



BUSINESS IMPACT ESTIMATE

Before the enactment of a proposed ordinance, the County shall prepare or cause to be prepared a business impact estimate in accordance with Section 125.66(3), Florida Statutes.

BOCC Meeting Dates: Permission to advertise held on October 15, 2024 and public hearing to be held on November 12, 2024

Proposed Ordinance Title/Reference:

ORDINANCE NO. 24-036

AN ORDINANCE BY THE BOARD OF COUNTY COMMISSIONERS OF ST. LUCIE COUNTY, FLORIDA, AMENDING CH. 24, IMPACT FEES, ART. VIII, ROAD IMPACT FEE, SECS. 24-259 AND 24-264, CREDITS, TO REQUIRE A SECURITY TO BE POSTED FOR BUILDING PERMIT ISSUANCE PRIOR TO CONSTRUCTION OF AGREED-TO IMPROVEMENTS; PROVIDING FOR CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY AND APPLICABILITY; PROVIDING FOR FILING WITH THE DEPARTMENT OF STATE; PROVIDING FOR AN EFFECTIVE DATE; PROVIDING FOR CODIFICATION; AND PROVIDING FOR ADOPTION.

The Proposed Ordinance does does not fall under one of the following enumerated exceptions:¹

- The proposed ordinance is required for compliance with Federal or State law or regulation;
- The proposed ordinance relates to the issuance or refinancing of debt;
- The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the county government;
- The proposed ordinance is an emergency ordinance;
- The ordinance relates to procurement; or
- The proposed ordinance is enacted to implement the following:
 - a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
 - b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
 - c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
 - d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

A business impact estimate is not required for the above exceptions.

Summary of Proposed Ordinance and Statement of Public Purpose to be Served:

Section 24-259 of the County Code requires that any applicant for a building permit shall pay impact fees as a condition of issuance of a building permit. Developers applying for impact fee credits sometimes request issuance of a building permit prior to construction of the agreed-to improvements required for issuance of the impact fee credits.

The proposed amendments to Chapter 24, Impact Fees, Article VIII, Road Impact Fee, Sections 24-259, Payment of Fee, and 24-264, Credits, require security in an amount equal to 115% of the full cost of the agreed-to improvements to be posted for building permit issuance prior to construction of agreed-to improvements, sets forth the form of security required, provides for collection of the full amount of security upon default, and allows for release of the security upon completion and acceptance by the applicable governmental entity with jurisdiction over the improvement.

¹ F.S. 125.66(3)(c)(2023)

Per the proposed amendments, the County, at its option, may withhold a certificate of occupancy or temporary certificate of occupancy until the required improvements have been completed and accepted by the applicable governmental entity with jurisdiction over the improvement or the impact fees have been paid.

Furthermore, in the event a feepayer receives approval from the Board of County Commissioners for road impact fee credits for the construction of transportation infrastructure and the feepayer desires issuance of a building permit prior to construction of the transportation infrastructure and pays the required impact fees instead of posting a security for the costs of such construction, the feepayer shall not be entitled to a cash refund for any impact fees paid but may assign and transfer the impact fee credits from one development or parcel to any other that is within the same impact fee zone or within an adjoining impact fee zone pursuant to s. 163.31801 (10), Fla. Stat. (2024).

Requiring a feepayer to post security for credits prior to construction of creditable improvements will serve a public purpose by protecting the County from the possibility of litigation to recover the amounts credited in the event the feepayer fails to construct the creditable improvements, and helps ensure that new development bears a proportionate share of the cost of capital expenditures necessary to provide roads in the county as contemplated by the St. Lucie County Comprehensive Plan.

Estimate of Direct Economic Impact on Private/For Profit Businesses:

a. Estimate of Direct Business Compliance Costs:

If a business desires to obtain a building permit prior to constructing the agreed-to improvements, the direct business compliance cost to the business is the cost to obtain the required security which varies based on a number of factors, including type of security, amount of security, the credit rating of the business, etc.

b. New Charges/Fees on Businesses Impacted:

No new charges or fees to be paid to the County are created by this Ordinance. The cost of the security, if any, will be paid to the surety, and the security required will be released once the construction of the improvements is completed and accepted by the applicable governmental agency with jurisdiction over the improvements. The cost is also optional because the business can instead construct the agreed-to-improvements prior to obtaining a building permit.

c. Estimate of Regulatory Costs:

There will be additional staff time required to review the security documents and information provided by the business to determine compliance with the ordinance.

Good Faith Estimate of Number of Businesses Likely Impacted:

Approximately 3-5 businesses have entered into road impact fee credit agreements with the County in each of the past 3 years, and only 1-2 businesses have entered into road impact fee agreements with the County for impact fee credits for construction of agreed-to improvements in each of the past two years. Based on this number, this ordinance could potentially affect approximately 5 or less businesses per year.

Any Additional Information:

None.