



City of Coral Gables Fire Permit Fee Assessment and Comparative Analysis

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Objective

Develop a permit fee structure for the Fire Department that:

- Ensures adequate cost recovery for the services provided by the Fire Prevention Division
- Is concise and easy to understand for both the customer and the City
- Creates a reserve for unforeseen factors affecting construction activity
- Does not impact annual or false alarm fees currently charged to residential or business communities
- Provides consistency with building permit fee structure



Approach

In order to assess the City's fire prevention permits and develop a proposed fee structure, the following approach was used:

- Collect and analyze permit fee data over the past three complete fiscal years
 - FY19 (10/1/2018 – 9/30/2019)
 - FY20 (10/1/2019 – 9/30/2020)
 - FY21 (10/1/2020 – 9/30/2021)
- Determine the Division's fully-burdened cost of providing effective and efficient services



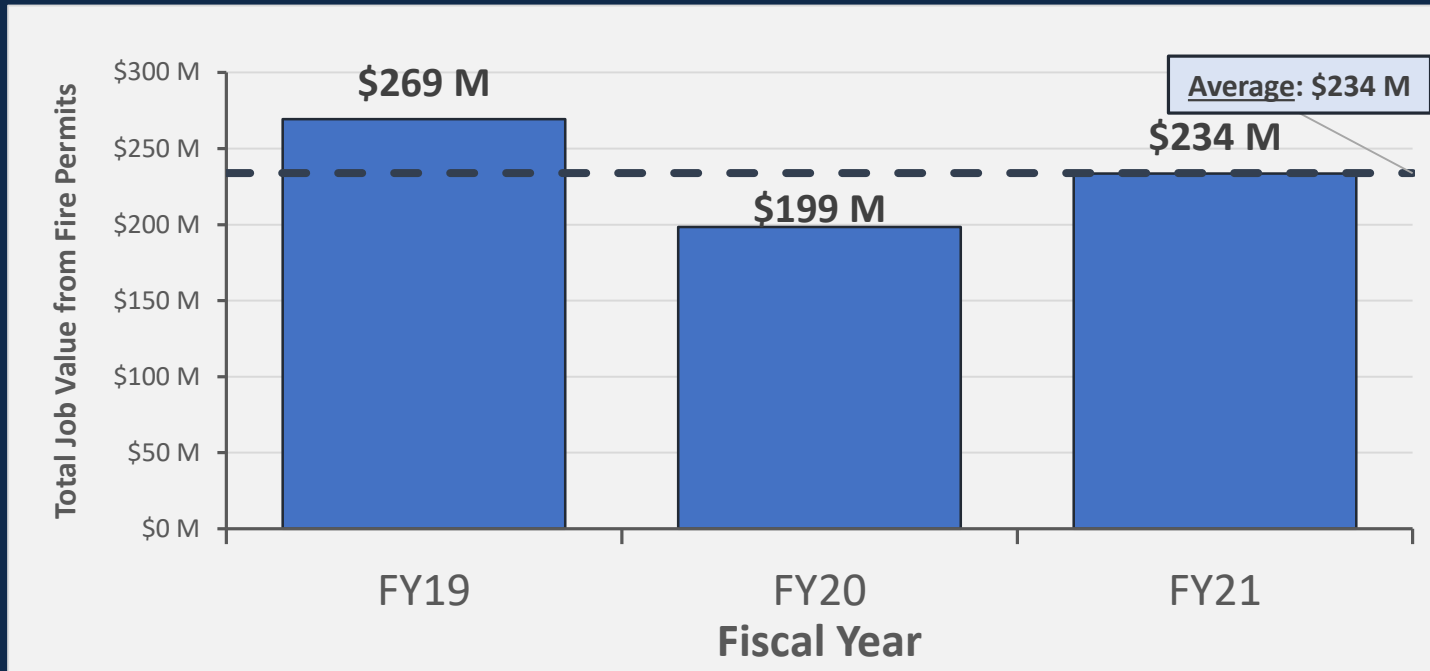
Approach (continued)

