

Agenda Item #:

6E-1

Department

Submitted For: Office of Impact Fee Coordinator

Motion and Title: Staff recommends motion to:

An Ordinance of the Board of County Commissioners of Palm Beach County, Florida, amending the Palm Beach County Unified Land Development Code, Ordinance 2003-67, as amended, by amending Article 13, concerning countywide impact fee amounts and regulations, as follows: amending Chapter A - General; Chapter B - County District, Regional, and Beach Parks Impact Fee; Chapter C - Fire-Rescue Impact Fee; Chapter D - Library Impact Fee; Chapter E - Law Enforcement Impact Fee; Chapter F - Public Buildings Impact Fee; Chapter G - School Impact Fee; Chapter H - Road Impact Fee; providing for repeal of laws in conflict; providing for severability; providing for inclusion in the Unified Land Development Code; providing for an effective date.

Summary: Under Article 13.A.5.F of the ULDC, the Impact Fee Manager is required to undertake a study of the Impact Fee system every two years and recommend to the Board of County Commissioners whether any changes should be made to the fee schedules to reflect changes in the factors that affect the fee schedules. Dr. James Nicholas, impact fee consultant, has completed the study and prepared a final report. This agenda item authorizes advertisement of the Public Hearing on impact fees and provides for receiving the Impact Fee Review Committee's report to the BCC, as required by Ordinance. Staff and the Impact Fee Review Committee recommend no fee increases at this time.

1. Compliance with State legislation requiring impact fees be based on the most recent localized data
2. Incorporates the latest factors, population figures, parameters, facility costs, etc., into Article 13
3. Structures the Ordinance so that future fee increases may be considered based on the latest information

(Countywide) (L.B.)

The Impact Fee Review Committee's report for the 2009 Biennial Review recommends no increase in impact fees because of the status of the overall economy and the housing market. Although the general economy and the housing market have shown improvement since 2007, staff is in agreement with the Impact Fee Review Committee and recommends that impact fees not be increased at this time. However, staff further recommends that the 2009 Biennial Update be returned to the BCC in one year for further consideration to see if an increase in fees is appropriate at that time contingent on further improvements in the overall economy and the housing market.

Attachments:

- Recommended By:**

Approved By:

County Administrator 5-28-10
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact :

Fiscal Years	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>20013</u>	<u>2014</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	see B below	_____	_____	_____	_____

ADDITIONAL FTE

POSITIONS (Cumulative) -0- -0- -0- -0- -0-

Is Item Included In Current Budget? Yes ____ No ____


Budget Account No.: Fund ____ Department ____ Unit ____ Object ____

Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact :

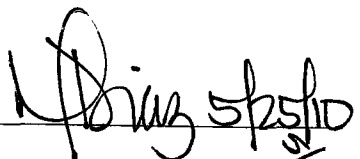
Not adopting the proposed fee increases has a fiscal impact, but the fiscal impact is indeterminable at this time.

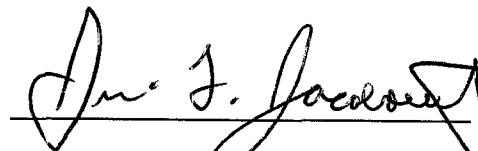
C. Departmental Fiscal Review :


Impact Fee Manager
Ref 5/21/10

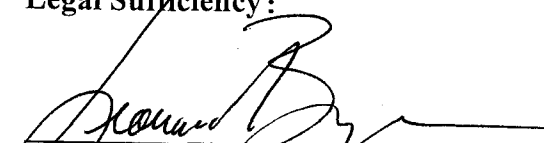
III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments :


OFMB
5/25/10
5/24/10
5/21/10
40


Contract Administration
5/25/10

B. Legal Sufficiency:


Assistant County Attorney

C. Other Department Review :

Department Director

This summary is not to be used as a basis for payment .

