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

Impact Fee = [Demand x Unit Cost] – 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	$125.7 M
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	425	0.1%		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%

Findings of Technical Study

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

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Demand (Calls per Unit)	↓	↓
Calculated Impact Fee	N/A	**+76%**

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**
- Public Input
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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

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