



Building Department Business Plan

Fiscal Years: 2009 and 2010
(10/1/08 through 09/30/10)

Plan Date: November 21, 2008

Approved by:

Handwritten signature of Charles Danger, P.E., Department Director.

Charles Danger, P.E., Department Director

Handwritten signature of Alex Muñoz, Assistant County Manager.

Alex Muñoz, Assistant County Manager

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DEPARTMENT PURPOSE/MISSION

Provide efficient, accountable, and responsive building permit services and enforce construction regulation to protect citizens.

Additional departmental information can be found in the Departmental Profile (Attachment 1).

STRATEGIC ALIGNMENT

I. The Department's efforts align with the following Miami-Dade County Strategic Plan Goals:

- Use consistent, fair and effective means to achieve code compliance (NU4)
- Ensure the financial viability of the County through sound financial management practices (ES8)

II. Department-related Strategic Plan Outcomes, Departmental Objectives, and Programs & Initiatives:

- Resident and business voluntary compliance with County Codes (NU4-1)
 - Review 100% of Plans within deadlines established by administrative order (ongoing)
 - Expand and enhance the electronic plans submittal program
 - Reduce the average Building processing time from permit application to permit issuance
 - Update and publish the Plan Review Guidelines for compliance with the 2007 Florida Building (March 1, 2009)
 - Reduce Field inspection rejection rate (SORTIE) (ongoing)
 - Update and publish the Plan Review Guidelines for compliance with the 2007 Florida Building (March 1, 2009)
 - Reduce the average number of carryover inspections (ongoing)
 - Increase the percentage of expired permit cases that are closed prior to ticket issuance (ongoing)
- Timely identification and remediation of nuisances, including unsafe structures (NU4.2)
 - Reduce the Unsafe Structures case average processing time (ongoing)
 - Establish benchmarks along the process to identify bottlenecks
 - Reduce the average number of days from complaint received to initial inspection (ongoing)
 - Modify the enforcement policies and the Building Support System to allow for a more efficient use of staff

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- Reduce the average number of days to perform the Notice of Violation Compliance Inspection
 - Modify the enforcement policies and the Building Support System to allow for a more efficient use of staff
 - Consistent interpretation and application of enforcement practices (NU4.3)
- Provide twelve (12) Building Code Workshops to the construction industry and general public (ongoing)
 - Online application for workshop notification and registration
 - Online application to report Continuing Education Units (CEU's) earned by participants to respective regulatory boards and for certificate issuance
 - Inclusion of sustainability related topics (water and energy conservation)
- Decrease the percentage of plans rejected (ongoing)
 - Simplify checklists and migrate from voluntary to mandatory use
- Planned necessary resources to meet current and future operating and capital needs (ES8-2)
 - Continue to monitor revenue and expenditures on a monthly and quarterly basis to ensure effective budgeting and cost accounting practices
 - Review and restructure the fee schedule as needed
 - Assess and adjust staffing levels consistent with service demands
 - Evaluate and adjust office space allocation consistent with approved staffing levels
- Compliance with financial laws and generally accepted accounting principles, etc. (ES8-3)
 - Continue to comply with the County's Prompt Payment Ordinance

PERFORMANCE MEASURES AND TARGETS

For ease of reference, specific information regarding departmental objectives and performance measures including the targets for FY 2008-09 and FY 2009-10 can be found in Attachment 2 – Business Plan Report.

CRITICAL SUCCESS FACTORS

Department-wide Critical Success Factors

- Stabilization of construction activity/permit revenue
- No extraordinary annexation/incorporation
- No extraordinary increase in the private provider permitting service
- Uneventful hurricane season or hurricane season of minimum impact

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- No additional out of cycle code changes
- Find additional sources of revenue to fund additional enforcement staff

Internal Support Requirements

- The collaboration of other County departments in the implementation of improvements, specifically the understanding and commitment from ETSD, The Office of Capital Improvement (OCI), Clerk of the Courts and The Department of Procurement Management (DPM) are crucial to successfully implement the procedures intended to streamline the permit process
- The centralization of the County's system to process complaints (The Office of Neighborhood Compliance, Fire-Rescue and Building Code Compliance Office (BCCO))
- The aggressive prosecution of contractors by disciplinary boards (BCCO)

