

A large, stylized graphic in the background featuring a yellow sun with rays on the left and several green leaves on the right, all set against a white background.

# Impact Fee Study Update

BCC workshop 9-15-2020



CHARLOTTE COUNTY  
FLORIDA

# Existing Fees

- Currently in place at 50.64% of the recommended rates
- Study revised and adopted 2015
  - Study began in 2013 by Tindale-Oliver
  - Impact fees in place in various forms since 1986
  - Annual indexing has occurred yearly

# Current Study

- February 26, 2019
  - Regular Agenda Item from Commission Office regarding impact fees
  - Moved to have staff go out for new study
- May 14, 2019
  - Board awarded the study to Duncan Associates (DA)

# Current Study

- Staff has been working diligently with DA
  - Permitting information
  - Infrastructure information
  - Proposed project information
- Determining methodology
- Staff reviewing and commenting on initial draft

# Introduction of Consultants

- Clancy Mullen, Duncan Associates
  - Principal of Duncan Associates and currently serves as president
    - Over 30 years of experience
  - Served as a zoning planner for the City of Austin, Texas. Contributing author to two American Planning Association publications, *Impact Fees: Principles and Practice of Proportionate-Share Development Fees*, 2009 and *Growth Management Principles and Practices*, 1995, as well as the Island Press book *A Guide to Impact Fees and Housing Affordability*, 2008.



# Impact Fee Update

Presentation to Charlotte County  
Board of County Commissioners  
September 15, 2020

**duncan** | associates

# Presentation Summary

- Basics of impact fees
- Update project overview
- Geographic areas
  - Service areas, benefit districts
- Current fees
- Land use categories
- Updated fees, changes from current fees
- Florida county fee comparisons
- Implementation options
  - Adopt at less than 100%, phase-in increases

# Basics of Impact Fees

- An impact fee is:
  - a charge assessed on new development;
  - designed to cover part of the cost to maintain the existing level of service for a shared set of capital facilities; and
  - calculated in compliance with law to be proportionate to the impact of the development, address the need created by the development, and provide a benefit to the development.
  
- An impact fee is not:
  - a tax whose revenues can be spent on other types of capital facilities or operations or maintenance purposes; or
  - an ad hoc requirement on selected developments (typically larger projects) that is negotiated during the approval process.



# Project Overview

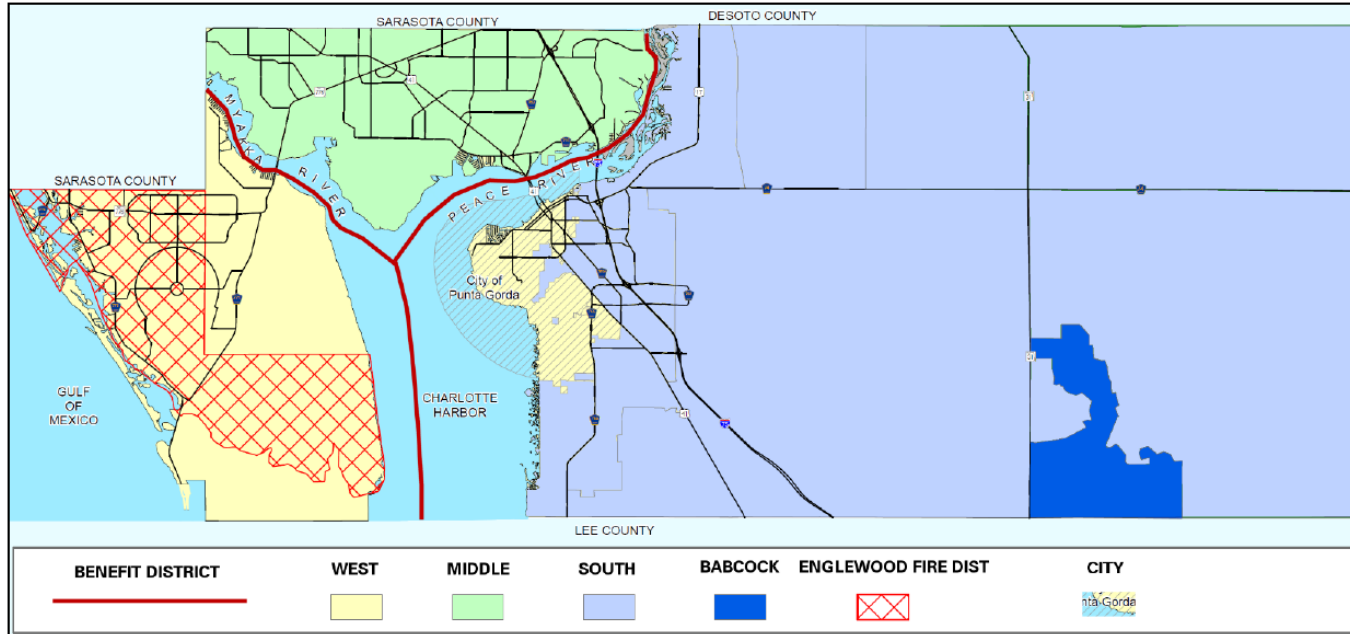
- Basis of current fees
  - Road fees based on 2013 study
  - Other fees based on 2014 study
  - All fees currently assessed at 50.64% of study maximum fees
- Scope of update
  - Update existing fees, with and without sales tax reauthorization
  - Simplify land use categories
  - Prepare fiscal impact analysis of updated fees (forthcoming)
  - Present findings at public meetings

