

ORDINANCE Redline

Section 1. That Section 70-502 of the Code of Ordinances, City of Ocala, Florida, is hereby amended to read as follows:

Sec. 70-502. Impact fee imposed.

(a) Findings and background.

(1) The city council finds and declares as follows:

- a. The city is committed to providing adequate water and sewer facilities for the residents of the city and surrounding areas served or to be served by the city's water and sewer systems.
- b. New development, or change in use, renovations, expansions, or building modifications to existing structures, impose increased and excessive demands upon the water and sewer systems.
- c. Planning and studies project that new development, or change in use, renovations, expansions, or building modifications to existing structures, will continue and will place ever-increasing demands on the city to provide adequate water and sewer.
- d. To the extent that new development, or change in use, renovations, expansions, or building modifications to existing structures, place demands upon the water and sewer systems, those demands should be satisfied by shifting the responsibility for financing the expansion of the systems from the public to the users creating the demands.
- e. The City Council has considered adequate information, including the Water and Wastewater Rate Study presented by Raftelis Financial Consultants, Inc. to the City Council on ~~December 1, 2020~~April 29, 2025, which is supported by the Water and Wastewater Rate and Fee Study report dated ~~January 6, 2021~~April 7, 2025 (the "2025~~0~~ Rate Study").
- f. The use of impact fees has become an accepted method of paying for public improvements that must be constructed to serve new growth.
- g. The imposition of impact fees hereunder to finance the extension or expansion of the water and sewer systems is in the interest of the public including the residents of the city and surrounding areas served by the water and sewer systems and does not impose an unfair burden on new development or existing users.

h. The evidence reviewed by city council, including the 2025~~0~~ Rate Study, demonstrates a reasonable connection between the need for additional facilities for the water and sewer systems and the growth and population generated by new development and existing users, and a reasonable connection between the contemplated expenditures of impact fees collected and the benefits accruing to such development and users.

(2) The 2025~~0~~ Rate Study determined that existing impact fees should be increased, and that other revisions to this division should be made, such as, but not limited to, imposing an impact fee for private fire protection services.

(3) The city council has determined to amend this division of this code to adopt the recommendations of the 2025~~0~~ Rate Study and as otherwise set forth in this division.

(b) Basis for impact fee. There is hereby imposed an impact fee, based on the equitable portion of the cost of financing the extension or expansion of the water and sewer systems, on the ERU responsible for creating the need for additional financing of the water and sewer systems.

(c) Time of payment for existing structures.

(1) For existing structures situated inside the corporate limits of the city, the obligation for payment of the impact fee shall occur at the time the plumbing permit is issued by the building official, except as noted in subsection (e)(4)c. below, subsection (e)(5) below, or in section 70-506.

(2) For existing structures situated outside the corporate limits of the city, the obligation for payment of the impact fee shall occur at the time application for water service or sewer service is made to the city.

(d) Time of payment for new structures.

(1) For new structures situated inside the corporate limits of the city, the obligation for payment of the impact fee shall occur at the time the building official issues: the certificate of occupancy for single-family residences or duplexes: or, for all other structures, the building permit, except as noted in subsection (e)(4)c. below, subsection (e)(5)e. below, or in section 70-506.

(2) For new structures situated outside the corporate limits of the city, the obligation for payment of the impact fee shall occur at the time application for water service or sewer service is made to the city.

(e) Amount.

(1) Impact fee per equivalent residential unit. The impact fee shall be as follows for each ERU:

<u>Equivalent Single-Family Residential Units (ERU)</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>1.0</u>	<u>\$823.00</u>	<u>\$3,148.00</u>

<u>Year</u>	<u>Effective Date</u>	<u>Equivalent Single-Family Residential Units (ERU)</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>1</u>	<u>1-Oct-25</u>	<u>1</u>	<u>\$926.00</u>	<u>\$3,542.00</u>
<u>2</u>	<u>1-Oct-26</u>	<u>1</u>	<u>\$1,029.00</u>	<u>\$3,935.00</u>
<u>3</u>	<u>1-Oct-27</u>	<u>1</u>	<u>\$1,132.00</u>	<u>\$4,329.00</u>
<u>4</u>	<u>1-Oct-28</u>	<u>1</u>	<u>\$1,235.00</u>	<u>\$4,722.00</u>