ORDINANCE No. 2010-_____

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AMENDING THE PALM BEACH COUNTY UNIFIED LAND DEVELOPMENT CODE, ORDINANCE 2003-67, AS AMENDED, BY AMENDING ARTICLE 13, CONCERNING COUNTYWIDE IMPACT FEE AMOUNTS AND REGULATIONS, AS FOLLOWS: AMENDING CHAPTER A - GENERAL; CHAPTER B - COUNTY DISTRICT, REGIONAL, AND BEACH PARKS IMPACT FEE; CHAPTER C - FIRE-RESCUE IMPACT FEE; CHAPTER D - LIBRARY IMPACT FEE; CHAPTER E - LAW ENFORCEMENT IMPACT FEE; CHAPTER F - PUBLIC BUILDINGS IMPACT FEE; CHAPTER G - SCHOOL IMPACT FEE; CHAPTER H - ROAD IMPACT FEE; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE UNIFIED LAND DEVELOPMENT CODE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Palm Beach County Ordinance 2003-67, as amended, provided for adoption of the Unified Land Development Code (ULDC) pursuant to chapter 163, Florida Statutes; and

WHEREAS, ULDC, Article 13 sets forth a series of impact fee regulations to generate a portion of the funds required to defray the costs of providing adequate public facilities necessitated by new development; and

WHEREAS, the Board of County Commissioners has determined that in order to promote the public health, safety and welfare, Palm Beach County must amend certain provisions of the impact fee regulations in order to continue to provide adequate public facilities necessitated by new development; and

WHEREAS, the Board of County Commissioners has determined that the fees established by this Ordinance are derived from, based upon, but do not exceed the costs of providing adequate public facilities necessitated by the new land developments for which the fees are levied; and

WHEREAS, the Board of County Commissioners has determined that the report entitled *2009 Update of Impact Fees, Prepared for Palm Beach County Impact Fee Advisory Committee*, sets forth a reasonable methodology and analysis for the determination of the impact of new development on the need for and the costs of adequate public facilities in Palm Beach County; and

1 **WHEREAS**, the Board of County Commissioners has determined that the data included
2 in the report *2009 Update of Impact Fees, Prepared for Palm Beach County Impact Fee*
3 *Advisory Committee*, is based upon the most recent and localized data as required by Section
4 163.31801, Florida Statutes; and

5 **WHEREAS**, the Board of County Commissioners has determined that it is in the public
6 interest not to increase any Impact Fees at this time; and

7 **WHEREAS**, the Land Development Regulation Commission has found this proposed
8 Ordinance to be consistent with the adopted Comprehensive Plan; and

9 **WHEREAS**, chapter 163, Florida Statutes, provides that a chartered County may
10 exercise such authority over municipalities as provided for in its charter; and

11 **WHEREAS**, consistent with the Palm Beach County Charter, the impact fee regulations
12 addressed in this Ordinance shall prevail over conflicting municipal ordinances; and

13 **WHEREAS**, public hearings have been held by the Board of County Commissioners
14 consistent with the requirements set forth in Section 125.66, Florida Statutes.

15 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY**
16 **COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:**

17 **SECTION 1. ADOPTION OF AMENDMENT TO THE UNIFIED LAND**
18 **DEVELOPMENT CODE:**

19 The Palm Beach County Unified Land Development Code is hereby amended as set forth
20 in Exhibit 1, attached hereto and made a part hereof.

21 **SECTION 2. REPEAL OF LAWS IN CONFLICT:**

22 All local laws and ordinances that apply in Palm Beach County in conflict with any
23 provision of this Ordinance are hereby repealed to the extent of any such conflict.

24 **SECTION 3. SEVERABILITY:**

25 If any section, paragraph, sentence, clause, phrase, or word of this Ordinance is for any
26 reason held by the Court to be unconstitutional, inoperative or void, such holding shall not affect
27 the remainder of this Ordinance.

28 **SECTION 4. INCLUSION IN THE UNIFIED LAND DEVELOPMENT CODE:**

29 The provisions of this Ordinance shall become and be made a part of the Unified Land
30 Development Code of Palm Beach County, Florida. The Sections of this Ordinance may be

1 renumbered or relettered to accomplish such, and the word "ordinance" may be changed to
2 "section," "Article," or any other appropriate word.

3 **SECTION 5. EFFECTIVE DATE:**

4 The provisions of this Ordinance shall become effective on filing with the Department of
5 State.

6
7 **APPROVED AND ADOPTED** by the Board of County Commissioners of Palm Beach
8 County, on the ____ day of _____, 2010.

