

# BUILDING

## DEPARTMENT MISSION STATEMENT

We are dedicated to serving the public by the efficient and effective supervision and regulation of construction activities in Miami Beach. By enforcing the Florida Building Code and the City's Code of Ordinances in a fair and efficient manner, we encourage businesses and residents of Miami Beach to comply with the Florida Building Code, and in turn, safeguard the public health, safety, and general welfare of the City's residents and visitors.



## DEPARTMENT DESCRIPTION

The City of Miami Beach Building Department was established in 1925 and had its own Building Code until the 1950's when the City adopted the South Florida Building Code.

The State of Florida first mandated statewide building codes during the 1970's, at the beginning of the modern construction boom. The first law required all municipalities and counties to adopt and enforce one of the four state-recognized model codes known as the "state minimum building codes." During the early 1990's, a series of natural disasters, together with the increasing complexity of building construction regulation in vastly changed markets, led to a comprehensive review of the State building code system. The study revealed that building code adoption and enforcement was inconsistent throughout the State and those local codes thought to be the strongest proved inadequate when tested by major hurricane events. The consequences of the building code systems' failures were devastation to lives and economies, and a statewide property insurance crisis. The response was a reform of the State building construction regulatory system that placed emphasis on uniformity and accountability.

The 1998 Florida Legislature amended Chapter 553, Florida Statutes, entitled "Building Construction Standards," to create a single Statewide building code that is enforced by all local governments. As of March 1, 2002, the Florida Building Code supersedes all local building codes, and it is developed and maintained by the Florida Building Commission. The Florida Building Code is updated every three years and may be amended annually to incorporate interpretations and clarifications.

The Department is separated into two functional areas: Administrative Services and Operations.

The Administrative Services Section provides administrative support to the entire Department, including requisitioning goods and services, processing invoices for payables, creating invoices for receivables, maintaining all personnel files, processing payroll, budgeting, providing IT assistance, and managing special projects.

The Operations Section is responsible for administering the various provisions of the Florida Building Code, including accepting permit applications, reviewing and approving construction plans in accordance with the provisions of the Florida Building Code, inspecting construction to ensure compliance with the approved plans, and issuing violations for those projects where construction was done without or not in compliance with the approved permits.



# BUILDING

## FISCAL ENVIRONMENT

The Department collects building permit fees pursuant to the City of Miami Beach Code of Ordinances, which includes the Building Department fee structure, and the Florida Building Code. Fees collected provide for the direct expenditures of the Building Department, including internal service charges and any other indirect overhead expenses attributed to departments that provide support to the Building Department.

The Building Department's fee ordinance provides for an annual adjustment to reflect increase(s) or decrease(s) in the Consumer Price Index (CPI) for Consumers in the Southeast United States for all items. However, since 2017 no adjustments had been made to Building Department fees. In response to the Commission and community to simplify, update, and reduce certain fees, 2017 saw a reduction in Building Department fees. Additionally, in 2017 the Florida Senate passed legislative action that would require municipalities to reduce permit fees based on the cost savings to the department based on the owner or contractor hiring a Private Provider for plans review and building inspections. The Building Department's reduction for such is 40% for owners hiring a private provider for both plan review and site inspection; and 25% for owners hiring a private provider for only site inspection.

Beginning Fiscal Year 2021, CPI increases will be applied to Building fees, as approved by City Ordinances. These are for fees not directly associated with job values.