(2) *Impact fee for residential uses.* The impact fee shall be as follows for the following residential uses based upon ERUs of living space, type of multi-family dwelling, or number of bedrooms:

Year 1 Effective October 1, 2025

<u>Description</u>	<u>ERU</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>Single-Family (sq. ft.)</u>			
<u>0-1,499</u>	<u>0.60</u>	<u>\$494.00\$556</u>	<u>\$1,889.00\$2,125</u>
<u>1,500-2,499</u>	<u>0.75</u>	<u>\$617.00\$695</u>	<u>\$2,361.00\$2,656</u>
<u>2,500-3,499</u>	<u>1.00</u>	<u>\$823.00\$926</u>	<u>\$3,148.00\$3,542</u>
<u>3,500+</u>	<u>1.25</u>	<u>\$1,029.00\$1,158</u>	<u>\$3,935.00\$4,427</u>
<u>Multi-Family</u>			
<u>Duplex</u>	<u>1.20</u>	<u>\$988.00\$1,111</u>	<u>\$3,778.00\$4,250</u>
<u>Triplex</u>	<u>1.80</u>	<u>\$1,481.00\$1,667</u>	<u>\$5,666.00\$6,375</u>
<u>Quad</u>	<u>2.40</u>	<u>\$1,975.00\$2,222</u>	<u>\$7,555.00\$8,500</u>
<u>Apartment, Townhouse or Condominium</u>			
<u>1 BR</u>	<u>0.50</u>	<u>\$412.00\$463</u>	<u>\$1,574.00\$1,771</u>
<u>2 BR</u>	<u>0.70</u>	<u>\$576.00\$648</u>	<u>\$2,204.00\$2,479</u>
<u>3 BR</u>	<u>0.85</u>	<u>\$700.00\$787</u>	<u>\$2,676.00\$3,010</u>

Year 2 Effective October 1, 2026

<u>Description</u>	<u>ERU</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>Single-Family (sq. ft.)</u>			
<u>0-1,499</u>	<u>0.60</u>	<u>\$617</u>	<u>\$2,361</u>

<u>1,500-2,499</u>	<u>0.75</u>	<u>\$772</u>	<u>\$2,951</u>
<u>2,500-3,499</u>	<u>1.00</u>	<u>\$1,029</u>	<u>\$3,935</u>
<u>3,500+</u>	<u>1.25</u>	<u>\$1,286</u>	<u>\$4,919</u>
<u>Multi-Family</u>			
<u>Duplex</u>	<u>1.20</u>	<u>\$1,235</u>	<u>\$4,722</u>
<u>Triplex</u>	<u>1.80</u>	<u>\$1,852</u>	<u>\$7,083</u>
<u>Quad</u>	<u>2.40</u>	<u>\$2,470</u>	<u>\$9,444</u>
<u>Apartment, Townhouse or Condominium</u>			
<u>1 BR</u>	<u>0.50</u>	<u>\$515</u>	<u>\$1,968</u>
<u>2 BR</u>	<u>0.70</u>	<u>\$720</u>	<u>\$2,755</u>
<u>3 BR</u>	<u>0.85</u>	<u>\$875</u>	<u>\$3,345</u>

Year 3 Effective October 1, 2027

<u>Description</u>	<u>ERU</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>Single-Family (sq. ft.)</u>			
<u>0-1,499</u>	<u>0.60</u>	<u>\$679</u>	<u>\$2,597</u>
<u>1,500-2,499</u>	<u>0.75</u>	<u>\$849</u>	<u>\$3,246</u>
<u>2,500-3,499</u>	<u>1.00</u>	<u>\$1,132</u>	<u>\$4,329</u>
<u>3,500+</u>	<u>1.25</u>	<u>\$1,415</u>	<u>\$5,411</u>
<u>Multi-Family</u>			
<u>Duplex</u>	<u>1.20</u>	<u>\$1,358</u>	<u>\$5,194</u>
<u>Triplex</u>	<u>1.80</u>	<u>\$2,038</u>	<u>\$7,791</u>
<u>Quad</u>	<u>2.40</u>	<u>\$2,717</u>	<u>\$10,388</u>
<u>Apartment, Townhouse or Condominium</u>			
<u>1 BR</u>	<u>0.50</u>	<u>\$566</u>	<u>\$2,164</u>
<u>2 BR</u>	<u>0.70</u>	<u>\$792</u>	<u>\$3,030</u>
<u>3 BR</u>	<u>0.85</u>	<u>\$962</u>	<u>\$3,679</u>

