle or no more than 2 review cycles. He suggested staff target 2 review cycles. If staff have not changed their comments and the applicant is not addressing staff's concerns causing a 3rd review cycle, they should get a tacked on fee. He was not sure how high volume developers such as Lennar and Pulte would think of that, but there should be some expectation on the developer's side as well. He noted this is an efficiency issue and that the tacked on fee is something that takes place in other municipalities and it encourages efficiencies on the developer's end; 2) Impact fee studies will be coming forth at some point and will no doubt propose maximum increases; 3) He concurred with comments made by Mr. Gabor concerning commercial projects. Although the industry understands that the county needs to recover and stabilize the fund balance, these are substantial increases. He understood the logic and rationale behind the data but from a global perspective, this may cause people to be afraid to submit anything. Although hospital projects are taking place as well as multi-family, we do not want to discourage true commercial infill, which is needed; 4) He agreed with Mr. Gabor that a phased approach is something that the industry would generally be in favor of; and 5) Mr. Moore stated he was glad to hear the county was considering AI. It will not replace the human element, but there are large scale municipalities in metro areas that are utilizing it and processing permits in quick turnaround times. Although funding may not be available for it right now, it should be considered. He also noted it would involve implementation and training so it will be a full scale change. Since it is technology that is being implemented in many places globally, it is something the county should consider. He suggested it could be used as a 1st round of review where it is a checklist system performed by AI.

Ms. Barker stated it was something the county has been working on for 3 years but noted that just to scan for trial purposes is $1,000 per scan.

Mr. Moore felt that the cost will only increase as the systems get better and as there is more demand for the product.

Ms. Barker appreciated everyone's feedback and stated staff would consider some of the suggestions such as tacking on a fee for 3rd submittals, etc.

Mr. Gabor felt the next step would be a phased approach and changing the fees within 45-60 days because the fund balance is being depleted at a fast rate. Phase 1 could be increasing the fees to something that is comfortable for the industry at this current time and then regroup at the end of the year to reevaluate it.

Ms. Barker stated the timeline to implement the change in the fee schedule is March 15th, which means it goes before the Board of County Commissioners on March 3rd. For that to happen, staff must submit their documentation by next week.

Mr. Mora asked Mr. Winton if that deadline could be altered to give staff more time.

Mr. Winton stated two weeks extra would not make a big difference.

Mr. Mora expressed appreciation for the attendees representing the industry in attendance today for sharing their perspectives. He suggested staff continue to work with a small working group with some of the parties in attendance today to work towards a phased approach that would allow staff to implement something quickly to help alleviate the rapid depletion of the fund balance. Even though the goal is to get something before the Board of County Commissioners quickly, there will be a larger plan going forward that staff will continue to work on, but for now a smaller work group allows for more agility.

Mr. Gabor, Mr. Malaniak, and Mr. Johnson stated they were willing to participate.

Ms. Barker stated the meeting with the smaller group would need to be within the next two weeks.

Mr. Malaniak asked how quickly a proposed fee sheet could be distributed to the general public so others in the industry can review it and not be shocked when the item goes before the Board of County Commissioners on March 17th.

Ms. Barker felt that if she eliminated commercial from the equation and kept everything else as is, she would most likely have a fee schedule ready by Tuesday, 2/10/2026.

Mr. Delnay referred to a comment by Mr. Moore regarding AI technology and noted this was why staff was trying to capture a fee to make sure we can keep up with the technology. He noted that most jurisdictions have buried it into their administrative fees, so he was unable to find out exactly what their fee for technology is.

Ms. Barker outlined other documents in the folder that was distributed at today's meeting and explained the rationale behind them. It will help staff in the future to look back and see why the fees were changed to these amounts and what the rationale behind it was at that time.

Mr. Malaniak asked if staff was going to change when fees are collected.

Ms. Barker referred everyone to the back of the document which has guided principals and a policy (milestone based process) on making sure we are collecting a fee prior to providing services. In the past, the previous Building Official was not collecting any fee upfront for commercial projects. Once DCD started to collect fees, the previous Building Official only wanted it to be $150.00. After reviewing the fee schedule and realizing the reviews that go into a hospital proposal (approximately 30 hours), the $150.00 came under scrutiny because it does not come close to covering the review process for a large hospital project. Going forward, staff will be requesting the square footage amount up front. A fee will be based on the square footage. If someone ends up walking away from pursuing their project, the county has at least been compensated on their first round of reviews.

Mr. Gabor and Mr. Moore felt that should be implemented immediately.

Ms. Barker stated she had a list of items that will be done regardless. She noted many enhancements are coming forward to support this.

Ms. Rozdolski stated there are teams behind the scenes working on the programming and coding in order to get this underway.

Mr. Moore was in favor of Ms. Barker continuing with this detailed type of approach because the State FHBA is working on statutory language on some of their permit measures and making clarifications. Although it may not affect Lee County, it is a global agenda where everything is going to have the same standard. A statute will be passed or adjusted within the next 12 months.

Mr. Mora stated he had to leave but reiterated that he appreciated everyone's attendance and participation. He noted the county understands the importance of the building industry and how it is an economic driver to this area. Staff plays a role in that and needs to find the right balance so that we are all on the same page. He hoped that working in a smaller group will help to come up with something that is more amenable to everyone.

Ms. Barker stated staff plans to have Commissioner briefings to prepare them in advance of an official submittal for board approval. If the Board of County Commissioners do not have any changes and approve the fee schedule, then it will be implemented. Her team will need two weeks for the changes. The goal is to implement the new fee schedule within two weeks of receiving Board approval and she noted the Board meets twice a month.
Mr. Gabor stated that as long as we follow certain parameters and address both residential and commercial at the same time with similar parameters to get something implemented quickly as a Phase 1, it can be evaluated throughout the year to see how it translates to the fund balance. It will provide good guidance on what needs to be done towards the end of the year. If that logic is utilized, then everyone will be on the same page and on board for the layered approach.

Ms. Rozdolski stated staff would take their feedback and see what can be done internally to release a fee schedule for next Tuesday.

It was determined that the small group meeting would be an in person meeting on Friday, February 13, 2026, at 8:00 a.m. in the Department of Community Development/Public Works Center, (Conference Room 1B), 1500 Monroe Street, Fort Myers, FL 33901. Staff agreed to send everyone a meeting appointment.

Mr. Gabor asked Ms. Barker to provide the information to them ahead of time so they can review the information prior to the meeting so that it can be a quicker and smoother meeting.

There was no further business.

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 8:57 a.m.

The next regularly scheduled meeting is being held on Thursday, April 9, 2026, at 8:00 a.m.