

# City of Tampa Multimodal Impact Fee

July 11, 2025

Council Briefing



Fehr & Peers



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# Free Purpose And History A



# What is an Impact Fee?

An impact fee is assessed by a local government on new development to help fund the cost of public infrastructure improvements needed to accommodate that development. Fees are typically paid at the time of building permit issuance and are designed to offset the financial impact a new development has on public infrastructure.

## Purpose

Ensures that existing residents do not pay for the cost of infrastructure to support new development.

## How they Work

Developer pays an upfront one-time fee as part of the building permit process. May be combined with other types of exactions.

## What they pay for

Finance capital improvements, like schools, police stations, parks, water/sewer systems and roads. **We are only updating the transportation fee.**

## Other

Impact fees must be proportionally related to the impact of new development and cannot be used to fix existing deficiencies.

# How does New development pay for transportation Improvements?



Payment of **Multimodal Impact Fee** based on land use, amount of development, and location in a city, established through a Nexus Study (the focus of this briefing).

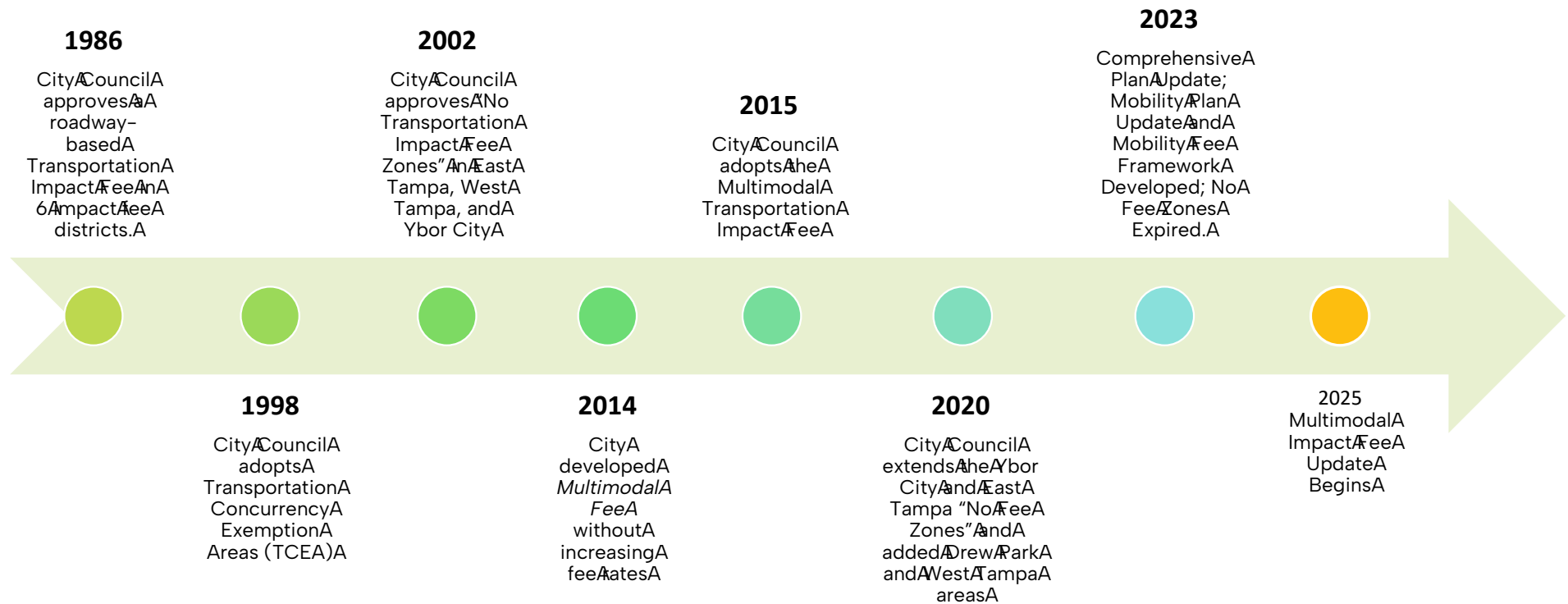


Payment of a proportionate fee or **Mitigation Fee** based on the land developments' expected impacts to the transportation system, identified through a Traffic Impact Analysis; and/or construction of off-site improvements.