9
10 PALM BEACH COUNTY, FLORIDA,
11 BY ITS BOARD OF COUNTY COMMISSIONERS
12

13
14 By _____
15 Burt Aaronson, Chair
16

17
18 APPROVED AS TO FORM
19 AND LEGAL SUFFICIENCY
20

21
22 _____
23 COUNTY ATTORNEY
24

25
26 Effective date: Filed with the Department of State on this ____ day of _____, 2010.
27
28

29
30 G:\WPDATA\LANDUSE\LBERGER\IMPCTFEE\ORD2010.doc

Summary - 2009 Impact Fee Update

Impact Fees 8/20/08	Proposed Impact Fees 2010	% of Increase
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Impact Fees 8/20/08	Proposed Impact Fees 2010	% of Increase
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General Office
@ 50,000 FT.²

Roads	119,016.00	163,352.50	37.25%
Fire Rescue	7,527.00	7,983.80	6.07%
Public Buildings	4,332.50	18,878.40	335.74%
Law Enforcement	3,215.50	1,216.00	-62.18%
Total	134,091.00	191,430.70	42.76%

Average Cost of a S.F. Home
@ 1400 - 1999 FT.²

Fire Rescue	528.45	696.03	31.71%
Parks	1,346.39	1,919.46	42.56%
Library	140.63	304.47	116.50%
Roads	4,821.56	6,980.60	44.78%
Public Buildings	129.06	591.57	358.37%
Law Enforcement - Patrol	170.58	230.97	35.40%
Schools	2,893.70	9,348.35	223.06%
Total	10,030.37	20,071.45	100.11%

General Comml. Retail
@50,000 FT.²

Roads	392,905.50	541,595.00	37.84%
Fire Rescue	11,312.50	13,403.55	18.48%
Public Buildings	11,115.50	48,433.38	335.73%
Law Enforcement	3,527.50	2,652.88	-24.79%
Total	418,861.00	606,084.81	44.70%

2009 UPDATE OF IMPACT FEES

PREPARED FOR
PALM BEACH COUNTY
IMPACT FEE ADVISORY
COMMITTEE

By

James C. Nicholas, PhD

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I Summary

The 2009 updated impact fees for Palm Beach County are shown below. The existing fees and the percentage increases are in the following table. The 2009 fees represent substantial increases over existing impact fees.

2009 UPDATED IMPACT FEES

Residential	Roads	Law	Fire	Bldgs	Parks	Schools	Library	Total
Single Family Detached	\$7,348	\$243	\$733	\$623	\$2,020	\$9,840	\$353	\$21,160
Non-Residential								
Drive-in Bank Per 1,000 FT²	\$24,080	\$26	\$168	\$1,160				\$25,433
Mini-Warehouse Per 1,000 FT²	\$549	\$29	\$168	\$48				\$794
Hotel Per Room	\$1,964	\$83	\$1,162	\$174	\$704			\$4,088
Movie Theater Per Seat	\$413	\$56	\$168	\$33				\$670
Racquet Club Per Court	\$9,433	\$56	\$168	\$773				\$10,429
Church/Synagogue Per 1,000 FT²	\$2,122	\$56	\$168	\$184				\$2,530
Day Care Center Per 1,000 FT²	\$9,732	\$56	\$168	\$909				\$10,865
Quality Restaurant Per 1,000 FT²	\$16,550	\$56	\$282	\$1,107				\$17,995
High Turnover Rest. Per 1,000 Ft²	\$28,775	\$56	\$282	\$1,207				\$30,320
New Car Sales Per 1,000 FT²	\$7,824	\$56	\$282	\$500				\$8,662
Office Per 1,000 FT² :								
<= 10,000 FT²	\$4,993	\$26	\$168	\$397				\$5,584
50,000 FT²	\$3,439	\$26	\$168	\$436				\$4,068
100,000 FT²	\$2,928	\$26	\$168	\$543				\$3,665
150,000 FT²	\$2,675	\$26	\$168	\$529				\$3,398
200,000 FT²	\$2,497	\$26	\$168	\$522				\$3,213
Medical Buildings:								
Medical Offices Per 1,000 FT²	\$7,982	\$26	\$168	\$844				\$9,020
Hospitals Per 1,000 FT²	\$3,692	\$26	\$168	\$724				\$4,610
Nursing Home Per 1,000 FT²	\$827	\$26	\$300	\$90				\$1,242
Industrial Buildings:								
Gen. Industrial Per 1,000 FT²	\$1,531	\$75	\$213	\$223				\$2,043
Warehousing Per 1,000 FT²	\$1,103	\$29	\$60	\$108				\$1,299
General Commercial Retail Per 1,000 FT²:								
<= 10,000 FT²	\$14,543	\$56	\$282	\$1,020				\$15,901
50,000 FT²	\$11,402	\$56	\$282	\$994				\$12,734
100,000 FT²	\$9,961	\$56	\$282	\$984				\$11,283
200,000 FT²	\$8,628	\$56	\$282	\$1,080				\$10,046
300,000 FT²	\$7,905	\$56	\$282	\$1,090				\$9,333
400,000 FT²	\$7,388	\$56	\$282	\$1,101				\$8,827
Pharmacy With Drive Thru	\$5,678	\$56	\$282	\$1,045				\$7,061
Fast Food Restaurant	\$24,330	\$56	\$282	\$1,031				\$25,699
Gas Station Per Fueling Stn.	\$6,214	\$56	\$282	\$1,001				\$7,553
Convenience Retail	\$27,139	\$56	\$282	\$1,835				\$29,312
Automotive Repair Shop	\$3,045	\$56	\$282	\$191				\$3,574
Car Wash per Bay	\$20,363	\$56	\$282	\$2,336				\$23,037
Carpet Store	\$862	\$56	\$282	\$861				\$2,061

