



MINUTES

City Commission Workshop: Impact Fees

5:30 PM – Thursday, September 18, 2025 – City Hall

Call to Order: 5:30 p.m.

Acknowledgement of Quorum and Proper Notice

PRESENT: Vice Mayor Gary Ashcraft, Commissioner Michael Holland, Commissioner Emily Lee, Commissioner George Asbate, Mayor Willie L. Hawkins

1. Workshop Item with Discussion, Public Input and Direction

1.1 Impact Fee Presentation By Raftelis

Lori Carr, Finance Director, cited the previous discussion by the Commission regarding the possibility of increasing the City's impact fees. She introduced the representatives from Raftelis who would present their findings regarding the proposed increase.

Joe Williams, Senior Manager from Raftelis, introduced Michelle Galvin and Tristan Townsend to explain their findings.

Michelle Galvin explained the state impact fee law and indicated they would be explaining the extraordinary circumstances requiring the substantive increase in the police and fire impact fees. She added they will be considering adopting Police, Fire, Parks & Recreation, Library, Water, and Wastewater impact fees. She cited the following as extraordinary circumstances necessitating the police and fire impact fee increases: 1) Considerable growth expected over the next few years; 2) Large scale improvements needed to meet the demands of that growth; and 3) Inflationary cost pressures on the needed capital improvements. She stated they are recommending the City adopt the police and fire fees as calculated, while phasing in the remaining fees.

Ms. Galvin then reviewed the impact fee study objectives as follows: 1) Update the cost allocation methodology based on current and local data; 2) Review the historical investment in each of the departments as well as the future capital projects; and 3) By updating the impact fees, the City is minimizing the burden that would fall on existing residents and businesses to provide services needed for growth. She stated the study follows generally accepted case law and statutory perimeters as it relates to the Florida Impact Fee Act.

Ms. Galvin explained what impact fees are and what they can and cannot be utilized for. She stated the impact fees calculated do follow the rational nexus test as outlined in the statute which states that the City is providing a benefit to new development, that there is a need to collect the impact fees and that the impact fees are proportionate to the burdens placed by the land use. She then reviewed their impact fee methodology. She added that the City currently has over 40 different non-residential land use classes and they are recommending that they be simplified down to eight non-residential land use categories.

Ms. Galvin then reviewed the individual impact fee recommendations, the existing investment for each department, the identified capital improvements and the

recommended increase for each as follows: 1) Police Impact Fees: Single family from \$138 to \$746 with the majority of others also having large increases except for industrial and warehousing which will decrease slightly. 2) Fire Impact Fees: Single family from \$146 to \$1,200 and increasing across the board for the non-residential land use categories; 3) Parks & Recreation: She noted the City does not have as much of a significant investment planned for Parks. She stated the calculated impact fee for a single family home is \$1,253; however, as they are not pursuing extraordinary circumstances for the Parks Department, that will be limited to the \$898, phased in over four years. 4) Library Impact Fees: She noted they assumed about 25% grant funding for the library expansion; therefore, the calculated fee is a \$2 increase to \$295 to be phased in over two years. She summarized that the total impact fees for Police, Fire, Parks and Library for a single family home is going from \$1,176 to \$3,169, phased in over the four years.

Tristen Townsend reviewed the calculations for the Water and Wastewater impact fees. She explained they are based on ERU's or equivalent residential unit. She stated the existing investment for water is \$18.1 million with future investments of \$3.75 million. She cited future planned capital projects. She stated the existing investment for wastewater is \$47.1 million with future investments of \$12.86 million. She cited some of the future and current capital projects. She stated the phased-in total amount for Water will be \$1,183 with Wastewater being \$4,002 over the four years. She provided a comparison of the impact for a single family home with other area communities with the existing total starting at \$4,699 up to \$8,354 in year 4.

The Commission asked if the comparison includes any anticipated increases by the other communities with Ms. Townsend responding that all of the other communities are their current fees since they do not know what the other communities will be doing in the future.

Ms. Townsend explained the next steps including first reading of the ordinance that night, then the second extraordinary circumstances workshop on Sept. 29th, followed by the second reading of the ordinance. She further explained the purpose of the impact fees is to help align the costs for the expansion of infrastructure with the new development so that growth pays for growth. She stated the study is based on recent and local data as required by the statute and they take a conservative approach with calculating the updated fees. She indicated that by adopting the updated fees they are making a commitment to completing the capital improvement projects included in the CIP or similar projects. She stated they are recommending they adopt the calculated fees for Police and Fire at the full amount and the remainder at the phased-in amounts.

Vice Mayor Ashcraft questioned why the impact fees have not been increased sooner with Tom Carrino, City Manager, stating the municipal fees were last reviewed in 2004 and the utilities in 2006. He stated best practice is that they should be reviewed every five years. He acknowledged they are behind but are trying to catch up.

Vice Mayor Ashcraft asked about the utility rate increases with Ms. Carr responding that the utility rate increase study has not yet been completed as they made the impact fee study a priority.

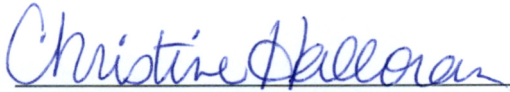
Vice Mayor Ashcraft asked about the impact fee waiver program with Mr. Carrino explaining that under that program the fees were being paid by the operating fund.

Mayor Hawkins opened the public hearing at 5:47 p.m. There being no public comment, the hearing was closed at 5:48 p.m.

Mr. Carrino announced that first hearing of the ordinance would be considered at the regular Commission meeting at 6:00 p.m.

2. Adjournment: 5:48 p.m.

**These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to www.eustis.org and click on the video for the meeting in question. A DVD of the entire meeting or CD of the entire audio recording of the meeting can be obtained from the office of the City Clerk for a fee.*



CHRISTINE HALLORAN
City Clerk



WILLIE L. HAWKINS
Mayor/Commissioner