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



3-Year Permit Activity

Total Job Value from Fire Permits – FY19, FY20, FY21



Construction Type	Average Job Value (FY19, FY20, FY21)	Percent of Total
New Commercial	\$158,141,304	67.6%
Interior Alteration	\$31,469,021	13.4%
Int/Ext Alteration	\$13,328,899	5.7%
Total	\$202,939,224	86.7%



Fire Prevention Division Deficit FY19 – FY21

- The Division has been operating at an average annual loss of approximately \$331,575

Fiscal Year	Revenue	Cost	Deficit
FY19	\$1,153,940	\$1,417,281	(\$263,341)
FY20	\$1,089,142	\$1,431,828	(\$342,686)
FY21	\$1,155,433	\$1,544,131	(\$388,698)
3-Year Average	\$1,132,838	\$1,464,413	(\$331,575)



Fire Prevention Division Fully-Burdened Cost

- Represents the fully-burdened cost for the Division to function at its desired level

Estimated Fully-Burdened Cost	
Salaries	\$ 975,866
Taxes/Insurance	\$ 117,932
Indirect Support ¹	\$ 130,000
Technology/Computers	\$ 100,000
Training/Education/Overtime Backfill	\$ 50,000
Vehicles	\$ 25,000
Other Operating ²	\$ 776,204
Total	\$ 2,175,002

¹Represents the realized cost of firefighters who assist with inspections.

²Represents a pro rata share of the Fire Department's operating expenses used by the Fire Prevention Division.



Proposed Fee Structure and Projected Revenue

Proposed Permit Fee Modifications	
Fire Prevention Bureau Permit Fee:	0.55% of job value
Minimum Fee:	\$350
Special Inspection Request Fee:	\$350
Expedited Services Fee:	\$350
Re-Inspection Fee:	\$100
Revision Fees:	\$75 plus permit fee for cost of additional scope, if applicable

Projected Fire Prevention Revenue	
Fee Type	Projected Revenue
Fire Prevention Bureau Permit Fees	\$ 1,271,130
Special Inspection Request Fees	\$ 377,405
Other Permit Fees ¹	\$ 38,867
False Alarm Service Fees	\$ 45,000
Annual Fire Inspection Fees	\$ 573,139
Total Revenue	\$ 2,305,540

¹Represents hydrant flow tests, fire expedite fees, and indoor/outdoor pyrotechnics fees.

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Surplus/Reserve	
Surplus/Reserve	\$ 130,538
Percentage of Estimated Fully-Burdened Cost	6.0%



Comparative Analysis

- How do the proposed fees compare to current Coral Gables fees and those charged by comparable municipalities?
 - City of Miami, Miami-Dade County, City of Miami Beach
- Fees compared:
 1. New Buildings/Additions/Alterations/Repairs
 2. Fire Alarm System Plan Review and Acceptance Test
 3. Special Inspection Request
 4. Annual Life Safety Inspection
 5. False Alarm Service Charge – Residential
 6. False Alarm Service Charge – Commercial

