



Hernando County Fire/EMS Impact Fee Study Supplement Demonstrated Needs Study July 8, 2026

Prepared for:

Hernando County
20 North Main Street
Brooksville, Florida 34601
ph (352) 754-4002

Prepared by:

Benesch
1000 N. Ashley Dr., #400
Tampa, Florida 33602
ph (813) 224-8862
E-mail: nkamp@benesch.com

Hernando County Fire/EMS Impact Fee Study Supplement

Demonstrated-Need Study

Table of Contents

INTRODUCTION	1
COUNTY PROFILE AND GROWTH TRENDS	3
COST INCREASES.....	5
CAPACITY STANDARDS	6
PROJECT NEEDS	7
SUMMARY AND CONCLUSIONS	9

Introduction

In response to continuous growth levels, Hernando County implemented impact fees for fire rescue and emergency medical services (EMS), which was last updated in 2022. The portion of this fee that was related to fire rescue facilities was collected countywide excluding the City of Brooksville. The City has implemented a separate fire impact fee in 2022 for capital facilities related to the City's Fire Department. In 2025, the City of Brooksville and Hernando County entered an interlocal agreement to consolidate fire rescue services and establish a new fire/EMS impact fee on a countywide basis and retained Benesch to update the fire/EMS impact fee calculations.

F.S. 163.31801 (Florida Impact Fee Act) places limits on impact fee increases while allowing local governments that increased their fees within the past five years to exceed these limits if the following is fulfilled:

1. A demonstrated-need study justifying any increase more than those authorized that has been completed within 12 months before the adoption of the impact fee increase and expressly demonstrating the extraordinary circumstances necessitating the need to exceed the phase-in limitations.
2. No less than two publicly noticed workshops dedicated to extraordinary circumstances.
3. Approval of the impact fee increase by a unanimous vote of the governing body.

In 2026, HB 1329, that was approved by the Governor on June 24, 2026, added the following requirements for impact fees increased after July 1, 2026:

1. The demonstrated-need study needs to use a plan-based approach. The bill defines a plan-based approach as follows:
 - a. *"A study methodology that uses the most recent and located data to project growth within a jurisdiction over a 10-year period, anticipate capacity impacts on relevant systems which will be created by the projected growth, and establish a list capital projects to be constructed or purchased in a defined time period to mitigate the anticipated capacity impacts as part of a new or updated impact fee study."*
2. The capacity standards used to support the existence of such extraordinary circumstances must be specified in the impact fee study.
3. The demonstrated-need study must be accompanied by a declaration stating how and the timeframe during which the proposed impact fee increase will be used to construct or purchase the improvements necessary to increase capacity.

Given the changes to impact fee variables, fire/EMS impact fees calculated in the 2025 report exceed the 50 percent increase limit for several of the land uses under the Option #1 (incorporates credit for other revenue sources) and most of the land uses under the Option #2 (assumes impact fees will fully fund future capacity). The remaining sections of this document address the demonstrated needs related to the County's impact fee program.

County Profile and Growth Trends

With a population of over 215,000, Hernando County is the 28th most populous county out of 67 Florida counties. As presented in Table 1, growth projections provided by University of Florida, Bureau of Business and Economic Research (BEBR) range from 1.1 percent per year to 2.0 percent per year over the next ten years under medium and high population projections. The table also includes projections obtained from the 2050 socioeconomic data included in the Long Range Transportation Plan, prepared by the Hernando/Citrus Metropolitan Planning Organization (MPO) and Woods & Poole Economics, Inc.

In terms of absolute growth, these projections translate into additional population of approximately 25,000 persons to 48,000 persons through 2036.

Table 1
Permanent Population Projections

Year	BEBR-M ⁽¹⁾	LRTP ⁽²⁾	W&P ⁽³⁾	BEBR-H ⁽⁴⁾
2026	215,744	208,395	225,370	218,319
2027	218,678	211,187	229,072	223,930
2028	221,652	214,017	232,837	229,685
2029	224,666	216,885	236,666	235,588
2030	227,700	219,791	240,560	241,700
2031	230,000	222,736	244,520	245,712
2032	232,323	225,721	248,547	249,791
2033	234,669	228,746	252,642	253,938
2034	237,039	231,811	256,807	258,153
2035	239,400	234,917	261,043	262,500
2036	241,052	238,065	265,350	265,939
AAGR	1.12%	1.12%	1.12%	1.12%
Increase	25,308	29,670	39,980	47,620

