



Building Permit Fee Study

July 2024



Objective

Develop a building permit fee structure that:

- Ensures adequate cost recovery for the services provided by the Building Department
- Is concise and easy to understand for both the customer and the City
- Creates a reserve for unforeseen factors affecting construction activity



Why Revise Current Fee Schedule?

- Fee schedule last updated in 2021
- Ensure compliance with state statutes
- Meet the Objectives stated in previous slide



Approach

In order to assess the City's building permit fees and develop a proposed fee structure, JRD used the following approach:

- Collect and analyze permit activity over the past two fiscal years
- Determine the City's fully-burdened cost of providing permit-related services



Approach (continued)

- Propose a concise, easy to understand fee structure that ensures adequate fee revenue to recover the City's fully-burdened cost of providing permit-related services¹
- Project FY 25 revenue based on proposed fee structure and anticipated permit activity
- Conduct a comparative analysis of permit fees from similar municipalities in Miami-Dade County

¹The proposed fee structure does not include other required fees that are outside the City's purview, such as those charged by the State of Florida, Miami-Dade County, etc.



Permit Activity

	FY 23 Number of Permits Issued	FY 23 Total Construction Value of Permits Issued	FY 24 Number of Permits Issued (Annualized)	FY 24 Total Construction Value of Permits Issued (Annualized)
Commercial	2,860	\$873,464,593	2,367	\$231,012,278
Residential	1,755	\$25,994,164	1,168	\$16,523,166
Total	4,615	\$899,458,757	3,535	\$247,265,444

Note: Includes all issued building, mechanical, electrical, and plumbing permits, as well as revisions and renewals for residential and commercial construction.



Fully-Burdened Cost Incurred by City

- Through an in-depth review of City of Doral budget reports and spreadsheets, and discussions with city staff, JRD determined the City's FY 25 estimated fully-burdened cost of providing permit-related services:

Cost Description	FY 25 Estimated Fully-Burdened Cost
Personnel Cost	\$5,272,851
Operating Cost	\$470,295
Capital Outlay	\$172,360
Indirect Support Cost (Internal Services)	\$1,942,912
Total	\$7,858,418



Proposed Building Permit Fee Structure

- Permit fee is inclusive of plan reviews and inspections for building and all trades

FY25 Projected Value of Construction Assumptions	
Commercial	\$315,250,000
Residential	\$9,750,000
Total	\$325,000,000

Value of Construction Anticipated Activity	Estimated Sum of Construction Activity per tier
Permits Values Less than \$10,000	<\$1,500,000
\$10,001 - \$10,000,000	\$223,500,000
Greater than \$10 Million	\$100,000,000



FY 25 Projected Revenue

Value of Construction	Factor	Total VOC	# of Permits	Fee Calculation	Projected Base Permit Revenue
\$0 - \$10,000	\$250 Flat Minimum	N/A	850	# of permits * \$250	\$212,500
\$10,001 - \$10M	2.5%	\$223,500,000	N/A	VOC * 0.025	\$5,587,500
> \$10M	2.0%	\$100,000,000	N/A	VOC * 0.020	\$2,000,000
Total Projected Permit Revenue					\$7,800,000



FY 25 Projected Revenues and Expenditures with New Fee Structure

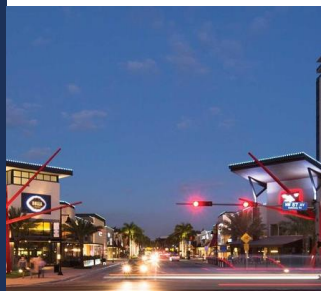
Permit Revenue	\$7,800,000
Other Revenue ¹	\$500,000
Total Revenue	\$8,300,000
Expenditures	\$7,858,418
Balance/Reserve	\$441,582
Beginning FY 25 Fund Balance	\$2,480,703
Projected Fund Balance at End of FY 25	\$2,922,285

¹Other revenue includes fees not calculated as part of permit fees.