# Geographic Areas

- Service areas are used to determine level of service
- Benefit districts are subareas where fees collected are spent

<b>Impact Fee Type</b>	<b>Service Area</b>	<b>Benefit Districts</b>
<b>Fee Component</b>		
<b>Transportation</b>	County-Wide	3
<b>Community/Regional Parks</b>		
Community Parks	Unincorporated Area	1
Regional Parks	County-Wide	1
<b>Library</b>	County-Wide	1
<b>Fire/EMS</b>		
Fire Rescue	Unincorp., excluding Englewood Fire Dist.	1
EMS	County-Wide	1
<b>Law/Corrections</b>		
Law Enforcement	Unincorporated Area	1
Corrections	County-Wide	1
<b>Public Buildings</b>	County-Wide	1

# Transportation Benefit Districts



# Current Impact Fees, Selected Uses

Land Use	Unit	Trans- port.	Parks	Lib- rary	Fire/ EMS	Law/ Jail	Public Bldgs.	Total
<b>Current Fees Assessed at 50.64% (with 2.46% admin. fee)</b>								
Single-Family, Detached	Dwelling	\$3,025	\$393	\$81	\$286	\$250	\$374	\$4,409
Multi-Family	Dwelling	\$1,956	\$208	\$43	\$152	\$132	\$198	\$2,689
Mobile Home Park	Space	\$1,110	\$211	\$44	\$156	\$135	\$203	\$1,859
Motel	Room	\$1,089	\$133	n/a	\$97	\$90	\$134	\$1,543
Retail, 100,001-200,000 sfgla	1,000 sfgla	\$4,803	n/a	n/a	\$403	\$373	\$559	\$6,138
General Office, 100,001-200,000 sf	1,000 sq. ft.	\$3,062	n/a	n/a	\$192	\$178	\$266	\$3,698
General Light Industrial	1,000 sq. ft.	\$1,922	n/a	n/a	\$131	\$121	\$182	\$2,356
Warehousing	1,000 sq. ft.	\$976	n/a	n/a	\$53	\$49	\$74	\$1,152
Mini-Warehouse	1,000 sq. ft.	\$352	n/a	n/a	\$11	\$11	\$16	\$390
Nursing Home	1,000 sq. ft.	\$987	n/a	n/a	\$327	\$302	\$453	\$2,069
<b>Maximum Fees from Previous Studies (with 2.46% admin. fee)</b>								
Single-Family, Detached	Dwelling	\$5,973	\$776	\$159	\$564	\$487	\$739	\$8,698
Multi-Family	Dwelling	\$3,862	\$411	\$84	\$300	\$257	\$390	\$5,304
Mobile Home Park	Space	\$2,193	\$418	\$87	\$308	\$264	\$401	\$3,671
Motel	Room	\$2,151	\$263	n/a	\$192	\$175	\$265	\$3,046
Retail, 100,001-200,000 sfgla	1,000 sfgla	\$9,484	n/a	n/a	\$797	\$727	\$1,103	\$12,111
General Office, 100,001-200,000 sf	1,000 sq. ft.	\$6,046	n/a	n/a	\$379	\$346	\$526	\$7,297
General Light Industrial	1,000 sq. ft.	\$3,795	n/a	n/a	\$259	\$237	\$359	\$4,650
Warehousing	1,000 sq. ft.	\$1,928	n/a	n/a	\$105	\$96	\$146	\$2,275
Mini-Warehouse	1,000 sq. ft.	\$696	n/a	n/a	\$23	\$21	\$31	\$771
Nursing Home	1,000 sq. ft.	\$1,950	n/a	n/a	\$646	\$590	\$895	\$4,081

