

2017

FHBA ANNUAL REPORT

fhba
FLORIDA HOME
BUILDERS ASSOCIATION

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CONTENTS

■ ABOUT	5
■ MEMBERSHIP	7
■ ADVOCACY	9
■ BUSINESS BENEFITS	13
■ EDUCATION	17
■ SOUTHEAST BUILDING CONFERENCE	19

Throughout the 2017 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 2017 Annual Report reviews milestones and key successes that will propel our organization into 2018.

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



Jeremy Stewart, President



Greg Matovina, First Vice President/
Treasurer



Bill Truex, Secretary



George Cooper,
Second Vice President



Shelley Stewart,
Third Vice President



Ray Puzzitiello,
Immediate Past President



Tony Martin, Immediate Past
Second Vice President



membership

MEMBERSHIP COMMITTEE

- Ronnie Kirchman, Chair
- Wendy Atkinson, Vice Chair
- Brian Hawkins
- Robert Markel
- Robbie Richmond
- Mike Dannenhauer
- Rob Lash
- Carmela Bell
- Nelson Rodriguez
- Drexal Harris
- John Lum
- Amy Haworth
- Sheila Billingham

"I believe in membership so strongly that I have encouraged nearly 150 companies to join whom I know would benefit from membership. It is the lifeblood of our Association and extremely vital to the future of the industry - locally and nationally."

- Robert "Bob" Fitzsimmons, Owner/President, Gallery Homes of DeLand, Inc.

"I first joined in 1991 when we opened a new company. At that time, we thought that it added credibility to our new venture. Over 25 years later, the primary reason is to be a part of an Association that informs, and advocates for its members. GOBA, FHBA and NAHB influence government on our behalf, keep us abreast of changes in regulations, building codes and market conditions. The relationships we have made through these organizations are worth far more than the nominal investment to be a member. We have found that the more involved we are, the more we get out of our membership."

- Jeff Schnellmann, President, Silliman CitySide Homes

FHBA continues to be the leading advocate for Florida builders and trade partners. As a result, we experienced growth as compared to the 2016 membership year:

- Third largest Home Builders Association in the nation
- 86% of homes built in Florida are by FHBA members
- Membership increased by 2.2% over 2017

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
- HBA of West Florida



advocacy

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

GOVERNMENTAL AFFAIRS COMMITTEE

- Felix Beukenkamp, Chair
- Frank Severino, Vice Chair
- Suzanne Graham, FHB PAC Chair
- Todd Merrill, Volume Builders Council Rep.
- Garrett Anderson
- Don Simms*
- Sharon Neuhofer
- Eric Phillips
- Jeff Spear
- Bob Eaton
- Mike Neace
- Carl Barraco, Jr.
- Mike Rahn
- David Hilman
- Lee Arsenault
- Rick Goff
- Mike Keesee
- Dave Carter
- Charles Brecker
- Ed Dion
- Mark Spada
- Scott McCracken
- Robert Doan
- Russ Parris

CODES & STANDARDS COMMITTEE

- Lee Arsenault, Chair
- Mike Keesee, Vice Chair
- Bill Truex
- Luis Medeiros
- David Adams
- Mike Keesee
- Frank Jenkins
- Jim Raczkowski
- Arlene Stewart
- Ray Puzzitiello
- Kelle Olsen

POLITICAL ACTION COMMITTEE

- Suzanne Graham, Chair
- Arlene Stewart
- Frank Severino
- Shelley Stewart
- Natasha Cartagena Spencer
- Ronnie Kirchman
- Bob Eaton
- Bill Paul
- Jennifer Doerfel
- Bruce Malasky
- Michael Weiner
- Felix Beukenkamp
- Curtis Hart
- Robert Markel
- Todd Merrill
- Mike Rahn
- Jeremy Stewart

*Deceased

advocacy

FHBA BILLS THAT PASSED:

Building Code Process - Workforce Task Group- Building Code Administrators & Inspectors Alternative Licensing

- All of these FHBA priorities were put into one bill, HB 1021 by Representatives Avila and McClain and Senators Perry and Lee. Effective Date: July 1, 2017. The building code process changes require the Florida Building Commission to use Florida's code as the foundation and then review and update considering model changes recommended by the ICC and other national code organizations.