Comparative Analysis

- How do the proposed fees compare to current Doral fees and those charged by comparable municipalities?
 - Coral Gables
 - Miami Beach
 - Miami Lakes
 - Medley

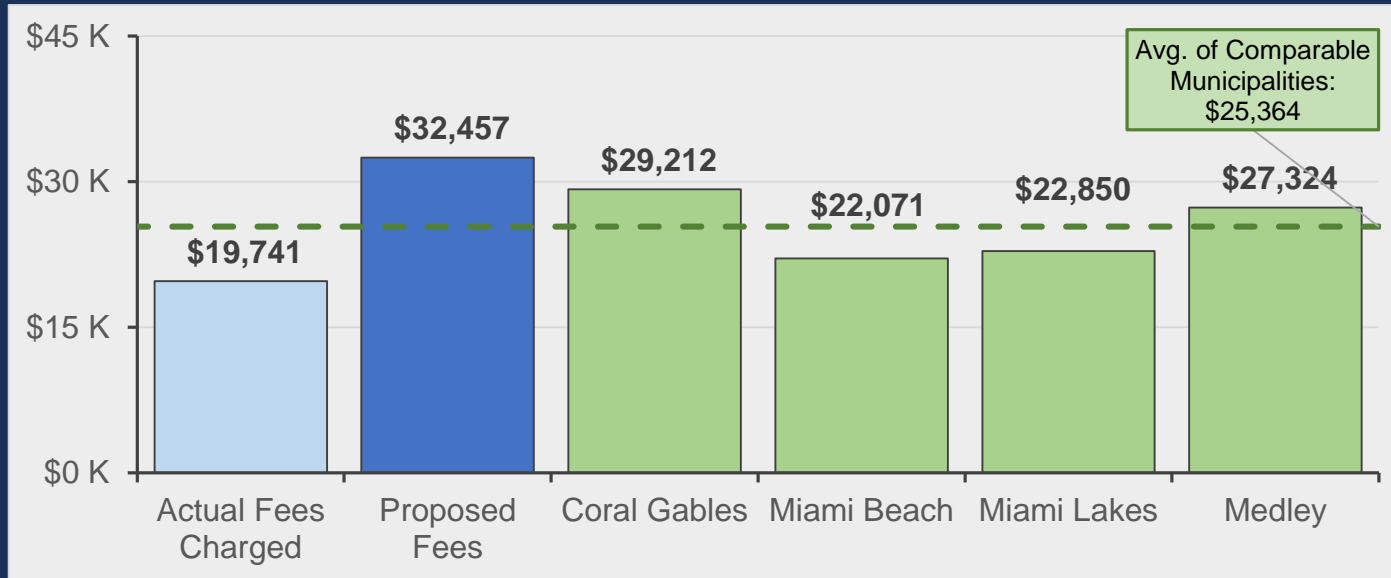


Comparative Analysis

Residential New Construction: Three Story Townhouse

Description: New Three Story Townhouse – 7 units

Total Value of Construction: \$1,298,294 Square Footage: 15,979



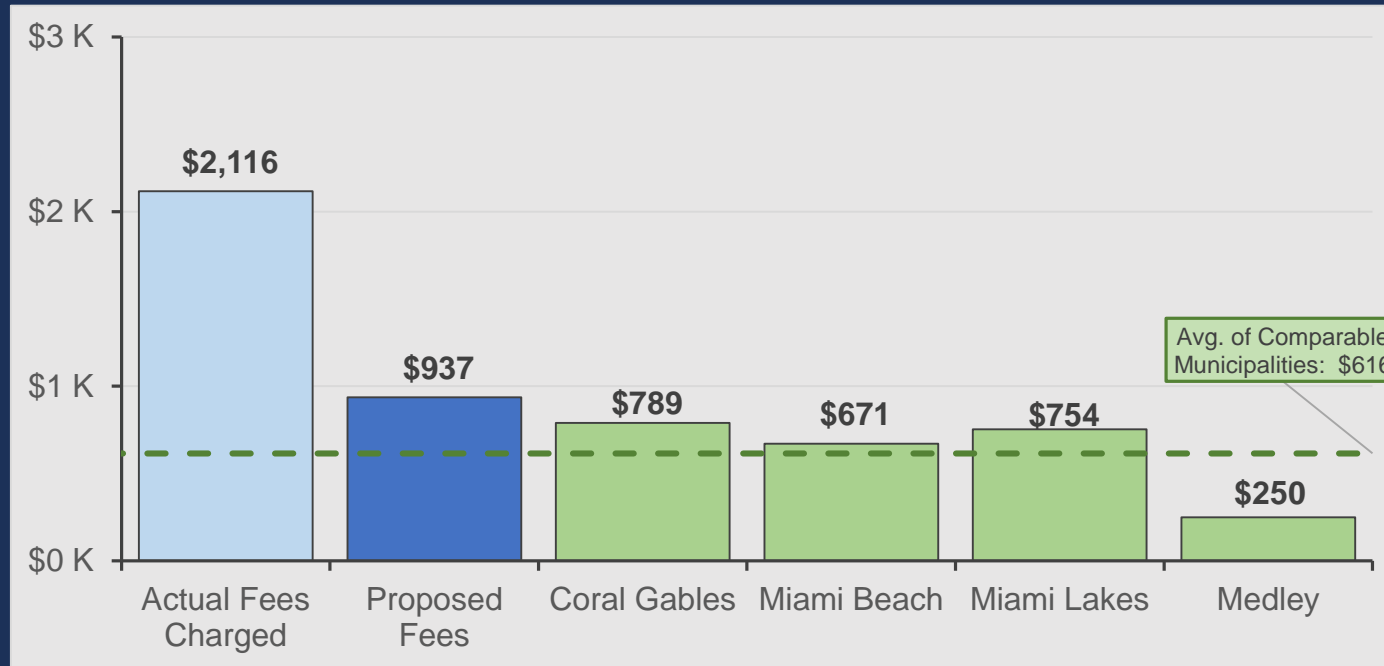
Comparative Analysis

Residential Interior Renovation: Kitchen

Description: Kitchen Remodel, Porcelain Floor installation, new lighting and plumbing fixtures.