**Construction** of site improvements on a public right-of-way within or adjacent to project boundaries.

# History of the Impact Fee in Tampa



# Fees Have Not Been Increased Since 1989

Billboard Top 100: Chicago's "Look Away" and Paula Abdul's "Straight Up"

Top Headlines: Tiananmen Square protests & Fall of the Berlin Wall

Loss to Inflation: \$1 in 1989 is worth \$2.65 today



# Types of Transportation Impact Fees

**Impact Fee** primarily focused on roadway improvements

**Multimodal Impact Fee** provided flexibility to expand capital facilities for bicycle, pedestrian, and transit modes. In addition to funding automobile capacity along the classified (non-local) roadway network

**Mobility Fee** allows funding for additional project types and funds specific projects identified in a **Mobility Plan**

**Impact Fee (first fee)**

Roadway

**Multimodal Fee (Current Fee and Proposed Update Structure)**

Roadway

Transit

Pedestrian

Bicycle

**Mobility Fee Adds (Potential Future)**

ITSA

TSM&OA

Emerging Tech

TDMA

Other

# Legal Framework

- **2007:** Introduction of Mobility Plans and Mobility Fees as an alternative to transportation concurrency and to provide a more equitable way for new development to offset transportation impacts.
- **2009:** Adoption of Dense Urban and Use Area statutes that allowed the establishment of Transportation Concurrency Exception Areas.
- **2011:** Elimination of state mandated transportation concurrency and making it optional for local governments to implement transportation concurrency.
- **2013:** Update of the Community Planning Act to allow local governments to adopt alternative mobility funding systems, such as Mobility Plans and Fees, as a replacement for transportation concurrency, a proportionate share, and roads impact fees.
- **2021:** Legislation was enacted to restrict increases in Road Impact Fee and Mobility Fee programs to one time every four years and cap the fee increase to 50 percent. Fee increases may exceed the 50 percent level under "extraordinary circumstances." In these cases, the jurisdiction must conduct a study, hold two public hearings, and receive two-thirds approval by the governing body.

# Legislative Updates

## Current Legislation

**SB 1080:** The bill prohibits a local government from increasing impact fees using extraordinary circumstances methodology. **If the local government has not increased the impact fee within the past 5 years.** The bill increases the vote threshold to a unanimous vote of the governing body and requires such increase to be implemented in at least two but not more than four equal annual increments. These provisions take effect on January 1, 2026.

## Prior Legislation

- Plan to update nexus study on a more frequent (5-year) basis.
- Incorporate recent local data into nexus study.
- Potential to eliminate ability to impose a transportation fee in addition to the collection of proportionate shares.

# Current Fee Structure

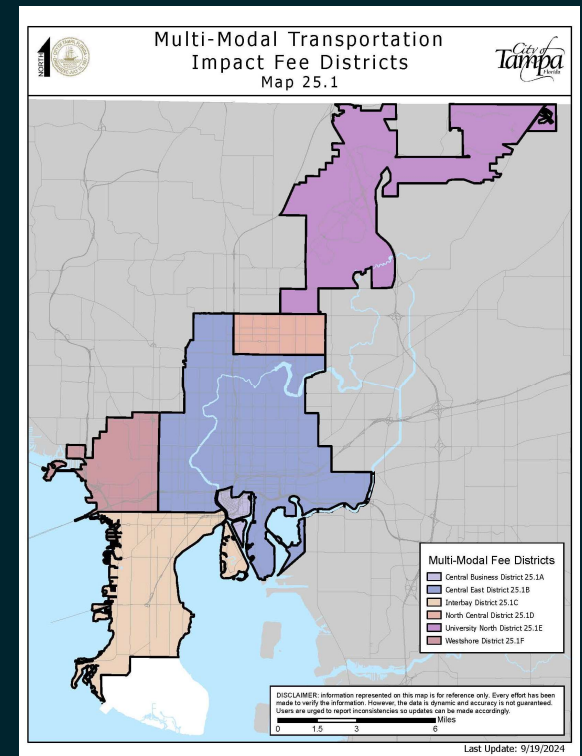
One-time Impact Fee collected on new construction to pay for infrastructure needed by new residents or businesses