Year 4 Effective October 1, 2028

<u>Description</u>	<u>ERU</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>Single-Family (sq. ft.)</u>			

<u>0-1,499</u>	<u>0.60</u>	<u>\$741</u>	<u>\$2,833</u>
<u>1,500-2,499</u>	<u>0.75</u>	<u>\$926</u>	<u>\$3,542</u>
<u>2,500-3,499</u>	<u>1.00</u>	<u>\$1,235</u>	<u>\$4,722</u>
<u>3,500+</u>	<u>1.25</u>	<u>\$1,544</u>	<u>\$5,903</u>
<u>Multi-Family</u>			
<u>Duplex</u>	<u>1.20</u>	<u>\$1,482</u>	<u>\$5,666</u>
<u>Triplex</u>	<u>1.80</u>	<u>\$2,223</u>	<u>\$8,500</u>
<u>Quad</u>	<u>2.40</u>	<u>\$2,964</u>	<u>\$11,333</u>
<u>Apartment, Townhouse or Condominium</u>			
<u>1 BR</u>	<u>0.50</u>	<u>\$618</u>	<u>\$2,361</u>
<u>2 BR</u>	<u>0.70</u>	<u>\$865</u>	<u>\$3,305</u>
<u>3 BR</u>	<u>0.85</u>	<u>\$1,050</u>	<u>\$4,014</u>

(3) *Impact fee, based upon meter size, for nonresidential uses with 2-inch meter or less.*

a. The impact fee shall be as follows for the following nonresidential uses that utilize water meters two inches or less in size. The city shall determine the size and number of the water meters to be used. No customer shall install more than one water meter solely for the purpose of having impact fees calculated under this subsection (e)(3), instead of subsection (4)e.4.

b. The figures set forth below are listed for the sole and express purpose of calculating impact fees and shall be used for that purpose regardless of the actual water and sewer requirements of the individual connection.

<u>Year 1 - Effective October 1, 2025</u>			
<u>Meter Size:</u>	<u>ERU</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>5/8-inch</u>	<u>1.00</u>	\$823.00 <u>\$926.00</u>	\$3,148.00 <u>\$3,542.00</u>
<u>1-inch</u>	<u>2.50</u>	\$2,058.00 <u>\$2,315.00</u>	\$7,870.00 <u>\$8,854.00</u>
<u>1 1/2-inch</u>	<u>5.00</u>	\$4,115.00 <u>\$4,630.00</u>	\$15,740.00 <u>\$17,708.00</u>

2-inch	8.00	\$6,584.00 <u>\$7,408.00</u>	\$25,184.00 <u>\$28,332.00</u>
Above 2-inch	See (4) below		

<u>Year 2 - Effective October 1, 2026</u>			
<u>Meter Size:</u>	<u>ERU</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>5/8-inch</u>	<u>1</u>	<u>\$1,029.00</u>	<u>\$3,935.00</u>
<u>1-inch</u>	<u>2.5</u>	<u>\$2,573.00</u>	<u>\$9,838.00</u>
<u>1 1/2-inch</u>	<u>5</u>	<u>\$5,145.00</u>	<u>\$19,675.00</u>
<u>2-inch</u>	<u>8</u>	<u>\$8,232.00</u>	<u>\$31,480.00</u>
<u>Above 2-inch</u>	<u>See (4) below</u>		

<u>Year 3 - Effective October 1, 2027</u>			
<u>Meter Size:</u>	<u>ERU</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>5/8-inch</u>	<u>1</u>	<u>\$1,132.00</u>	<u>\$4,329.00</u>
<u>1-inch</u>	<u>2.5</u>	<u>\$2,830.00</u>	<u>\$10,821.00</u>
<u>1 1/2-inch</u>	<u>5</u>	<u>\$5,660.00</u>	<u>\$21,643.00</u>
<u>2-inch</u>	<u>8</u>	<u>\$9,056.00</u>	<u>\$34,628.00</u>
<u>Above 2-inch</u>	<u>See (4) below</u>		