Total Value of Construction: \$37,470

Square Footage: 700



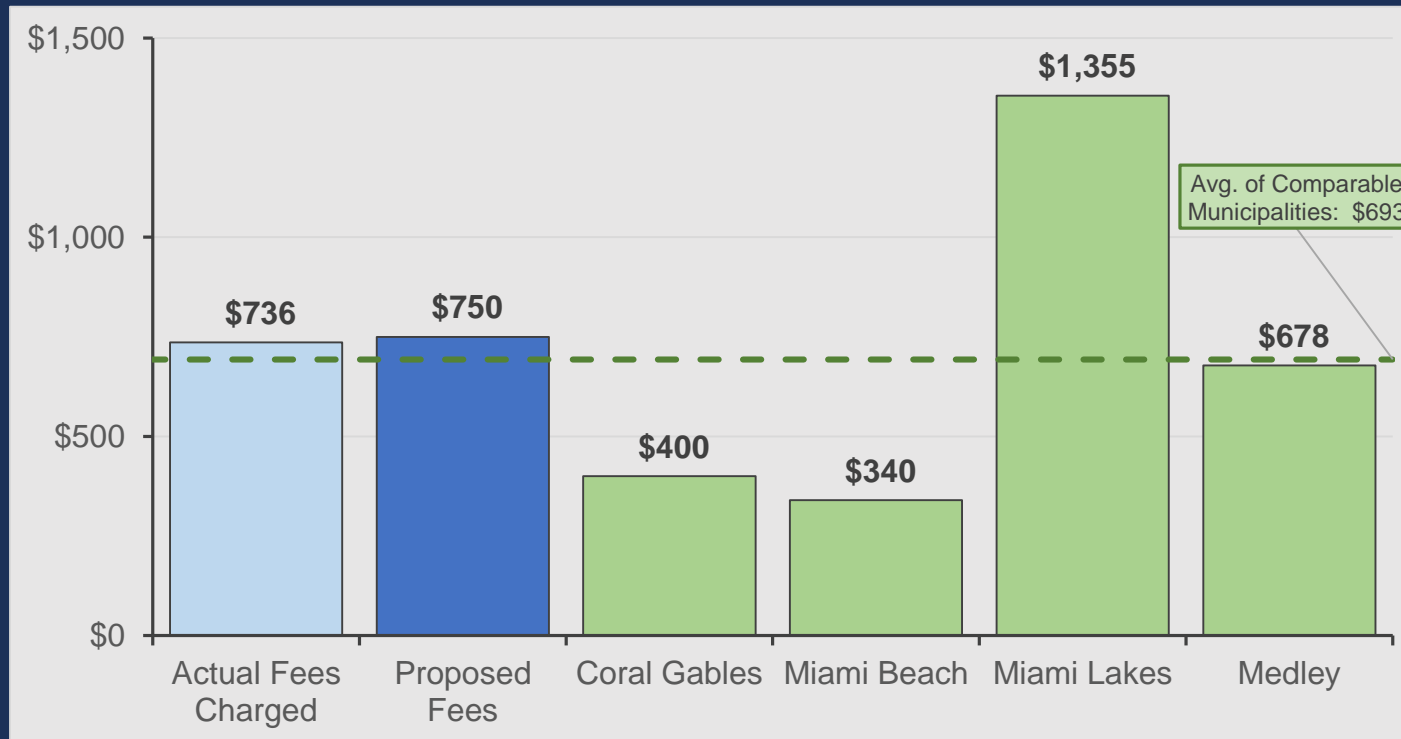
Comparative Analysis

Residential New Construction: Swimming Pool

