

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee Members

FROM: Eric Carpenter, City Manager

DATE: June 11, 2025

TITLE: DISCUSS A DISCOUNT FOR BUILDING DEPARTMENT PERMIT FEES FOR RENOVATIONS, AGE 65 & OLDER HOMEOWNERS

### **RECOMMENDATION**

The Administration does not recommend providing additional discounted permitting fees for homeowners over the age of 65. An alternative method of providing assistance can be discussed further to assist homeowners. Expedited plan reviews can be provided at no cost.

### **BACKGROUND/HISTORY**

On March 19, 2025, the City Commission approved item C4 G to be referred to the Finance & Economic Resiliency Committee (FERC) to discuss possible discounts on building permit fees for renovations up to \$100,000 for homeowners aged 65 and older, with an assessed property value of \$750,000. The item was sponsored by Commissioner Kristen Rosen Gonzalez.

### **ANALYSIS**

Florida Statute 553 Section 80 states the use of building department fees are allocated strictly for activities related to enforcing the Florida Building Code. Additionally, Chapter 553 Section 80 (7)(a), states "Fees charged must be consistently applied", providing discounts for permitting fees based on age may not be in compliance with the statute's intent. Florida Statute 553.80 is attached as Exhibit A.

Residential homeowner Permitting Fees are already discounted compared to commercial permitting fees, as outlined below. Current Building Department Fee Guide is provided as Exhibit B.

- Residential: Single-family, Duplex: Permit fee for a building whose estimated construction cost is equal to or less than \$1.5 million is 1.7% of the cost of construction as approved by the building official or his or her designee, plus 1.0% of the construction cost for any amount over \$1.5 million as approved by the building official or his or her designee.
- Commercial: Permit fee for a building whose estimated construction cost is equal to or less than \$35 million is 1.9% of the cost of construction as approved by the building official or his or her designee, plus 1.0% of the construction cost for any amount over \$35 million but less than or equal to \$100 million; and 0.25% of costs exceeding \$100 million as approved by the building official or his or her designee.

Providing discounts to residential homeowners over the age of 65 years old may not comply with Florida Statute 553.80. However, alternative services could be provided at no cost and other methods may be available to assist homeowners with the financial cost of building permitting fees. The City of Miami Beach Building Department's currently charges lower permit fees for residential projects compared to commercial projects. Further discussion is needed to assess the feasibility and budget impact of the change.

## **FISCAL IMPACT STATEMENT**

TBD

### **Does this Ordinance require a Business Impact Estimate?**

(FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on .

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

## **FINANCIAL INFORMATION**

### **CONCLUSION**

The Administration recommends keeping the Residential Building Permitting Fees at the same rate for all applicants, regardless of age. However, additional assistance can be provided to expedite the process and support residents over the age of 65. Further discussion may be considered regarding potential financial assistance for those homeowners.

### **Applicable Area**

Citywide

**Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?**

No

**Is this item related to a G.O. Bond Project?**

No

**Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s):

### **Department**

Building

### **Sponsor(s)**

Commissioner Kristen Rosen Gonzalez

### **Co-sponsor(s)**

### **Condensed Title**

Discuss a discount for Building Department permit fees for renovations, age 65 & older homeowners.