CITY OF PORT ST. LUCIE



Office of the City Manager

September 13, 2021

Howard Tipton County Administrator St. Lucie County 2300 Virginia Avenue Ft. Pierce, FL 34982

RE: Letter from SLC request to postpone Mobility Plan and Fee

Dear Mr. Tipton,

On July 12, 2021 the City received your letter formally requesting that the City postpone the adoption of its mobility fee ordinance until after the conflict resolution process is completed. The City Council's second public hearing to consider adoption of the Ordinance and the Mobility Plan and Fee is scheduled for September 13, 2021, as it has been for 6 weeks. Your letter has been added to the agenda packet as public comment.

The City will continue to negotiate in good faith utilizing the Chapter 164, Florida Statutes, conflict resolution process, and we await the County's response to the City's current offer to resolve the conflict. Depending on how that process concludes, we may recommend that the Council consider revisions to the Mobility Fee Ordinance once the County has updated their Road Impact Fees.

While staff is recommending the adoption of the Mobility Fee Ordinance and the Mobility Fee Plan September 13 as planned given the imminent end of the Interlocal Agreement on October 1, staff will provide the City Council with alternatives to its recommendation, as follows:

- 1. Postpone the 2nd Hearing to September 27th, 2021 for adoption.
- 2. Adopt the Mobility Plan and Fee with a delayed effective date of November 1, 2021, with a month-long extension of the current Road Impact Fee Interlocal Agreement.
- 3. Consider a month-to-month extension of the current Road Impact Fee Interlocal Agreement until Conflict Resolution process has been exhausted.

The Mobility Plan Phase 1 and Mobility Plan Technical Report provide extensive data and analysis to support the proposed mobility plan and mobility fee. In FY 2020, St. Lucie County

collected \$17 million in road impact fees generated by development within Port St. Lucie. In this current fiscal year, as of May, St Lucie road impact fees totaled \$13.3 million and, by the end of this fiscal year, it is projected that St. Lucie County will collect \$17.7 million.

As you know, the City and County have met twice on the transportation issues and will be continuing the conflict assessment meeting, pursuant to Chapter 164, Florida Statutes, regarding this topic on September 15. As proof of the City's good faith, we have included various provisions in the ordinance to address the County's concerns.

The City committed to update its technical report every five years, and to consider changes to the affected roadways or the percentage impact that may be supported by the updated data. The City requested that the County similarly commit to coordinate updates to its road impact fee, and the County was receptive to more frequent staff coordination over these issues. The City has repeatedly requested the County to provide information on any errors or omissions in the proposed mobility plan and mobility fee and continued to seek input from the County and the community to improve the mobility plan and mobility fee prior to second reading.

In response to feedback from the County asserting that the issues should be analyzed based on the parties' shares of roadway capacity and demand, the City's consultant completed an additional extensive review of the County's current road impact fee ordinance as well as the supporting data provided by the County. All this data has been shared with you and presented at the conflict resolution meetings, but in summary, he finds that there is no support for the 50/50 approach of the current interlocal agreement and, as currently adopted, the County's ordinance may not meet Statutory requirements.

Instead, the consultant's supplemental analysis indicates that a number of available data points indicate the potential range of City impacts on County roads ranges from 5% to 25%. The City further explained that the data indicates that the need for capacity improvements is greater on City roads than on the County roads, which are few in number and are primarily located at the perimeter of the City. We welcome the County's efforts to update its Impact Fee Ordinances to ensure that it is fully consistent with Florida Statutes, and we look forward to providing comments during your review and adoption process in the upcoming year.

The ordinance being considered for second reading provides for a set aside of a portion of mobility fee revenues to mitigate impacts of development in the City on the 6 County roadways listed in the current interlocal agreement, which are located in the City's proposed benefit area within and adjacent to the City. While the City has explained to the County that its analysis of the data indicates that the County share should be 15%, we have not committed in the ordinance to a specific share in light of our continued negotiations on that topic. We anticipate that the exact share can be memorialized in the new interlocal agreement we seek to negotiate with the County, based on the available data.

The City has repeatedly acknowledged that the County has authority over the maintenance, operation, and construction of County roads, and it offered to hold the portion in escrow until

such time as the County is ready to proceed with construction of the County roads. The City's offer also contemplates joint funding agreements being negotiated by the staffs of the two jurisdictions for each County road project using fee revenues from development within the City. In return, the City requested that the County commit to fund the County road projects identified in the City's Mobility Plan within five years, using reserves, additional collected revenues from the portion to be set aside, and any other funds that are available.

The City also requested that the County accept that only one fee would be charged against development in the City, namely the City mobility fee. The City acknowledges the County will continue to levy the County road impact fee against development in the rest of the County.

As noted in your letter, the County is evaluating this offer prior to the continuation of the conflict meeting for transportation issues on September 15. The ongoing conflict assessment meeting is focused on a proposed interlocal agreement regarding the implementation of the mobility fee, to replace the one expiring at the end of this month. Staff anticipates that the new interlocal agreement may require additional staff meetings to finalize a draft for the two jurisdictions' consideration.

The ongoing Chapter 164 process is not an impediment to the adoption of the City's mobility fee on September 13. The Mobility Fee is fully supported by data and analysis and meets all provisions of statute. The outcome of the Chapter 164 conflict assessment process is not likely to result in changes to the ordinance itself as it is being considered Monday evening. If changes to the ordinance are warranted based on any new information, the ordinance can be amended by the City Council in the future as needed.

As you know the City has been trying to coordinate with the County and seeking joint meetings with the County on its mobility fee proposal since 2019. For these reasons, we disagree that our participation has been in bad faith. Second reading is not the end of the discussion unless the County declares it such. The City is committed to revisiting the ordinance if demonstrated to be necessary to reflect any agreement reached, as further evidence of good faith.

Please accept this letter as part of the City's good faith effort to resolve the disputes between the parties. This letter will also be included as part of the record for the City's September 13 public hearing on the second reading of the mobility fee ordinance.

Sincerely,

Russ Blackburn City Manager