Description: New Swimming Pool with Pavers

Total Value of Construction: \$20,000

Square Footage: 250



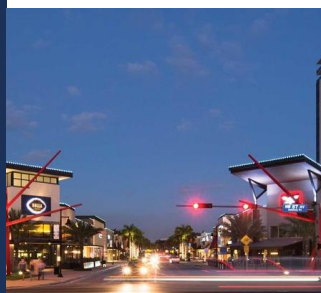
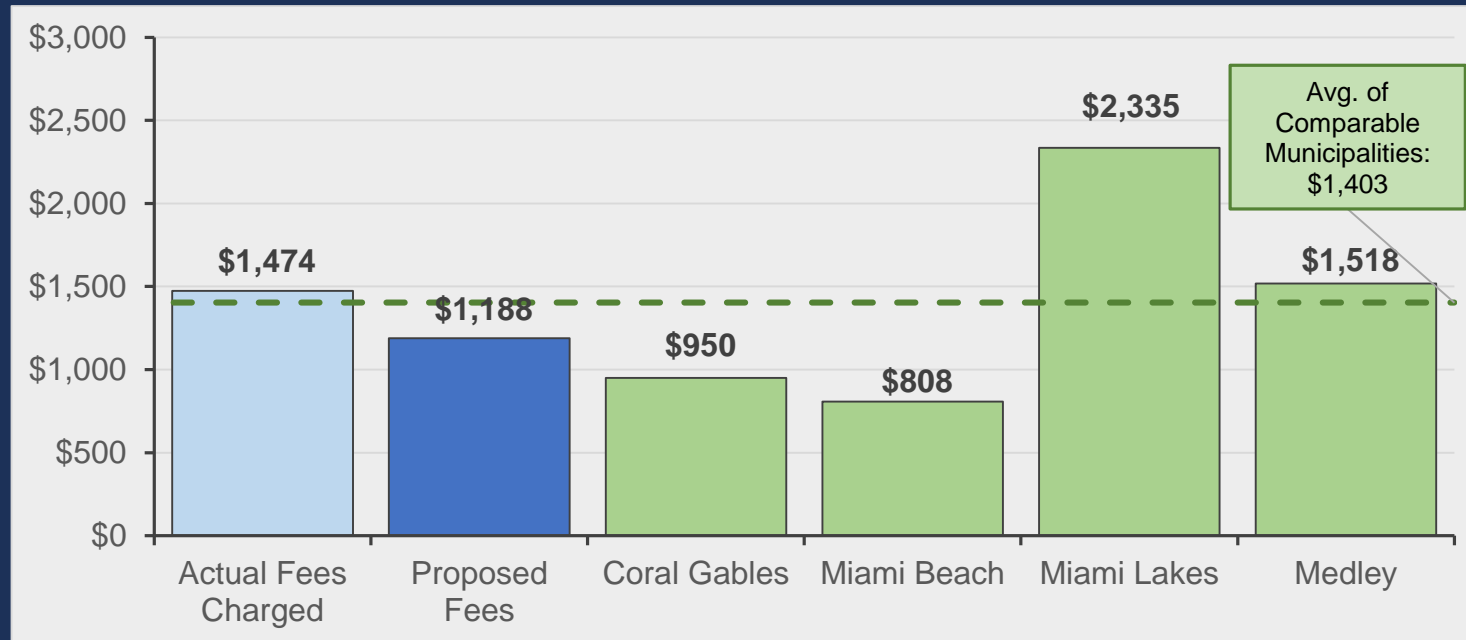
Comparative Analysis

