



# Business Impact Estimate

*Pursuant to Section 166.041(4), Florida Statutes, this Business Impact Estimate is prepared and included in the agenda packet for the proposed ordinance and will be posted on the City of Sarasota's website at the time notice of the ordinance is published.*

*As enacted through Chapter 2023-309, Laws of Florida (SB 170), effective October 1, 2023, local governments are required to prepare a Business Impact Estimate prior to the adoption of certain ordinances, subject to statutory exemptions. The requirement is intended to provide transparency regarding the potential economic impacts of proposed local regulations and to afford additional procedural rights in the event of legal challenge.*

*Effective October 1, 2024, Chapter 2024-158, Laws of Florida (SB 1628), further amends Section 166.041(4), Florida Statutes, eliminating the exemption previously applicable to ordinances adopting comprehensive plan amendments or land development regulations initiated by a municipality or county.*

## Proposed Ordinance – Title / Reference

### **ORDINANCE NO. 26-5596**

AN ORDINANCE OF THE CITY OF SARASOTA, FLORIDA AMENDING THE SARASOTA CITY CODE, CHAPTER 16, ARTICLE II, COLLECTION AND DISPOSAL OF RECYCLABLE MATERIALS AND SOLID WASTE; DIVISION 2, MANDATORY SOLID WASTE COLLECTION, SECTION 16-27, FEES FOR REMOVAL OF SOLID WASTE BY CITY-AMOUNTS, ETC., TO INCREASE THE RATES SET FORTH THEREIN BY ADDING A UNIFORM SURCHARGE OF \$3.63 PER ACCOUNT TO BE USED TO FUND THE CITY OF SARASOTA NATURAL DISASTER COLLECTION RESERVE ACCOUNT; AND TO DELETE PROVISIONS SETTING THE RATES THAT WERE PREVIOUSLY IN EFFECT FOR FISCAL YEARS 2023/24 AND 2024/25, AMENDING THE SARASOTA CITY CODE, CHAPTER 13 EMERGENCIES, TO ADD THERETO A NEW SECTION 13-7 TO BE ENTITLED "NATURAL DISASTER COLLECTION RESERVE ACCOUNT" IN ORDER TO CODIFY RESOLUTION 26R-3372; PROVIDING FOR THE SEVERABILITY OF THE PARTS HEREOF; PROVIDING FOR READING BY TITLE ONLY; AND PROVIDING FOR AN EFFECTIVE DATE.

#### 1. Summary of the Proposed Ordinance (must include a statement of the public purpose, such as service the public health, safety, morals, and welfare).

The proposed ordinance amends Chapter 16 of the City Code, governing solid waste collection and disposal, to establish a uniform surcharge and create a restricted Natural Disaster Collection Reserve Account within the Solid Waste Enterprise Fund. The ordinance also codifies the reserve account within Chapter 13, "Emergencies," and removes outdated fee provisions previously in effect.

The public purpose of the ordinance is to protect the public health, safety, and welfare by ensuring the City has dedicated financial resources to support timely debris removal following natural disaster events. The establishment of the reserve account enhances the

City's emergency response capacity, promotes continuity of essential services, and reduces reliance on the General Fund during disaster recovery periods. It also provides financial resilience by bridging the timing gap between disaster response expenditures and reimbursement from state and federal agencies.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Sarasota if any:

a. An estimate of direct compliance costs that businesses may reasonably incur;

There are no new compliance obligations imposed on businesses. The ordinance does not require permitting, reporting, operational changes, or administrative action by businesses.

The only direct cost is a uniform surcharge of \$3.63 per month per solid waste account.

b. Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible; and

The ordinance establishes a \$3.63 monthly surcharge per solid waste account, applicable to all customer categories, including commercial, multifamily, and other non-residential accounts. No differential impact by business type or size.

The ordinance applies broadly to all solid waste customers, including businesses. The impact per account is low, predictable, and uniform.

c. An estimate of the City of Sarasota regulatory costs, including estimated revenues from any new charges or fees to cover such costs.

Implementation will be handled within the City's existing utility billing and administrative systems and administrative costs to the City are expected to be minimal and absorbed within existing billing operations.

Approximately 16,398 solid waste accounts are expected to be impacted, including commercial and multifamily accounts, the surcharge is estimated to generate approximately \$714,286 annually

These revenues will be deposited exclusively into the restricted Natural Disaster Collection Reserve Account and will not be used for general operations.

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

The ordinance applies broadly to all solid waste customers within the City's service area. This includes commercial businesses, multifamily developments, and other non-residential account holders.

All impacted businesses, approximately 1,727, will experience the same uniform charge of \$3.63 per month per account. No business sector is disproportionately affected

#### 4. Additional information the governing body deems useful (if any):

The ordinance establishes a plan to build a \$5 million reserve target over approximately seven fiscal years, with an annual set-aside representing about 4.6% of the Solid Waste program's operating costs. This reserve will provide immediate liquidity for debris removal following natural disasters, helping to reduce delays tied to FEMA and state reimbursement processes. The structure aligns with reserve practices used by other Florida local governments, and strengthening disaster response funding capacity is expected to support faster community recovery, indirectly benefiting the business community by helping restore normal economic activity more quickly.