



Manatee County Impact Fee Supplement

Demonstration of Extraordinary Circumstances Final Report

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Prepared for:

**Manatee County
Government**
1112 Manatee Ave West, 3rd Floor
Bradenton, FL 34205
ph (941) 748-4501

Prepared by:

Benesch
1000 N. Ashley Dr., #400
Tampa, Florida 33602
ph (813) 224-8862
E-mail: nkamp@benesch.com

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Introduction

In response to high growth levels, Manatee County implemented impact fees for transportation, parks, public safety, library and law enforcement facilities in 1986. More recently, technical studies for these fees were updated in 2015 and 2023.

In June 2021, Florida House Bill (HB) 337 was signed by the Governor, which revised F.S. 163.31801 (Florida Impact Fee Act) to place limits on impact fee increases while allowing local governments to exceed these limits if the following is fulfilled:

1. A demonstrated needs study justifying any increase more than those authorized that has been completed within 12 months before the adoption of the impact fee increase and expressly demonstrating the extraordinary circumstances necessitating the need to exceed the phase-in limitations.
2. No less than two publicly noticed workshops dedicated to extraordinary circumstances.
3. Approval of the impact fee increase ordinance by at least a two-thirds vote of the governing body.

Following the completion of the 2023 study, Manatee County Board of County Commissioners decided not to use the exception clause described above and adopted the rates using the 50-percent increase limit identified in F.S. 163.31801.

Facing continued growth and significant increases in construction costs, Manatee County retained Benesch in 2025 to update the impact fee study to reflect the most recent data available. Along with current information, the County is also interested in using the extraordinary circumstances clause to have the option to adopt the fees at levels higher than the 50-percent increase limit. The remaining sections of this document address the extraordinary circumstances related to the County's impact fee program.

Profile and Growth Trends

With a population of over 455,000, Manatee County is the 15th most populous county out of 67 Florida counties. The county continues to experience high growth levels, ranking 9th for the projected annual growth rate through 2050. Growth projections provided by University of Florida, Bureau of Business and Economic Research (BEER) average 1.6 percent per year over the next ten years. In terms of absolute growth, the County ranks 12th out of 67 counties and is projected to add approximately 160,000 persons through 2050.

Further, estimates provided by BEBR for the past five years exceed those projected during the previous study by 10 percent to 23 percent. This information is presented in Table 1.

Table 1
Permanent Population Projections

Year	Countywide Permanent Population				Unincorporated Permanent Population		
	2015 ⁽¹⁾	2025 ⁽²⁾	% Change		2015 ⁽¹⁾	2025 ⁽²⁾	% Change
2021	373,954	411,209	10%		293,848	333,769	14%
2022	378,996	421,768	11%		297,995	343,656	15%
2023	384,038	439,566	14%		302,142	360,710	19%
2024	389,080	455,356	17%		306,289	376,316	23%
2025	394,122	459,500	17%		310,436	376,790	21%

(1) Source: Manatee County 2015 Impact Fee Study

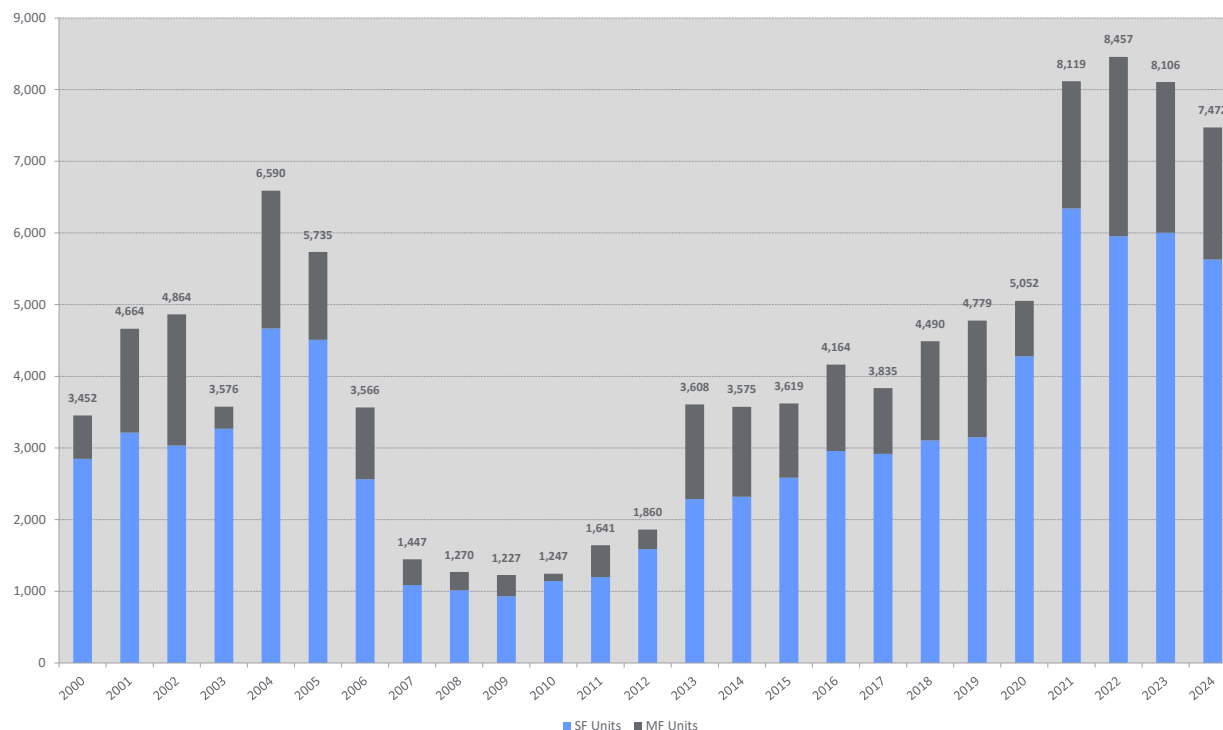
(2) Source: University of Florida, Bureau of Economic & Business Research (BEER)

