

Board of County Commissioners

**Ordinance Amending Chapter 23
Transportation Impact Fees**

Public Hearing

March 23, 2021



Presentation Outline

- **Background**
- **Ordinance Amendments**
- **Action Requested**



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Background

▪ Transportation Impact Fees (TIF) Update

– Board's public hearing on October 27, 2020

– Currently assessing 56% of 2012 study rates

– Last October's amendments authorize assessing 75% of 2020 study rates

- November 8, 2020 – until July 3, 2021 (status quo)

- July 4, 2021 – July 2, 2022 (1/2 the increase to 75%)



After effective date of original
HB 337

- July 3, 2022 onward (remaining 1/2 of increase to 75%)



After effective date of original
HB 337



Background

- **House Bill 337 and Senate Bill 750 have been filed which seek to make several changes to Section 163.31801, F.S.**
 - **Defines ‘infrastructure’ to mean a fixed capital expenditure or outlay for the construction, reconstruction, or improvement of a public facility with at least a 5-year life expectancy.**
 - **Prohibit collection of impact fees unless there are planned or funded capital improvements**
 - **Cap annual increases to impact fee rates under certain circumstances**
- **Original effective date of proposed bill was July 1, 2021 (before County’s scheduled school impact fee increase); but bill is now retroactive to January 1, 2021**



Background

- **If either Bill becomes law, it could have a significant negative financial impact to Orange County**
 - Could invalidate or curtail some scheduled impact fee increases
 - Could prevent actual cost increases for successive study updates
- **Could discourage temporary reduction of impact fees to respond to local economic conditions**
- **If the Bills don't pass or become law in a substantially different form, the Board may consider further amendments to defer scheduled increases via a future public hearing**



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Ordinance Amendments

▪ Amends Sec. 23-92 by:

- ~~Reducing the annual indexing rate to 3.0%, beginning January 1, 2022~~
(keep 3.4% indexing effective January 1, 2023)
- Deleting ** footnote relating to AMA/Non-AMA to Urban/Sub-Urban/Rural tiers that is no longer necessary
- Add new ** footnote: The impact of a development for which the County received a legally sufficient application prior to June 27, 2021, shall be calculated at the impact fee rates set forth in Section 23-92(a)1. hereof; the impact of all other development shall be calculated at the time of issuance of the building permit

(language clarifies statutory requirements and mirrors existing language in school impact fee ordinance)



Ordinance Amendments

- **Amends Sec. 23-92 by:**
 - **Deleting scheduled rates for the period from July 4, 2021 to July 2, 2022 (first half of the increase to 75%)**
 - **Amending scheduled rates for the period on or after July 3, 2022 by:**
 - **Making rates effective June 27, 2021**
 - **Eliminating policy discount factor rate of 75% and reflecting rates at 100% of Study**
- **Ordinance shall become effective March 26, 2021, except for increases shown in Section 1.C of the ordinance, which will go into effect June 27, 2021**



Transportation Impact Fees

Orange County Fee Comparison

Land Use	Unit	Adopted Fees (75%)*			Proposed Fees (100%)**		
		Urban	Suburban	Rural	Urban	Suburban	Rural
Single Family (2,000sf)	du	\$6,164	\$7,604	\$8,690	\$8,218	\$10,138	\$11,586
Apartments (low rise)	du	\$4,453	\$5,477	\$6,262	\$5,937	\$7,303	\$8,349
Retail (under 50,000sf)	1,000 sf	\$7,538	\$8,864	\$9,446	\$10,051	\$11,818	\$12,594
Office (under 50,000sf)	1,000 sf	\$6,099	\$7,528	\$8,605	\$8,132	\$10,037	\$11,473

* Originally effective July 3, 2022

** Study rates, proposed effective June 27, 2021



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Action Requested

- **Make a finding of consistency with the Comprehensive Plan,**
- **Adoption of an Ordinance Amending the Orange County Transportation Impact Fee Ordinance, Codified at Article IV, Chapter 23 of the Orange County Code; Amending Section 23-92 (“Transportation Impact Fee Schedule”), Providing for Updated Transportation Impact Fees, Including New and Increased Fees in Certain Land Use Categories; Making an Economic Impact Determination; Providing Effective Dates; and Directing the Posting of Notices of New and Increased Transportation Impact Fees, and**
- **Allow staff to make amendments consistent with Board direction and to correct scrivener’s errors**