## STRATEGIC ALIGNMENT

### Main Vision Area:

#### Neighborhoods

### Management Objectives:



- **Prosperity**
  - Revitalize targeted areas and increase investment
  - Develop the Convention Center Campus
- **Neighborhoods**
  - Increase compliance with City Code
  - Proactively monitor the City for mosquito breeding grounds
- **Organizational Innovation**
  - Support all objectives to improve strategic decision making and financial stewardship, making the city more business friendly and user friendly, with an employee culture of problem solving and engagement
  - Implement the General Obligation Bond

### Strategic Plan Actions:

- **MAKE** substantial progress on North Beach Town Center/ Byron Carlyle/Ocean Terrace
- **MAKE** electronic plans filing for permitting purposes within two years

### Budget Enhancement Actions:

- N/A

### Resilient305 Actions:

- **BUILD** an Inclusive Economy
- **IT'S** Electric
- **EXPAND** Renewable Energy
- **BUILDING** Efficiency 305

## BUSINESS ENVIRONMENT

The Department is based on a philosophy of public sector transparency and an open door policy. The Building Department consistently pursues innovative strategies and continues to re-engineer existing procedures and processes with the goal of providing efficient and professional customer service in a safe environment, while contributing to the overall economic well-being and development of the City.

# BUILDING

## BUSINESS ENVIRONMENT CONT'D

The Department is responsive to the needs of homeowners, business owners, developers, contractors, architects, and engineers. In addition to drop off plan review, the department provides a 24 hour walk-through plan review program that is available Monday through Friday from 8 a.m. to 10 a.m. Up to 50 plans are processed per day. The 24-hour walk-through plan review program available in Miami Beach is one of the most robust in South Florida.

It is the Department's goal to continually evolve and find new ways to innovate its processes. The Department notes that the efficient issuance of permits, inspections, and Certificates of Occupancy or Completion, is critical in nurturing the local economy. Furthermore, by reducing bureaucracy within the Department and streamlining operations, greater compliance with the Florida Building Code will be achieved, making the City's structures safer for the community.

## SIGNIFICANT ACCOMPLISHMENTS

The Department has completed and/or begun the following projects/initiatives during the past fiscal year:

- In 2018, FEMA provided its results of the Miami Beach audit for the next 5-year Community Rating System (CRS) cycle and indicated that the ranking for the next 5-Year cycle, beginning May 1, 2019, is an improvement from Class 6 to Class 5, increasing the savings to flood insurance policyholders from 20% to 25%, estimated at \$8.3 million annually
- As of March 2020, 25% of the Building permit types are available for online permitting. The department continues to work with the IT department and the software developers to ensure that all services that can be processed online will be made available online within the next 2 years.



## SIGNIFICANT ACCOMPLISHMENTS CONT'D

- Inaugural cohort of students in the High School Technical Training Program began in August 2019, successfully covering the first section of the International Code – the Building Code, through weekly in person classes taught by Building Inspectors, with 2 out of the 5 students successfully passing the Building code exam. The next session to be covered was to be the Electrical Code, however, due to COVID-19, this program has been suspended until further notice.
- Replaced 2 vehicles in the Building Department fleet with electric vehicles.
- Recertified ISO 9001:2015 – Quality Management Systems in December 2019
- Worked with City Commissioners to extend the Building Permit Reprieve Ordinance. The Reprieve Program was extended through April 30, 2020. This program established a procedure to bring structures built without proper permits or built lacking mandatory inspections into compliance with the Building Code. It encompasses all work done without a permit as part of Single Family Residence, Multi-Family, or Commercial projects.
- In order to better service customers, the Building Department improved the walk-through service by expanding the list of permit types that could be walked-through and streamlining the # of plans that can be received per day, to ensure that all plan reviewers have time to do a complete review of the plans and therefore providing customers with either a permit or comments for corrections needed within 24 hours.
- Continued cross-training amongst the clerks through rotation and a new hire training program at the North Beach office to better prepare new hires for customer service in slower environment

## CRITICAL SUCCESS FACTORS

- Potential impacts to revenues as changes in the construction market occur
- Continued support from the IT department necessary for the success of the Building Development Enterprise Resource System, online application, and electronic plans reviews
- Prompt filling of vacancies to meet increasing demands for timely service
- Coordinated approach with the Finance department for invoicing fines, lien processing, and enforcement of Business Tax Receipt (BTR) application and Certificate of Use process
- Legal guidance and accompanying legislation from the City Attorney's Office to establish a local Unsafe Structures Board
- Collaboration and commitment from other City departments to follow-up and resolve service requests
- Prompt turnaround from other departments involved in the Building Development process reviewing plans, issuing permits, and conducting inspections