Note: AAGR=Average annual growth rate

1) Source: BEBR Volume 59, Bulletin 203, February 2026

2) Source: MPO 2050 Socioeconomic Data Forecast - Hernando County

3) Source: Woods & Poole 2025 Florida State Profile

4) Source: BEBR Volume 59, Bulletin 203, February 2026

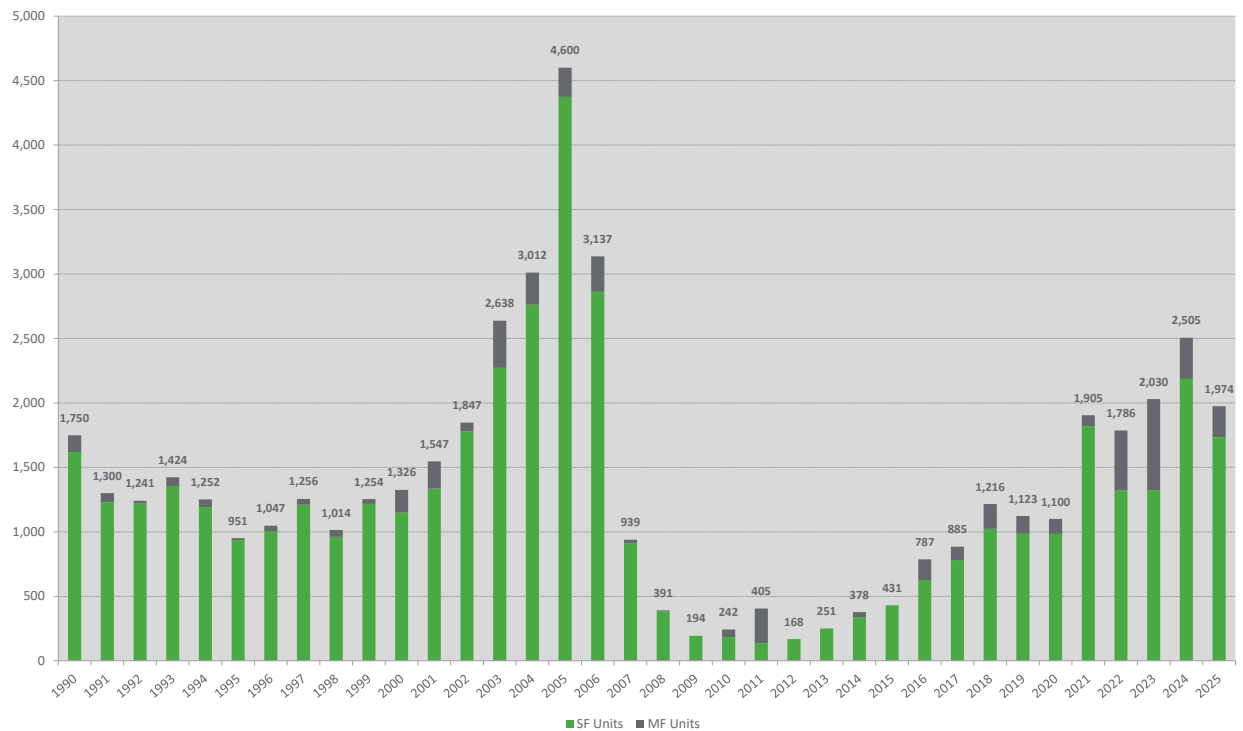
Consistent with population growth patterns, permits for new structures have been increasing. **Figure 1** provides residential permitting trends. As presented, after a decline between 2007 and

2015 due to the great recession, permitting levels started to increase again. The number of residential permits increased from approximately 168 permits in 2012 to almost 2,000 permits in 2025.

Over the past five years (2021-2025), the number of residential permits averaged approximately 1,680 units per year countywide. This is over 90 percent higher than the permitting levels prior to the 2022 study (880 units per year between 2016 and 2020).

Figure 1

Residential Permitting



Source: U.S. Census

High growth levels in Hernando County result in a need for additional infrastructure.

Cost Increases

As mentioned previously, Hernando County's fire/EMS impact fees were last updated in 2022 based on most recent data and information available over the prior four years. Construction costs and land values have been increasing since 2013, following the great recession. The rate of cost increases became more significant since the pandemic.

The fire station project costs utilized in the 2022 report for stations that were being built between 2021 and 2024 ranged from \$276 per square foot to \$422 per square foot. During the 2025 update, this range increased to \$492 per square foot to \$644 per square foot. Of the projects reviewed during the two studies, Fire Station 5 was included in both studies; however, estimated cost of this station was \$276 per square foot in 2022, which ended up being completed for a cost of \$492 per square foot, an increase of 78 percent. Projects bid after this station suggested higher costs and calculated impact fee levels reflect this trend.

Capacity Standards

Hernando County Fire Rescue provides services from 14 stations to approximately 215,700 to 218,300 residents, which results in a level of service (LOS) of 15,400 to 15,600 residents per station. To continue to meet this standard, the County will need to build two to three stations over the next 10 years.

