



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#23-0674

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Greg Chavarria, City Manager

DATE: August 22, 2023

TITLE: First Reading – Ordinance Amending the City of Fort Lauderdale Code of Ordinances Chapter Nine Building and Construction, Article Two Permits and Inspections, Division Two Fees, and Chapter Twenty-Five Streets and Sidewalks, Article Thirteen Fees, Division One Fees to Adjust Permit Fees for Services Related to Land Development and Permitting- **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission consider an ordinance amending the City of Fort Lauderdale Code of Ordinance Chapter Nine Building and Construction, Article Two Permits and Inspections, Division Two Fees, and Chapter Twenty-Five Streets and Sidewalks, Article Thirteen Fees, Division One Fees to adjust building permit fees for services related to land development and permitting.

Background

In September 2022, the City Commission approved an ordinance amending and increasing building fees for master permits from 1.25 percent of a project's total estimated construction costs to 1.5 percent. This increase was approved to offset the Division's operational expenses related to permitting and enforcement of the Florida Building Code and to remain financially sound by recovering the full cost of services provided.

Based on the Fiscal Year 2024 Building Special Revenue Fund Financial Sustainability Plan produced by Stantec Inc. (Exhibit 1) in June 2023, building permit fees need to be adjusted to offset operational expenditures necessary for services related to the building permit process. Current building permit fees are built around a base/minimum fee of \$105 or a percentage of the overall project construction value, whichever greater. This proposal will increase master, stand-alone, and trade permit fees by an additional 25 percent to 1.75 percent total construction value or a minimum permit fee of \$131 beginning October 1, 2023.

In conjunction with the increase in building permit fees, permitting related fees for landscaping, fire safety, and engineering need to be increased to cover the cost for services. Operational expenses for landscaping and engineering have increased by 6

percent since the last fee adjustment done for these fees in 2020. To cover this inflationary increase this proposed amendment will also increase landscaping and engineering fees by 6 percent. The Fire Rescue Department reviewed historical revenues relative to the appropriated operating expenses and is recommending an adjustment in the Fire Prevention fee structures to achieve “Full Cost Recovery” for Fire Prevention services provided. The current fee structure has not been updated since 2010. The appropriated operating expenses have increased approximately 45.11% since the last fee adjustment. The Fire Rescue Department estimates the annualized impact of an additional \$2,283,254 in new Fire Prevention revenues.

This proposed ordinance amendment will also allow the City to adjust fees for general permit, landscape, zoning, fire, and engineering to reflect the cost of doing business, measured by fluctuation in the Consumer Price Index (CPI) as published by the United States Department of Labor, Bureau of Labor. The rate schedule may be adjusted annually unless otherwise amended by an action of the City Commission. The annual adjustment for general permit fees as authorized above shall be kept on the file in the City Clerk's office.

Resource Impact

There is no fiscal impact associated with this action.

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Internal Support Focus Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term financial planning

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are United

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan specifically advancing:

- The Business Development Focus Area
- The Economic Development Element
- Goal 2: Enhance the economic competitiveness of Fort Lauderdale through policies that encourage retention and recruitment of business and industry which provide living-wage employment and increased training and competitiveness of the local workforce.

Attachments

Exhibit 1 – Stantec FY2024 Financial Sustainability Plan

Exhibit 2 – Ordinance Amendment

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