Residential Roofing

Description: New roof tile with screw system and Liquid apply

Total Value of Construction: \$47,500

Square Footage: 9,490



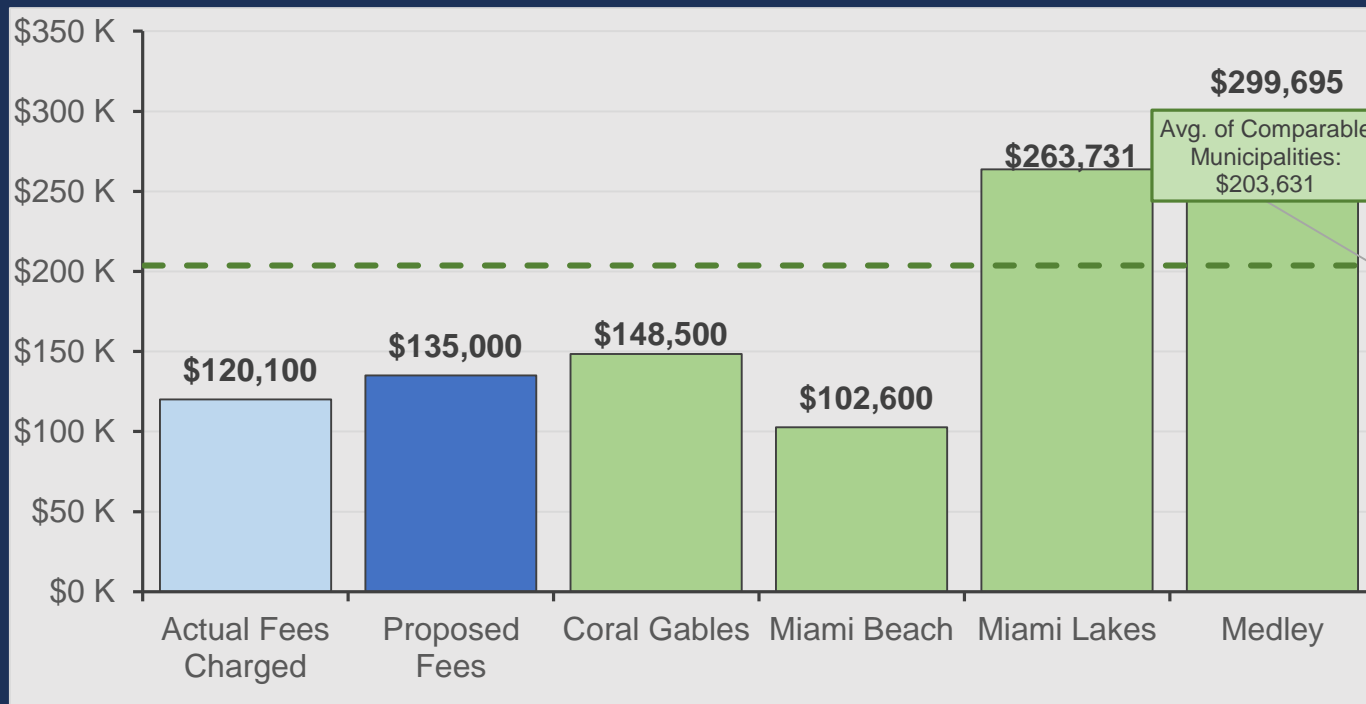
Comparative Analysis

Commercial New Construction:

Description: New construction for Shell warehouse

Total Value of Construction: \$5,400,000

Square Footage: 171,254



Comparative Analysis

Commercial Interior Remodel

Description:

Total Value of Construction: \$120,000

Square Footage: 4,574



Questions?

