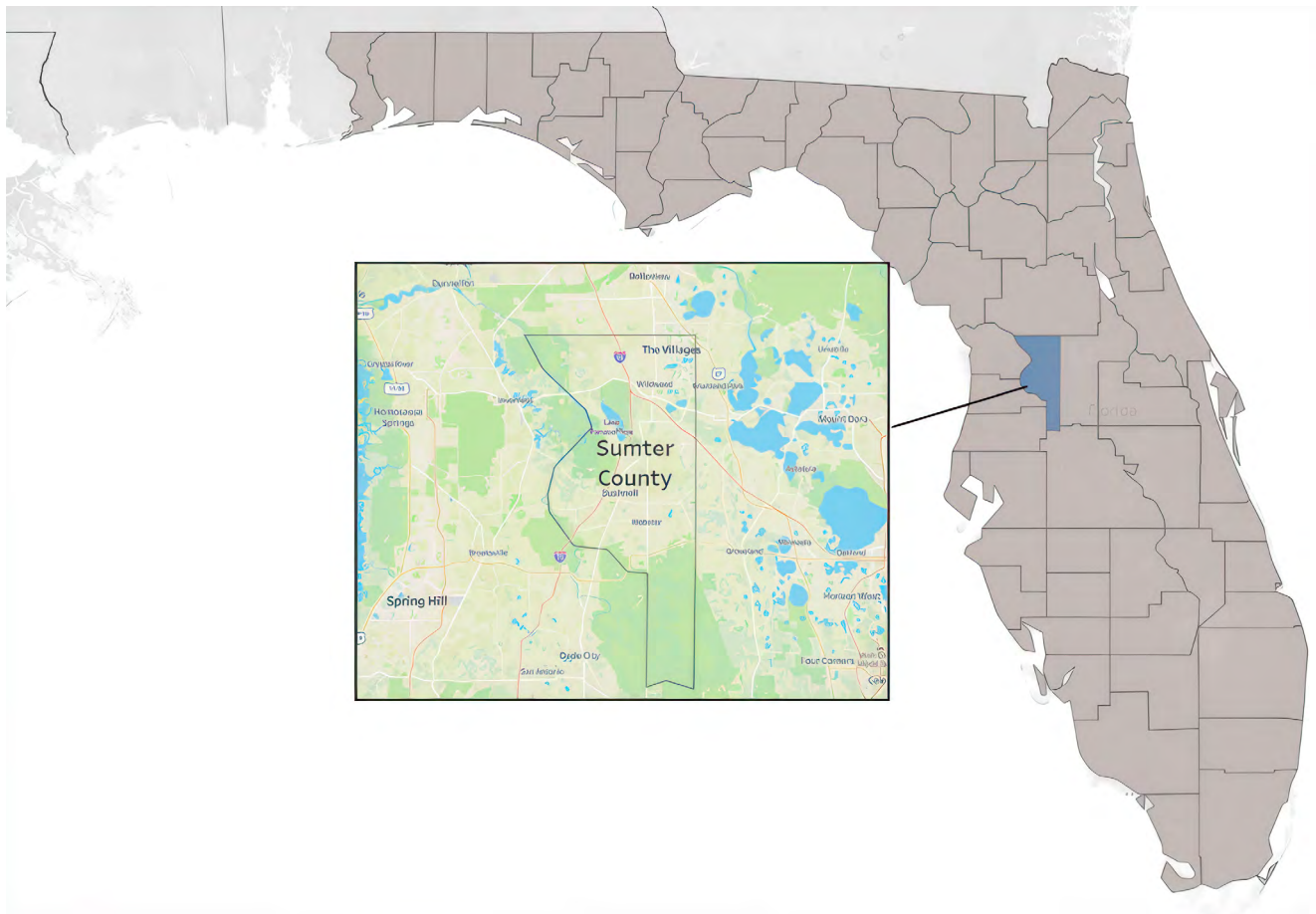


# Assessing Impact Fees in Sumter County, Florida 2024-2025

Figure 1. Map of Sumter County, Florida



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## Overview

This 2025 James Madison Institute (JMI) profile “Assessing Impact Fees in Sumter County, Florida: 2024-2025” serves as a complement to the JMI backgrounder report “Assessing Florida Local Government Impact Fees: 2024-2025.” This profile provides a closer analysis of local impact fees beginning with a brief overview of the demographic and economic context. This is followed by a brief discussion of permitting and administrative fees associated with residential development as well as general permitting and fee revenue trends. Next, up-to-date impact fee schedules are presented and analyzed detailing the facilities for which fees are charged, the structure of the fee schedule including maximum and minimum fee ranges in dollar amounts, and any recent fee schedule changes. Fee schedules are also evaluated for regressivity in terms of the potential impact of fee burdens on the affordability of single-family homes for households earning below, at, or above the county’s area median income (AMI). For consistency, this profile assumes that all single-family residential developments analyzed are not eligible for fee waivers or reductions, which some local governments offer for affordable housing projects. This profile concludes with key takeaways that summarize the findings and highlight noteworthy trends.

## Introduction

Located in the center of the state, Sumter County is home to over 150,000 Floridians and has quick grown by over sixteen percent since 2020. Seniors make up over half of the population. The median household income is slightly higher than the average for the state at \$70,105 per year, with a poverty rate around nine percent. Sumter County’s median home value is \$324,000 (see Table 1).

The vast majority of Sumter County residents own their homes, with a remarkable 86-89% homeownership rate—the highest in the state. For reference, the average for other Florida counties is 67.2%. With so many residents owning their homes, and thus hav-

