



Board of County Commissioners

Law Enforcement Impact Fee Update

January 9, 2018



Presentation Overview

- Purpose and Background
- Calculation of Impact Fees
- Findings of Technical Study
- Ordinance Review
- Public Input
- Action Requested





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Purpose and Background

▪ Local Government Impact Fees

—Important source of revenue for funding infrastructure required by growth

- One time charge to new development
- Covers costs of new land and capital facilities/equipment

—Authorized by Florida Statutes

- Calculated using recent and localized data
- Must have separate accounting
- Meet burden of proof for public agencies
- Dual rational nexus test



Purpose and Background

- Orange County Code Chapter 23: Impact Fees
 - Schools
 - Fire/Rescue Services
 - Law Enforcement
 - Parks & Recreation
 - Transportation
- Fee variables reviewed every 5 years
- Implements the CIE and CIP





Purpose and Background

▪ Fee Study Schedules

—Completed

- Schools updated in 2016; phased increase

—Under review

- Parks/Fire/Law
- Transportation - early 2018



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Calculation of Impact Fees

- Consumption-based methodology
 - Cost component
 - Credit component
 - Demand component
- Assessed Per Unit of Development

$$\text{Impact Fee} = [\text{Demand} \times \text{Unit Cost}] - \text{Credit}$$

New Growth Cost *New Revenue*



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Findings of Technical Study

- **Summary of Changes (since 2012 study)**
 - **Example: Single Family Residential**

Aspect	Change	Effect on Impact Fee
Cost per Call	↑	↑
Credit per Call	↓	↑
Demand (Calls per Unit)	↓	↓
Calculated Impact Fee	N/A	+76%



Findings of Technical Study

■ Inventory

- 9 primary buildings
- 3 support buildings
- 374,000 square feet of total building space
- Located on 143.5 acres of land
- \$125M in vehicles and equipment



Findings of Technical Study

■ Cost Component

Component	Figure
Total Building Value	\$81.9 M
Total Land Value	\$9.5 M
Total Vehicle & Equipment Value	<u>\$125.7 M</u>
Total Asset Value	≈ \$217 M
Average Annual Calls (2011-16)	406,919
Asset Value per Call	≈ \$534



Findings of Technical Study

■ Cost Component Comparison

Description	Study Date		Percent Change
	2012	2017	2012-17
Bldg. Value per sf	\$212	\$219	3%
Vehicle & Equip. Value	\$70.0 M	\$125.7 M	80%
Total Asset Value	\$142.0 M	\$217.2 M	53%



Findings of Technical Study

- **Credit Component**
 - **Total Credit per Call**

Description (per Call)	Study Date		Percent Change
	2012	2017*	2012-17
Total Credit	\$27	\$20	-26%

* Residential land uses



Findings of Technical Study

■ Net Impact Cost per Call

Description	Study Date		Percent Change
	2012	2017*	2012-17
Total Impact Cost per Call	\$277	\$534	+93%
Total Credit per Call	\$27	\$20	-26%
Net Impact Cost per Call	\$250	\$514	106%

* Residential land uses



Findings of Technical Study

▪ Call Based Demand

- Average annual calls by land use between 2011 and 2016 used
- Calls not assigned to a land use were redistributed based on the distribution of calls assigned to a land use
- Excludes non-patrol calls to government land uses, public schools and mobile hang-ups
- Orange County Property Appraiser's database used for number of units by land use



Findings of Technical Study

■ Call Based Demand

Land Use	Unit	Total Calls*	% Dist.		Units	Calls/Unit	'12 Study Calls/Unit	% Δ
SFR Detached	du	174,961	44.6%		187,525	0.93	1.08	-14%
Multi-Family	du	34,866	8.9%		97,353	0.36	1.28	-72%
Mobile Home	du	8,986	2.3%		13,811	0.65	1.05	-38%
Hotel/Motel	Room	49,440	12.6%		67,852	0.73	0.54	35%
Commercial/Retail	1,000 gsf	91,156	23.2%		62,998	1.45	1.98	-27%
Office/Institutional	1,000 gsf	21,284	5.4%		43,675	0.49	0.44	11%
Manufacturing	1,000 gsf	2,752	0.7%		10,242	0.27	0.47	-43%
Warehousing	1,000 gsf	8,669	2.2%		57,195	0.15	0.23	-35%
School - Private	1,000 gsf	<u>425</u>	<u>0.1%</u>		2,516	0.17	0.13	31%
Grand Total	-	392,539	100.0%		-	-	-	-



