

**TO:** ALL COUNTY PERSONNEL

**FROM:** VERDENIA C. BAKER  
COUNTY ADMINISTRATOR

**PREPARED BY:** DEPARTMENT OF HOUSING & ECONOMIC  
DEVELOPMENT

**SUBJECT:** ECONOMIC AND FISCAL REVIEW OF ORDINANCES

**PPM #:** CW-O-057

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**ISSUE DATE**  
May 10, 2024

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**EFFECTIVE DATE**  
May 10, 2024

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**PURPOSE:**

To provide for a review process and analysis for ordinances which have an economic and/or fiscal impact.

**UPDATES:**

Future updates to this PPM are the responsibility of the Director of the Department of Housing & Economic Development.

**AUTHORITY:**

- Administrative Code Section 101.00, as may be amended
- Administrative Code Section 306.05, as may be amended
- Countywide PPM CW-O-014, as may be amended

**DEFINITIONS:**

Economic Impact – An economic effect on commerce, employment, or incomes produced by a decision, event or policy.

Fiscal Impact – An effect of or relating to taxation, public revenues, or public debt.

## **POLICY:**

Applicability – All new ordinances or significant revisions to existing ordinances.

It is the responsibility of the initiating department/agency to make a determination if a proposed ordinance has an economic or fiscal impact. Accordingly, an economic and fiscal impact analysis must be prepared and a more detailed review process must be followed, if a proposed ordinance has an economic and fiscal impact.

Economic and Fiscal Impact Analysis – It is the responsibility of the initiating department to prepare this analysis, and request review of the same by the Department of Housing & Economic Development (economic estimate) and the Office of Financial Management and Budget (fiscal analysis) before the ordinance is circulated for review.

The following minimum elements are required for an economic and fiscal impact estimate:

1. An estimate of the direct, indirect and total cost of compliance on an annual basis. Indirect costs should include, at a minimum, the annual cost of staff time and other resources required to enforce the ordinance.
2. Identification of the primary groups of citizens or businesses who will be impacted.
3. A statement as to whether or not alternative methods of accomplishing the desired outcomes of the proposed ordinance were considered, particularly those with less impact.
4. The benefits and/or desired outcomes of the proposed ordinance should be identified and, if possible, quantified. If the benefits include economic benefits such as new jobs, additional economic activity, or new revenue sources, these should be estimated. An example of a desired outcome, which should be identified but not subject to benefit analysis, would be an estimate of the number of lives saved as a result of modification to a swimming pool code.

## **PROCEDURE:**

Review Process – Once the initiating department has concluded the economic and fiscal impact estimate, the proposed ordinance and economic estimate should be sent to the Department of Housing & Economic Development and the proposed ordinance and fiscal analysis should be sent to the Office of Financial Management and Budget for review and comment.

Reviewing departments should be given at least thirty days for review and comment. The transmittal letter should clearly state that the department is being requested to review and comment on the economic and fiscal impact estimate of the proposed ordinance, and that comments are to be submitted within thirty days, or an assumption will be made that the review department has no comments.

It is the intent of the review process that the comments of the reviewing departments are solicited and considered by the initiating department prior to placing the proposed ordinance on the agenda

requesting permission to advertise for the first reading. Since some proposed ordinances are initiated by the BCC, comments from review departments which are significant but which are not in agreement with previously received BCC direction should be so noted.

  
**VERDENIA C. BAKER**  
**COUNTY ADMINISTRATOR**

**Supersession History**

PPM# CW-O-057, effective 5/11/1994

PPM# CW-O-057, effective 9/6/2012