



City of Apopka

CITY COUNCIL STAFF REPORT

Type of Form: Public Hearing/Ordinances/Resolution

Meeting Date: May 3, 2023

Department: Community Development

SUBJECT:

Ordinance No. 3001 – Second Reading – Road Impact Fee Update

REQUEST:

Approve the first reading of Ordinance No. 3001 to approve the update to the City's Transportation Impact Fees and hold over for a second reading and Adoption on May 3, 2023.

SUMMARY:

Roadway, or transportation impact fees, collected from new developments, is used to pay for the construction of transportation capacity needed to serve these new developments. The City first adopted transportation impact fees in 1983, and has only updated the fees twice, once in 1993 and most recently in 2006. In 2020, the City prepared to update its impact fees, following the lead of Orange County. Before the update was complete, the Florida Legislature passed HB 337, during its 2021 session, amending the Impact Fee Statute, 163.3180, FS, severely limiting how much impact fees could be raised without additional study, and made the law retro-active to January 1, 2021. This presented a significant challenge for the City because our study showed most of our impact fees needed to be double or tripled to keep up with the growing need and escalating construction costs.

HB 337 did provide a way for impact fees to be increased to the necessary level and avoid the phased-in limitation of a maximum 50% increase over five years, as imposed in the bill. A demonstrated need study documenting extraordinary circumstances and justifying the need to exceed the phase-in limitations could be conducted and presented to the public at not less than two public workshops, after which, the governing board could approve the fee increases by a favorable two-thirds vote.

A study was started last year and completed in March of 2023. The required workshops were held on April 10 and April 12, 2023. At both workshops, extraordinary circumstances and details from the demonstrated need study were presented, the two most compelling being the last update not occurring since 2006 and the profound construction cost increases since the last update. A question and answer session followed each presentation.

The meetings were advertised in the Apopka Chief, on the City's website and posted at City Hall. Additionally, a comprehensive email list was compiled of developers and development attorneys that have current or past projects in the area, and an invitation to the workshop along with a link to the study and the proposed rate increases was mailed out twice. In the end, only two persons from the target audience attended the workshops, exclusive of City Council members and the press who were in attendance.

The update has several new land use categories including nursing home and medical office. Some of the existing categories have been expanded to be more specific. For example, in the existing fee schedule, there is only one category for single family residential. In the proposed fee schedule, there are three single family residential fees based on the size of the house.

The road impact fee ordinance also updates certain parts of the City's Land Development Code pertaining to transportation impact fees. The updates primarily address out of date technical information; however, the major change is embedding the fee schedule in Article III Section 22-54 so it is even more readily available to the public. Currently, it is kept on file in the Community Development Department and posted on the City's website.

This impact fee update was advertised on March 30, April 7 and April 14. If adopted by Council, the updated impact fees will become effective on July 1, 2023.

FUNDING SOURCE:

N/A

RECOMMENDED MOTION:

At its meeting on April 19, City Council accepted the first reading of Ordinance Number 3001 with a 5-0 vote and held it over for second reading and adoption on May 3, 2023 or soon thereafter.

Recommended Motion – City Council:

Adopt Ordinance Number 3001.

ATTACHMENTS:

- Ordinance No. 3001
- Comparison of existing to proposed Transportation Impact Fees
- Demonstrated Need Study