

***Board of County Commissioners***

**Ordinance Amending Chapter 23  
School Impact Fees**

**Public Hearing**

**June 22, 2021**



# Presentation Outline

- Background
- Ordinance Amendments
- Action Requested



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- **School Impact Fee (SIF) Update**
  - **Public Hearing on December 1, 2020**
  - **Adopted at 100%, but phased increase to new study rates**
    - 1<sup>st</sup> half of increase on April 2, 2021
    - 2<sup>nd</sup> 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

- Early versions of HB 337 sought to make several changes to Section 163.31801, F.S. :
  - Modify the definition of ‘infrastructure’ to mean a fixed capital expenditure or 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, but was later amended so that the phase-in limitations were retroactive to January 1, 2021
- HB 337 signed by Gov. DeSantis on June 4, 2021



# Background

- On March 23, 2021, the Board held a public hearing amending Orange County Code, Chapter 23 for School Impact Fees to:
  - Increase fees from current levels to 100% of adopted study rates in one increment
  - Make fee increase effective June 27, 2021



# Background - Final HB 337 Provisions

- **Limit on impact fee increases:**
  - 0-25% must be done in 2 *annual increments*
  - 25-50% must be done in 4 *equal installments*
  - May not increase more than 50%
  - May not increase more than once every 4 years
  - These phase-in limitations are retroactive to January 1, 2021
- **Local governments may exceed phase-in limitations, provided:**
  - Extraordinary circumstances supported by a demonstrated need study,
  - Two publicly noticed workshops dedicated to the extraordinary circumstances necessitating the need to increase fees above the phase-in limitations,
  - Adoption by 2/3 vote of the governing body



# Background - School Impact Fees

Residential Land Use	Current Adopted Impact Fee	Tiered SGR for Single Family	Allowed Percent Change
Single Family Detached			
< 2,000 sq. ft.	\$8,784	\$8,829	0.5%
2,000 – 2,499 sq. ft.	\$8,784	\$9,513	8.3%
2,500 – 2,999 sq. ft.	\$8,784	\$11,402	29.8%
3,000 – 3,999 sq. ft.	\$8,784	\$12,015	36.8%
> = 4,000 sq. ft.	\$8,784	\$9,584	9.1%
Townhouse	\$6,930	\$8,805	27.1%
Multi-family (High Rise)	\$5,919	\$307	- 94.8%
Multi-family (Other)	\$5,919	\$6,751	14.1%
Mobile Home	\$6,088	\$10,387	<b>50.0%</b>





# Background - School Impact Fees

				October 1, 2021	February 1, 2022	June 1, 2022	October 1, 2022
Residential Land Use	Current Adopted Impact Fee	Tiered SGR for Single Family	Allowed Percent Change	Annual Increment #1 Equal Installment #1	Equal Installment #2	Equal Installment #3	Annual Increment #2 Equal Installment #4
Single Family Detached							
< 2,000 sq. ft.	\$8,784	\$8,829	0.5%	\$8,806	\$8,806	\$8,806	\$8,829
2,000 – 2,499 sq. ft.	\$8,784	\$9,513	8.3%	\$9,148	\$9,148	\$9,148	\$9,513
2,500 – 2,999 sq. ft.	\$8,784	\$11,402	29.8%	\$9,438	\$10,093	\$10,747	\$11,402
3,000 – 3,999 sq. ft.	\$8,784	\$12,015	36.8%	\$9,591	\$10,399	\$11,207	\$12,015
> = 4,000 sq. ft.	\$8,784	\$9,584	9.1%	\$9,184	\$9,184	\$9,184	\$9,584
Townhouse	\$6,930	\$8,805	27.1%	\$7,398	\$7,867	\$8,336	\$8,805
Multi-family (High Rise)	\$5,919	\$307	- 94.8%	\$307	\$307	\$307	\$307
Multi-family (Other)	\$5,919	\$6,751	14.1%	\$6,335	\$6,335	\$6,335	\$6,751
Mobile Home	\$6,088	\$10,387	<b>50.0%</b>	\$6,849	\$7,610	\$8,371	<b>\$9,132</b>



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- **Ordinance Amendments**
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# Ordinance Amendments

- Amends Sec. 23-121 to clarify definition of *Affordable Housing*
- Amends Sec. 23-141 by:
  - Deleting rate increase scheduled to go into effect on June 27, 2021, and maintaining current impact fee rates (with the addition of Multi-family High Rise rate) until September 30, 2021
  - Implementing scheduled rate increases for the period on or after October 1, 2021, consistent with phase-in requirements of HB 337
- Amends Sec. 23-142 by:
  - Updating date to be consistent with new fee schedule



# Ordinance Amendments

- **Amends Sec. 23-161 by:**
  - Clarifying the school impact fee exemption for affordable housing
- **Ordinance becomes effective June 25, 2021, except for Section 4 with increased rates, which shall become effective October 1, 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”), Section 23-142 (“Payment”) and Section 23-161 (“Exemptions”); 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 correct any scriveners errors**