



AGENDA MEMORANDUM

Building Department

City Council Regular Meeting Date December 3, 2024

To: City Council
From: Craig Mole' Director of Building & Chief Building Official
Date: 11/25/24

SUBJECT:

- a. Building Department Revenue Sufficiency and Fee Evaluation – Presentation by Raftelis Financial Consultants, Inc.

BACKGROUND: Council on 7/18/23 approved an award of contract to Raftelis Financial Consultants, Inc. to provide a Building Department revenue sufficiency and fee evaluation study. Florida Statute 553.80 provides statutory authority for local government to regulate building construction and to provide a schedule of reasonable fees for enforcing the Florida Building Code. When providing a schedule of reasonable fees, the total estimated annual revenue derived from fees, and the fines and investment earnings related to the fees, may not exceed the total estimated annual costs of allowable activities. Any unexpended balances must be carried forward to future years for allowable activities or must be refunded at the discretion of the local government. A local government may not carry forward an amount exceeding the average of its operating budget for enforcing the Florida Building Code for the previous 4 fiscal years. Hurricanes Ian, Helene, and Milton damage repairs have increased the number of permits and revenue. Increased permitting will be for a period of 3 years based on the observed damages. This building permit revenue sufficiency and fee evaluation study presentation is guidance for determining appropriate fees based on the number of permits and staffing required to enforce the building code for the next 3 years in compliance with Florida Statute 553.80.

Raftelis presentation proposes a reduction in existing pre-Ian permit fees. This proposed reduction is based on historic permitting revenues and expenditures along with the predicted increases in storm related rebuilding permitting. The reduction of fees would replace the current 50% reduction in repair permit fees and the 30% reduction in new construction permit fees when the new CityView permitting software system is implemented. New reduced fees would be primarily calculated by square footage not the current cost of construction.

FUNDING SOURCE: Not Applicable

RECOMMENDED ACTION: Discussion and Direction

Sanibel is and shall remain a barrier island sanctuary