Consistent with these population growth patterns, permits for new structures have been increasing. **Figure 1** provides residential permitting trends. As presented, after a decline between 2006 and 2009 due to the great recession, permitting levels started to increase again. The number of residential permits increased from approximately 1,200 permits in 2010 to almost 7,500 permits in 2024. Permitting trends since the pandemic represent the highest permitting levels since 1990s.

Over the past five years (2020-2024), the number of residential permits averaged approximately 7,440 units per year countywide. This is 212 percent higher than the permitting levels prior to the 2015 study (2,385 units per year between 2010 and 2014). It is also 20 percent higher than the most recent update study that was completed in 2023 (6,176 units per year between 2018 and 2022).

Similar differences are observed in permitting levels in the unincorporated county. Between 2020 and 2024, the number of residential permits averaged approximately 7,000 units per year, which was 235 percent higher than permitting observed between 2010 and 2014 (2,080 units per year). This level of permitting is 25 percent higher than permitting observed between 2018 and 2022 (5,600 units per year).

Figure 1
Residential Permitting



Source: U.S. Census

High growth Manatee County is experiencing results in the need for additional infrastructure. As an example, Table 2 provides a comparison of projected increase in transportation improvements to projected travel based on the Transform 2045 Sarasota/Manatee MPO Long Range Transportation Plan (Cost Feasible Plan) and the Central Florida Regional Planning Model v7. As shown, currently planned and funded projects in the LRTP are not sufficient to keep up with increased demand, resulting in 35 percent of roads projected to be over capacity by 2045 even after the projects included in the Cost Feasible Plan are built.

Table 2
Manatee County Lane Miles Over Capacity by Jurisdiction

Jurisdiction	2015 Lane Miles	2015 Lane Miles Over Capacity	2015 % Over Capacity		2045 Lane Miles	2045 Lane Miles Over Capacity	2045 % Over Capacity	% Increase in Lane Miles Over Capacity
State (no Int./Toll Facilities)	572.5	142.5	24.9%		587.2	283.6	48.3%	94.0%
State (Int./Toll Facilities)	170.7	66.6	39.0%		244.7	141.8	57.9%	48.5%
County	677.4	62.5	9.2%		829.9	164.0	19.8%	114.2%
Other	38.4	2.3	6.0%		38.4	13.3	34.6%	478.3%
Total	1,459.0	273.9	18.8%		1,700.2	602.7	35.4%	88.8%

Source: Central Florida Regional Planning Model (CFRPM) v7

Impact Fee Updates and Cost Increases

Prior to the 2023 update study, Manatee County's impact fees were updated in 2015 and adopted at 90 percent of the full rates. The 2023 study indicated a need for significant increases, which were not implemented due to the 50-percent increase limit discussed previously.

Construction costs and land values have been increasing since 2013, following the great recession. The rate of cost increases became more significant since the pandemic. Because of the 50-percent increase limit, current impact fee rates do not reflect this cost increase.

In the case of non-transportation impact fees, Engineering News Records' Building Cost Index suggests a cost increase of approximately 53 percent between 2015 and 2025 nationwide.

