Board of County Commissioners

Fire/Rescue 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

Presentation Overview

- **Purpose and Background**
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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

Impact Fee = [Demand x Unit Cost] – Credit

New Growth Cost *New Revenue*

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Findings of Technical Study

- **Summary of Changes (since 2011 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	**+18%**

Findings of Technical Study

- Inventory
  - 38 Fire Stations (owned, excludes 3 leased stations)
  - 3 ancillary facilities
  - 352,000 square feet of building space
  - Located on 92.5 acres of land
  - $83.2M in vehicles and equipment

Findings of Technical Study

- **Cost Component**

Component	Figure
Total Building Value	$113.2 M
Total Land Value	$17.1 M
Total Vehicle & Equipment Value	$83.2 M
Total Asset Value	**≈ $213.5 M**
Average Annual Calls (2013-16)	103,787
Asset Value per Call	**≈ $2,058**
Total Owned Stations	**38**
Asset Value per Station	**≈ $5.6 M**

Findings of Technical Study

- **Cost Component Comparison**

Description	Study Date			Percent Change
	2012	2017		2012-17
Bldg. Value per SF	$152	$322		112%
Land Value per Acre	$93,000	$185,000		99%
Vehicle & Equip. Value	$54.8 M	$83.2 M		52%
Value per Station	$2.8 M	$5.6 M		100%

Findings of Technical Study

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

Description	Study Date			Percent Change
	2012*	2017**		2012-17
Credit per Call	$152	$894		488%
Credit as a % of Cost	11%	43%		285%

* Based on population growth since impact fees were the only source of revenue for new capacity

** Residential land uses

Findings of Technical Study

- **Credit Component**
  - **Annual Non-Impact Fee Spending**

Years	Source	Average Annual Spending
FY 2013 – FY 2016	MSTU/Other	$1.8 M
FY 2017 – FY 2021	INVEST/MSTU	$6.6 M
FY 2013 – FY 2021	INVEST/MSTU/Other	$4.7 M

Findings of Technical Study

- **Net Impact Cost per Call**

Description	Study Date			Percent Change
	2012	2017*		2012-17
Total Cost per Call	$1,345	**$2,058**		**53%**
Total Credit per Call	($152)	**($894)**		**488%**
Net Impact Cost per Call	$1,193	**$1,164**		**-2%**

*** Residential land uses**

Findings of Technical Study

- Call Based Demand
  - Average annual calls by land use between 2013 and 2016 used
  - Calls not assigned to a land use were redistributed based on the distribution of calls assigned to a land use
  - Orange County Property Appraiser's database used for units

Findings of Technical Study

- **Call Based Demand**

Land Use	Unit	Total Calls	% Dist.		Units	Calls/Unit	'12 Study Calls/Unit	% Δ
Residential:								
SFR Detached/ Duplex/ MH	du	60,414	58.2%		220,818	**0.274**	0.226	21%
Multi-Family	du	15,488	14.9%		82,421	**0.188**	0.165	14%
Hotel/Motel	room	6,470	6.2%		45,729	**0.143**	0.125	14%
Subtotal (Residential)	-	**82,372**	**79.3%**		-	-	-	-
Non-Residential (Livable sf):								
Commercial Retail/Assembly	1,000 sf	9,705	9.4%		42,670	**0.227**	0.249	-9%
Office/Institutional	1,000 sf	10,373	10.0%		52,428	**0.199**	0.098	103%
Industrial	1,000 sf	596	0.6%		9,805	**0.061**	0.042	45%
Storage	1,000 sf	741	0.7%		52,384	**0.014**	0.041	-66%
Subtotal (Non-Residential)	-	**21,415**	**20.7%**		-	-	-	-
Grand Total	-	**103,787**	**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
Residential:						
SFR Detached/ Duplex/ MH	du	$1,164	0.274	$319	$270	18%
Multi-Family	du	$1,164	0.188	$219	$197	11%
Hotel/Motel	room	$1,275	0.143	$182	$149	22%
Non-Residential (Livable sf):						
Commercial Retail/Assembly	1,000 sf	$1,275	0.227	$289	$297	-3%
Office/Institutional	1,000 sf	$1,275	0.199	$254	$117	117%
Industrial	1,000 sf	$1,275	0.061	$78	$50	56%
Storage	1,000 sf	$1,275	0.014	$18	$49	-63%

Findings of Technical Study

- **Summary of Changes (since 2011 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	**+18%**

Findings of Technical Study

- **Impact Fee Comparison (Surrounding Counties)**

Land Use	Unit	Orange County Calculated	Orange County Adopted	Brevard County	Lake County	Osceola County	Polk County	Seminole County
Study Date		**2017**	2012	2000	2003	2006	2015	N/A
Adoption %		**N/A**	100%	100%	95%	100%	50%	N/A
Single Family (2k)	du	**$319**	$270	$93	$390	$165	$154	$172
Industrial	1,000 sf	**$78**	$50	-	$104	$50	$24	$13
Office (50k)	1,000 sf	**$254**	$117	$44	$1,301	$90	$139	$72
Retail (125k)	1,000 sf	**$289**	$297	$129	$1,301	$300	$181	$160

Findings of Technical Study

- **Impact Fee Comparison**
  - Ex. Single Family

Counties w/Fee: 33
SFR Fee @ 100%
Min: $49
Max: $748
Average: $323

County	Study Date	Adopt.%	Single Family (2k sf)	Fee @ 100%
Orange County (Adopted)	2012	100%	$270	$270
Orange County (Calculated)	2017	N/A	$319	$319
Manatee County	2015	90%	$289	$321
Palm Beach County[1]	2015	N/A	$0	$324
Bay County	2005	50%	$187	$374
Citrus County*	2014	100%	$391	$391
Lake County	2003	95%	$390	$411
Miami-Dade County	2005	N/A	$415	$415
Pasco County	2003	100%	$420	$420
Sarasota County	2016	100%	$452	$452
Wakulla County*	2006/07	100%	$518	$518
Lee County	2012	92%/58%	$487	$559
Charlotte County	2014	40%	$226	$565
Martin County	2012	100%	$599	$599
St. Lucie County	2016	100%	$617	$617
St. Johns County	2011	100%	$748	$748

* Fee is under moratorium

1) Reflects calculated fee of an on-going study

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- **Ordinance Review**
- Public Input
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Ordinance Review

- Fire/Rescue 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

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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 FIRE RESCUE IMPACT FEE ORDINANCE CODIFIED AT ARTICLE III, 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.

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