

# City of Port St. Lucie

## Special City Council

### Meeting Minutes - Final

121 SW Port St. Lucie  
Blvd.  
Port St. Lucie, Florida  
34984

Shannon M. Martin, Mayor

Jolien Caraballo, Vice Mayor, District IV  
Stephanie Morgan, Councilwoman, District I  
Dave Pickett, Councilman, District II  
Vacant, District III

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**Monday, October 4, 2021**

**8:00 AM**

**Council Chambers, City Hall**

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**1. Meeting Called to Order**

A Special & Virtual Meeting of the CITY COUNCIL of the City of Port St. Lucie was called to order by Mayor Martin on October 4, 2021, at 8:00 a.m., at Port St. Lucie City Hall, 121 SW Port St. Lucie Boulevard, Port St. Lucie, Florida.

**2. Roll Call**

Council Members

Present: Mayor Shannon Martin  
Vice Mayor Jolien Caraballo  
Councilman Dave Pickett

Council Members Not

Present: Councilwoman Stephanie Morgan

**3. Pledge of Allegiance**

Mayor Martin led the assembly in the Pledge of Allegiance.

**4. Public to be Heard**

There was nothing heard under this item.

**5. Second Reading of Ordinances, Public Hearings**

- 5.a** Ordinance 21-75, Public Hearing, Amending the City of Port St. Lucie Code of Ordinances by Repealing Title XV, Chapter, 159, Article II, Entitled "Road Impact Fee Schedule" in its Entirety and Replacing Article II with a New Article II to be Entitled "Mobility Plan and Mobility Fee".

[2021-816](#)

The City Clerk read Ordinance 21-75 aloud by title only. Mayor Martin opened the Public Hearing. The City Manager stated that for the past year the City Council was looking for alternative ways to offset and mitigate the impact of new growth in the City. Teresa Lamar-Sarno, Deputy City Manager, stated that the Budget Advisory Committee started the analysis of the impact fees and gave 12 recommendations, one of which was implementing a mobility fee. She stated that staff hosted several public workshops/meetings and one on one meetings with developers, the Chamber of Commerce and St. Lucie County.

(Clerk's Note: A PowerPoint was shown at this time.) Stephen Okiye, Finance Division Director, explained that the Budget Advisory Committee found that from FY15-16 through FY 19/20 there was \$30.5 million of County Road Impact Fees generated within the City; year to date (October 2020- August 2021) \$17 million was collected within the City for the County's Road Impact Fees which totaled \$47.5 million for FY15/16 to FY 20/21. He stated that according to the County's CIP, the County was planning on spending \$16 million over the next five years on roads that border or were located within the City, 36% of the budgeted CIP for impact fees and that the County's Comprehensive Annual Financial Report, the Budgetary Comparison Schedule, for Impact fees showed an ending fund balance of \$64 million and impact fee revenue of \$20.4 million for FY 20, but the last year alone the City sent over \$17 million to the County. Vice Mayor Caraballo stated that mobility issues were of large concern in the City's Strategic Plan and added that there had always been concerns over the County's use of impact fees. Councilman Pickett inquired if Mr. Okiye knew where the additional money went or was spent, to which Mr. Okiye responded in the negative. Vice Mayor Martin voiced that the City has been working on this item for over a year and was disappointed in the County's reaction.

(Clerk's Note: A PowerPoint was shown at this time.) Jonathan Paul, NUE Urban Concepts, explained that the most the County could charge was the difference between the City's Mobility Fee and the existing County Roadway Impact Fee & added that the County would need to update their study to justify spending more. He stated that the County's Road Impact Fees did not currently meet the dual rational nexus test, in particular the County had a single mainland benefit district. He said that the City's Mobility fee fully mitigated the impact of new development within the City, and the City would be providing a letter to new building permit applicants. He explained that an impact fee is found as

unconstitutional tax if it did not meet the dual rational nexus test, and that the Government must show a reasonable connection or rational nexus between the expenditure of the funds collected and the benefits accruing to the subdivision. The City's technical report showed an evaluation of future growth, an evaluation of future vehicle mileage travel & an evaluation of person mileage travel; none of which was included in the County's current impact fee. The report included details on the types of improvements to be made with the length, cost, and capacity of the improvements. Mr. Paul listed the other detailed information supplied in the technical report. He explained that the five benefit areas included areas outside of the City limits to capture improvements to County & State roadways. He stated that the six corridors which were mentioned in the interlocal agreement were not located in the County's two mile radius of improvements; spending money two miles north of the City did not meet the dual rational nexus test. He stated that there was no data to support the County's claim of a 50/50 split which was mentioned in the interlocal agreement.