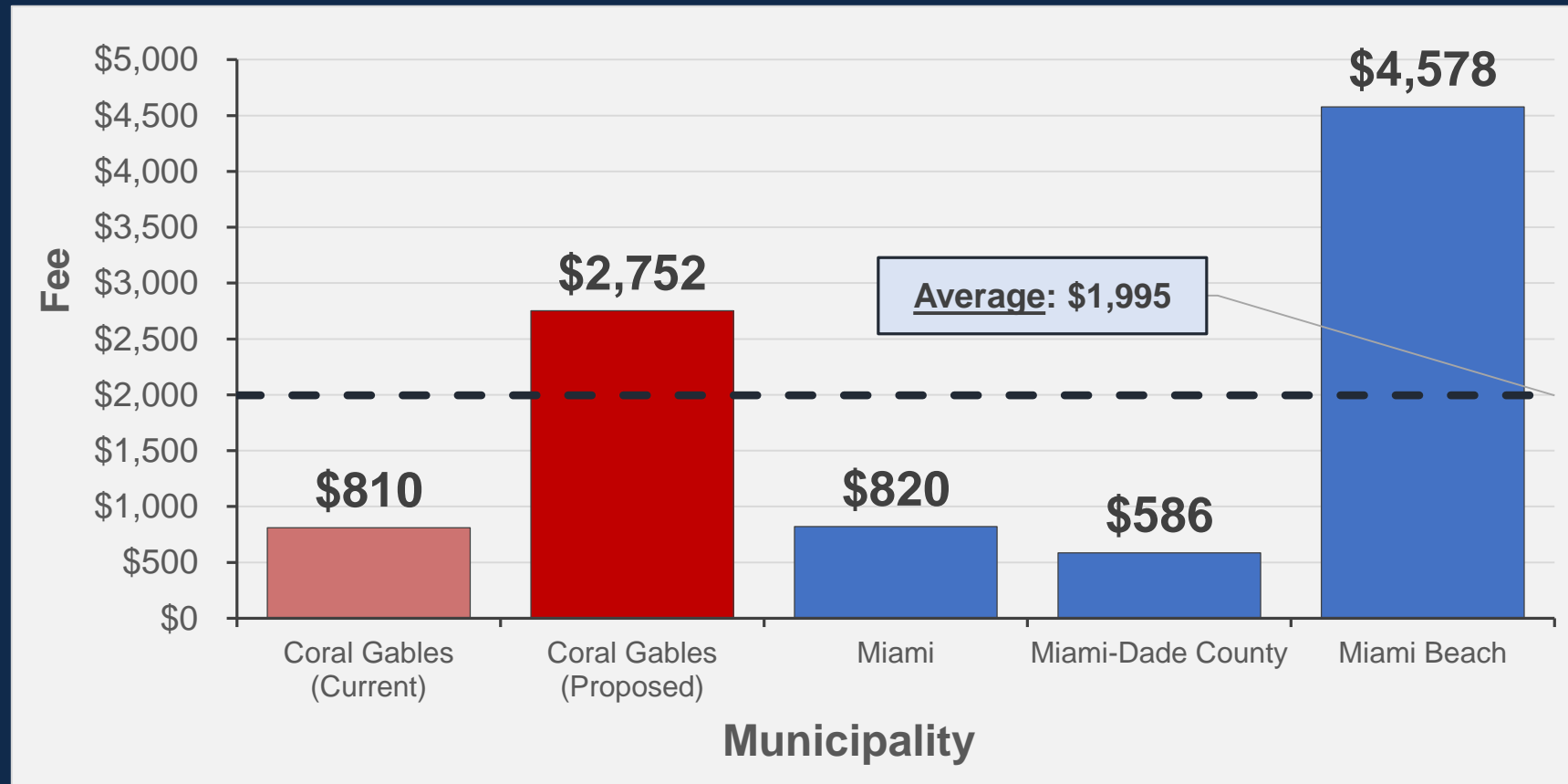


Comparison #1

Tenant Build-Out

Job Value: \$500,309
