

1 EXECUTIVE SUMMARY

The Village of Key Biscayne (Village) contracted JRD & Associates, Inc. (JRD) to conduct a permit fee analysis to examine and assess permit fees and to evaluate the actual cost of the services provided by the Building, Zoning, and Planning (BZP), Public Works (PW), and Fire departments. The findings and recommendations provided in this report are the results of this study.

In developing the recommended permit fees, the following three factors were considered:

- Cost recovery – ensure that the fees charged recover the fully burdened costs of the services provided. These costs include all operational (discretionary and non-discretionary) and indirect support costs (incurred by other departments supporting permit-related services)
- Conciseness – ease for both the customer and the Village to determine the permit fees
- Building reserve amount – amount of revenue required to ensure the Village can maintain its level and quality of permit-related services in the future

The projected FY 2018 revenue was calculated using the recommended fees and compared to the fully burdened costs to determine the amount of cost recovery achieved. For Building permit fees, a comparative analysis was also conducted to compare the fees in comparable cities. The following is a synopsis of the recommended permit fees:

Building

JRD is recommending a permit fee of \$1.30 per SF for all new and renovation construction for which square footage information is collected and a fee of 2.30% of the value of construction for which there is no square footage information. For all permits, a minimum fee of \$100 and a maximum fee of \$25,000 is recommended. These fees are inclusive of administrative, plan review, and inspection services for all building, structural and all trades.

The estimated FY 2018 revenue generated from the recommended fees is projected to be approximately at the level of FY 2018 expenditures. In addition to the recommended permit fees, a strategy was provided on how to manage the current and future Building Inspection Reserve balance surpluses. Recommended investment options and revenue adjustments were identified that will bring the balance from \$2,259,562 in FY 2016 to approximately \$1,335,000 at year end FY 2018.

Village of Key Biscayne Permit Fee Analysis

Zoning and Planning

The majority of the Zoning and Planning recommended permit fees are a flat fee per service. The recommended fees were determined by using the fully burdened hourly rate and the estimated average time needed by staff to deliver that service.

- Zoning Plan Review Fee: \$100
- Site Plan Review Fee: \$300
- Supervisory Variance: \$100

Public Works

All of the Public Works recommended fees are flat fees and are based on the fully burdened hourly rate and the estimated average time needed by staff to deliver that service.

- Driveways: \$60
- Installation or repair of sanitary and storm sewers, waterlines, gas lines, and other underground utilities: \$275
- French Drains: \$350

Fire Prevention

Fire Prevention currently does not utilize a fire permit fee schedule. Instead it performs fire plan reviews and inspections, and collects \$50 per plan review or inspection and \$75 per re-review or reinspection from the Building Division. It is recommended that Fire Prevention institute its own fee schedule to include:

- Fire permit for new buildings or additions, alterations and repairs to buildings and other structures: \$250
- Fire for multi-family unit or commercial renovation: \$75
- Fire Alarms: \$100 for up to 10 devices and \$250 for more than 10 devices
- Fire Suppression Systems: \$100 for up to 20 heads and \$250 for more than 20 heads

By implementing the recommendations in this report, the Village will establish a permitting fee structure which is cost equitable and concise, and will result in efficient and effective customer service without compromising standards or revenue.