

Board of County Commissioners

**Ordinance Amending Chapter 23
School Impact Fees**

Public Hearing

March 23, 2021



Presentation Outline

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



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Background

▪ School Impact Fee (SIF) Update

– Public Hearing on December 1, 2020

– Adopted at 100%, but phased increase to new study rates

- 1st half of increase on April 2, 2021
- 2nd half of increase on July 3, 2021

– Single family home rate (3,000 sf)

- Today - \$8,784
- April 2, 2021 – \$10,400
- July 3, 2021 - \$12,015
- School impact fees are not indexed



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. 23-121 to clarify definitions related to *Student Housing*
- Amends Sec. 23-141 by:
 - Deleting scheduled rate increase for the period from April 2, 2021, to July 2, 2021 (first half of the increase)
 - Amending scheduled rates for the period on or after July 3, 2021, by making full increase effective June 27, 2021 (6 days earlier)
- Amends Sec. 23-142 by:
 - Updating date to be consistent with new fee schedule
- Ordinance becomes effective March 26, 2021, except for Section 4 with increased rates, which shall become 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 School Impact Fee Ordinance, Codified at Article V, Chapter 23 of the Orange County Code; Amending Section 23-121 (“Definitions”), Section 23-141 (“Imposition”), and Section 23-142 (“Payment”); Providing for Updated School 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 Impact Fees, and**
- **Allow staff to make amendments consistent with Board direction and to correct scrivener errors**