Square Footage: 2,500

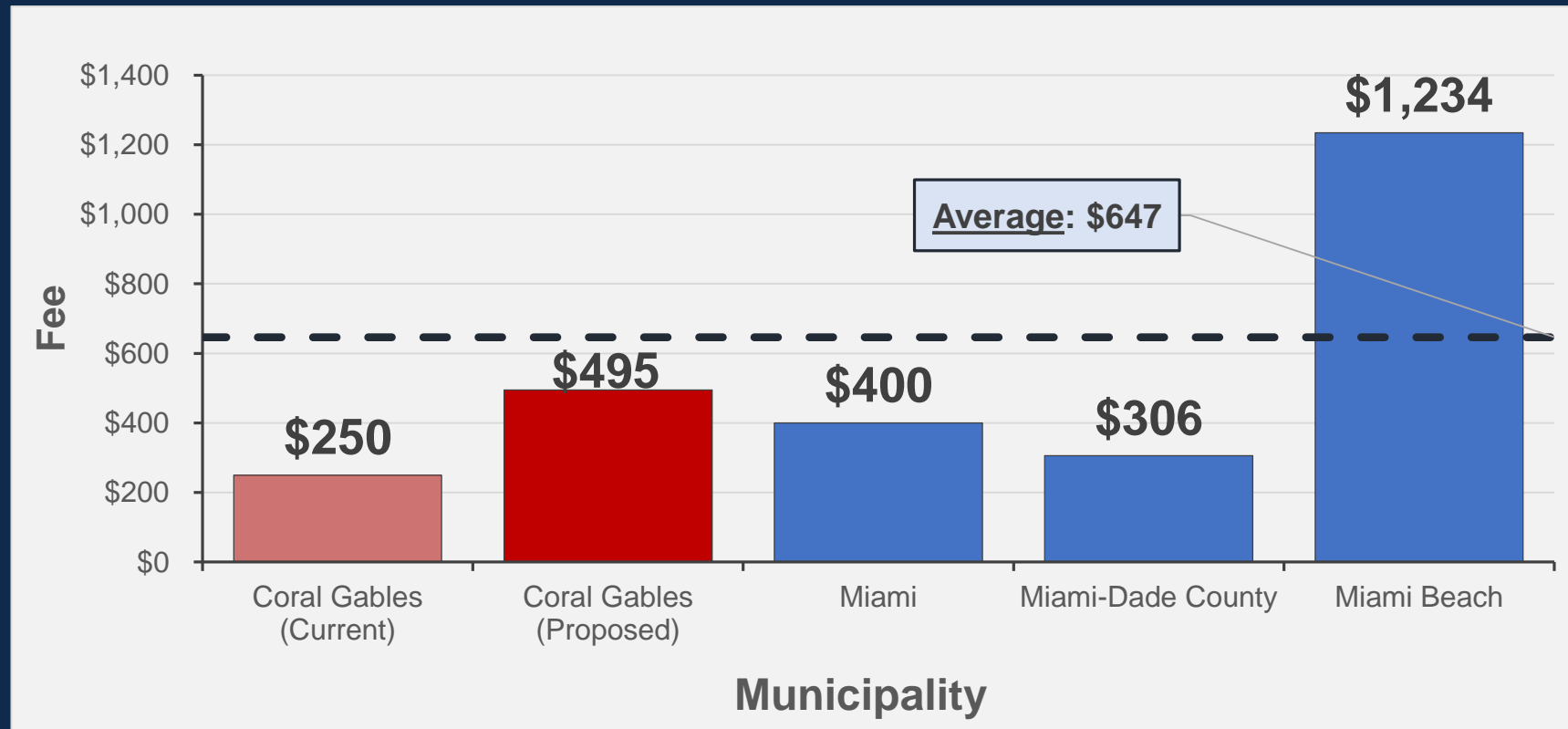
of Sprinkler Heads: 25
of Alarm Devices: 8



