Proposed Impact Fee Ordinance

Discussion & Possible Action Regarding Amending Chapter 58, of the City Code, Creating a Targeted Industry Business Incentive Program & Amending the Impact Fee Deferral Program

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What's Changing

- Expanding deferral program eligibility and refining program requirements
- Creating incentive program
  - Statutory requirements to make impact fee funds whole
- Live Local Act/affordable housing exemption
- Process improvements

Incentive Program

Overview

- Targeted industries in certain Activity Centers
- Established job creation and capital investment thresholds
- Program will be ‘as funds are available’
- Compliance period of 5 years with annual report

Mitigation Thresholds

(stackable to a max of 50% mitigation)

Capital Investment

- 5% mitigation
  - →An investment from $1,000 – $100,000
- 10% mitigation
  - →An investment from $100,001 – $250,000
- 15% mitigation
  - →An investment from $250,001 – $1,000,000.
- 25% mitigation
  - →An investment of $1,000,001

Job Creation

- 5% mitigation
  - →requires 1 - 10 jobs.
- 10% mitigation
  - →requires 10 - 25 jobs.
- 15% mitigation
  - →requires 26 - 100 jobs.
- 25% mitigation
  - →requires a minimum 100+ jobs

Eligible Industries

- HEALTH CARE
- INFORMATION TECHNOLOGY
- LIFE SCIENCES
- LOGISTICS AND DISTRIBUTION
- MANUFACTURING
- TOURISM & ENTERTAINMENT
- CORPORATE HEADQUARTERS

Deferral Program

Current Code

- Only development valued of at least $1,000,000 was eligible
- Lacked application requirements
- Security was only a property lien
- Lien process is time consuming & risky for the City
- Deferral length of three years
- Timing of application & possible refunding will remain the same

Program Updates

- Square Footage Based
  - Office. 5,000 sq. ft. minimum
  - Industrial. 15,000 sq. ft. minimum
  - Restaurant (*excluding quick service*). 3,000 sq. ft. minimum
  - All Other City Impact Fee Categories. 50,000 sq. ft. minimum
  - *Expansions/Changes in uses into the above also qualify*
- Affordable non-residential development
- Security
  - Uses a performance bond or another form of security
- Deferral length of five years

Process Improvements & Affordable Housing

Affordable Housing Exemption

Exemption is scaled by AMI

75% BELOW 60%

50% BETWEEN 60% – 80%

25% BETWEEN 80% – 120%

Process Improvements

- Accessory buildings exemptions
- Shell building procedures
- Clarified square feet definition to address outdoor dining
- Clarified refunds per case law

Conclusion

Direct staff to prepare and submit a communication to the City Commission conveying the Community Economic Advisory Board's recommendation that the City Commission adopt the proposed ordinance as presented