ing a vested interest in its value and property taxes, balancing the source of public infrastructure funding is a key policy topic in the county. The location of Sumter County is shown in Figure 1.

## Permitting and Administrative Costs

Sumter County’s most recent building services fee schedule was updated on October 1st, 2024. Table 2 shows fees that apply to single-family residential development, not including impact fees. Depending on the nature of the development, certain fees may not apply. The final amount depends not only on the physical features of the development in question, but what documents must be requested, whether the contractor is changed, and when the inspection is completed.

**Table 2. Key Permitting and Administrative Costs Excluding Impact Fees**

FEE DESCRIPTION:	FEE AMOUNT:
Administrative Processing Fee*	\$54
State of Florida Surcharge Fee	1.0% of permit fee \$2 minimum
State of Florida Building Code Administrators and Inspectors Fund	1.5% of permit fee \$2 minimum
Master Plan Review (SFD)	\$360
Inspection Fee	\$82
Residential Building Permit Fee	\$432/\$553**
Residential/Commercial Single Permit Fees	Vary depending on feature

Source: “Sumter County Building Services Fee Schedule | Sumter County, FL - Official Website.” 2019. Accessed December 11, 2024, Sumter County FL.gov. 2019. <https://www.sumtercountyfl.gov/459/Permitting-Fees>.

\*Change in contractor/ replacement documents comes with additional fees

\*\* Difference in Fee depends on Monolithic slab (\$432) or Footer/Stem wall (\$553)

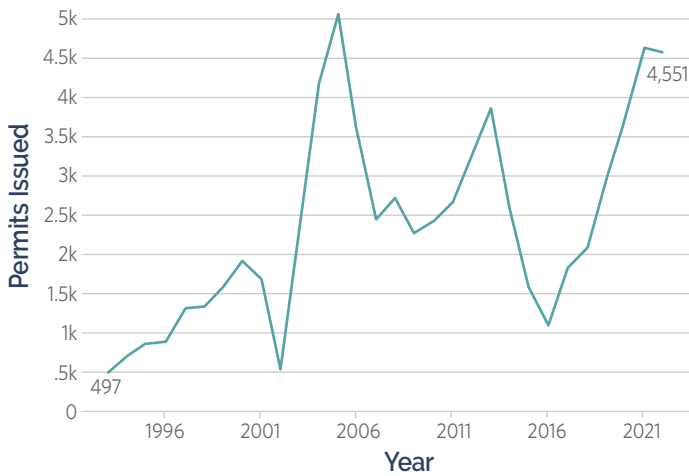
**Table 1. Population, Median Income, and Median Home Value in Sumter County, Florida**

COUNTY	POPULATION ESTIMATE*	POPULATION GROWTH % (2020-2023)	POPULATION OVER 65	MEDIAN HOUSEHOLD INCOME**	POVERTY (PERSONS) %	MEDIAN HOME VALUE***
Sumter County	151,565	16.3%	79,463	\$70,105	9.1%	\$324,400

\*2023 population data is from the U.S. Census, Population Division, Annual Estimates of the Resident Population for Counties in Florida: April 1, 2020 to July 1, 2023 (CO-EST2023-POP-12).