Note: fees applicable to unincorporated area, excluding Englewood fire district and Babcock DRI

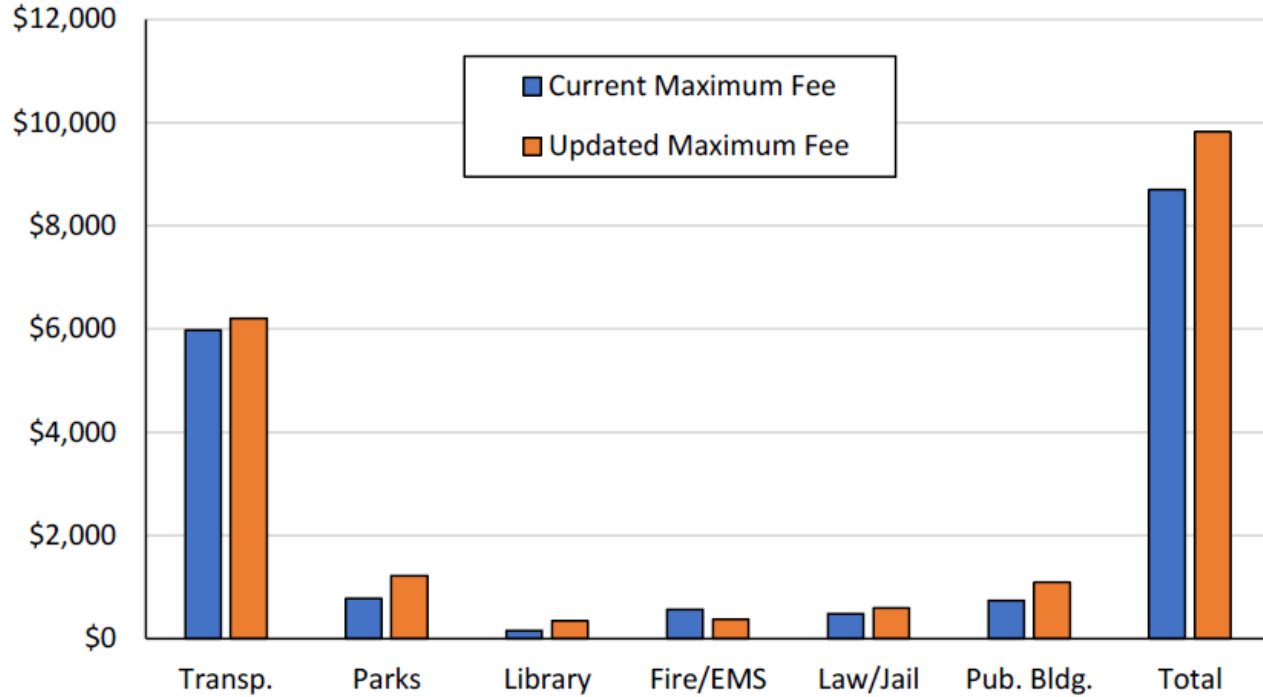
# Changes to Land Use Categories

Proposed Categories	Unit	Current Categories	Unit
Single-Family Detached	Dwelling	Single-Family Detached Mobile Home (not in MH Park)	Dwelling Dwelling
Multi-Family (1-2 stories)	Dwelling	Multi-Family & Condo/Townhouse	Dwelling
Multi-Family (3+ stories)	Dwelling		
Mobile Home Park	Space	Mobile Home Park RV Park	Site Site
Hotel/Motel	Room	Hotel Motel	Room Room
Retail/Commercial	1,000 sq. ft.	(25 separate categories)	1,000 sq. ft.
Office	1,000 sq. ft.	General Office (4 size categories)	1,000 sq. ft.
		Medical Office/Clinic (2 size categories)	1,000 sq. ft.
Public/Institutional	1,000 sq. ft.	(10 separate categories)	1,000 sq. ft.
Industrial	1,000 sq. ft.	General Light Industrial	1,000 sq. ft.
		General Heavy Industrial	1,000 sq. ft.
		Manufacturing	1,000 sq. ft.
Warehouse	1,000 sq. ft.	Warehousing	1,000 sq. ft.
Mini-Warehouse	1,000 sq. ft.	Mini-Warehouse	1,000 sq. ft.