Critical Success Factors for Specific Objectives

- Continue to promote and expand electronic plans submittal program
 - Sufficient permit revenue to continue to fund the program
 - Acceptance and support from customers
- Provide Building Code Workshops
 - Sufficient permit revenue to fund this activity
- Reduce field inspection rejection rate and the percentage of plans rejected
 - Industry participation in Building Code Workshops offered by the Department
- Reduce the average number of carryover inspections
 - Sufficient permit revenue to maintain current staffing levels
- Reduce the average number of days from complaint received to initial inspection
 - Sufficient enforcement revenue to maintain current staffing levels
- Reduce the Unsafe Structures case average processing time
 - Sufficient enforcement revenue to maintain current staffing levels

3 to 5 YEAR OUTLOOK

- During the 10 years preceding fiscal year (FY) 2007-08, the Department issued approximately 96,400 permits per year. In FY 2006-07 the Department issued 70,700 permits, a 27% decrease over the ten-year average. In FY 2007-08 the Department issued 53,700 permits, a 44% decrease over the ten-year average. The downward trend in permit activity started early in FY 2005-06 and it is estimated to remain flat through FY 2008-09. Starting early in FY 2007-08 the Department initiated measures in response to the reduction in demand for services. The Department's staff has been reduced by 34% and the Department's fleet has been reduced by 40%. During FY 2008-09 the

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Department will continue to implement further adjustments, such as a reduction of 11,500 square feet in office space.

A fee increase was approved by the Board of County Commissioners and became effective October 1, 2008, no previous fee increase had been proposed and approved since October 1, 2000. The current fee increase is intended to offset increased operating costs the Department has experienced since the last fee increase. The Department will also be reviewing the fee structure for a more effective means of recuperating operating costs.

The Department will continue to adhere to the approved operating and capital budgets, while maintaining an adequate fund balance as the best strategy to ensure a sound fiscal position. Further decreases in permit activity and associated revenue may require additional staff reduction as well as further reductions to the operating budget. However, a severe weather event affecting a large area of the Unincorporated County or economic measures to boost the economy may result in a sudden increase of permitting service demand. In such a situation the Department may need to implement aggressive recruitment measures to secure the necessary staff promptly.

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Attachment 1
DEPARTMENTAL PROFILE

Department Description

The Building Department provides building permit services and enforces building codes and regulations governing new construction, maintenance and alteration of existing buildings and unsafe structures within the area of unincorporated Miami-Dade County.

Building Department major duties and responsibilities

- Review and process construction permit applications. Route applications to other County departments involved in the permit process.
- Perform plan review of construction documents to ensure compliance with the Florida Building Code and all other applicable codes and regulations.
- Issue building permits and maintain records of construction documents.
- Collect and distribute permit fees for all departments involved in the permitting process.
- Receive and process inspection requests.
- Perform inspection of active permits to ensure compliance with the Florida Building Code and all other applicable codes and regulations.
- Issue permanent and temporary certificates of occupancy and completion.
- Issue recertification of 40-year-old buildings and boilers.
- Receive and process complaints related to building code violations and unsafe structures.

Significant events that continue to impact the Department's purpose or mission

- Continued decline of construction activity since FY 2006-07.
- Enforcement action associated to permits that expire without being finalized. There are approximately 139,885 permits that have expired and lack mandatory inspections. The number of expired permits continues to demand that the Department spend substantial resources to correct and prevent this type of violation.
- Over the past years, the Department has been the subject of several Grand Jury Investigations. Recommendations from the Grand Jury have significantly impacted departmental operations, including:
 - Limiting daily inspection workloads
 - Reorganization and restructure of the department
 - Changes in security relating to technology and public access to inspectors/plan examiners
 - Significant permitting process changes
 - Increase in the type and number of mandatory inspections