May not be used for maintenance or repair projects

Current multimodal fee consists of:

- 51 land use categories
- 6 impact fee districts
- Four No Fee Zones set by City Council to incentivize economic development; expired in 2023

Fee has not been updated since 1989, although document was updated in 2014



# Fee District Comparison

	CITY OF TAMPA (AVERAGE OF ALL DISTRICTS)	CENTRAL BUSINESS DISTRICT	CENTRAL EAST DISTRICT	INTERBAY DISTRICT	NORTH CENTRAL DISTRICT	UNIVERSITY NORTH DISTRICT	WESTSHORE DISTRICT
Single-Family Detached (1,501 to 2,500 sf) per unit	\$1,772	\$955	\$ 1,677	\$ 1,707	\$ 1,344	\$ 2,176	\$ 2,770
Multi-Family (1-2 Floors) per unit	\$914	\$485	\$ 860	\$ 873	\$ 694	\$ 1,122	\$ 1,449
Office (under 100,000 sf) per 1,000 square feet	\$4,505	\$6,056	\$ 3,601	\$ 3,746	\$ 2,954	\$ 4,765	\$ 5,890
Retail (<50,000 sf) per 1,000 square feet	\$3,200	\$2,853	\$ 2,823	\$ 2,979	\$ 2,072	\$ 3,063	\$ 5,408
Industrial (Light) per 1,000 square feet	\$1,399	\$1,882	\$ 1,119	\$ 1,164	\$ 918	\$ 1,481	\$ 1,830

# Fee Comparison to Others

	City of Tampa (Average of all Fee Districts)	City of Tampa (Average of all Fee Districts) Adjusted for Inflation (1989 to 2025)	Hillsborough County Urban	Hillsborough County Rural	Osceola County (Mixed Use) 2024	Orange County (Urban)	Palm Beach Garden	City of Sarasota
Single-Family Detached (1,501 to 2,500 sf) per unit	\$1,772	\$4,694	\$9,183	\$13,038	\$7,499	\$9,085	\$5,823	\$7,340
Multi-Family (1-2 Floors) per unit	\$914	\$2,422	\$6,661	\$9,445	\$5,815	\$6,563	\$3,835	\$4,738
Office (under 100,000 sf) per 1,000 square feet	\$4,505	\$11,930	\$8,336	\$11,777	\$4,518	\$8,990	\$3,978	\$8,757
Retail (<50,000 sf) per 1,000 square feet	\$3,200	\$8,479	\$13,362	\$15,962	\$10,387	\$11,111	\$8,931	\$11,845
Industrial (Light) per 1,000 square feet	\$1,399	\$3,707	\$4,230	\$5,982	\$1,132	\$3,446	\$3,213	\$4,657

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# Update Overview A



# Why are we updating the fee?



Since 1990, the City of Tampa has added more than 100,000 new residents, with the current impact fee not keeping pace with inflation and construction costs.



Comprehensive Plan anticipates adding 100,000 new residents and 250,000 new jobs by 2045.



Conditions have changed, including costs and travel demand characteristics, as well as how impact fees are calculated.




Changes in state law.



Provides opportunity to refresh fee districts.

# Multimodal Impact Fee Update Goals

 Fund the fee at a level that allows for the provision of transportation facilities to support new development.



Encourage mixed-use, infill & redevelopment opportunities.



Provide transparency and certainty to developers and city and a process that is streamlined and clear to update and administer for staff.