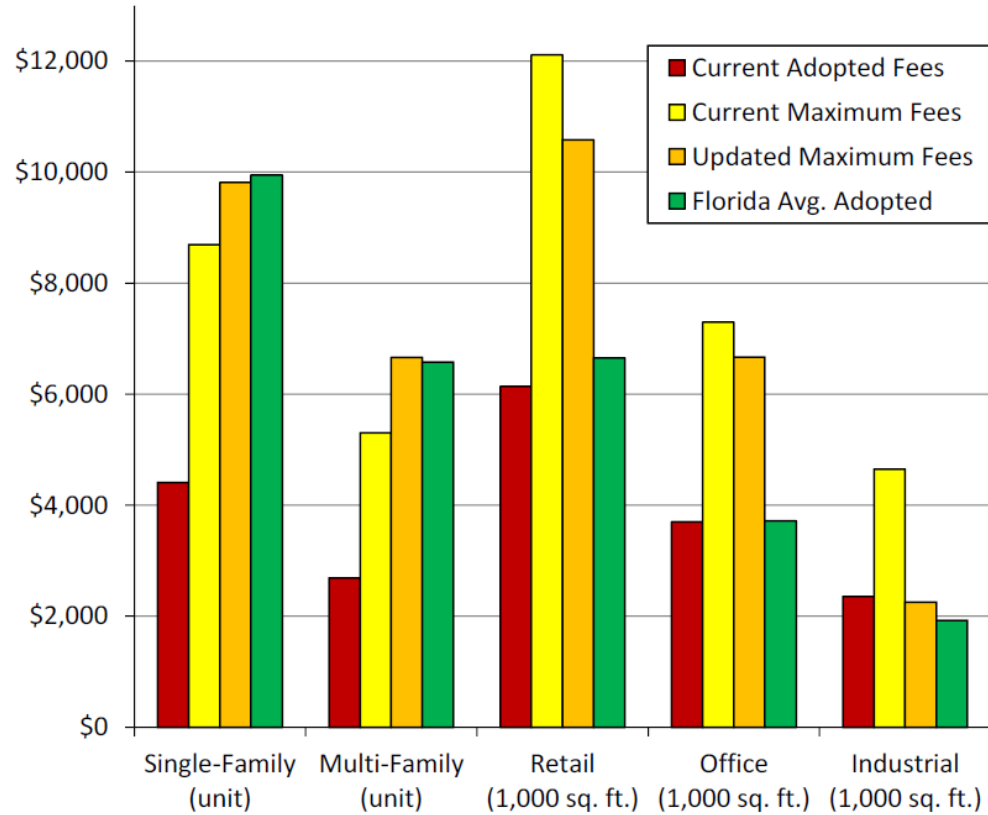
# Updated Impact Fees

Land Use	Unit	Trans- port.	Com./ Reg. Parks	Lib- rary	Fire/ EMS	Law/ Jail	Public Bldgs	Total
<b>Updated Fees with Sales Tax Reauthorization and 2.55% Administrative Fee</b>								
Single-Family Detached	Dwelling	\$6,204	\$1,223	\$337	\$369	\$590	\$1,091	\$9,814
Multi-Family (1-2 stories)	Dwelling	\$4,174	\$967	\$267	\$226	\$361	\$668	\$6,663
Multi-Family (3+ stories)	Dwelling	\$3,101	\$893	\$246	\$208	\$333	\$617	\$5,398
Mobile Home Park	Space	\$2,571	\$978	\$270	\$216	\$346	\$638	\$5,019
Hotel/Motel	Room	\$1,308	\$624	n/a	\$235	\$373	\$690	\$3,230
Retail/Commercial	1,000 sq. ft.	\$7,406	n/a	n/a	\$572	\$915	\$1,691	\$10,584
Office	1,000 sq. ft.	\$5,157	n/a	n/a	\$272	\$435	\$804	\$6,668
Industrial	1,000 sq. ft.	\$1,860	n/a	n/a	\$71	\$114	\$210	\$2,255
Warehouse	1,000 sq. ft.	\$964	n/a	n/a	\$53	\$84	\$155	\$1,256
Mini Warehouse	1,000 sq. ft.	\$541	n/a	n/a	\$8	\$12	\$25	\$586
Public/Institutional	1,000 sq. ft.	\$1,711	n/a	n/a	\$129	\$206	\$381	\$2,427
<b>Percent Change from Current Maximum Fees</b>								
Single-Family Detached	Dwelling	4%	58%	112%	-35%	21%	48%	13%
Multi-Family (1-2 stories)	Dwelling	8%	135%	218%	-25%	40%	71%	26%
Multi-Family (3+ stories)	Dwelling	-20%	117%	193%	-31%	30%	58%	2%
Mobile Home Park	Space	17%	134%	210%	-30%	31%	59%	37%
Hotel/Motel	Room	-39%	137%	n/a	22%	113%	160%	6%
Retail/Commercial	1,000 sq. ft.	-22%	n/a	n/a	-28%	26%	53%	-13%
Office	1,000 sq. ft.	-15%	n/a	n/a	-28%	26%	53%	-9%
Industrial	1,000 sq. ft.	-51%	n/a	n/a	-73%	-52%	-42%	-52%
Warehouse	1,000 sq. ft.	-50%	n/a	n/a	-50%	-13%	6%	-45%
Mini Warehouse	1,000 sq. ft.	-22%	n/a	n/a	-65%	-43%	-19%	-24%
Public/Institutional	1,000 sq. ft.	-12%	n/a	n/a	-80%	-65%	-57%	-41%