# BUILDING

## FUTURE OUTLOOK

It is the vision of the Building Department to provide excellent customer service by providing state of the art, cutting-edge technology that will enable this City to provide e-government services to its citizens and as a result become paperless. Online permit applications, electronic permits forms, electronic payments, concurrent electronic plan review, real-time inspection results and inspection routes are made possible by the technological advances of our time. The Department recognizes the need to work toward that goal in the future.

Other important initiatives for the Department in the future include:

### Short Term 1-2 Years

- Upgrade Building's page of the City's website to make it more interactive and user-friendly
- Implement full e-plan review
- Provide better access to the customer regarding inspection requests and other inspection-related information
- Hold annual meetings with the construction industry
- Provide cross-training for employee efficiencies
- Aggressively identify abandoned and unsafe structures throughout the City, and demolishing those structures that pose hazards to the community and its neighborhoods, which have been declared unsafe by an authorized body
- Increase floodplain compliance
- Renovate spaces on the 1st, 2nd, and 3rd floor of City Hall to streamline and modernize the department with a design that focuses on spaces that would foster safety, efficiency, and collaboration.

### Mid Term 3-5 Years

- Create a city unsafe board
- Expand the bicycle inspection program
- Replace 15% of vehicles with hybrids
- Cross-train inspectors and plan reviewers for efficiencies and succession planning

### Long Term 6+ Years

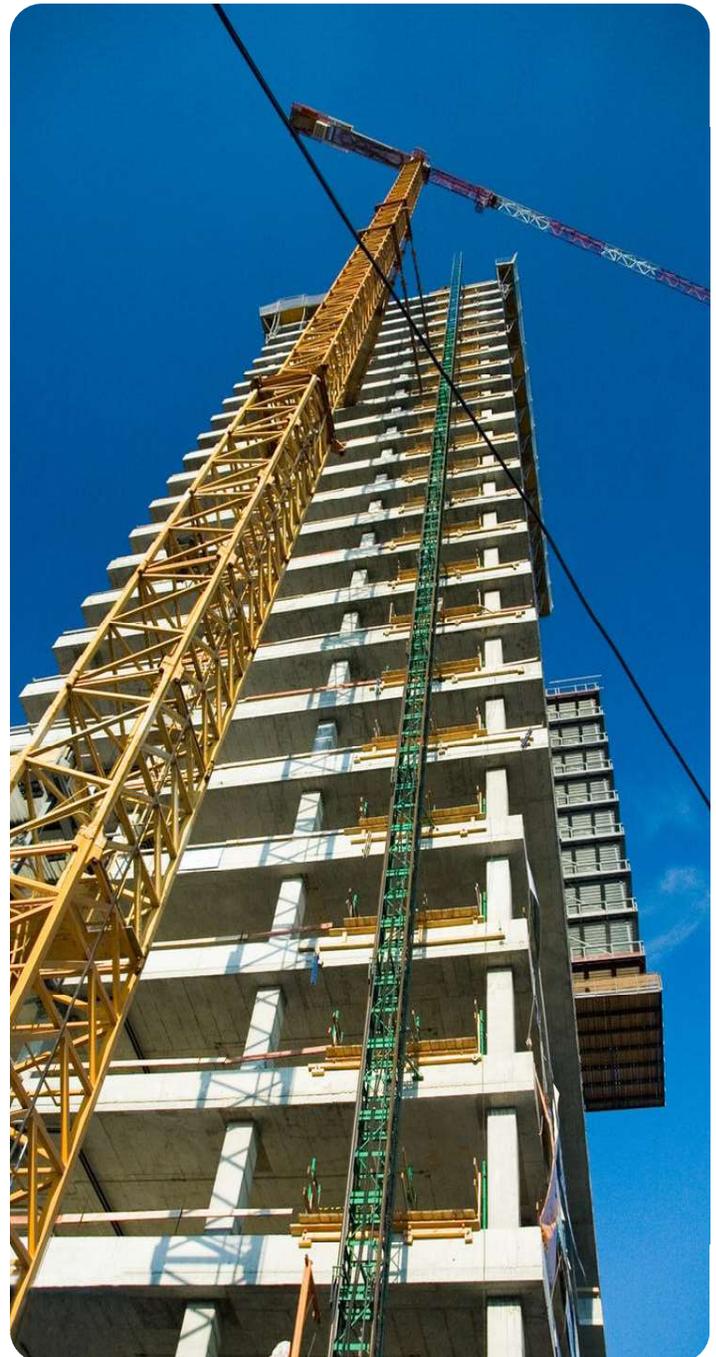
- Have a separate location for the Building Department
- Replace 15% of vehicles with electric cars

