

Topic:

In accordance with Section 2.2.D of the Seminole County Home Rule Charter, before the enactment of a proposed ordinance or resolution on a legislative action, the Board of County Commissioners shall prepare or cause to be prepared an economic impact estimate. Similarly, Section 125.66(3)(c), F.S., requires that before the enactment of a proposed ordinance, the County must prepare a business impact estimate in accordance with this subsection.

Describe Project/Proposal, including the Public Purpose. (Must be completed for all legislative actions by ordinance or resolution)

- Summary of proposed ordinance or resolution.

- Statement of the public purpose to be served by the proposed ordinance, such as serving the public health, safety, morals, and welfare of the county. (Section 125.66(3)(a)1., F.S.)

The Board of County Commissioners of Seminole County previously adopted Ordinance No. 2024-12 (codified as Chapter 71, Seminole County Code), creating the procedures and requirements to establish, operate, modify, renew, and dissolve Tourism Improvement Districts in the County.

This Ordinance establishes the Seminole County Tourism Improvement District (SCTID) and its boundaries, adopts the SCTID Plan, provides for the Services and Improvements to be provided, and provides for the imposition and collection of an Assessment against each Tourism Property with sixty (60) or more rooms available for occupancy (Assessed Property) and located within the SCTID. The SCTID has a term of ten years. The Assessments shall fund the Services and Improvements provided within the SCTID, which are intended to increase demand for overnight tourism at Assessed Properties. The Assessments will also provide an ability to market the SCTID, and its Assessed Properties, as premiere destinations for tourists, meetings, and sporting or other business events.

This Ordinance serves the public health, safety, morals, and welfare of the County.

This Ordinance also serves the public purpose of economic prosperity by providing a mechanism to bolster the tourism economy by facilitating the formation of the SCTID, which is designed to generate essential revenue streams to Tourism Properties paying the SCTID assessment. These funds will be allocated towards enhancing services and infrastructure, thereby fostering a sustainable tourism sector that benefits local businesses, the workforce, and ensures a robust tax economy for the County's overall prosperity.

Question 1: Does the proposed legislative action have an economic cost to the public or taxpayers of Seminole County? (Seminole County Home Rule Charter Section 2.2.D.)

- ☒ Yes.
☐ No.

Question 2: This question only applies to ordinances: Does the subject matter or purpose of the proposed ordinance fall into any of the following categories? Please check all that apply (Section 125.66(3)(c), F.S.):

- ☐ Required for compliance with Federal or State law or regulation;
☐ Relates to the issuance or refinancing of debt;
☐ Relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
☐ 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 local government;
☐ Is an emergency ordinance;
☐ Relates to procurement; or
☐ Is being enacted to implement the following:
- a. Development orders and development permits, as those terms are defined in s. 163.3164, F.S. and development agreements, as authorized by the Florida Local Government Development Agreement Act under ss. 163.3220-163.3243, F.S.;
 - b. Comprehensive plan amendments and land development regulation amendments initiated by an application by a private party other than the county;
 - c. Sections 190.005 and 190.046, F.S., regarding community development districts;
 - d. Section 553.73, F.S. relating to the Florida Building Code; or
 - e. Section 633.202, F.S. relating to the Florida Fire Prevention Code.

If you answered NO to Question 1 and checked any boxes in Question 2 then STOP, this form is now complete.

If you answered YES to Question 1 and checked any boxes in Question 2 then complete Question 3.

If you answered YES to Question 1 and did not check boxes in Question 2 then complete Questions 3-5.

Question 3: What are the potential direct economic impacts (i.e. estimated costs/revenues to County, property owners, taxpayers, etc.) and indirect economic impacts (i.e. perceived positive/negative impacts on property values, etc.) of implementing the ordinance or resolution? (Seminole County Administrative Code Section 2.20)

Inasmuch as the County will be reimbursed for SCTID-related costs (as the costs of the SCTID include the reimbursement of any monies or services and improvements provided in advance by the County for Services and Improvements, supplies, or materials provided for the benefit of the SCTID), it is anticipated that the County will not sustain direct economic impacts.

While owners of Tourism Properties with sixty (60) or more rooms available for occupancy (Assessed Property) and located within the SCTID will pay Assessments, the SCTID Plan explicitly provides that an Assessed Property may place the Assessment as a mandatory surcharge on the consumer's receipt or guest folio. Therefore, such direct economic impacts to Assessed Properties are seemingly avoidable by the Tourism Property Owner, as such costs may be passed along to Tourist Property guests.

There is no direct economic impact relating to forming the SCTID, as costs of forming the SCTID shall be paid from SCTID Assessment revenues.

It is anticipated that the Services and Improvements to be provided by the SCTID will have a perceived positive impact on property values and the local economy.

Question 4: What is the estimated direct economic impact of the proposed ordinance on private, for profit businesses in the County, including the following, if any (Section 125.66(3)(a)2., F.S.):

- **An estimate of direct compliance costs that businesses may reasonably incur if the proposed ordinance is enacted.**
- **Identification of any new charge or fee on businesses subject to the proposed ordinance or for which businesses will be financially responsible.**

An estimate of the County's regulatory costs, including an estimate of revenues from any new charges or fees that will be imposed on businesses to cover such costs.

The estimated direct economic impact, which will affect only Tourism Properties with sixty (60) or more rooms available for occupancy (Assessed Property) and located within the SCTID, will be the Assessments levied. However, an assessed Tourism Property may place the Assessment as a mandatory surcharge on the consumer's receipt or guest folio, thereby avoiding such direct economic impact.

For the initial year, a proposed Resolution will be presented to the Board to impose a fixed Assessment of \$1.75 per night, per room available for occupancy against all Tourism Property parcels having sixty (60) or more rooms and operating within the SCTID. Therefore, direct economic impacts will vary among such Tourism Properties. By way of example, the initial annual estimated direct impact of the proposed Ordinance for a Tourism Property with 60 rooms will be \$38,325.00; the initial annual estimated direct impact of the proposed Ordinance for a Tourism Property with 100 rooms will be \$63,875.00. It is anticipated that the SCTID Assessments will generate \$3,228,242.50 the first year. A similar estimate is anticipated for subsequent years, which may fluctuate as room supply fluctuates or as Tourism Properties with 60 or more rooms available for occupancy open or close.

The SCTID shall fund the Services and Improvements for the SCTID; the Assessment Rate shall apportion the service costs among the parcels of Tourism Properties. An estimate of the County's regulatory costs are expected to be nominal and related to new expenses related to the administration of the Advisory Board. All other SCTID costs and expenses associated with the provision of Services and Improvements within the District are to be reimbursed by the proceeds of the Assessments. No direct revenue is expected by the County from the Assessments, as all Assessments fund the SCTID. However, it is anticipated that the County will eventually indirectly benefit from an increased demand in overnight tourism as a result of the Services and Improvements to be implemented.

Question 5: Provide a good faith estimate of the number of businesses likely to be impacted by the ordinance. (Section 125.66(3)(a)3., F.S.):

There are currently thirty-seven (37) Tourism Properties with sixty (60) or more rooms available for occupancy (Assessed Property) and located within the SCTID. All of such Tourism Properties will be impacted by the Ordinance.