



MEMORANDUM

City of Venice

City Manager's Office

TO: Mayor & City Council

THROUGH: N/A

FROM: Edward F. Lavalley, City Manager

DATE: August 19, 2021

COUNCIL APPROVAL: No

MEETING DATE: August 24, 2021

STRATEGIC PLAN GOAL: Ensure a Financially Sound City

SUBJECT: Financial Report – Impact Fees

Background: Periodically the City Council receives reports from the Finance Department relating recent budget activity, the status of various revenue and expense accounts, and related financial performance data. The current Financial Management Report (dated August 9, 2021) includes updated revenue and expense data for the City's various Departments and Divisions as well as summary data of overall expense totals compared to adopted budget levels. Also, included in the report is data provided by Sarasota County detailing the financial status of collected and expended Venice Impact Fees. The impact fee data presented in the City's report corresponds to the County's reported information to the City. It is noteworthy to cite a clarification in the County's reported expense totals. The clarification relates to the road impact fees committed to East Venice Avenue/Pinebrook Road intersection improvement project.

- As part of a citywide road-swap between the City and County in 2014, the City Council agreed to commit \$1.8 million to the future improvement of the intersection.
- Subsequently, following the completion of the Edmondson Road improvement project, an unspent balance of \$500,000 in impact fees was committed by the City Council to be added to the future East Venice Avenue/Pinebrook Road project; raising that total to \$2.3 million.
- As East Venice Avenue and Pinebrook Road are both county-owned roadways, the county contracted for a consultant study of intersection improvement design and options. The consultant provided a number of possible improvement solutions, the most costly approximating \$8.6 million.
- The county then applied to the State of Florida for a 50-50% matching grant to help fund the project, indicating that local funds would be provided to meet the required cash match obligation. As

the ultimate project cost was, and is still, unknown, as a caution, the county pledged \$4.3 million as the local match total, representing 50% of the highest consultant cost estimate.

- In its periodic reporting to the City, the county reports that \$4.3 million of Venice Impact fees is committed to the intersection project via the grant requirement.
- The clarification in the local reporting of impact fee data is that to date the Venice City Council has officially committed \$2.3 million towards the intersection project, which represents 50% of a project costing \$4.6 million. As the actual project scope, design and related project cost is yet to be determined, the required local match total not known. Until the actual intersection design is chosen and related cost is defined, for reporting purposes the City's financial reports include the \$4.3 million in impact fees obligated by the county in the state grant application and is reported by the City Finance Department in its periodic financial updates.

Requested Action: N/A

If for an agenda item, this document and any associated backup created by City of Venice staff has been reviewed for ADA compliance: Yes

City Attorney Review/Approved: N/A

Risk Management Review: N/A

Finance Department Review/Approved: N/A

Funds Availability (account number): N/A

ORIGINAL(S) ATTACHED: N/A

Cc: N/A