



3RD
LARGEST HBA
IN THE NATION

2016 fhba

FLORIDA HOME BUILDERS ASSOCIATION

ANNUAL REPORT

Model Contracts
For builders and contractors



60%

More EDUCATIONAL offerings during the FHBA-hosted Southeast Building Conference

2016 fhba

FLORIDA HOME BUILDERS ASSOCIATION

ANNUAL REPORT

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Throughout the 2016 year, Florida Home Builders Association (FHBA) covered remarkable ground; achieving long sought-after goals in a myriad of areas: Membership, Advocacy, Business Benefits, Education, and Communication.

The FHBA 2016 Annual Report reviews milestones and key successes that will propel our organization into 2017.

■ ABOUT

Established in 1949, FHBA is affiliated with the National Association of Home Builders (NAHB) and Florida's local/regional homebuilder associations. FHBA, along with its affiliates, work to create the best possible economic and regulatory environment for members to succeed.

FHBA was founded to:

- Serve, advance, and protect the welfare of the home building industry to provide optimum housing for all.
- Advocate and encourage the constant improvement of home building techniques, practices, and standardization of building codes in Florida.
- Work to eliminate governmental orders improperly restricting the home building industry and to support beneficial opportunities.
- Work with builders and trade partners to advance the home building industry.

■ LEADERSHIP

- Ray Puzzitiello, President
- Jeremy Stewart, First Vice President/Treasurer
- Greg Matovina, Secretary
- Tony Martin, Second Vice President
- George Cooper, Third Vice President
- Jerry Linder, Immediate Past President
- Paul Iandoli, Immediate Past Second Vice President

MEMBERSHIP

MEMBERSHIP COMMITTEE

- Doug Wenzel, Chair
- Ronnie Kirchman, Vice Chair
- Robert Markel
- Jim Gonce
- Jenny Malone-Wiseman
- Kim Wolfmeyer
- Chris Dostie
- Drexal Harris
- Stewart Gibbons
- Richard Daniels

"When you are a member your voice gets heard when it comes to local, state, and national governments; directly affecting your company with building codes, insurance requirements, and safety hazards for the public. The association is truly the heartbeat of our industry. The real benefit of being a member is truly being INVOLVED!"

- Jerry Dean, Vintage Estate Homes

"Without question, the investment I have made in membership has benefited my business and me tremendously. The benefit I receive through the legislative wins at the local, state, and national levels are real and tangible. I could not imagine where our industry would be without my local HBA, FHBA, and NAHB working on our behalf. Plus, the friendships that I have made will certainly last a life time."

- Newman Rodgers, Newman Rodgers Construction

FHBA has become the leading advocate for Florida builders and trade partners. As a result, we have begun to experience growth from the housing recession:

- Third largest Home Builders Association in the nation
- 86% of homes built in Florida are by FHBA members
- Membership increased by 3% over 2015

FHBA is a member of the federated organization including the National Association of Home Builders and 23 local Home Builder Associations:

- Bay BIA
- HBCA of Brevard
- Charlotte-DeSoto BIA
- Collier County BIA
- Columbia County BA
- Flagler County/Palm Coast HBA
- Gold Coast BA
- Hernando BA
- HBA of Lake-Sumter
- Lee BIA
- Manatee-Sarasota BIA
- Marion County BIA
- BA of North Central Florida
- Northeast Florida BA
- BIA of Okaloosa-Walton
- Greater Orlando BA
- Polk County BA
- BA of South Florida
- Tallahassee BA
- Tampa Bay BA
- Treasure Coast BA
- Volusia BIA

3RD
LARGEST HBA
IN THE NATION

7,841 members • 3% increase over 2015

86% of homes built in Florida
are by FHBA members

■ ADVOCACY

GOVERNMENTAL AFFAIRS COMMITTEE

- Michael Bourré, Chair
- Felix Beukenkamp, Vice Chair
- Suzanne Graham, FHB PAC Chair
- Garrett Anderson
- William "Bill" Truex
- Eric Phillips
- Jeff Spear
- Bob Eaton
- Mike Neace
- Bob Knight
- Mike Rahn
- Ron Lieberman
- Lee Arsenault
- Rick Goff
- Vivien Monaco
- Dave Carter
- Charles Brecker
- Alan Weekley
- Mark Spada
- Scott McCracken
- Frank Severino

CODES & STANDARDS COMMITTEE

- Lee Arsenault, Chair
- William "Bill" Truex
- Luis Medeiros
- David Adams
- Mike Keesee
- Frank Jenkins
- Jim Raczkowski
- Arlene Stewart
- Doug Bruk
- Alan Gremillion

LEGISLATIVE ADVOCACY

The Governmental Affairs Committee, lead by Chair Michael Bourré, understood the most effective means of improving the economic environment of the homebuilding industry is in the legislative, regulatory, and legal arenas. This year alone, we fought unnecessary fees and sought ways to stop burdensome regulations.

