

Business Impact Estimate

Proposed ordinance's title/reference: Ordinance 2024-21: Revising Definition of Substantial Improvement

This Business Impact Estimate is provided in accordance with section 166.041(4), Florida Statutes. If one or more boxes are checked below, this means the City of Madeira Beach is of the view that a business impact estimate is not required by state law¹ for the proposed ordinance, but the City of Madeira Beach is, nevertheless, providing this Business Impact Estimate as a courtesy and to avoid any procedural issues that could impact the enactment of the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

- 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 municipal 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.

In accordance with the provisions of controlling law, even notwithstanding the fact that an exemption noted above may apply, the City of Madeira Beach hereby publishes the following information:

¹ See Section 166.041(4)(c), Florida Statutes.

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):

Hurricane Helene and Hurricane Milton brought historic levels of storm surge and wind to Madeira Beach. City staff are concerned that the one-year period lookback would penalize property owners that have done renovations to their property within the past year. Those renovations would count towards the FEMA 50% Rule which could potentially lead to a structure being declared substantially damaged. Ordinance 2024-21: Revising Definition of Substantial Improvement would update the references to substantial damage and substantial improvement to remove the one-year period lookback requirements.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Madeira Beach, if any:

- (a) An estimate of direct compliance costs that businesses may reasonably incur;
- (b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible; and
- (c) An estimate of the City of Madeira Beach's regulatory costs, including estimated revenues from any new charges or fees to cover such costs.

This ordinance would not create additional costs for the City of Madeira Beach to enforce the regulations. There would not be any additional costs for businesses to comply with this proposed ordinance.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance:

There is no foreseen impact on businesses because the proposed ordinance does not create additional regulatory costs for businesses.

4. Additional information the governing body deems useful (if any):

Removing the one-year lookback would mean that the FEMA 50% Rule would be used for each individual renovation or repair project. Phasing improvements would still not be allowed. Restoring the structure to what it was before the flooding would still be a requirement. There is a risk for the city to receive a small reduction in CRS points. This could have an impact on the city's CRS Rating and the existing flood insurance discounts for residential properties.