

City of Lake Alfred Business Impact Estimate

On October 1, 2023, Senate Bill 170 (“SB 170”), *Chapter 2023-309, Laws of Florida*, was enacted amending Section 166.041, Florida Statutes, requiring a local government to prepare a *business impact estimate* before the enactment of an ordinance.

On October 1, 2024, Senate Bill 1628 (“SB 1628”), as codified under *Chapter 2024-145, Laws of Florida*, becomes effective and further amends Section 166.041, Fla. Stat. (2023).

This *City of Lake Alfred Business Impact Estimate* (“BIE”) is provided in accordance with Section 166.041(4), Florida Statutes (2024); and Section 166.041(a) of the Florida Statutes states, in pertinent part, as follows:

Before the enactment of a proposed ordinance, the governing body of a municipality shall prepare or cause to be prepared a *business impact estimate* in accordance with this subsection. The *business impact estimate* **must be** posted on the municipality’s website *no later than the date the notice of proposed enactment is published pursuant to paragraph (3)(a)¹* and must include all of the following:

1. A summary of the Ordinance, including a statement of the *public purpose* to be served by the Ordinance, such as serving the public health, safety, morals, and welfare of the *City of Lake Alfred, Florida*. *The proposed ordinance adopts a five-year schedule for both water and wastewater fees. This will replace the current 5-year schedule that was adopted in 2022. Similar to the previous schedule, rate increases are slated towards conservation by minimizing the increases to the base and first block of water usage (up to 5,000 gallons) with greater increases to Block 2 (5k to 10k gallons) and Block 3 (10k+ gallons). This minimizes the impact to “primary potable water consumption”* while encouraging conservation on irrigation and other water usage.*
2. An *estimate of the direct economic impact* of the Ordinance on *private, for-profit businesses in the City of Lake Alfred, Florida*, including the following, if any: *Exempt*
 - a. An estimate of *direct compliance costs* that businesses may reasonably incur if the Ordinance is enacted; *Exempt*
 - b. Identification of any *new charge or fee on businesses* subject to the Ordinance, or for which businesses will be financially responsible; and *Exempt*
 - c. An *estimate of the municipality’s regulatory costs*, including an estimate of revenues from any new charges or fees that will be imposed on businesses to cover such costs. *Exempt*
3. A *good faith estimate* of the number of businesses likely to be impacted by the Ordinance.

¹ Ordinances that change the actual list of permitted, conditional, or prohibited uses within a zoning category, or ordinances initiated by the municipality that change the actual zoning map designation of a parcel or parcels of land shall be enacted pursuant to §166.041(3)(c), Fla. Stat. (2024).

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4. Any additional information the *City Commission of the City of Lake Alfred* determines may be useful. *Exempt*

If one (1) or more boxes are checked below, this means the City of Lake Alfred is of the view that a business impact estimate is not required pursuant to applicable Florida law; however, the City of Lake Alfred is, nevertheless, providing this BIE to avoid any procedural issue(s) that may impact the enactment of *City of Lake Alfred Ordinance No. 1567-25* (hereafter the “Ordinance”).

This BIE may be revised following its initial posting.

- The Ordinance is required for compliance with Federal or State law or regulation;
- The Ordinance relates to the issuance or refinancing of debt;
- The Ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- The 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 *City of Lake Alfred, Florida*;
- The Ordinance is an emergency ordinance;
- The Ordinance relates to procurement; or
- The Ordinance is enacted to implement the following:
 - a. *Development orders and development permits*, as those terms are defined in §163.3164, *Florida Statutes (2024)*, and *development agreements*, as authorized by the Florida Local Government Development Agreement Act under §§ 163.3220 – 163.3243, *Florida Statutes (2024)*;
 - b. Comprehensive plan amendments and land development regulation amendments *initiated by an application by a private party other than the municipality*;
 - b. §§ 190.005 and 190.046, *Florida Statutes (2024)*;
 - c. §553.73, *Florida Statutes (2024)*, relating to the Florida Building Code; or
 - d. §633.202, *Florida Statutes (2024)*, relating to the Florida Fire Prevention Code.

Notwithstanding the identified and noted exemption(s) above, if applicable, pursuant to the provisions of §166.041(4), *Florida Statutes (2024)*, and applicable Florida law, the *City of Lake Alfred* hereby publishes the following information:

1. Summary of the Ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare): The City has attempted to push as much of the growth-related capital costs onto water and wastewater connection charges so that growth pays its fair share (thereby lessening the impact to overall rates). However, rate increases are unavoidable due to the increased operations, maintenance, and inflation costs that are associated with these improvements and general operations. Rate studies must also be consistently performed in order

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to account for volatility and updated changes to capital cost projections and growth projections. For example, the 2022 rate study and associated rate schedule was based in part upon our alternate water supply (AWS) costs through the Polk Regional Water Cooperative (PRWC) ramping up to \$928,000 annually in 2028. With the 2025 cost estimate updates to the PRWC our 2028 expense has risen to \$2.4 million. From 2026 to 2033 our AWS cost projections increased by an aggregate of \$7.5 million over that time period. This must be accounted for and made up for somewhere.

2. An estimate of the direct economic impact of the Ordinance on private, for-profit businesses in the *City of Lake Alfred*, if any:

(a) An estimate of direct compliance costs that businesses may reasonably incur; **Exempt**

(b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible; **Exempt**

and

(c) An estimate of the *City of Lake Alfred's* regulatory costs, including estimated revenues from any new charges or fees to cover such costs. **Exempt**

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

Exempt

4. Additional information the *City Commission of the City of Lake Alfred* deems useful (if any):

None.