- **Task Force on Construction Industry Workforce** - Created a Task Force that brought together 22 statewide employer and labor groups to create a consensus path to train the industry's most important resource: our workforce.
- **Funding for the building commission's uniform system implementation workgroup** - To establish a uniform state-wide interpretation of plan review and code inspection and then determine forces behind inconsistent interpretations.
- **Reinserting the shower pan exemption** - replacement of the arbitrary removal of the exemption to the plumbing code p27069; mandatory shower lining.

Reduced cost of residential construction by **\$7,000** per home annually for builders and remodelers

■ **ADVOCACY**

- **Blower door testing** - Provided one final delay of the mandatory blower door test and associated mechanical ventilation requirements to July 7, 2017; Made blower door testing possible to pass and maintain economies of scale; and Added HVAC Contractors to the list of persons allowed to conduct Blower Door Testing.
- **Fire distance separation and zero lot line** - Reinstated the allowances for zero lot line developments, removing residential sprinkler mandates, and clarifying fire separation distances.
- **Accountability for denying, revoking, or modifying a permit request** - Removing the denial of a permit or request of modification to a permit without the responding party citing the section of code or local ordinance being violated.
- **Funding for non-binding interpretations of the Florida Fire Prevention Code** - Secured funding for non-binding interpretations of the Florida Fire Prevention Code to provide stability and consistency in code implementation and enforcement.
- **Fire service access elevators in high-rise facilities** - Achieved a compromise with fire officials to provide design and construction relief for fire service access elevators in high-rise facilities while simultaneously enhancing safety features.
- **Sadowski Funding** - Continuous support of the Sadowski funding and State Housing Initiatives Partnership funding.
- **Springs and aquifer protection act** - Establishing a scientific approach to protecting Florida's springs and aquifers, while allowing for local boards and commissions to conduct Basin Management Action Plans.

We continue to fight the potential 19.6% increase to workers' compensation insurance that has been proposed by the National Council on Compensation Insurance as a result of three recent Supreme Court rulings.

REGULATORY SAVINGS

Lee Arsenault, Chair of the Building Codes Committee worked with members to secure significant savings to your business' bottom line. As a result of their hard work, in addition to your local HBA and Contract Consultant, Joe Belcher, builders and remodelers will now save over \$7,000 by working with the Florida Building Commission to reduce the costs of building homes within compliance of the 6th edition of the Building Code.

■ ADVOCACY

POLITICAL ACTION COMMITTEE

- Suzanne Graham, Chair
- William "Bill" Truex, Vice Chair
- Lee Arsenault, Treasurer
- Arlene Stewart
- Frank Severino
- Shelley Stewart
- Natasha Cartagena Spencer
- Ronnie Kirchman
- Bob Eaton
- Bill Paul
- Jennifer Doerfel
- Thomas Thornberry
- John Wiseman
- Bruce Malasky
- Michael Weiner

FHBA's Political Action Committee (FHB PAC) continues to make a positive difference in the business environment in Florida's building industry. With the support of FHB PAC members and 1,000 Club members, 94% of all FHB PAC supported candidates won their elections.

FHB PAC's successful backing of pro-building candidates during the 2016 election was a direct result of the increased contribution rate by 115%, compared to the prior 2-year campaign cycle. Overall contributions totaled \$247,000.

In 2016, FHB PAC unveiled its new website, www.fhbpac.org, which allows for increased awareness of FHB PAC's activity and successes. The new website also provides an opportunity for engagement and support, where visitors can join the 1,000 Club or contribute as a Friend of FHB PAC.

These victories will result in the establishment of leadership relationships where we can work seamlessly at the Capitol to achieve a successful 2017 Legislative Session.

94% of FHBA supported candidates won elections

■ BUSINESS BENEFITS

NON-DUES REVENUE COMMITTEE

- Bruce Malasky, Chair
- Natasha Cartagena-Spencer, Vice Chair
- Rob Markel
- Paul Indoli
- John Carlson
- Natasha Cartagena-Spencer
- Shelley Stewart
- Daniel Blanchard

While you work to increase your business, the FHBA Non-Dues Revenue Committee, chaired by Bruce Malasky, worked to reduce your expenses.