<u>Year 4 - Effective October 1, 2028</u>			
<u>Meter Size:</u>	<u>ERU</u>	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>
<u>5/8-inch</u>	<u>1</u>	<u>\$1,235.00</u>	<u>\$4,722.00</u>
<u>1-inch</u>	<u>2.5</u>	\$3,088.00 <u>\$2,592.50</u>	<u>\$11,805.00</u>
<u>1 1/2-inch</u>	<u>5</u>	\$6,175.00 <u>\$5,185.00</u>	<u>\$23,610.00</u>
<u>2-inch</u>	<u>8</u>	\$9,880.00 <u>\$6,096.00</u>	<u>\$37,776.00</u>
<u>Above 2-inch</u>	<u>See (4) below</u>		

(4) Calculation for impact fee, based upon attributes, for nonresidential uses with meter size above two inches. Impact fees for nonresidential uses that utilize water meters more than two inches in size shall be calculated as follows:

- a. Table 1 of this section provides the basis of calculation for the ERUs and impact fee

for any given connection.

b. The figures shown in Table 1 are listed for the sole and express purpose of calculating ERUs and impact fees and shall be used for that purpose regardless of the actual water and sewer requirements of the individual connection.

c. The city may periodically evaluate actual water and sewer usage of commercial, industrial and other customers to determine if their usage has exceeded the capacity for which original impact fees were paid. If this evaluation determines that the assigned capacity has been exceeded, the customer will be charged the difference between the original impact fee and the new impact fee calculated using highest measured flow or discharge within the preceding 12 months and based upon the then-current impact fees.

d. Regardless of the calculation of the ERU as determined by Table 1, in no event shall the ERU for any nonresidential, commercial or industrial customer be less than 1.0 for the water impact fee and 1.0 for the sewer impact fee.

e. Where ERUs are calculated in Table 1 based upon a base number of units (e.g., per 100 seats), and the number of units of the actual building use exceeds the base number of units used in Table 1, the ERU shall be calculated by dividing the number of units of the actual building use by the base number of units, and then multiplying that result by the number under the ERU column in table 1. Example: A bar has 2,000 square feet. The ERUs shall be calculated as (2,000 divided by 525 times one) which equals three and eight-tenths ERUs.

TABLE 1

Building Use	Equivalent Single-Family Residential Units (ERU)
Motel and hotel (per room)	0.5
Church, auditorium, theater (per 100 seats)	1.0
Beauty salon, barbershop (per chair) (with hair washing sink(s))	0.5
Beauty salon, barbershop (per chair) (without hair washing sink(s))	0.3
Laundromat (per washing machine)	1.1
Office, retail store, warehouse and other nonresidential uses where water or sewer uses are for fixture purpose only (per 19 fixture units)	1.0
Gas station	1.5
Nursing home (per bed)	0.4
Hospital (per bed)	0.6
School, toilets and kitchen (per 35 students)	1.3
School, toilets, kitchen and gym (per 35 students)	2.0

School, toilets only (per 35 students)	1.0
Restaurant (per seat)	.15
Funeral home	1.5
ACLF (per bedroom)	.55
Bar or lounge (per 525 square feet)	1.0
Irrigation (per 19 sprinkler heads)	1.0
Recreational vehicle park (per rental space)	0.5
Shopping center	See subsection (e)(5)a. below
Private wells or other supplemental water sources	See subsection (e)(5)b. and (e)(5)g., below
Factory or industry	See subsection (e)(5)b. and (e)(5)g., below
Public institutions other than above	See subsection (e)(5)f., below
Other uses not described above	See subsection (e)(5)f., below
Related facilities	See subsection (e)(5)f., below
Combination accounts	See subsection (e)(5)d., below
Groundwater remediation	See subsection (e)(5)e., below

(5) *Special provisions.* The following provisions shall prevail over any conflicting provisions in this section.