### Continuous

- Reorganizing the Department to offer more efficient customer service and delivery of service
- Standardizing licensing for all plan reviewers and inspectors so their services can be utilized interchangeably as needs arise

## FUTURE OUTLOOK CONT'D

- Continuing to simplify and streamline all department forms
- Continuing to update all Department Standard Operating Procedures
- Providing state of the art training to all Department staff
- Aggressively seeking to meet all staffing needs to address increasing service demands



# BUILDING

## PERFORMANCE PLAN HIGHLIGHTS

PERFORMANCE MEASURES	2017 Actuals	2018 Actuals	2019 Actuals	2020 Target	2021 Target
<b>Main Vision Area: Neighborhoods</b>					
Average turnaround time for Residential & Commercial plan review (days)	2.0	3.0	4.0	4.0	4.0
Daily average # of inspections			195	225	225
# of plan reviews (per year)			48,869	50,000	50,000
Average wait time to submit permit applications (minutes)	64	21	49	30	30
Maximum wait time to submit permit applications (hours)	5.0	1.3	2.6	1.0	1.0
Average transaction time per walk-thru permit application (minutes)	25.0	14.5	17.0	20.0	20.0
# of permits applied for			10,608	**	**
# of permits issued			9,867	**	**
% of plans submitted over three times	*	6.0%	5.0%	5.0%	5.0%
# of buildings 40 years or older in recertification "applied" status			260	**	**
# of buildings 40 years or older in recertification "finaled" status			201	**	**
# of violations			993	**	**
% of cases with violations that have been resolved			45%	65%	65%
# of expired permits	1,140	761	1540	**	**
% of plans review handled by walk-through	44%	62%	54%	**	**
% of plans review handled by drop-off	56%	39%	46%	**	**
# of Temporary Certificates of Occupancy (TCO) - Temporary Certificates of Completion (TCC) Issued	209	119	158	79	80
# of Temporary Certificates of Occupancy (TCO) - Temporary Certificates of Completion (TCC) Extensions Issued	74	196	272	136	140
# of Certificates of Occupancy (CO) Issued	427	315	283	**	**
# of Certificates of Completion (CC) Issued	170	43	82	**	**
# of notice of commencements e-recorded by the Building department	185	118	34	**	**
# of Miami-Dade County reviews conducted electronically (DERM)	207	302	317	**	**
% of building department records requests that were completed within Building department target	100%	87%	76%	90%	90%
Average # of training hours completed			8	6	6