Comparison #2

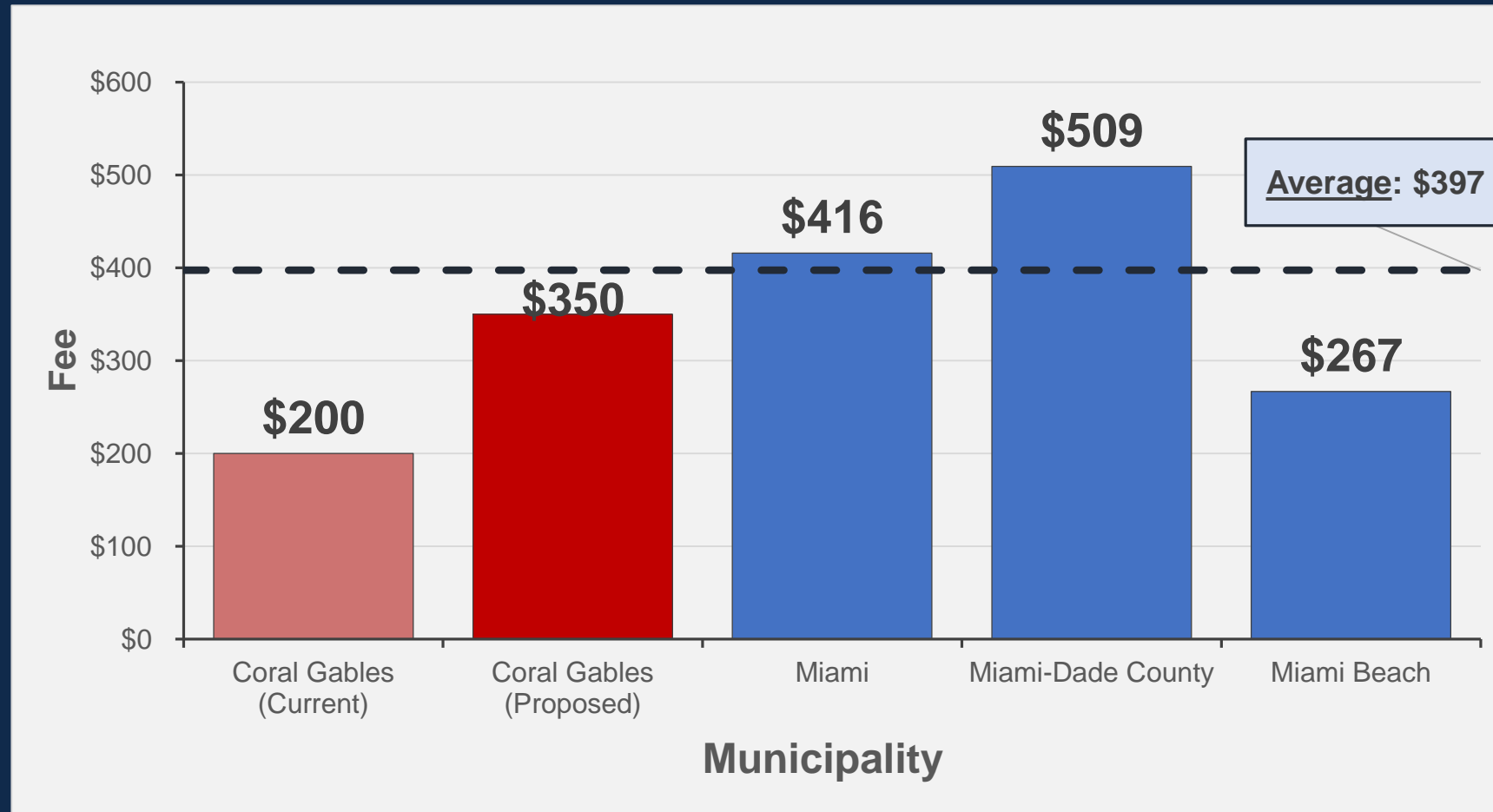
Fire Alarm System Plan Review and Final Acceptance Test