a. The impact fee for shopping centers shall be imposed at the time the individual units in the shopping center obtain certificates of occupancy from the building official and shall be calculated pursuant to the applicable provisions of subsection (e)(3) or (e)(4). The number of ERUs for the common facilities in shopping centers, including such facilities as public restrooms, drinking fountains and water fountains, and the number of ERUs for the office and warehouse space utilized by or reserved for shopping center staff and management, shall be calculated in the following manner:

$$\text{Total number of fixture units}/19 \times 1.0 = \text{Number of ERUs}$$

b. If the customer uses other water sources, including, without limitation, reclaimed water or well water, to supplement potable water, for processed water, or for other manufacturing, industrial or commercial purpose, and any amount of such water from other water services will be discharged into the sanitary sewer system, the customer shall install an appropriately sized sewer flow meter which shall be used to verify the accuracy of the original sewer impact fee paid and to calculate the additional impact fee owed, if any. The customer shall obtain an annual certification of the accuracy of this meter and shall provide a copy of the annual certification to the city. The impact fees may be adjusted pursuant to subsection g) below.

c. The impact fee for laundromats, restaurants, barbershops, beauty salons and other individual uses calculated pursuant to subsection (e)(3) or (e)(4) which may be contained in or associated with a motel, hotel, retail store, office, apartment complex, condominium complex, mobile home park or other multifamily development shall be determined by using the ERUs established for such individual use under the applicable subsection, and shall be in addition to the impact fee determined for the motel, hotel, retail store, office, apartment complex, condominium complex, mobile home park or other multifamily development.

d. Accounts that contain both residential and commercial facilities served through a common meter or common sewer service may be treated as either residential or nonresidential, whichever method of computation results in the larger impact fee.

e. When plant capacity permits, as determined by the director of water and sewer or his designee, groundwater from a customer's groundwater remediation projects, not to exceed five years, may be accepted into the sanitary sewer system. Impact fees for remediation projects will be assessed according to the following method:

1. The impact fee for temporary projects (referred to in this subsection as "Impact Fee (T)"), will be subject to two reduction factors as follows:

H (hours), i.e., the reduction factor for hours of discharge of project
= 0.50 for discharge exclusively from 11:00 p.m. to 7:00 a.m.
= 0.75 for 24-hour-per-day discharge
= 1.00 for all other discharge conditions
F (time), i.e., the reduction factor for length of project discharge
= (Length of time of project discharge (in years)) divided by 35
= Impact Fee (T) = Impact Fee \times H (hours) \times F (time)
= Impact Fee(T) shall not be less than 1 ERU.

2. The timeframe of the project will be estimated at the time the sewer permit is obtained. If the temporary discharge exceeds the original estimate, subsequent fees will be due and payable on an annual basis.

f. If a customer's use is not listed in Table 1 of subsection (e)(4), city will calculate the impact fees based upon a consideration of comparable uses that are listed in Table 1, and anticipated water and sewage flows based upon other relevant information such as the Florida Building Code and the American Water Works Association Standards.

g. The impact fees for uses referring to this subsection in Table 1 of subsection (e)(4), shall be based upon calculations performed by city utilizing the following criteria and procedures:

1. A prospective customer will be entitled to submit any plans, specifications or other information to substantiate projections of water consumption or sewage

flows and may be required by the city to submit such substantiating information.

2. If deemed necessary by the city, the city and the prospective customer shall enter into a written agreement formalizing the various terms and conditions to be complied with by the respective parties thereto. Such terms and conditions may include provisions for the metering and sampling of sewage flows for an appropriate period of time and the monitoring of water consumption. Such metering, sampling and monitoring would be compared with original projections of water and sewer demands and appropriate adjustments made to the impact fee.

3. If the city subsequently determines that the projections of water or sewer flows upon which any impact fee was originally based were less than the actual water or sewer flows (calculated based upon historical water or sewage flows measured by the city), the customer shall pay, upon demand of city, an adjusted impact fee, using the then-current impact fees, for the additional capacity being utilized by the customer based on the highest daily flow or discharge in the preceding 12-month period.

(6) *Out of city service.* Impact fees for all customers located outside the territorial limits of the city shall equal the in-city rates, as calculated pursuant to subsection (e)(2), (3), or (4) of this section, multiplied by 125 percent.