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- Future incorporations and annexations could have a major impact on the Department. There are a couple of extremely important factors, which will influence the timing of the impact on the Department. The effect of an annexation is immediate versus incorporation, which has a delayed effect on activities within the Department. Under the terms of the executed master inter-local agreements, newly created municipalities are not required to establish their own building departments immediately. As such, the Department continues to provide all permitting services at the same level as prior to incorporation. Additionally, after a transition date has been established for the new building department to assume all permitting and enforcement functions, the Department continues to perform plan reviews and inspections related to building permits for applications received prior to the transition date.
- As new construction codes become effective, the Department must maintain the ability to continue to enforce all previous code editions that apply to active permit applications and active permits that were secured under those previous requirements. The overlapping period extends for years demanding from our staff the simultaneous enforcement of multiple sets of rules. For instance, the department continues to work on active permits that were secured under the 1994 edition of the South Florida Building Code (SFBC), and the 2001 edition of the Florida Building Code (FBC), while the currently adopted Code is the 2004 edition of the FBC revised in 2006. Both the change from the 1994 edition of the SFBC to the 2001 edition of the FBC and the change from the 2001 to the 2004 edition of the FBC represented drastic changes which had a substantial impact not only on the Department, but also on its patrons. The Department is prepared to enforce the 2007 edition of the Florida Building Code, which becomes effective March 1, 2009. The Department has provided training to staff in anticipation to the new code. Additionally the Department is currently in the process of reviewing and adjusting to the new code the plan review and inspection guidelines as well as mainframe plan review and inspection tables. The construction industry and design professionals must also go through the learning process and update their design tools (e.g. design software). The learning process extends months beyond the adoption date of the code. The period of adjustment to the new code is marked by an increase in the rate of plan review and inspection rejections by the Department.
- The volume of permits issued by the Department under the provisions of F.S. 553.791 (private provider) had minor impact in the plan review and inspection functions of the Building Department during FY 2007-08 (less than 1% of the overall permitting activity). However, there has been a noticeable increase in the amount of private providers who are currently registered to provide these services.

Innovative programs and initiatives

- Enhanced Permitting and Inspection Interactive Voice Response System is now available 24 hours a day, seven days a week. There are a variety of services available including but not limited to:
 - Inspection requests
 - Plans status

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- Inspection status
 - Plan disapproval comments
 - Regulation case status
 - The ability to request faxed copies of departmental forms
 - Enforcement case information
 - Pay re-inspection fees
 - Certificate of Occupancy information
- **Electronic Concurrent Plan Processing (CPP).** Roofing permit application and plans for minor projects are accepted in digital format or accepted in paper format and converted to digital format for review. Plans are sent electronically and concurrently to all departments and/or disciplines that are required to review and approve the plans. Permit fees can be paid via the Department's website and the job copy printed, saving the applicant a visit to the Building Department.

The Department programs directed to increase public awareness of construction regulations. A minimum of 12 workshops are offered throughout the year to designed professional and builders. Individuals in attendance become familiar with the Code changes and receive continuing education hours. During FY 2008-09 the Department is going to include in these workshops water and energy conservation and other sustainability topics. The Department also administers "Professional Mondays" in which design professionals can meet with departmental reviewers in order to review plan rejection notes and comments. Industry participation is essential in the success of these programs.

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Table of Organization

*OFFICE OF THE DIRECTOR	
<ul style="list-style-type: none"> Formulates departmental policy, provides overall direction for Department operations, serves as Building Official for Miami-Dade County and enforces the Florida Building Code (FBC) and other regulations applicable to the construction and maintenance of buildings 	
<u>FY 07-08</u> 4	<u>FY 08-09</u> 3
*ADMINISTRATION	INFORMATION AND PERMIT SUPPORT
<ul style="list-style-type: none"> Provides administrative support including the preparation and monitoring of the operating budget; manages billing, collection and disbursement of revenue, procurement, and consultant contracts 	<ul style="list-style-type: none"> Receives and processes construction permit applications, inspection requests and results, and Certificates of Occupancy; directs computer services, communication and public information
<u>FY 07-08</u> 38	<u>FY 08-09</u> 25
<u>FY 07-08</u> 84	<u>FY 08-09</u> 54
PERMITTING	UNSAFE STRUCTURES/ENFORCEMENT
<ul style="list-style-type: none"> Ensures compliance with the FBC and other applicable regulations through review of plans, inspection of construction, and enforcement activities 	<ul style="list-style-type: none"> Directs, issues and processes FBC and unsafe structures violations, internal investigations, quality control, personnel, labor management and affirmative action and enforcement activities
<u>FY 07-08</u> 182	<u>FY 08-09</u> 128
<u>FY 07-08</u> 36	<u>FY 08-09</u> 24

*In the Table of Organization, Administration and the Office of the Director are reflected as Administration in the Financial Summary

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Financial Summary

(dollars in thousands)	Actual FY 06-07	Budget FY 07-08	Adopted FY 08-09
Revenue Summary			
Building Administrative Fees	344	380	309
Carryover	14,883	10,972	10
Interest Income	531	420	0
Permitting Trades Fees	25,526	28,316	24,692
Unsafe Structure Collections	2,514	2,458	2,553
Transfer from Capital Outlay Reserve	1,146	1,150	1,150
Total Revenues	44,644	43,697	28,714
Operating Expenditures Summary			
Salary	21,677	23,048	17,157
Fringe Benefits	6,633	7,065	5,480
Other Operating	7,608	8,822	5,987
Capital	434	30	0
Total Operating Expenditures	36,352	38,965	28,604
Non-Operating Expenditures Summary			
Reserve	8	4,712	110
Total Non-Operating Expenditures	8	4,712	110