Table 2
Achieved Level of Service

Variable	BEBR-M	L RTP	W&P	BEBR-H
Fire Rescue/EMS				
2026 Permanent Population ⁽¹⁾	215,744	208,395	225,370	218,319
Number of Stations ⁽²⁾	14	14	14	14
Population per Station ⁽³⁾	15,410	14,885	16,098	15,594
Current Achieved LOS (Stations per 1,000 Population)⁽⁴⁾	0.065	0.067	0.062	0.064
10-Year Projected Population Increase (2026-2036) ⁽⁵⁾	25,308	29,670	39,980	47,620
Additional Stations Required⁽⁶⁾	1.65	1.99	2.48	3.05

- 1) Source: BEBR Volume 59, Bulletin 203, MPO 2050 Socioeconomic Data Forecast - Hernando County, Woods & Poole 2025 Florida State Profile
- 2) Source: Hernando County
- 3) Population (Item 1) divided by the number of stations (Item 2)
- 4) Number of stations (Item 2) divided by the population (Item 1), multiplied by 1,000
- 5) Source: Table 1
- 6) Projected population increase (Item 5) divided by 1,000, multiplied by the current achieved LOS (Item 4)

Project Needs

As presented in the previous sections, these growth levels result in a need for additional infrastructure. Hernando Fire Rescue has plans to build four additional stations: Fire Station 15, Fire Station 16, Fire Station 17, and Fire Station 18. Fire Station 15 is expected to open in 2027 and is estimated to cost approximately \$6.3 million. The County is early in the planning process for the other three stations, but it is anticipated these stations will also cost \$6.3 million per station, amounting to a total of approximately \$25.2 million for all four stations.

If the fire rescue/EMS impact fees are adopted at the full calculated rates, the County is projected to generate approximately \$6.3 million to \$11.8 million over a 10-year period under Option #1 (includes credit for other revenue sources) or \$10.7 million to \$20.1 million over a 10-year period under Option #2 (assumes capacity projects fully funded with impact fees).

Table 3
Impact Fee Revenue Projections

Description	BEBR-M	LRTP	W&P	BEBR-H
10-Year Projected Population Increase (2026-2036) ⁽¹⁾	25,308	29,670	39,980	47,620
Ratio of Functional Population to Permanent Population ⁽²⁾	0.91	0.91	0.91	0.91
10-Year Projected Functional Population Increase (2026-2036) ⁽³⁾	23,030	27,000	36,382	43,334
Option #1-Credit for Other Revenue Sources				
Net Impact Cost per Functional Resident ⁽⁴⁾	\$272.47	\$272.47	\$272.47	\$272.47
Estimated Revenue Over 10-Year Period ⁽⁵⁾	\$6,274,984	\$7,356,690	\$9,913,004	\$11,807,215
Option #2-Capacity Projects Fully Funded with Impact Fees				
Net Impact Cost per Functional Resident ⁽⁶⁾	\$463.79	\$463.79	\$463.79	\$463.79
Estimated Revenue Over 10-Year Period ⁽⁷⁾	\$10,681,084	\$12,522,330	\$16,873,608	\$20,097,876

1) Source: Table 1

2) Source: *Hernando County Fire/EMS Impact Fee Study, Final Report, July 8, 2026*. Ratio of 2026 functional population (from Appendix A, Table A-7) to permanent population (from Appendix A, Table A-10).

3) 10-Year projected population increase (2026-2036) (Item 1) multiplied by ratio of functional population to permanent population

4) Source: *Hernando County Fire/EMS Impact Fee Study, Final Report, July 8, 2026*, Table 8

5) Net impact cost per functional resident (Item 4) multiplied by 10-year projected functional population increase (2026-2036) (Item 3)

6) Source: *Hernando County Fire/EMS Impact Fee Study, Final Report, July 8, 2026*, Table 8

7) Net impact cost per functional resident (Item 6) multiplied by 10-year projected functional population increase (2026-2036) (Item 3)

As presented, under Option #1, the County will need to use other funding sources to supplement impact fee revenues to build the necessary capital facilities. Under Option #2, impact fees are likely to generate sufficient revenues to build three additional stations (for a total of \$18.9 million) over the next ten years, assuming cost of building a station remains relatively stable. For impact fee purposes, revenue projections serve only as an overall guideline in planning future infrastructure needs. In their simplest form, impact fees charge each unit of new growth for the net cost of infrastructure needed to serve that unit of growth. If the growth rates remain high, the County will have more impact fee revenues to fund growth related projects sooner rather than later. If the growth rate slows down, less revenue will be generated, and the timing and need for future infrastructure improvements will be later rather than sooner.

Summary and Conclusions

This supplemental document provided information demonstrating extraordinary conditions necessitating an increase above the 50-percent limit for the County's current adopted impact fee levels. The key findings of this review include the following:

- Hernando County is experiencing significant growth, which is estimated to continue over the next 10 years.
- Costs increased significantly since the last impact fee study update, making it difficult for the County to fund infrastructure projects.
- The County identified a list of projects that are impact fee eligible. With reduced impact fee levels, the existing population will be subsidizing new growth, or the level of service will degrade.