# Single-Family Fee Changes



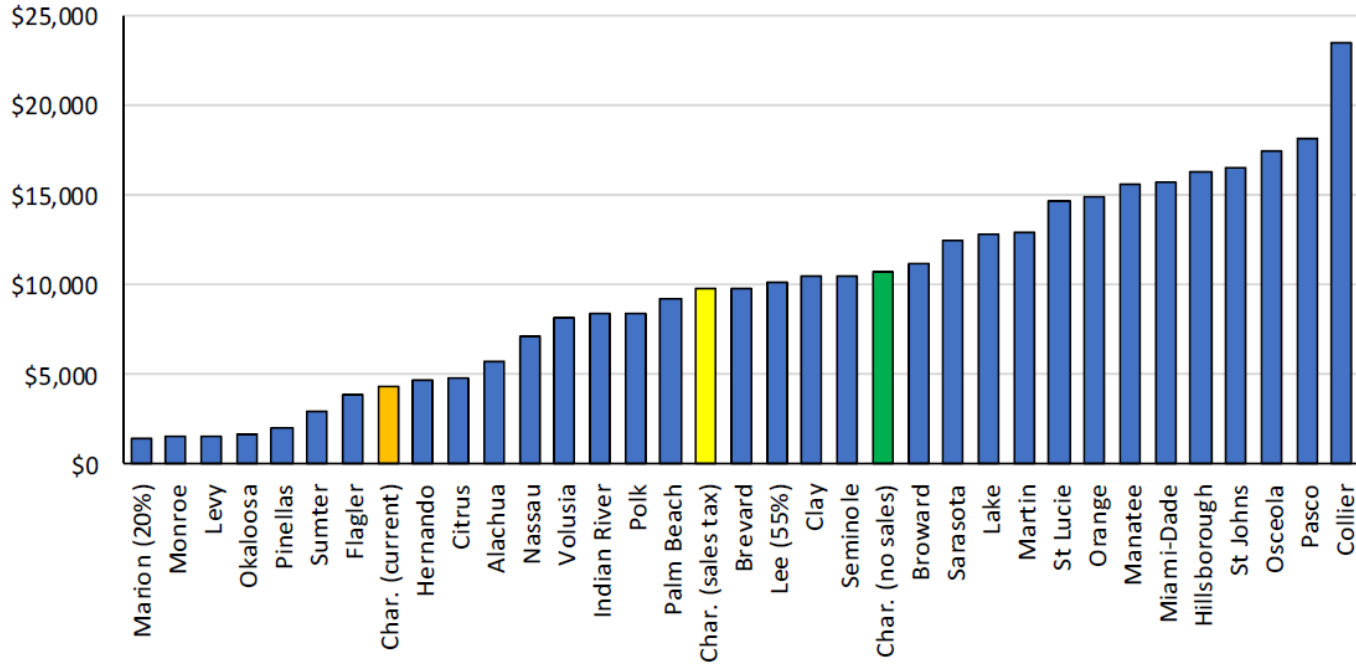
# Changes in Total Fees





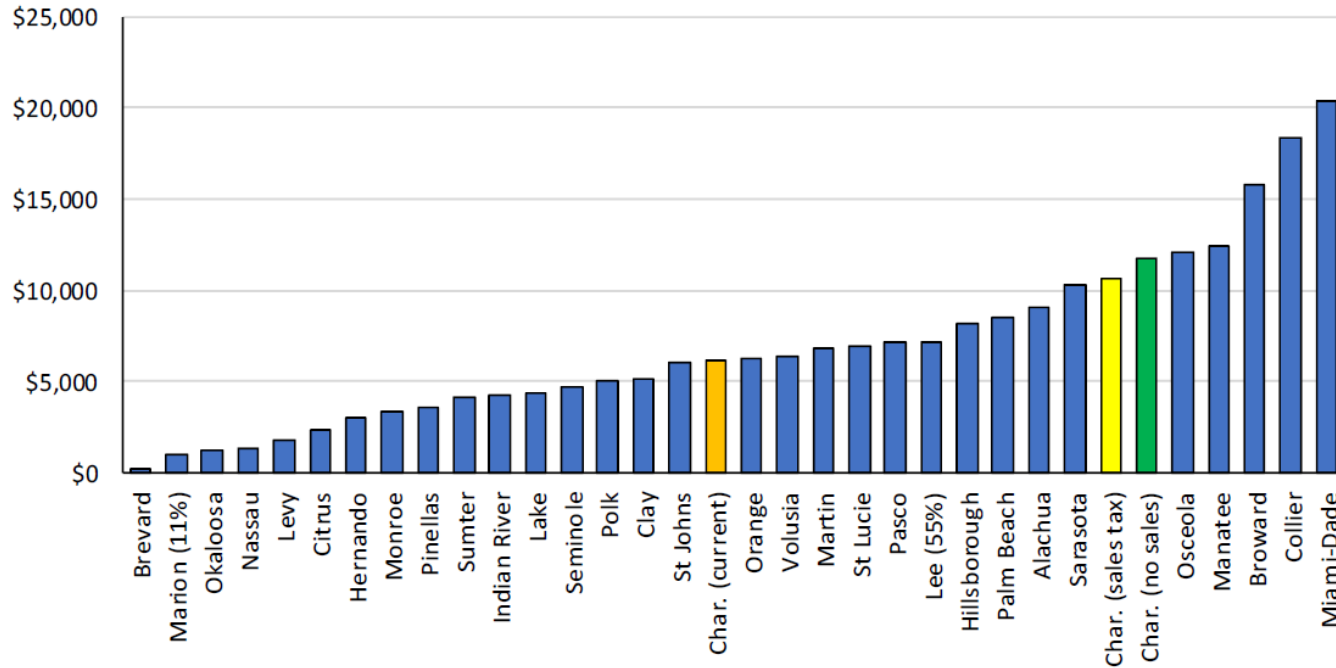
# Impact Fee Comparisons

Total Impact Fees per Single-Family Unit, Florida Counties



# Impact Fee Comparisons

Total Impact Fees per 1,000 sq. ft. Retail, Florida Counties



# Implementation Options

- Adopt at less than 100%
  - The percentage should apply uniformly to all land uses to keep the fees proportional to the impact of the development
  - Percentages can differ by type of fee
- Phase-in updated fees
  - The assessment rate could be set low, then automatically increased by set increments over a period of years

# Study Related Discussion Points

- Proposed structure of new fees
- Administrative Fee
  - Increase from 2.46% to 2.55%
  - Fee has not increased since 2006
- Other study related discussions or questions?

# Ordinance Related Discussion Points

- How frequently do you want the study updated?
  - Five years?
  - More or less frequent?
  - In conjunction with, or following, Sales Tax Referendum?
- Annual Indexing
  - Do we continue with annual indexing?
    - Could be increase or decrease
    - Currently based on the yearly change in property valuation from the Property Appraiser

# Ordinance Related Discussion Points

- Independent Impact Fee Analysis
  - Currently, if applicant disagrees they can do an Independent Impact Fee Analysis
- Traffic Monitoring Report process
  - Pay a base fee
  - Report done after operating for six months to one year to “normalize” traffic to determine actual impacts
    - Pay more after the fact if actual traffic is greater, credit if actual traffic is less
    - Would be via Developer’s Agreement

# Questions?