Draft 4 11 January 2010 Revised 5/10/10

2009 UPDATED IMPACT FEES

Residential	Roads	Law	Fire	Bldgs	Parks	Schools	Library	Total
Cemetery per Acre	\$594	\$56	\$282	\$505				\$1,437
Funeral Home	\$1,556	\$56	\$282	\$183				\$2,077
Furniture Store	\$672	\$56	\$60	\$61				\$848
General Recreation	\$2,104	\$56	\$168	\$853				\$3,181
Oil and Lube Shop per Bay	\$4,917	\$56	\$282	\$180				\$5,435
Veterinary Clinic	\$4,031	\$56	\$282	\$882				\$5,251

2009 UPDATED IMPACT FEES

Residential	Revised	Existing	% Change
Single Family Detached	\$21,160	\$10,557	100.4%
Non-Residential			
Drive-in Bank Per 1,000 FT ²	\$25,433	\$24,729	2.8%
Mini-Warehouse Per 1,000 FT ²	\$794	\$679	16.9%
Hotel Per Room	\$4,088	\$2,588	57.9%
Movie Theater Per Seat	\$670	\$540	23.9%
Racquet Club Per Court	\$10,429	\$7,264	43.6%
Church/Synagogue Per 1,000 FT ²	\$2,530	\$1,819	39.1%
Day Care Center Per 1,000 FT ²	\$10,865	\$9,830	10.5%
Quality Restaurant Per 1,000 FT ²	\$17,995	\$13,508	33.2%
High Turnover Sit-Down Rest. Per 1,000 Ft ²	\$30,320	\$19,339	56.8%
New Car Sales Per 1,000 FT ²	\$8,662	\$6,524	32.8%
Office Per 1,000 FT ² :			
<= 10,000 FT ²	\$5,584	\$3,950	41.4%
50,000 FT ²	\$4,068	\$2,832	43.7%
100,000 FT ²	\$3,665	\$2,484	47.6%
150,000 FT ²	\$3,398	\$2,289	48.4%
200,000 FT ²	\$3,213	\$2,162	48.6%
Medical Buildings:			
Medical Offices Per 1,000 FT ²	\$9,020	\$6,227	44.9%
Hospitals Per 1,000 FT ²	\$4,610	\$3,089	49.2%
Nursing Home Per 1,000 FT ²	\$1,242	\$845	47.1%
Industrial Buildings:			
Gen. Industrial Per 1,000 FT ²	\$2,043	\$1,329	53.6%
Warehousing Per 1,000 FT ²	\$1,299	\$893	45.4%
General Commercial Retail Per 1,000 FT ² :			
<= 10,000 FT ²	\$15,901	\$14,996	6.0%
50,000 FT ²	\$12,734	\$8,819	44.4%
100,000 FT ²	\$11,283	\$7,130	58.2%
200,000 FT ²	\$10,046	\$5,915	69.8%
300,000 FT ²	\$9,333	\$5,368	73.9%
400,000 FT ²	\$8,827	\$5,064	74.3%
Pharmacy With Drive Thru	\$7,061	\$5,024	40.5%
Fast Food Restaurant	\$25,699	\$23,400	9.8%