Ensure that development/redevelopment pays their fair share for the construction of the transportation system needed to support growth in Tampa.



Fund a wide variety of capital transportation system improvements.

# Components of Multimodal Fees

## Demand

What demand will new development create for transportation infrastructure?

## Cost

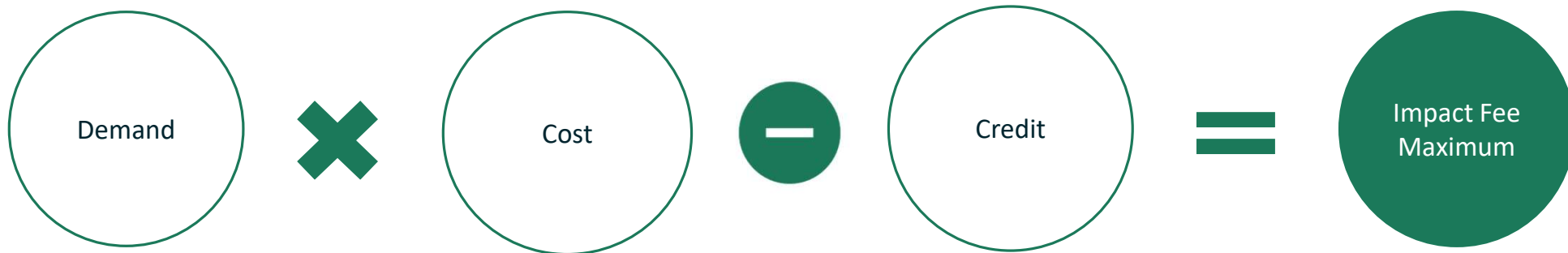
How much will it cost to build?

## Credit

Avoid double taxation by considering other taxes and fees already assessed to new residents, employees, customers and visitors.

## Calculation

Travel demand varies by land use and area, so separate fees are developed for each use and areas within city.



# Demand Component A

## Trip Generation A

Current Fee based on Trip rates from the 3rd Edition of the TEA Trip Generation Manual – they are about to publish the 12th Edition.

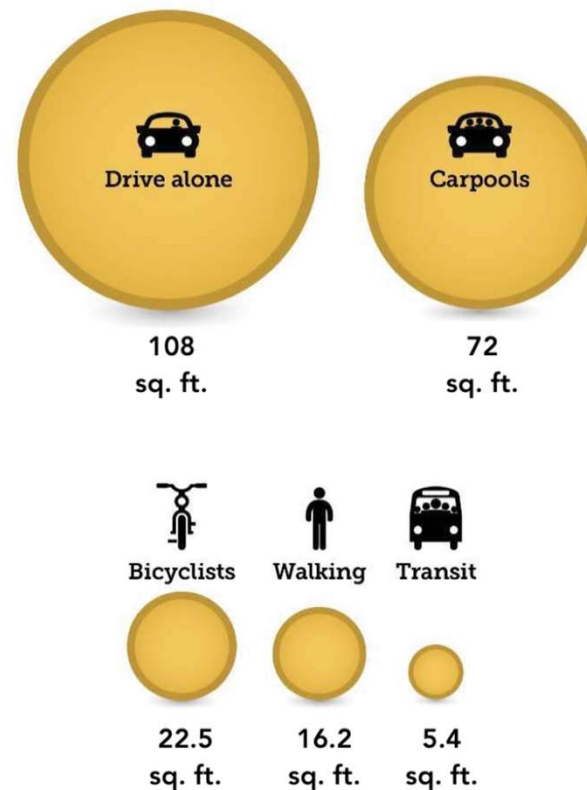
- Land use types have evolved.
- Subcategories added for urban contexts for some and uses.
- Most Trip rates have changed – some increasing, and some decreasing.

## Trip Length A

Current Fee based on national household travel survey (NHTS) data, regional travel model, and local studies, based on pre-1989 travel behaviors. Will be updated to current conditions.