Estoppel Certificates

- SB 398 by Senator Passidomo and Representative Donaldson reduces the costs associated with obtaining an estoppel certificate. The bill includes steep discounts for bulk estoppel certificates of 25 or more.

Building Code Surcharge & Licensure Delinquency Fee Reduction

- HB 741 by Representative Trumbull and Senator Stargel reducing the surcharge that DBPR assesses on building permits by ½%.

Injured Worker Public Record Exemption

- HB 1107 by Representative Albritton and Senator Perry exempts from public record personal information of injured or deceased workers. This means trial attorneys will no longer be able to access the personal information of injured workers and market the idea of a lawsuit.

Appropriations

- Sadowski Trust Fund - \$100,000,000
- Unlicensed Activity - \$250,000 additional funding
- Florida Gulf Coast University Construction Management Program – Included in the Closing the Talent Gap funding of \$1.7 million.

advocacy

BAD PROPOSALS STOPPED BY FHBA

Mandatory Carbon Monoxide Detectors in Carports and other Parking Facilities

- The FHBA expressed concern over a bill that would have required carbon monoxide detectors in carports and other parking facilities. We already require them in enclosed garages. There is no need for them in a carport in which at least two sides are open. The bill was eventually withdrawn from consideration.

Requiring General Contractors to Get another License to Repair Water Damage

- In an attempt to address the assignment of benefits issue, one Senate Bill was written in such a manner that it required a specific license to perform water restoration services. The bill was written so broad, that even a licensed General Contractor would have had to get a second license. Once FHBA presented the issue to the bill's sponsor, he amended the bill at the first committee to fix the issue. The bill eventually died.

Requiring Small Businesses to Report Spills to the Press

- Prior to the start of the 2017 Session, the Department of Environmental Protection attempted to pass a rule which required all spills impacting public health to be reported to the Department and to the press. The small business would have to determine if the spill impacted public health and would have been responsible to report to the spill to the press. Legislation (SB 1018) was passed this year which limits the reported spills to those for which a storage permit is required and the Department reports certain spills to the press.

Requiring Mandatory HOA Reserves for Replacement of All Capital Projects

- A proposal was brought forth which would have required every HOA to maintain enough reserves for full replacement of all capital projects, including roads, golf courses and common buildings. You can image the impact on development such a requirement would have. Fortunately, the bill's sponsor was very willing to work with the FHBA. At first, we amended the proposal to provide an opt-out provision and that only maintenance costs would be considered. After much deliberation, the provision was removed in its entirety.

Creating a Licensure Violation for Referring Insurance Work

- A bill was filed which creates a licensure violation if you were to accept remuneration for referring work in which property insurance was payable. This would have applied even if you did not know property insurance was involved and would have included such things as Christmas goodies to business associates. Fortunately, the bill was never heard.



business benefits

NON-DUES REVENUE COMMITTEE

- Natasha Cartagena-Spencer, Chair
- Nathan Cross, Vice Chair
- Robert Markel
- Paul Iandoli
- John Carlson
- Melanie Markel
- Maya Simhon Chocron
- Alan Weekley

While you work to increase your business, the FHBA Non-Dues Revenue Committee, chaired by Natasha Cartagena-Spencer, 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 36 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.

business benefits

FLORIDA HOME BUILDERS INSURANCE

For twenty years, FHBA has wholly-owned Florida Home Builders Insurance (FHB); building insurance experts by builders, for builders. In 2017, FHB unveiled its exclusive new, admitted General Liability program, *EDGE*.