\*Indicates measure was not tracked and/or conducted during reporting period

\*\* Indicates measure is not targetable or performance based

# BUILDING

## DEPARTMENT FINANCIAL SUMMARY - ENTERPRISE FUND

Revenue Area	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted*
Permits-Building	11,121,022	13,490,008	11,121,000	9,828,500
E-Recording	2,390	768	3,000	1,000
Certificate of Occupancy/Completion	679,958	894,944	826,000	773,000
Permits-Building Recertification	222,913	430,596	207,000	256,000
Permit Extensions	71,277	59,655	74,000	60,000
Building Training Surcharge in GF	141,591	79,589	83,000	415,000
Building Citations/Violations	323,559	259,878	324,000	250,000
Microfilm-Bldg. Department	28,362	21,463	30,000	23,800
Demolition / Board Up /Lien Satisfaction	2,291	4,585	1,000	1,700
Other	3,246	0	4,000	0
Interest Allocated-Pooled Cash	0	0	0	356,000
Building Reserves	0	0	2,911,000	4,631,000
<b>Total</b>	<b>\$ 12,596,608</b>	<b>\$ 15,241,486</b>	<b>\$ 15,584,000</b>	<b>\$ 16,596,000</b>

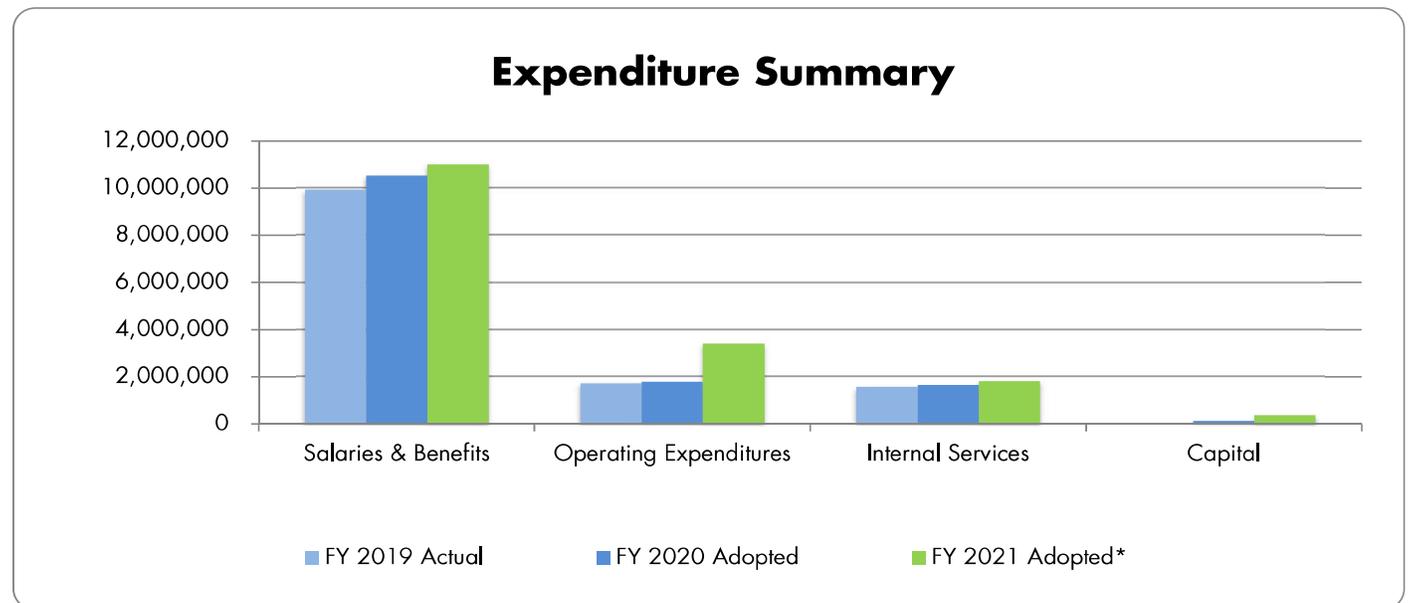
Expenditure Area	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted*
Salaries & Benefits	10,025,231	9,924,906	11,017,000
Operating Expenditures	1,891,455	1,717,010	3,401,000
Internal Services	1,824,206	1,571,371	1,813,000
Capital	0	0	365,000
<b>Sub-Total</b>	<b>\$ 13,740,892</b>	<b>\$ 13,213,287</b>	<b>\$ 16,596,000</b>