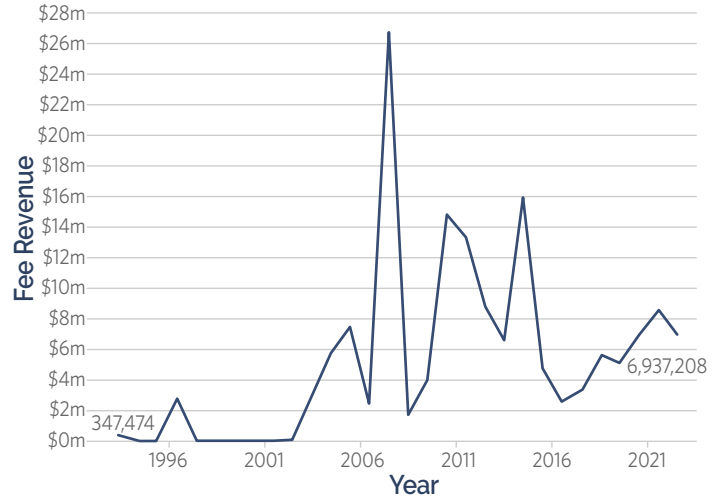
\*\*Median household income data is from the U.S. Census, 2022 American Community Survey 5-Year Estimates, S1901 Income in the Past 12 Months (in 2022 Inflation-Adjusted Dollars), [https://data.census.gov/table?q=median+household+income+2022&g=040XX00US12\\$0500000](https://data.census.gov/table?q=median+household+income+2022&g=040XX00US12$0500000)\*\*\*Median home value data is from the U.S. Census, 2022 American Community Survey 5-Year Estimates, DP04 Selected Housing Characteristics at [https://data.census.gov/table/ACSDP5Y2022.DP04?q=median+home+value+ng=040XX00US12\\$0500000&moe=false](https://data.census.gov/table/ACSDP5Y2022.DP04?q=median+home+value+ng=040XX00US12$0500000&moe=false).

**Figure 2. Sarasota County Permits Issued: 1993 - 2022**



Source: U.S. Department of Housing and Urban Development.

**Figure 3. Sarasota County Reported Impact Fee Revenue: 1993 - 2022**



Source: FL Office of Economic and Demographic Research

Permitting activity (see Figure 2) and impact fee revenue (see Figure 3) over the past two decades for Sumter County show some similar patterns, with the mid-2000s boom coinciding with sharp declines in permitting and subsequently, revenue following 2008 and around 2016. In 2022, Sumter County issued a very high number of permits, though impact fee revenue was at nearly seven million dollars, approximately about a quarter of its peak revenue.

## Impact Fees in Sumter County

Sumter County is one of three Florida counties to have only a transportation impact fee for residential development, often simply referred to as “roads” (see Tables 3 and 4 for the 2020 and 2024 fee amounts respectively). While they only have one type of fee, the amount paid by each development depends on its form. Their impact fee schedule can be found on the county’s website or in the county’s land development code.<sup>1</sup> The county charges different impact fees to residential development depending on which of the following types they fall into: single family (detached), mMulti-Family Housing (Low-Rise, 1-2 floors), Multi-Family Housing (Mid-Rise, 3-10 floors), Multi-Family Housing (High-Rise, >10 floors), Mobile Home Park, Retirement Community (detached), Retirement Community (attached). Retirement community lots are age-restricted. These very specific impact fee application types are tailored to fit the context of Sumter County’s housing landscape.