2009 UPDATED IMPACT FEES

Residential	Revised	Existing	% Change
Gas Station Per Fueling Stn.	\$7,553	\$6,081	24.2%
Convenience Retail	\$29,312	\$25,733	13.9%
Automotive Repair Shop	\$3,574	\$4,373	-18.3%
Car Wash per Bay	\$23,037	\$14,925	54.3%
Carpet Store	\$2,061	\$1,075	91.8%
Cemetery per Acre	\$1,437	\$869	65.5%
Funeral Home	\$2,077	\$2,200	-5.6%
Furniture Store	\$848	\$924	-8.3%
General Recreation	\$3,181	\$2,968	7.2%
Oil and Lube Shop per Bay	\$5,435	\$10,219	-46.8%
Veterinary Clinic	\$5,251	\$5,617	-6.5%

The typical residential impact fee would increase by 100%. The typical non-residential fee would change from a decrease of 47% to an increase of 95%. The reason for the difference among non-residential land uses is new and updated traffic and travel information. The majority of this increase are attributable to roads (21.5%) and educational facilities (64.1%). The Bureau of Labor Statistics (BLS) publishes a streets and highways construction cost index, shown below. These

COMPONENTS OF CHANGE

Change	Revised	Existing	Change	% of Total Change
Roads	\$7,348	\$5,075	\$2,273	21.5%
Law	\$243	\$179	\$65	0.6%
Fire	\$733	\$556	\$176	1.7%
Public Buildings	\$623	\$136	\$487	4.6%
Library	\$353	\$156	\$197	1.9%
Parks	\$2,020	\$1,417	\$603	5.7%
Schools	\$9,840	\$3,046	\$6,794	64.1%
Total	\$21,160	\$10,565	\$10,595	100.0%

NOTE: The existing fees are shown at 100% of calculated amount. Palm Beach County has a practice of discounting impact fees by 5% from that calculated.

data show that road construction costs increased at double digit rates for most of the recent past, while experiencing a decline over the past year.

Street & Highway Construction Cost Index

Year	Index	% Change
1999	126.6	
2000	136.5	7.82%
2001	137.0	0.37%
2002	133.7	-2.41%
2003	136.6	2.17%
2004	148.2	8.49%
2005	166.8	12.55%
2006	184.8	10.79%
2007	195.5	5.79%
2008	222.4	13.76%
2009	208.7	-10.96%

SOURCE: Bureau of Labor Statistics
Using June 2009 to June 2009 for 2009

The impact fees presently charged by other Florida counties are shown below. It is clear that if Palm Beach County were to adopt the 2009 updated fees the result would be substantially above statewide averages. If Palm Beach County followed its historic policy of a 5% discount, the result would be a fee of \$20,102.25 for a typical single family home, second highest in the state.

IMPACT FEES IN OTHER FLORIDA COUNTIES

County	Total Impact Fee	County	Total Impact Fee
Wakulla	\$1,246.79	Marion	\$9,230.00
Levy	\$1,302.00	Brevard	\$9,297.88
Alachua	\$1,470.00	Citrus	\$9,383.51
Volusia	\$1,500.00	St. Johns	\$9,545.00
Pinellas	\$1,923.00	St Lucie	\$9,602.00
Broward	\$2,233.00	Indian River	\$9,876.88
Santa Rosa	\$2,237.00	Pasco	\$11,125.79
Bay	\$2,352.06	Palm Beach	\$11,366.77
Sumter	\$2,393.00	Polk	\$11,379.00
Columbia	\$3,060.67	DeSoto	\$11,752.00
Alachua	\$3,202.00	Lake	\$12,295.00
Gilchrist	\$3,500.00	Martin	\$12,511.39
Hillsborough	\$3,877.20	Clay	\$12,848.00
Bradford	\$5,017.00	Sarasota	\$14,756.00
Flagler	\$5,306.55	Highlands	\$15,070.17
Miami/Dade	\$5,483.56	Manatee	\$15,355.00
Nassau	\$6,178.03	Lee	\$15,597.00

Seminole	\$6,286.75	Orange	\$16,845.85
Putnam	\$7,022.96	Osceola	\$17,941.47
Hendry	\$7,590.63	Collier	\$25,281.00
Glades	\$8,143.86	Mean	\$8,381.10
Charlotte	\$8,380.00	Median	\$8,667.22
Volusia	\$8,954.44	Palm Beach Revised*	\$21,160.26
Hernando	\$9,048.00		

* At 100%

IMPACT FEE REVIEW COMMITTEE REPORT
FOR
2009 BIENNIAL REVIEW OF IMPACT FEES

INTRODUCTION

The County's impact fee system assesses fees in the unincorporated area and all 37 municipalities. This revenue source is a major vehicle for funding the various capital facilities the County provides. Table 1 shows the revenues produced by the various fees for three fiscal years.