Indirect Costs	1,462,031	1,153,520	1,499,000	0
<b>Total</b>	<b>\$ 15,202,923</b>	<b>\$ 14,366,806</b>	<b>\$ 15,584,000</b>	<b>\$ 16,596,000</b>

**Revenue Less Expenditures**      \$ (2,606,314)    \$ 874,680    \$ 0    \$ 0

**Budgeted Positions**                      97.00 + 0.00 PT    90.00 + 0.00 PT    90.00 + 0.00 PT    90.04 + 0.00 PT

\*Effective FY 2021, the Building Department transferred from the General Fund to a stand-alone Enterprise Fund.



# BUILDING

## BUDGET HIGHLIGHTS

- A significant component of the increase in personnel expenditures for all departments are increases in employee-related costs including a one percent cost of living adjustment effective April 1, 2021 for all groups, except AFSCME (1.0% COLA effective July 1, 2021), GSA (1.0% COLA effective October 1, 2020), and CWA (2.0% COLA effective October 1, 2020), as well as a maximum of three percent merit increase for employees, except members of the Fraternal Order of Police (FOP) and International Association of Fire Fighters (IAFF) which include a five percent step increase. Merit, step, and cost of living increases apply within existing pay ranges. A five percent increase in the City's premiums for health insurance for all employees is also included, except for members of the Fraternal Order of Police (FOP) and International Association of Fire Fighters (IAFF) which includes an eight percent increase in the City's premium. These increases were, however, largely offset by the COVID-19 balancing plan reductions allocated across all departments that include furloughs for all bargaining units based on a tiered approach, a citywide freeze on all non-essential expenditures and training and travel, and a citywide hiring freeze.
- Personnel services expenditures increased by \$470,000, or 4.5%. This is primarily due to increases in costs for other post-employment benefits and pension totaling \$229,000, salaries and wages totaling \$156,000 from applicable cost of living adjustments and merit increases budgeted in FY 2021, as well as \$85,000 in other personnel services expenditures that include projected increases for health and life insurance, allowances, etc.
- Operating expenditures increased by \$1,624,000. This is primarily due to \$1,501,000 in administrative fees assessed by the General Fund for indirect services provided based on a cost allocation study that was completed by an outside consultant in 2020. In previous years, this expense was not included in the budget, as Building operated as a General Fund department. Commencing in FY 2021, the Building Department is being transferred to a stand-alone Enterprise Fund, and as a result, this expenditure has been included in the FY 2021 budget. Additional increases of \$123,000 are attributed to adjustments in miscellaneous operating expenditures based on anticipated department needs for FY 2021.

## BUDGET HIGHLIGHTS CONT'D

- Internal services expenditures increased by \$176,000, or 10.8%. This is primarily due to an increase of \$69,000 in Technology, \$50,000 in Fleet Management, and other increases in Risk Management, Property Management, and OIG Funding services totaling \$59,000. These increases were, however, slightly offset by a decrease in Central Services totaling \$2,000.
- Capital expenditures increased by \$241,000 to facilitate the replacement of 12 vehicles with 8 electric and 4 hybrid vehicles in FY 2021.

### FY 2021 Reductions/Efficiencies

- As part of the COVID-19 balancing plan, the FY 2021 reductions include a one-time reduction of \$102,000 for furloughs for all bargaining units based on a tiered approach.

### FY 2021 Enhancements

- The FY 2021 budget includes a \$3,000 enhancement for Living Wage to increase the proposed rate by 1% effective January 1, 2021.

### FY 2021 Re-Organization

- The FY 2021 budget reflects the transition of the Building Department from the General Fund to a stand-alone Enterprise Fund to provide greater transparency of the department's operations.