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 07-08	Adopted FY 08-09	Budget FY 07-08	Adopted FY 08-09
Strategic Area: Neighborhood and Unincorporated Area Municipal Services				
Administrative Services Division	6,760	4,469	42	28
Information and Permit Support	7,245	5,383	84	54
Permitting	21,730	16,127	182	128
Unsafe Structures/Enforcement	3,250	2,625	36	24
Total Operating Expenditures	38,985	28,604	344	234

Capital Budget Summary

(dollars in thousands)	PRIOR	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FUTURE	TOTAL
Revenue									
Capital Outlay Reserve	0	1,150	0	0	0	0	0	0	1,150
Total:	0	1,150	0	0	0	0	0	0	1,150
Expenditures									
Strategic Area: Neighborhood And Unincorporated Area Municipal Services									
Nuisance Control	0	1,150	0	0	0	0	0	0	1,150
Total:	0	1,150	0	0	0	0	0	0	1,150

Current Business Environment

Customers Served

The majority of the Building Department customers related to permitting services are contractors, design professionals and/or plan expeditors. Less than 1% of the customers utilizing permit services are owner builders. However, with regard to enforcement activity, the proportion of cases against property owners is much larger.

Anticipated Code Changes and Impact of those Changes

March 1, 2009, the 2007 edition of the Florida Building Code, will become effective.

Code changes start to affect the Department months ahead of implementation. Time and resources are dedicated to review the changes and determine the impact on the permitting process and to train both technical and permit support staff. Computer re-programming will be necessary to adjust to new changes while maintaining the ability to continue to enforce all previous code editions that apply to active permit applications and active permits that were secured under those previous requirements. The overlapping period of different code editions extends for years, demanding from our staff the simultaneous enforcement of multiple sets of rules.

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The construction industry and design professionals must also go through the learning process of these new sets of rules and must update their design tools (e.g. design software). The learning process usually extends months beyond the adoption date of the new requirements. The period of adjustment is marked by an increase in the rate of plan review and inspection rejections.

Geographical Areas Served

The Department currently provides service to the Unincorporated Municipal Service Area (UMSA) in Miami-Dade County and the City of West Miami. Additionally, as a result of recently incorporated municipalities or annexed land, the Department continues to issue subsidiary permits in connection with active permits that were issued prior to the date of assumption of service, and will continue to perform inspections for all active permits until completion.

List of Competitors

A) Permitting Services by Private Providers

Prior to March 1, 2002, the Department relied only upon its own staff for the issuance of building permits. With the adoption of the Florida Building Code on March 1, 2002, permits by affidavit became an available option, which provides for the issuance of permits relying upon a sworn affidavit from a registered professional. On October 1, 2002, a state law introduced permitting services by private providers, which reaffirmed the issuance of building permits based upon the performance of plan review and inspections by private licensed professionals.

The volume of permits issued by the Department using the private providers' option represents less than 1% of the overall permitting activity, resulting in no impact to the required staffing levels.

B) Incorporation and Annexation

Since 2000 more than 59 square miles of land has been transferred from the unincorporated municipal service area (UMSA) to municipal jurisdiction through incorporation or annexation. Initially the areas that incorporated had a moderate impact on the Department's revenue. On one hand the Department continued to provide permitting services several months (sometimes more than a year) after incorporation, until the new municipal government was ready to assume the permitting functions. Even then, the Department continued to provide permitting services for all subsidiary permits (requirements of permits that were issued by the Department prior to the municipal assumption of the permitting service). On the other hand, the rapid development expansion of the territory that remained within UMSA that lasted for some years compensated for the loss of territory. However, in FY 2006-07 it is estimated that a decrease of about 10% of the permit activity (as compared to the previous fiscal year) is the result of incorporation and annexation. This was a contributing factor to the staff adjustment the Department realized in October 2007.

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C) Decrease in Construction Activity

Starting in FY 2006-07 the decline in construction activity has been impacting the operation of the Building Department. In FY 2007-08 the Department issued 53,700 permits which represented a 44% decrease over the ten-year average preceding FY 2006-07. As a result of the reduced service demand, the Department has reduced staff, its fleet and will soon be reducing office space. The Department continues to closely monitor the construction activity for further adjustments as needed.