TABLE 1
IMPACT FEE REVENUE
PALM BEACH COUNTY
(\$000)

	FY05-06	FY06-07	FY07-08	TOTAL
PARKS	9,187	3,033	2,223	14,443
PUBLIC BUILDINGS	1,891	966	661	3,518
LAW ENFORCEMENT	520	280	225	1,025
FIRE RESCUE	2,401	1,195	958	4,554
LIBRARY	1,138	314	190	1,642
SCHOOLS	23,409	8,533	5,307	37,249
ROADS	41,080	17,059	17,882	76,021
TOTAL ALL FEES	79,626	31,381	27,445	138,452

Source: Impact Fee Report for Fiscal Years 2006, 2007, and 2008

IMPACT FEE REVIEW COMMITTEE

The Impact Fee Review Committee is established by Sec.10 of Article 17, Decision Making, Administrative and Enforcement Bodies, of the Unified Land Development Code (ULDC). The Committee's purpose is to oversee the County's impact fee system and to report its findings to the Board of County Commissioners (BCC).

The members of the Committee are listed in Exhibit 1, attached.

POWERS AND DUTIES

The powers and duties of the Impact Fee Review Committee are established by Article 17.10 of the ULDC as follows:

B. Powers and Duties. The Impact Fee Review Committee shall have the following powers and duties under the provisions of this Code:

1. To submit reports to the Board of County Commissioners whenever the County conducts a full review of the impact fee system relating to:
 - a. The implementation of Art. 13, Impact Fees;
 - b. Actual levels of service for the impact fees exacted in Art. 13, Impact Fees;
 - c. The collection, encumbrance, and expenditure of all impact fees collected pursuant to Art. 13, Impact Fees;
 - d. The validity of the assumptions in the technical memoranda used to support the impact fee schedules in Art. 13, Impact Fees; and

- e. Any recommended amendment to Art. 13, Impact Fees.
2. To review amendments to Art. 13, Impact Fees, prior to their consideration by the Board of County Commissioners.
3. To perform such other duties as the Board of County Commissioners deems appropriate.

The Committee completed its review of the existing impact fee implementation system and examined proposed updates and revisions to the technical memorandum and the ordinance. The Committee reviewed the following information provided by staff:

- Article 13, Impact Fees, Unified Land Development Code
- 2009 Update of Impact Fees Prepared For Impact Fee Advisory Committee
- Impact Fee Report for FY2006, 2007 and 2008
- Summary Report of Impact Fee Credit
- Capital Improvement Program 2008-2012
- Scope of Work, consultant's Contract for Update and Development of Impact Fees
- Staff and Consultant Input at Meetings

FINDINGS AND RECOMMENDATIONS

IMPLEMENTATION

FINDING #1: The Committee found that the implementation of the impact fee system is generally in accordance with Article 13.

ACTUAL LEVEL OF SERVICE FOR IMPACT FEES EXACTED

Existing levels of service are used to calculate the impact fees. The formula, generally, is as follows:

TOTAL CAPITAL COST = COST TO PROVIDE EXISTING LEVEL OF SERVICE

CREDITS = CREDIT FOR BONDS, GRANTS, TAX PAYMENTS AND ALL OTHER REVENUE DESIGNATED FOR CAPITAL PROJECTS

TOTAL CAPITAL COST / TOTAL POPULATION = PER CAPITA COST

TOTAL CREDITS / TOTAL POPULATION = PER CAPITA CREDITS

PER CAPITA COST X PERSONS PER HOUSEHOLD = COST PER UNIT

PER CAPITA CREDITS X PERSONS PER HOUSEHOLD = CREDITS PER UNIT

COST PER UNIT - CREDITS PER UNIT = NET COST (IMPACT FEE)

FINDING #2: The Committee found that the County-wide levels of service used to calculate impact fees are based on actual level of services.