FHBA PROGRAMS

FHBA provides, through membership, two key programs that are significant to builders' everyday needs:

- **Model Contracts** - FHBA offers up-to-date model contracts for builder, contractor, and trade partners. Members save an average of \$5,000 in lawyer fees for creation of these exact contracts:
 - Disclosure Statements
 - Standard Construction Contracts on Owner's or Customer's Property
 - Standard Construction Contracts on Builder's Property
 - Standard Remodel Contract
 - Standard Subcontract
 - Residential Rebuilding Agreement
 - Escalation Clauses
- **411 Code** - The FHBA is proud to provide members a solution to interpreting Florida's building code through the 411 Code program. 411 Code provides members free access to Joe Belcher, an independent code consultant with 35 years experience, to ask questions, provide code interpretations, and give plan review assistance and analysis for builders who find themselves at odds with their local building departments.

MODEL CONTRACTS

Builders and contractors save up to:
when they use FHBA model contracts

\$5,000

■ BUSINESS BENEFITS

FLORIDA HOME BUILDERS INSURANCE

For nineteen years, FHBA has wholly-owned Florida Home Builders Insurance (FHB); building insurance experts by builders, for builders. In 2016, FHB announced a new Chief Executive Officer, James “Jim” Leach, JD, CPCU, CLU, and new Vice President of Business Development and Underwriting, Jay Williams, CIC, CRM, AAI, AIP, ACSR. Under new leadership, FHB has improved its expertise as a specialized wholesale broker and program administrator with a focus on the construction industry. FHB covers:

- Residential General and Trade Contractors
- Commercial Trade and General Contractors
- Land Developers
- Residential and Commercial Roofers
- Manufacturers and Suppliers

FHB covers the business of construction:

- General Liability for General Contractors & Artisans
- Builder’s Risk
- Roofers & Construction Specialties
- Property & Inland Marine
- Worker’s Compensation
- Excess/Umbrella Liability
- OCP & Wrap Policies
- Architects & Engineers Liability
- Miscellaneous Errors & Omissions

For more information on how your business can be covered by the building insurance experts, go to www.fhbinsurance.com.

411 Code Service

Building Code solutions and answers for everyday questions that occur on the job



■ BUSINESS BENEFITS

PARTNERSHIPS

This year, we partnered with four additional key companies that provide cost savings to products and programs you need to be successful:

- **Builder TREND** – A personalized service software management product, where only FHBA members can save \$1,000. Their software management offers award winning products for the Pre-Sale Process, Project Management, and Customer Management.
- **FHBA Career Center** – A true online job board for our industry, FHBA's Career Center offers a competitive edge over other recruitment channels. FHBA members receive a 50% discount on all postings, advertisements, or customized functionalities.
- **SmartBiz SBA Loan Program** – An exclusive FHBA member benefit, we partnered with SBA Loan Group to obtain low cost and long-term business administration debt financing.
- **Snazzy Traveler** – The most recent addition to FHBA business discounts, Snazzy Traveler provides members FREE access to exclusive rates on hotels, rental cars, luxury cruises, and activities up to 75% off online retail prices.

FHBA continues its longstanding partnerships with business programs that uphold their significance and value to members:

- **NAHB Member Discounts Program** - Member access to discounts and savings from top companies.
- **Private Health Exchange** - Multi-carrier marketplace designed for FHBA members, their staff and dependents.
- **National Purchasing Products** - Discounts on business products.
- **Member Rebate Program** - Members who participate receive, in rebates, more than they paid in annual dues.

■ EDUCATION

FHBA seeks to equip those in the building industry with the ability to adhere to new code requirements and, as a result, positively affect their business' bottom line.

Members save an average of \$150 by attending free continuing education training during the FHBA's tour of 18 cities.

BUILDING CODE TRAINING SESSIONS

The Florida Building Code Compliance and Mitigation Program is a training and outreach program for individuals in the construction industry, specifically building code administrators and inspectors, architects, engineers, construction contractors and other professionals in the field of construction. The program was funded by the Florida Department of Business and Professional Regulations (DBPR) and administered by Building A Safer Florida, Inc. (BASF). Training sessions were open to all employees in the design and construction industries.

SOUTHEAST BUILDING CONFERENCE

During the Southeast Building Conference (SEBC), hosted by FHBA, attendees experienced 60% more educational offerings than in 2015. As a result, SEBC welcomed 20% more attendees than the previous year.