Findings of Technical Study

■ Calculated Impact Fee

Land Use	Unit	Impact Cost per Call	Calls per Unit	Total Impact Fee	Current Adopted Fee	% Change
SFR Detached	du	\$514	0.93	\$478	\$271	76%
Multi-Family	du	\$514	0.36	\$185	\$319	-42%
Mobile Home	du	\$514	0.65	\$334	\$263	27%
Hotel/Motel	Room	\$517	0.73	\$378	\$135	180%
Commercial/Retail	1,000 gsf	\$517	1.45	\$750	\$494	52%
Office/Institutional	1,000 gsf	\$517	0.49	\$253	\$109	132%
Manufacturing	1,000 gsf	\$517	0.27	\$140	\$118	19%
Warehousing	1,000 gsf	\$517	0.15	\$78	\$57	37%
School - Private	1,000 gsf	\$517	0.17	\$88	\$32	175%



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Findings of Technical Study

■ Impact Fee Comparison

Land Use	Unit	Orange County Calculated	Orange County Adopted	Miami-Dade County	Palm Beach County	Polk County
Study Date		2017	2012	2005	2012	2015
Adoption %		N/A	100%	N/A	95%	50%
Single Family (2k)	du	\$478	\$271	\$541	\$128	\$129
Industrial	1,000 sf	\$78	\$118	\$375	\$7	\$37
Office (50k)	1,000 sf	\$253	\$109	\$375	\$10	\$250
Retail (125k)	1,000 sf	\$750	\$494	\$375	\$57	\$257



Findings of Technical Study

■ Impact Fee Comparison — Single Family

Counties w/Fee: 19

SFR Fee @ 100%

Min: **\$73**

Max: **\$760**

Average: **\$345**

County	Study Date	Adopt.%	Single Family (2k sf)	Fee @ 100%
Palm Beach County ¹	2015	N/A	\$128	\$192
St. Lucie County (Eff. 10/1/17)	2016	100%	\$232	\$232
Polk County	2015	50%	\$129	\$258
Citrus County*	2014	100%	\$267	\$267
Orange County (Adopted)	2012	100%	\$271	\$271
Sarasota County	2016	100%	\$281	\$281
Wakulla County*	2009	25%	\$85	\$340
DeSoto County*	2006	100%	\$423	\$423
Indian River County	2014	100%	\$436	\$436
Orange County (Calculated)	2017	N/A	\$478	\$478
Jefferson County*	2007	100%	\$481	\$481
Charlotte County	2014	40%	\$197	\$493
Miami-Dade County	2005	N/A	\$541	\$541
Collier County	2017	100%	\$587	\$587
Manatee County	2015	90%	\$536	\$596
Martin County	2012	100%	\$760	\$760

* Fee is under moratorium

1) Reflects calculated fee of an on-going study



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Ordinance Review

- **Law Enforcement Impact Fee**
 - Updated impact fees per study recommendations
 - Adding annual indexing of impact fees
 - Minor amendments to definitions
 - Adding/updating consistent process for:
 - Determination of comparable uses
 - Alternative fee calculation
 - Appeals/refunds



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Public Input

▪ Advisory Boards

- September 2017 - Development Advisory Board

- November 2017 – Local Planning Agency

- On November 16, 2017, the Local Planning Agency made a finding of consistency with the Comprehensive Plan and recommended adoption.



Public Input

- Development Matters newsletters (3)
- Meeting with GOBA on November 7, 2017
 - Reviewed cost estimates relative to previous studies



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Action Requested

- Make a finding of consistency with the comprehensive plan;
- Allow staff to correct any non-substantial grammatical or scrivener's errors; and
- **Adopt AN ORDINANCE AMENDING THE ORANGE COUNTY LAW ENFORCEMENT IMPACT FEE ORDINANCE CODIFIED AT ARTICLE II, CHAPTER 23, OF THE ORANGE COUNTY CODE; PROVIDING AN EFFECTIVE DATE, AND DIRECTING THE CLERK OF THE BOARD TO PUBLISH A TIMELY NOTICE STATING THAT THE BOARD HAS ADOPTED THIS ORDINANCE IMPOSING INCREASED IMPACT FEES, WITH ANNUAL INDEXING.**



Board of County Commissioners

**Law Enforcement
Impact Fee Update**

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