

# **2023 Impact Fee Study Public Buildings**

City Council Meetings:  
April 24, 2023 - First Reading  
May 8, 2023 – Second Reading

Presented by: Bethany Grubbs, Planner III



# PORT ST. LUCIE GROWTH

## City of Port St. Lucie:

- 2<sup>nd</sup> Largest city by area, in Florida
  - There are 411 municipalities and 67 counties in Florida
  - 6th Largest by the population of 240,777 residents (*World Population Review*)
- Projected to reach a population of 486,900 by 2050
  - *This is a mid-range estimate of the population (The Florida Bureau of Economic and Business Research)*
- *Population growth since 2020 is almost 80% of the total population growth 2010-2020.*

## Residential Permit Data:

- 46,000 entitled residential units (approved/undeveloped)
- 2010 – 2020, Averaged 1,110 housing units per year
- 2020 – 2022, Averaged 4,391 housing units per year



# What are Impact Fees?

Local governments in Florida may assess impact fees to offset infrastructure costs necessitated by future growth.

## What are impact fees?

- Impact fees are one-time payments used to construct capital improvements needed to accommodate future development.
  - Covers the cost of new capital facility capacity
  - Implements the Capital Improvement Plan (CIP) & Capital Improvements Element (CIE)

## Why have impact fees?

- To maintain the level of service (LOS)
- Calculate the cost of growth
  - The demand imposed for additional capital facilities and related infrastructure increases proportionately
  - The fee represents future development's proportionate share of capital facilities and infrastructure costs



# STUDY FOCUS AREAS

## ✓ **Public Buildings**

- It is the purpose of this article to ensure the provision of an adequate level of service in public buildings throughout the City. (Sec. 159).

## ✓ **Law Enforcement**

- Planning for additional manpower and capital equipment needed to serve new growth and development that generate additional demand for law enforcement, and the subsequent fulfillment of these needs, is a responsibility of the City. (Sec. 159).

## ✓ **Parks and Recreation Facilities**

- The City of Port St. Lucie has the power and responsibility to provide parks and recreation facilities in the City. Development within the City impacts the park and recreation facility capital needs of the City. Planning for capital facilities to serve new development that generates additional demand for parks and recreation facilities and the subsequent implementation of these plans, is a responsibility of the City. (Sec. 159).

# WHY IS PSL DOING AN IMPACT FEE STUDY?

- Impact fees should be based on the most current and localized data and can only be updated every four years.
  - The parks and recreation facilities, law enforcement, and public buildings impact fees were last updated in 2013.
  - The fees have remained at 2013-study levels (10 years old).
  - Costs are continuing to increase making it difficult for local governments to fund infrastructure projects.
- Providing for a wide variety of capital improvements greatly enhances the quality of life in Port St. Lucie making it among the most desirable locations to live.
  - Safe and beautiful

# Timeline

- 2019** The City began the process of contracting a consultant to update the impact fees.
- 2019** The Budget Advisory Committee (BAC) analyzed the City's impact fees and made a number of findings.
- The Committee recommended that the City study the fees and review the interlocal agreements with the County as they related to impact fees.
- 2019** Pursuant to the BAC recommendations, the impact fee study and updates were placed on hold while the City adopted mobility fees.



# Timeline

- 2021** Once the mobility fees were implemented, City staff resumed the study of the impact fees.
- 2021** The Florida Impact Fee Act was updated to place limitations on how much local governments, school districts, or special districts may increase an impact fee.
- 2022** City staff and the consultant worked on the study from March 2022 – March 2023, capturing the feedback from Council.
- 2023** The First Reading of Ordinances for the Public Buildings, Law Enforcement, and Parks and Recreation Impact Fee updates was tabled at the March 27, 2023 City Council meeting.



# HB 337 (2021)

June 4, 2021 – Governor signed HB 337 amending Section 163.31801, F.S (The Florida Impact Fee Act)

- **Placed limits on fee increases:**
  - No more than 12.5% per year
  - Cannot be increased more than 50%
  - Cannot be increased more than once every four years
- The proposed four-year phasing fee schedule may be found in the attached Ordinance 23-23 and will be effective on June 30, 2023.



# Impact Fees adjusted for Inflation since 2013

Impact Fee	2013/2023	2023 (if adjusted for CPI)	Proposed fees
Public Buildings	406	525	516
Parks	782	1,011	3,141
Law Enforcement	205	265	366
Total	1,393	1,801	4,023



# IMPACT FEE BALANCES

2023 Actual	
Law Enforcement	\$1,621,831.77
Public Building	\$4,753,529.80
Parks and Recreation	\$10,797,544.72

- \* The CIP programmed projects are funded using the existing balances. The CIP has been included in the agenda backup outlining the approved projects.

# STAKEHOLDER OUTREACH

➤ **September 21, 2022**

City staff provided a PowerPoint presentation at the Bi-Annual Stakeholder meeting to inform the stakeholders of the proposed fee updates.

➤ **January 25, 2023**

City staff held two informational workshops for the key stakeholders of the local development community and the general public. These workshops highlighted the need for the impact fee schedule update.

➤ **March 13, 2023**

Additional notice of the 3/15/23 Extraordinary Circumstances Workshops was provided via e-mail and phone calls.

➤ **March 15, 2023**

The City held the two mandated public workshops solely dedicated to extraordinary circumstances necessitating the need to exceed the phase-limitations . On March 24th, the City met with the Development Task Force.



# STAKEHOLDER OUTREACH

- **March 16, 2023**      Bi-Annual Stakeholder meeting. The agenda included a discussion of the first reading of the impact fee ordinances scheduled for 3/27/2023.
- **March 24, 2023**      City staff met with the Development Task Force.
- **March 31, 2023**      City staff met with the Chamber of Commerce, Treasure Coast Builders Association, the Realtors Association, and the Economic Development Council to understand the concerns of the stakeholders, collect feedback, and discuss the technical report, presentations, and supporting documents.



**QUESTIONS?**