BUILD

FHBA created the Building University for Individual Leadership Development (BUILD) to train the next generation of building industry leaders in Florida. Students who graduate from BUILD will have received focused curriculum on spokesperson training, development of leadership skills, and legislative and regulatory issues that impact housing and construction.

Each BUILD class stands independent of one another so participants may pick and choose which course they attend. Participants do not have to complete all three classes in one year. Once a participant has completed all three courses, they will graduate and receive their BUILD Diploma. Price of BUILD classes include meals and materials.



60%

More **EDUCATIONAL** offerings during the FHBA-hosted Southeast Building Conference

■ COMMUNICATION

REBRANDING

In 2016, FHBA conducted three rounds of membership surveys to identify the need for a rebrand. The purpose of rebranding was to increase FHBA's brand among the building industry and its supporters.

The three core reasons why FHBA rebrand its identity were to:

- Revitalize Priorities
- Remain Relevant
- Increase Unity

Shifting to a new brand was more than giving FHBA a make-over. It is essential for FHBA to keep pace with the forward direction that our industry is headed. Throughout 2016 and beyond, FHBA will work to increase its brand among the building industry and its supporters while improving the representation we offer our members.

Communication products that were rebranded and redesigned included:

- New Logo
- www.fhba.com
- New weekly e-newsletter format and content

■ SOUTHEAST BUILDING CONFERENCE (SEBC)

SEBC COMMITTEE

- Chair Bill Smock
- Vice Chair Drew Smith
- Joe Ernst
- Robyn Bonaquist
- Cindy Hall
- Jenny Malone-Wiseman
- Bill Flack
- Debbie Smith
- William "Bill" Truex
- Greg Masters
- Wendy Dittmar
- Arlene Stewart
- Lee Aresnault
- Michael Bourré
- Tammy Stamper
- William Webb

ABOUT

- Established in 1977, the southeast Building Conference (SEBC) is the premier regional building industry trade show in the Southeast providing the latest in residential and commercial construction products and services. The Southeast region covers: Arkansas, Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North and South Carolina, Tennessee, Texas and Virginia.

2016 REVIEW

- Twenty percent more residential and commercial construction exhibitors. Sixty percent more building industry educational offerings. And, a 100 percent new location. This year's Southeast Building Conference (SEBC), themed SEBCville and held on July 28-29, 2016 in Kissimmee, Florida, was reflective of the region's current homebuilding market – it's on the rise.
- During the two-day expo, builders and members of the industry experienced a sold-out trade show, that showcased regional and international distributors such as TOTO, Viking Distributing, and Master Brand.
- In addition to a sold out expo hall, attendees had access to over 60 hours of education provided by industry leaders. Students learned the latest in design trends, innovative building technology, and marketing developments. Keynote speakers hailed from Consumer Reports, the Wall Street Journal, and Houzz.



2016 REVIEW cont.

- This year's SEBC moved from its longstanding venue, the Orange County Convention Center in Orlando, Florida, to the Gaylord Palms Resort and Convention Center in Kissimmee, Florida. This intimate venue offered close proximity for all that SEBC offers; networking opportunities with exhibitors and colleagues, top-notch education, expo show, and inclusive events that welcome all attendees.
- The 2017 SEBC will be held on July 27-28, returning to the Gaylord Palms Resort and Convention Center in Kissimmee. For more information on SEBC go to www.sebcshow.com

SEBC BY THE NUMBERS

Exhibitors stated:

- 95% opportunities to network and generate leads were great
- 95% expectations met for amount and quality of sales and leads generated
- 80% expectations were met for number of attendees

Attendees stated:

- 90% said their expectations were met
- 80% will be back in 2017
- 80% said that within the next 6 months they plan to purchase products or services exhibited
- 60% spent 3+ hours each day interacting with exhibitors

Registration Demographics:

- 46% Builders
 - 57% Custom
 - 25% Remodeler
 - 18% Production
 - 75% Build 1-50 Homes Per Year
 - 25% Build 51+ Homes Per Year
- 46% Trade Partners
- 49% Owner/President
- 23% Vice President/CFO/COO

Event Demographics:

- 20% More residential and commercial construction exhibitors
- 60% More building industry educational offerings
- 17% More Aurora Award entires
- 43% More Excel Award entires

86% of homes built in Florida
are by FHBA members

Reduced cost
of residential
construction by

\$7,000

per home annually
for builders and
remodelers

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16 FLORIDA HOME
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info@fhba.com | 800.261.9447
www.fhba.com

Members saved an average of:
by attending free CEU training
during FHBA's tour of 18 cities

\$150