## Other Factors A

Percent New Trips (pass-by trips) A  
Non-Auto Trip Generation A  
Average vehicle occupancies A



# Costs

## Components

**Design:** The cost to design a transportation system improvements.

**Right-of-way:** Value of the land on which improvements are provided.

**Construction:** Cost per lane mile of facilities, based on the typical roadway cross-sections used.

**Transit Capital Facilities:** includes vehicle acquisition for new routes, bus stops, and amenities.

## Preliminary Comparison

	1989	2014	2025
<b>Cost per Lane Mile</b>	\$1,443,670	\$3,616,800	\$4,558,440
<b>Traffic Signal (Mast Arms)</b>	\$167,000	\$400,000 \$500,000	\$500,000 \$750,000

# Other Fee Calculation Considerations

## Considerations

No fee zones

Consolidating fee zones

Expanding and uses included in a fee

Exempt or reduced fees for certain uses, like affordable housing or community serving uses

## Other Situations

Fees cannot be used to fix existing deficiencies; by updating the prior fee, the basis of existing deficiencies is when the fee was first developed.

## Existing Deficiencies

Cannot charge new development twice, so estimates of funding from other sources are made, including gas tax.

# EngagementA



## EngagementAActivitiesA

MeetingsAwith cityAstaffA

Stakeholder meetingsA(formal)A

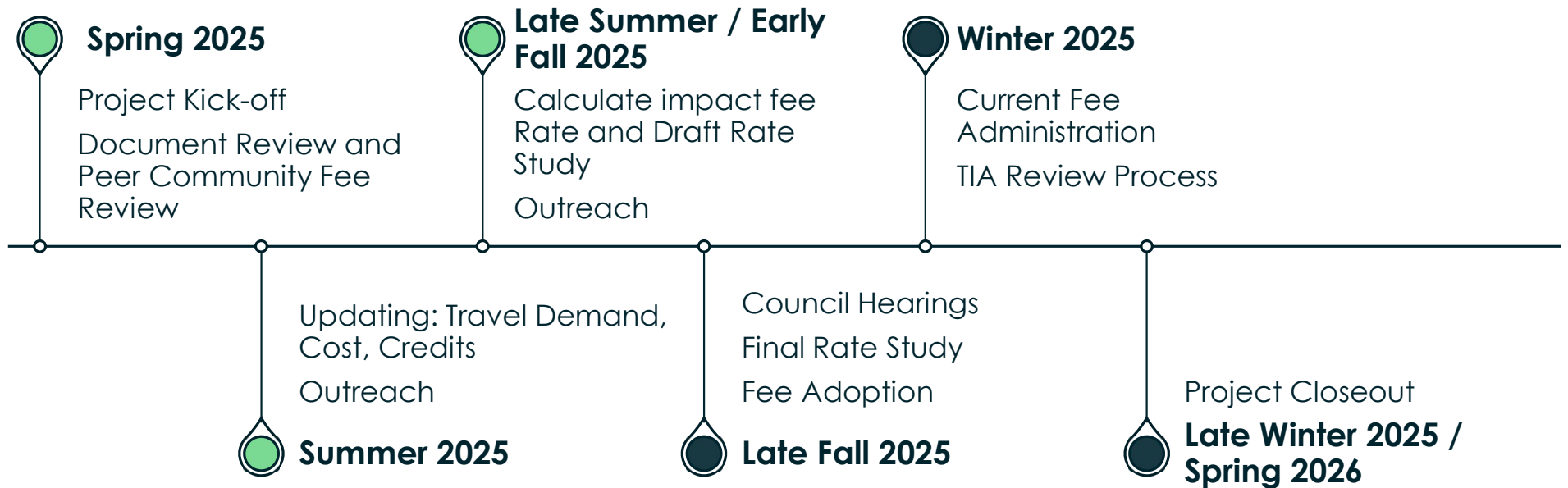
Stakeholder meetingsA(informal)A

Stakeholder SurveyA

CityACouncilAWorkshopsA

CityACouncilAMeetingsA

# Schedule





# Want More Information?

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