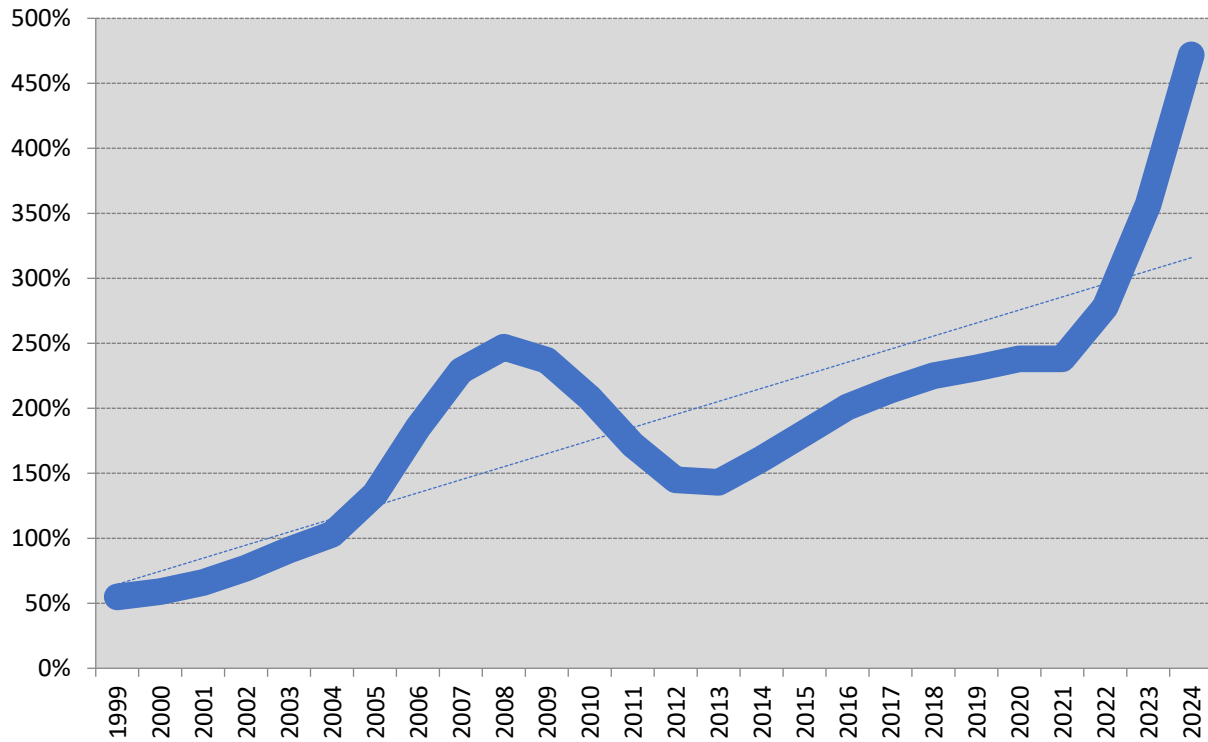
Transportation cost indices presented below (2015 to present) indicate a more significant increase, consistent with the cost increases Manatee County has been experiencing.

- FDOT Long Range Estimates: +134%
- FDOT District 7 Long Range Estimates: +173%
- Producer Price Index (Highway): +53%
- National Highway Construction Cost Index: +87%

In the case of multi-modal transportation impact fees, the 2015 study estimated roadway cost at \$3.325 million per lane mile. The 2025 update study estimates it at \$8.520 million using a conservative approach. This suggests an increase of 156 percent, which is greater than the increase indicated by all indices presented above, except for the District 7 Long Range Estimates.

Figure 2 illustrates the cost trends based on FDOT Long Range Estimates for the past 25 years. As presented, costs have been increasing since 2013 with more significant increases occurring after the pandemic.

Figure 2
FDOT Long Range Estimates Construction Cost Growth (3-yr Avg)



In addition to cost increases, calculated fees also reflect updated capital asset inventory, reflecting the investment over the past 10 years, as well as updates to credit and demand components.

Project Needs

These growth levels result in a need for additional infrastructure. Examples of future capacity projects that are eligible to be funded with impact fees for each service area are summarized below.

Law Enforcement

The list below provides examples of future law enforcement projects that are eligible to be funded with impact fees.

- MCSO - New Property Evidence Building ≈\$30.0 million
- Lake Flores EMS/MSO Combined Substation & Ambulance Addition ≈\$24.8 million (shared with public safety)
- Moccasin Wallow Extension EMS/MSO Combined Substation & Ambulance Addition ≈\$24.8 million (shared with public safety)
- PSD South County EMS/MSO Combined Substation ≈\$24.8 million (shared with public safety)

Over the past five years, Manatee County has generated approximately \$3.6 million per year in law enforcement impact fees. If law enforcement impact fees are adopted at the full calculated rates and current permitting trends continue, the County is projected to generate \$5.5 million per year to \$7.2 million per year.