Mr. Paul explained that the City maintained 912 miles of roadway, 250 miles were maintained by HOA's, the six roadways mentioned in the interlocal agreement calculated to 36 miles; less than 1% were County. He stated that the data showed that 89% of the basis of the County's road impact fee were the City's roads and roads built by developers in the City. Mayor Martin stated that there was no transparency with the County regarding the road impact fee and felt that the County did not deserve a 50/50 split. She stated that the County needed to be held accountable. Vice Mayor Caraballo inquired if the City Manager had received any answers from the County as to why the City has not received its fair share per state statute, to which the City Manager replied that the County was going to examine the rational nexus of their existing & future funds. He added that the funds within their reserves would be kept in reserves, funds that were allocated to projects but not contracted would also remain in reserves, and they were going to update their impact fee to determine the rational nexus. Vice Mayor Caraballo felt that the County showed a lack of good faith by not continuing the Chapter 164 process since they voted to sue the City.

Mr. Paul stated that lane miles and travel were included in the City's mobility technical report. He clarified that a small portion of the overall traffic would use County facilities north of Midway Road. He stated that the City's mobility fee included two assessment areas to reflect differences in travel, needs and in growth. He said that the County's

reflected that on the island but charged a uniformed rate for the entire mainland. He added that there was no relation between the County's calculations and their adopted fees and felt that the calculations in their report did not reflect what was adopted for residential and non-residential. He stated that the 2019 report given to the City contained 2021 fees. He stated that based upon the data, changes to Florida Statute, new law cases and the County's current roadway impact fee report, the County's analysis did not support the County's claim that they could assess their full road impact fee today on development within the City, and the current fee did meet the dual rational nexus test or reflect the new localized data for the City of Port St. Lucie. He recommended that the City set aside 15% of the mobility fee revenue collected by the City to mitigate impact to the County's roads per the data. He recommended that the City comment on the County's draft fee report and recommended that the City reserve the right to revisit the 15% upon completion of the County report.

Vice Mayor Caraballo inquired as to why County roads were included in the plan, to which Mr. Paul replied that to ensure full mitigation of impact, County roads were included in the report which was standard practice. Mayor Martin stated that a County Commissioner advised her that he was unaware of the City's unofficial offer to move forward and keep discussions going.

Deputy City Manager Lamar-Sarno informed the City Council that a landing page with a variety of information had been developed and was available to the Public. She clarified that there would be no delays with the City issuing permits to applicants who paid the mobility fees and the other collected impact fees.

Tony Groza voiced his support of the mobility fees and appreciated the City's clarity on the subject and questioned if the County would double charge because it would affect affordable housing.

John Titkanich, Innovation & Performance Division Director St. Lucie County, stated that the County did not object to the mobility plan & fees but had concerns over the inclusion of the County's roads in the mobility plan. He stated that the County's 2019 adopted report did meet the requirements and had started updating the report in March 2021. During the interim period he stated that the County offered to extend the provision in the former ILA to maximize the 50% credit with the difference being escrowed. He felt that there was time for the County

and the City to complete their studies and come to a solution. He stated that there were \$357 million of outlays in the CIP and had credited \$109 million in impact fee credits. Vice Mayor Caraballo inquired as to what the total fee would be in the County's alternative collection method, to which Mr. Titkanich replied that it was a 25% discount to lessen the impact within the City, but the alternative collection mechanism was separate; that was a 10% discount if the fee was paid within a certain amount of time. Vice Mayor Caraballo inquired how the County would justify charging a fee without a vetted impact fee per FSS while adjusting discounts, to which Mr. Titkanich replied that the 2018, adopted in 2019 report was valid. There being no further public comment, Mayor Martin closed the Public Hearing.

Vice Mayor Caraballo moved to approve Ordinance 21-75. Councilman Pickett seconded the motion. Under discussion, Mayor Martin stated that the City was only going to collect the mobility fee moving forward, to which Deputy City Manager Lamar-Sarno stated that the City was no longer collecting the County's Road or Parks Impact Fees. Vice Mayor Caraballo clarified that the City would hold 15% of revenue from the mobility fee in escrow. Mayor Martin voiced that the City needed accountability from the County. Vice Mayor Caraballo stated that the City was doing what was best for the City, to which Councilman Pickett agreed. The motion passed unanimously by roll call vote.

The City Manager clarified that a joint meeting would take place between the City Council and the St. Lucie County Commission on November 18th. Vice Mayor Caraballo inquired how they could move forward under Chapter 164 even though the County Commission voted to sue, to which the City Attorney replied that nothing was filed yet, but it would be a difficult process and felt that the County should file their own Chapter 164. He said that abating the lawsuit would be an option. Mayor Martin and Vice Mayor Caraballo voiced that the County was showing lack of good faith by voting to sue the City.

## 6. Adjourn

There being no further business, the meeting adjourned at 9:31 a.m.

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Sally Walsh, City Clerk

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Shanna Donleavy, Deputy City Clerk