EDGE covers General Contractors, Artisan contractors, and classes beyond construction such as: hospitality, warehouses, strip malls, restaurants, motels, light manufacturing, and many others. *EDGE*'s coverage is better than key competitors as it has no CG 2294 (exclusion for the negligence of sub-contractors) and no faulty workmanship exclusion. Additionally, *EDGE* offers FHBA members a 5% discount.

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.

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:

- **Background Info USA** – With over 16 years of experience in background screening, this new service delivers members focused solutions that provide greater efficiency and faster results, all at a member discounted rate.
- **Certified Ratings Program** – The Certified Ratings Program, sponsored by the FHBA, can provide members with a better choice than HERS® with certified energy ratings certificates for new single-family homes, energy rating certificates for homes that are already built, and certified Water Star™ rating certificates for buildings. Now single-family home builders can directly support their industry when they order independent energy ratings based on Florida's Energy Code or above Code.

FHBA continues its 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.
- **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.
- **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.



HEAVY CONSTRUCTION Third Edition

CONSTRUCTION CONTRACTING Fifth Edition Clough

WORK FOR CONCRETE aci

QUORUM

Building 2013

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.

ONLINE EDUCATION

The FHBA stepped into the digital age, by partnering with @HomePrep, an Internet education service that offers members online CEU courses to help keep their licenses up-to-date at their own pace. The partnership also provides members a 15% discount on each course they choose. For more information, members can go to www.fhba.com/education/online-education

SKYETEC'S LEARN & EARN TRAINING SESSIONS

FHBA & SkyeTec, FHBA's Preferred Energy Service Provider, partnered together this year to offer a free one (1) hour CEU training session at select locations throughout Florida. The course taught attendees exactly what the mandatory blower door test is, what the pass point is, and how it is calculated/executed before the effective code change on July 1, 2017. Subject matter also included a look at the other the voluntary duct blaster test and getting the most out of your HVAC.

RADON CONSTRUCTION TRAINING SESSIONS

FHBA & The Florida Department of Health partnered to provide free Radon Construction CEU training sessions at select locations throughout Florida. Attendees learned the best principles/practices in radon construction and earned one (1) free hour of general CEU credit.

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 30% more educational offerings than in 2016. As a result, SEBC welcomed 20% more attendees than the previous year.





SEBC COMMITTEE

- Bill Smock, Chair
- Doug Wenzel, Vice Chair
- Joe Ernst
- Robyn Bonaquist
- Cindy Hall
- Jenny Malone-Wiseman
- Bill Flack
- Maya Simhon Chocron
- John Carlson
- TJ Thornberry
- Wendy Dittmar
- Arlene Stewart
- Lee Aresnault
- Michael Bourré
- Tammy Stamper
- William Webb

ABOUT

- Established in 1978, 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.

2017 REVIEW

- With over 20% more of everything – exhibitors, attendees, educational offerings, and networking events - this year's SEBC, held on July 27-28, 2017 in Kissimmee, Florida continues to be the place to grow the building industry.
- 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 Bosch, PGT Industries, JELD-WEN, Panda Kitchen and Bath, Boral Roofing, and more.
- 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 Builders Design, MetroStudy of Hanley Wood, The Wall Street Journal, and Products Magazine/Professional Builder Magazine (SGC Horizon).







2017 REVIEW cont.

- In 2018, SEBC will celebrate 40 years of being the original regional trade show on August 16-17, 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:

- 90% 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 2018
- 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:

- 44% Custom Builders
- 18% Remodelers
- 13% Production Builders
- 40% Builds 1-50 Homes Per Year
- 13% Builds 51+ Homes Per Year
- 49% Industry Professionals
- 64% Owner/President
- 13% Vice President/CFO/COO

Event Demographics:

- 20% More residential and commercial construction exhibitors
- 60% More building industry educational offerings
- 21% More Aurora Award entires
- 28% More Excel Award entires





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