Public Safety

Examples of future public safety projects that are eligible to be funded/repaid with impact fees include the following improvements shown below:

- Seaport Manatee EMS Station w/Ambulance ≈\$8.5 million
- PSD Additional 24-Hour Ambulance-Duette ≈\$690,000
- Lake Flores EMS/MSO Combined Substation & Ambulance Addition ≈\$24.8 million (shared with Law Enforcement)
- Moccasin Wallow Extension EMS/MSO Combined Substation & Ambulance Addition ≈\$24.8 million (shared with law enforcement)
- PSD South County EMS/MSO Combined Substation ≈\$24.8 million (shared with law enforcement)

Over the past five years, Manatee County has generated approximately \$2.0 million per year in public safety impact fees. If public safety impact fees are adopted at the full calculated rates and current permitting trends continue, impact fee revenues are projected to range from \$2.1 million per year to \$2.6 million per year.

Library Facilities

There are several on-going library expansion projects. As a note, impact fees can be utilized to repay debt service on bond proceeds used to fund capacity expansion projects. The list below provides examples of on-going/future library facilities projects that are eligible to be funded with impact fees. The project expenditure shown reflects the total project amount (including funding appropriated to date).

- Rocky Bluff Library Expansion ≈\$10.5 million (expansion portion \$4.5 million)
- Lakewood Ranch Library ≈\$17.7 million (portion funded with Series 2022 \$6.5 million)
- Lakewood Ranch Library 2nd Floor Build-Out ≈\$6.2 million

Over the past five years, Manatee County has generated approximately \$1.8 million a year in library facilities impact fees. If library impact fees are adopted at the full calculated rates and current permitting trends continue, impact fee revenues are projected to range from \$2.1 million per year to \$2.7 million per year.

Parks and Natural Resources

Listed below are examples of future park and natural resources capacity projects that are eligible to be funded with impact fees.

- Cortez Marina Boat Ramp ≈ \$15.9 million
- Skyway Boat Ramp ≈ \$9.4 million
- Country Club East Park Baseball Improvements ≈ \$6.5 million
- Gateway Greenway Trail ≈ \$3.5 million
- Gateway Green Trail Phase II ≈ \$4.0 million
- G.T. Bray Little League Fields ≈ \$2.5 million
- Lakewood Ranch Park Improvements ≈ \$1.6 million

These improvements total approximately \$43.4 million. Over the past five years, Manatee County has generated approximately \$7.8 million a year from parks and natural resources impact

fees. If full calculated impact fees are adopted and current permitting trends continue, the County is projected to generate \$22.2 million per year to \$28.4 million per year.

Transportation

Examples of future transportation capacity projects that are eligible to be funded with impact fees include the following improvements shown below:

- 44th Ave E from 44th Ave Plaza E to Lakewood Ranch Blvd ≈\$192.3 million
- Upper Manatee River Rd from N of SR 64 to Fort Hamer Bridge ≈\$99.9 million
- Canal Rd from US 301 to 17th St E ≈\$68.6 million
- Erie Rd from Martha Rd to US 301 in Parrish ≈\$43.8 million
- 60th Ave E (Buffalo Rd) from Mendoza Rd to Terminus ≈\$41.8 million
- 63rd Ave from US 301 to Tuttle ≈\$39.8 million
- Moccasin Wallow Rd Seg. 3 from US 301 to SR 62 ≈\$34.7 million
- 75th St W from 20th Ave W to Manatee Ave ≈\$33.1 million
- Lorraine Rd from SR 64 to 59th Ave E ≈\$30.0 million
- Erie Rd from 69th St E to Martha Rd ≈\$28.5 million
- Canal Rd from 37th St E to 49th St E ≈\$17.0 million
- Lena Rd from SR 70 to SR 64 ≈\$15.0 million
- Intersections and Roundabouts ≈\$13.7 million
- Fort Hamer Rd from Moccasin Wallow Rd to Fort Hamer Bridge ≈\$8.1 million
- 60th Ave E from US 301 to Outlet Mall Entrance ≈\$3.3 million
- SR 64 from Lorraine Rd to Verna Bethany Rd ≈\$2.9 million
- Buckeye Rd Preliminary Engineering ≈\$1.1 million

These improvements total approximately \$674 million. Currently, Manatee County is generating approximately \$48 million a year in multi-modal transportation fee revenues. If transportation impact fees are adopted at the full calculated rates and current permitting trends continue, the County could generate \$87.6 million per year to \$112.1 million per year.

Summary and Conclusions

This supplemental document provided information demonstrating extraordinary conditions necessitating an increase above the 50-percent limit for the County's current adopted impact fee levels. The key findings of this review include the following:

- Manatee County is experiencing significant growth.
- Both 2015 and 2022 study rates were adopted at a discount. These discounts increase the gap between the current adopted fees and the fully calculated fees.
- Costs are continuing to increase, making it difficult for local governments to fund infrastructure projects.
- The County identified a list of projects that are impact fee eligible. With reduced impact fee levels, the existing population will be subsidizing new growth, or the level of service will degrade.