COLLECTION, ENCUMBRANCE, AND EXPENDITURE OF ALL IMPACT FEES COLLECTED

Overall, the Committee found that the impact fees are being collected, encumbered, and expended properly. The Impact Fee Manager reviews proposed impact fee expenditures for compliance with the ordinance prior to a proposed project being presented to the BCC for approval.

FINDING #3: The County is currently spending impact fee monies which were collected primarily in 2006, 2007, and 2008. Some of this delay is necessary because funds have to build up in the accounts before enough is accumulated to pay for a capital project.

RECOMMENDATION: Impact Fee funds collected by the County should be spent as soon as there are sufficient funds available for eligible projects.

VALIDITY OF ASSUMPTIONS IN THE TECHNICAL MEMORANDUM

The Committee expended a great deal of effort and hours in its detailed review of Dr. James C. Nicholas' report "2009 Update of Impact Fees Prepared For Palm Beach County Impact Fee Advisory Committee" (technical memorandum, methodology or impact fee report). The technical memorandum establishes the total cost of providing the capital facilities for which impact fees are imposed, an essential starting point for a fair impact fee system. The Committee was very concerned that this document is as accurate as possible. The Committee findings are as follows:

FINDING #4: The Committee found that population estimates, occupancy rates, and outstanding indebtedness all appear to be accurately reported in the methodology. However, the Impact fee Review Committee agreed to accept the recommendation of the School Impact Fee Workgroup to not adjust the existing school impact fees.

RECOMMENDATION: The Committee recommends approval of the "2009 Update of Impact Fees Prepared For Palm Beach County Impact Fee Advisory Committee" with the exception of the school impact fee methodology. The Impact Fee Review Committee recommends that the Board of County Commissioners accepts the recommendation of the School Impact Fee Workgroup.

TOTAL IMPACT FEES

FINDING #5: The Impact Fee Review Committee's recommendation in Finding #4, including the School Impact Fee Workgroup's recommendation, represents an increase from \$10,030 to \$13,617 for an average single family residence of 1,400 sq. ft. to 1,999 sq.

The Committee acknowledges that the County is not legally required to impose these fees at their full level. It is completely within the purview of the Board of County Commissioners to impose the fees at a lower level.

RECOMMENDATION: In consideration of our review, pursuant to the powers and duties of the Impact Fee Review Committee in accordance with Article 17 of the ULDC, the Committee recommends that there be no changes in the impact fee rates at this time due to current economic conditions. Exhibit II contains a summary of this recommendation.

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EXHIBIT 1

IMPACT FEE REVIEW COMMITTEE
MEMBERS

Robert Gottlieb	Municipal Representative
Nancy Hogan,	Municipal Representative
Jeffrey Naftal	Municipal Representative
E. Llwyd Ecclestone III, Developer Ecclestone Signature Homes	Business Community
Joseph Pollock, Engineer	Business Community
Arnold Broussard, Consultant	At-Large
Jerry Beavers, Council Member Town of Haverhill	Alternate - Municipal
Bruce Malasky, Developer DCM & Associates	Alternate - Business
Dennis Thomas, Engineer	Alternate - At-Large

Summary - Impact Fee Review Committee Recommendations

Impact Fees 8/20/08	Proposed Impact Fees 2009	% of Increase
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General Office @ 50,000 FT.²

Roads	119,016.00	119,016.00	0.00%
Fire Rescue	7,527.00	7,527.00	0.00%
Public Buildings	4,332.50	4,332.50	0.00%
Law Enforcement	3,215.50	3,215.50	0.00%
Total	134,091.00	134,091.00	0.00%

General Comm. Retail @50,000 FT.²

Roads	392,905.50	392,905.50	0.00%
Fire Rescue	11,312.50	11,312.50	0.00%
Public Buildings	11,115.50	11,115.50	0.00%
Law Enforcement	3,527.50	3,527.50	0.00%
Total	418,861.00	418,861.00	0.00%

Impact Fees 8/20/08	Proposed Impact Fees 2008	% of Increase
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Average Cost of a S.F. Home @ 1400 - 1999 FT.²

Fire Rescue	528.45	528.45	0.00%
Parks	1,346.39	1,346.39	0.00%
Library	140.63	140.63	0.00%
Roads	4,821.56	4,821.56	0.00%
Public Buildings	129.06	129.06	0.00%
Law Enforcement - Patrol	170.58	170.58	0.00%
Schools	2,893.70	2,893.70	0.00%
Total	10,030.37	10,030.37	0.00%