Job Value: \$90,000 # of Alarm Devices: 100
Area of Work (sq.ft.): 30,573



Comparison #3

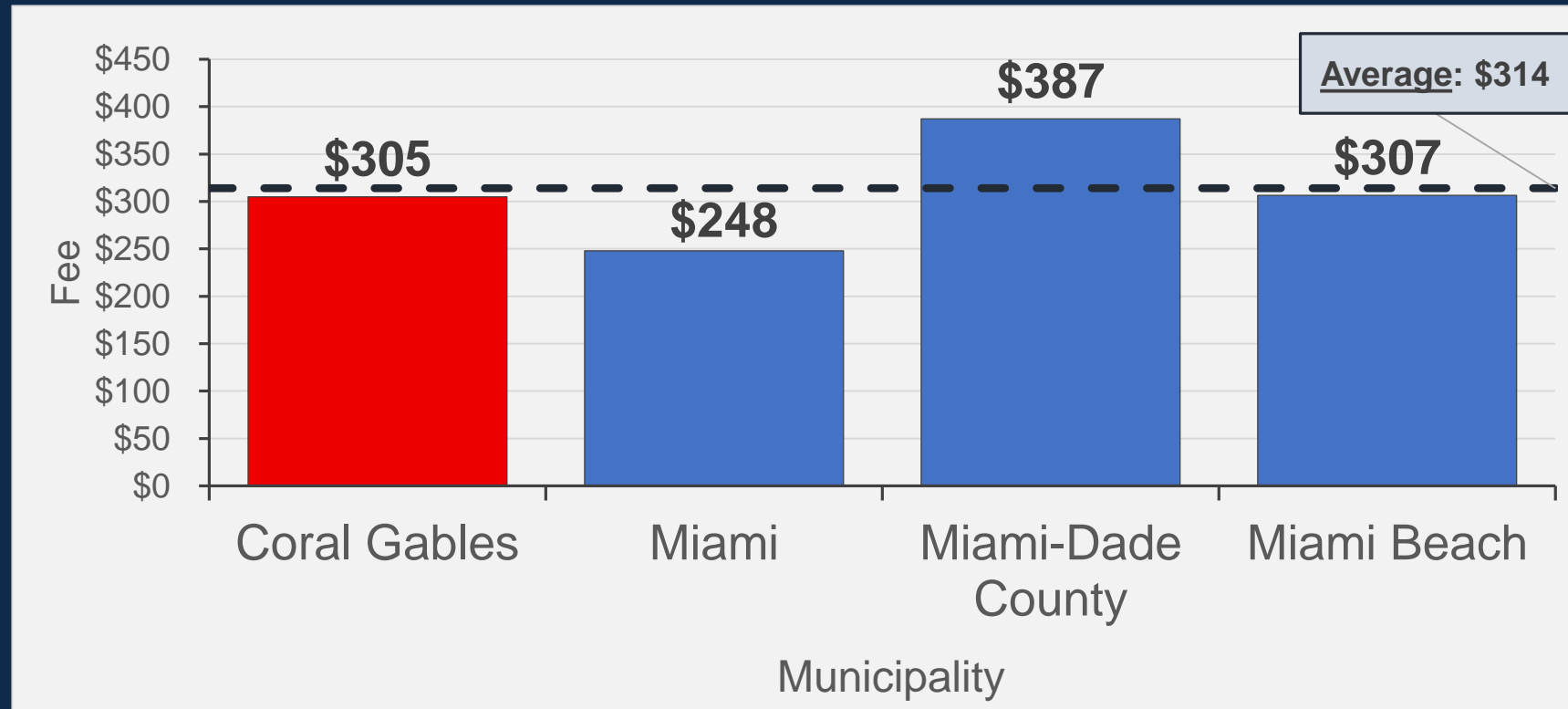
Special Inspection Request (Overtime Inspections)