1 “Municode Library.” 2024. Municode.com. 2024. Accessed December 11, 2024, [https://library.municode.com/fl/sumter-county/codes/code\\_of\\_ordinances?nodeId=COCO\\_CH20RO-BR\\_ARTIIIROIMFE](https://library.municode.com/fl/sumter-county/codes/code_of_ordinances?nodeId=COCO_CH20RO-BR_ARTIIIROIMFE).

**Table 3. Residential Impact Fee Schedule (Effective 10/1/2020)**

LAND USE	AMOUNT (PER UNIT)
Single Family (Detached)	\$2,666

Source: “Road Impact Fee Schedules | Sumter County, FL - Official Website.” 2019. Sumter County FL.gov. 2019. Accessed December 11, 2024, <https://www.sumtercountyfl.gov/672/Road-Impact-Fees>.

**Table 4. Residential Impact Fee Schedule (Effective 1/01/2025)**

LAND USE	AMOUNT (PER UNIT)
Single Family (Detached)	\$2,999

Source: “Road Impact Fee Schedules | Sumter County, FL - Official Website.” 2019. Sumter County FL.gov. 2019. Accessed December 11, 2024, <https://www.sumtercountyfl.gov/672/Road-Impact-Fees>.

## Regressivity Analysis

All impact fees in Sumter County are charged on a per-unit basis. This means that regardless of the size of a home (take, for example, a single-family detached home), they pay the same impact fee. When there is a flat fee for development, regressivity is introduced, as developers of smaller homes are now paying a larger proportion of the cost of construction towards the impact fee. These higher costs in production for homes that would otherwise be considered affordable (smaller in size and with amenities) may raise the price and ultimately make the house less attainable for the lower-income demographics.

**Table 5. Hypothetical Impact Fees in Sumter County (2025)**

AMI BRACKET	AFFORDABLE HOME PRICE	SQUARE FOOTAGE	MAXIMUM & MINIMUM IMPACT FEES	RANGE	IMPACT FEE AS % OF HOME PRICE
50% AMI	\$108,342	993	\$2,999	\$0	2.77
80% AMI	\$194,221	1384	\$2,999	\$0	1.54
100% AMI	\$251,473	1501	\$2,999	\$0	1.19
120% AMI	\$308,726	1875	\$2,999	\$0	0.97
150% AMI	\$394,605	2229	\$2,999	\$0	0.76
200% AMI	\$537,737	2454.5	\$2,999	\$0	0.56
300% AMI	\$824,000	2995	\$2,999	\$0	0.36

Source: \*Fee schedule data from “Sumter County Road Impact Fee Schedule | Sumter County, FL.” <https://www.sumtercountyfl.gov/672/Road-Impact-Fees>

\*AMI data based on 2022 ACS 5-year estimates of median household income.

\*Maximum affordable home based on monthly payment for a 7% interest rate for a 30-year mortgage, see JMI’s backgrounder report Assessing Florida Local Government Impact Fees: 2024-2025, Appendix B for detailed methodology.

Table 5 presents affordable home prices across different incomes brackets in Sumter County, along with the estimated square footage for homes at each price point. Specifically, we determined the maximum home price affordable to each income bracket and used historical sales data to identify the median square footage of homes in that price range within a given county

A preliminary look at several hypothetical homes, each tailored towards a different income bracket, shows the impact fee (as a proportion of the total value of the home) declines as the home gets more expensive. This relationship is the key indicator of a regressive impact fee structure, which always arises when there is one flat fee for every development within a category regardless of size.

The question of proportionality is slightly more challenging. The impact fee schedule is designed under the assumption that homes of different sizes have exactly the same toll on public roads. If this were actually the case, then they would be proportional. If it were found that, for example, larger homes tend to coincide with more vehicles, less public transportation use, or in some other way a higher road usage, then the impact fee would be disproportionate.

## Takeaways

Amongst Florida counties, Sumter County has one of the most volatile political atmospheres regarding impact fees. So much so in fact, that recent county policy prompted state-level preemption on the rate that county impact fees can be increased (HB 337). In addition to the typical questions of proportionality and regressivity, examination of Sumter County’s internal impact fee structure, demographics, and unique circumstances can serve to illuminate

the contention between homeowners and developers over the definition of a fair contribution to the public financing of infrastructure.

In 2021, the Sumter County Commissioner’s office voted to increase impact fees by 75% on single-family detached homes.<sup>2</sup> This drastic increase was prompted by the recent growth of “The Villages”—a prominent retirement community in Florida which is primarily within the bounds of Sumter County. Residents, who ousted the previous commissioner’s office for proposing a property tax increase, wanted to ensure that development paid for itself, leading to the dramatic impact fee increase.<sup>3</sup>

That same year, the Florida legislature passed HB 337, which ensures that increases in impact fees are done gradually, and do not exceed state-designated thresholds.<sup>4</sup> An increase of 25% of the current rate must be implemented in two equal annual installments. If the increase falls between 25% and 50%, four equal installments are required. Impact fee increases may not exceed 50% of the 2021 rate.

2 Marv Balousek. 2024. “Road Impact Fees for New Sumter County Home Lots to Rise 50%.” Villages-News: News, Photos, Events in the Villages, Florida. September 18, 2024. Accessed December 11, 2024, <https://www.villages-news.com/2024/09/18/road-impact-fees-for-new-sumter-county-home-lots-to-rise-50/>.

3 Ibid.

4 “House Bill 337 (2021) - the Florida Senate.” 2021. Flsenate.gov. 2021. Accessed December 11, 2024, <https://www.flsenate.gov/Session/Bill/2021/337>.

Sumter County consequently had their 75% increase nullified. County officials, however, are still pursuing an increase up to the state sanctioned maximum. Consulting Alfred Bensech & Co., they created a new impact fee study. Their recommendation is that beginning on January 1, 2024, the county is starting a 50% increase, which will be administered in four equal installments, per state law.<sup>5</sup> There was a public hearing on September 17, 2024, where the recommendation was passed. After the entire increase (to be completed January 1, 2028), impact fees in the county will look as follows:

5 Marv Balousek. 2024. "Hot Topic of Road Impact Fees Back on Agenda in Sumter County." Villages-News: News, Photos, Events in the Villages, Florida. July 11, 2024. Accessed December 11, 2024, [https://www.villages-news.com/2024/07/11/hot-topic-of-road-impact-fees-back-on-agenda-in-sumter-county/#google\\_vignette](https://www.villages-news.com/2024/07/11/hot-topic-of-road-impact-fees-back-on-agenda-in-sumter-county/#google_vignette).

Factoring in road design and construction costs, the study recommends fees of \$3,999 per lot for single-family homes and \$1,458 per lot in age-restricted areas. About 45 percent of new single-family homes are expected to be age-restricted due to the growth of The Villages. The substantial increase with no provisions for homes of different sizes will make the regressivity discussed previously even more potent.

Continued monitoring of development across the county, and the results of the upcoming meeting will be necessary for a complete picture of impact fees in Sumter County. Further research should conduct this monitoring and view the potential implications on regressivity and proportionality.

**Table 6. Hypothetical Impact Fees (After entire increase - January 2028)**

AMI BRACKET	INCOME	AFFORDABLE HOME PRICE	IMPACT FEE	IMPACT FEE AS % OF HOME PRICE
50% AMI	\$35,053	\$108,342	\$3,999	3.69%
80% AMI	\$56,084	\$194,221	\$3,999	2.06%
100% AMI	\$70,105	\$251,473	\$3,999	1.59%
120% AMI	\$84,126	\$308,726	\$3,999	1.30%
150% AMI	\$105,158	\$394,605	\$3,999	1.01%
>150% AMI	> \$105,158	> \$394,605	\$3,999	< 1%

Source: \*Fee schedule data from "Sumter County Road Impact Fee Schedule | Sumter County, FL." <https://www.sumtercountyfl.gov/672/Road-Impact-Fees>

\*AMI data based on 2022 ACS 5-year estimates of median household income.

\*Maximum affordable home based on monthly payment for a 7% interest rate for a 30-year mortgage, see JMI's backgrounder report Assessing Florida Local Government Impact Fees: 2024-2025, Appendix B for detailed methodology.





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