Comparison #4

Annual Life Safety Inspection – Multi-Family Building

of Stories: 14
of Units: 140

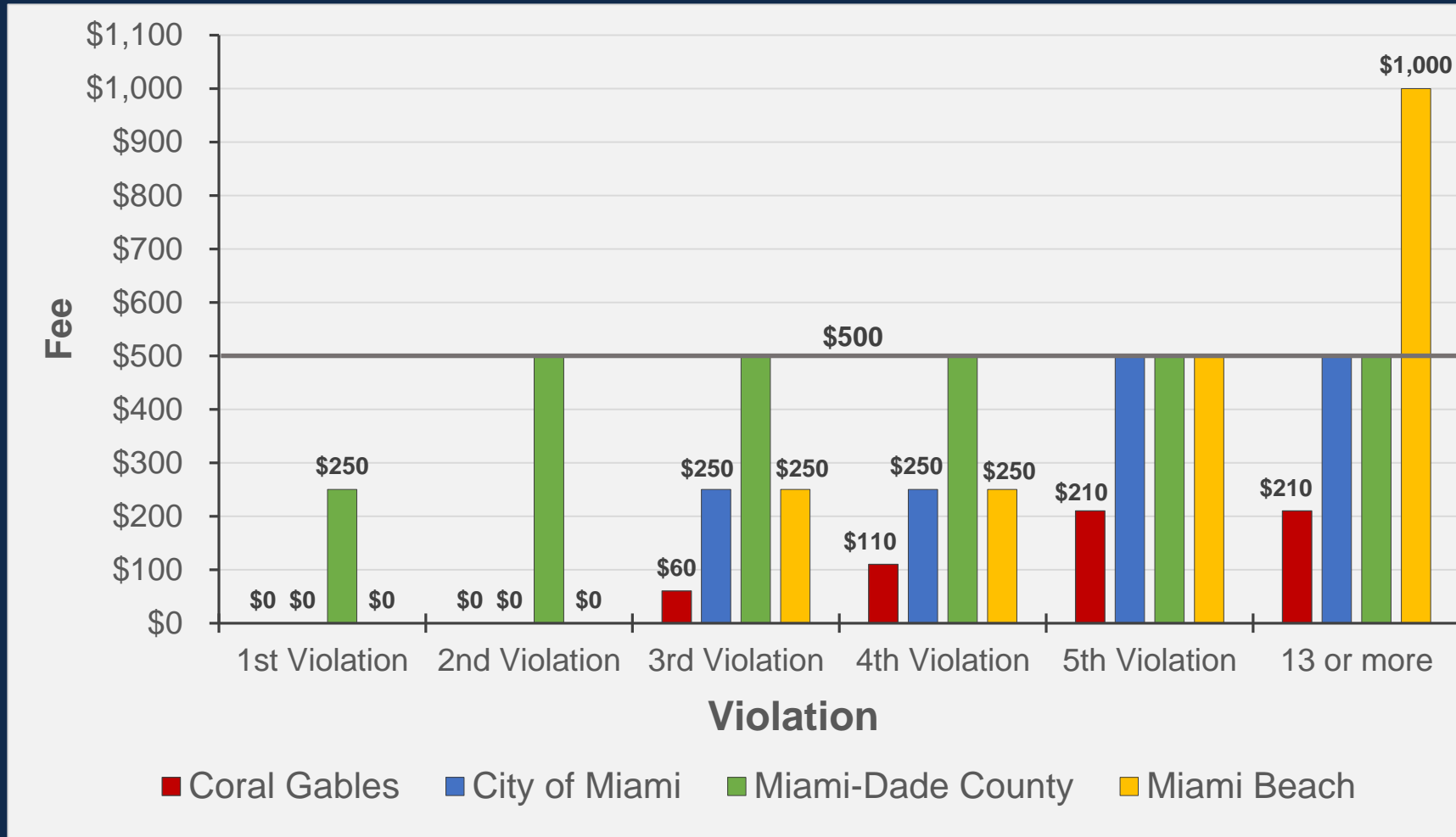


Note: Coral Gables fee to remain unchanged



Comparison #5

False Alarm Service Charge - Residential

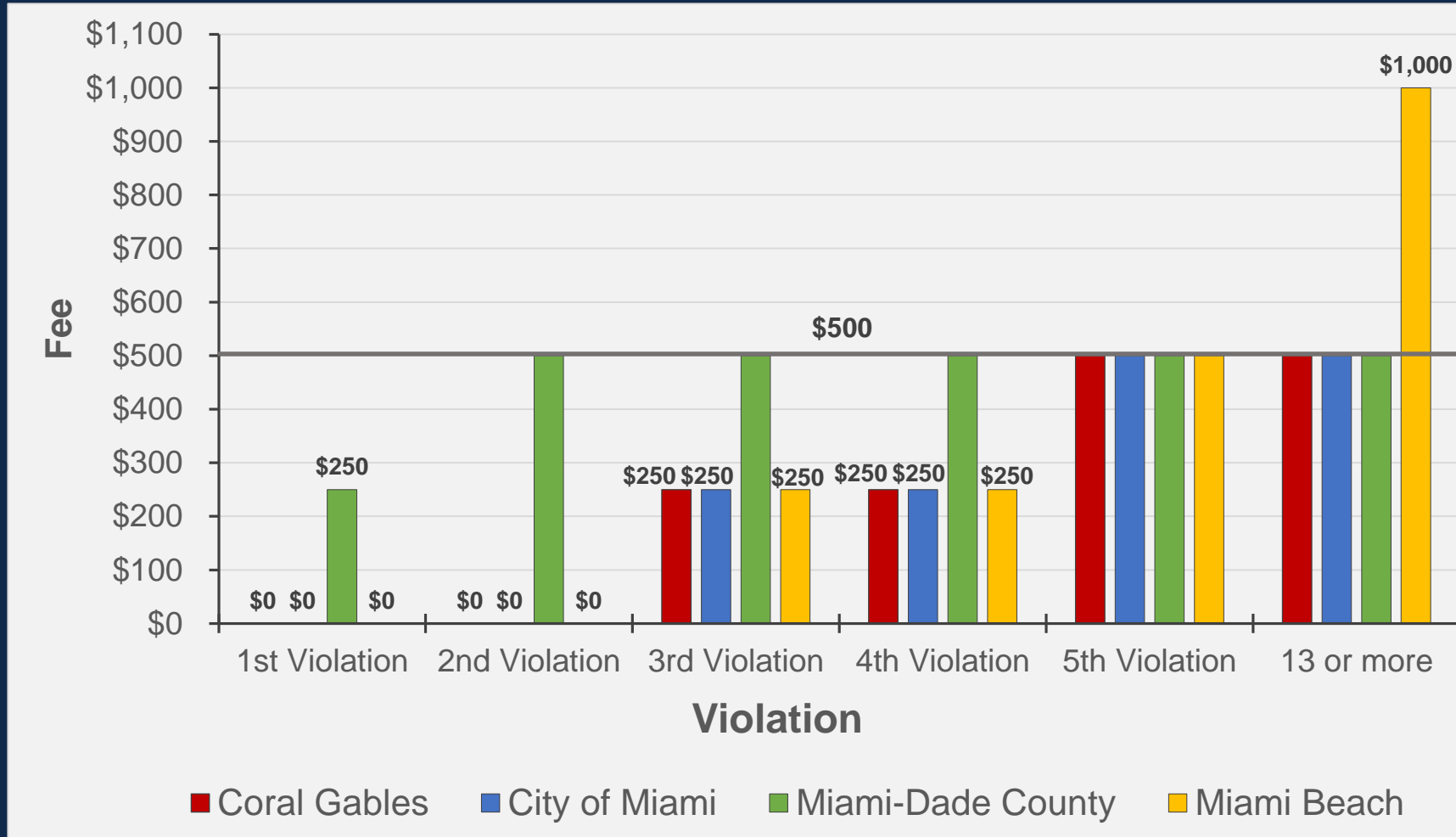


Note: Coral Gables fee to remain unchanged



Comparison #6

False Alarm Service Charge - Commercial



Note: Coral Gables fee to remain unchanged



Benefits of Proposed Fee Structure

- Ensures full Fire Prevention Division cost recovery
- Creates a reserve for Division initiatives and potential uncertainty in permitting activity
- Enables Division to operate at desired service level
- Provides consistency with building permit fee structure
- Facilitates quicker turnaround times for plans review
- Easy to calculate and transparent
- Is consistent with comparable Fire Prevention fees within the County



Questions?

