



Development Impact Fee Update 2020



What are impact fees?



- One-time fees charged to new development, usually at building permit
 - **Not an ongoing fee charged to residents or business owners**
- May be used to fund facilities needed to serve new development
 - **Not for operations and maintenance costs**
 - **Not for the share of facilities serving existing development**

Section 163.31801 of the Florida Statutes

Impact fees must be proportional and reasonably connected to the need for additional capital facilities and the increased impact generated by the new development.

- *Impact fees must be proportional and reasonably connected to the expenditures of the funds collected and the benefits accruing to the new development.*
- The calculation of fees must be based on the most recent and localized data.
- Impact fee revenue must be used for acquiring, constructing, or improving capital facilities to benefit new users.
- Fee revenue may not be used to pay existing debt or for previously approved projects unless the projects are reasonably connected to increased demand from new development.

- The City must provide at least 90 days notice before imposing a new or increased impact fee.
- The City must account for and report impact fee collections and expenditures.
- Impact fee collections cannot occur sooner than issuance of a building permit.
- Fee program audits must be performed by a CPA, submitted to the Auditor General and include an affidavit signed by the chief financial officer of the local governmental entity stating that the local governmental entity is in compliance.



Conducting an Impact Fee Nexus Study



1. Estimate existing development and future growth
2. Identify facility standards
3. Determine new facility needs and costs
4. Allocate share to accommodate growth
5. Identify alternative funding needs
6. Calculate fee by allocating costs per unit of new development

Existing and New Development

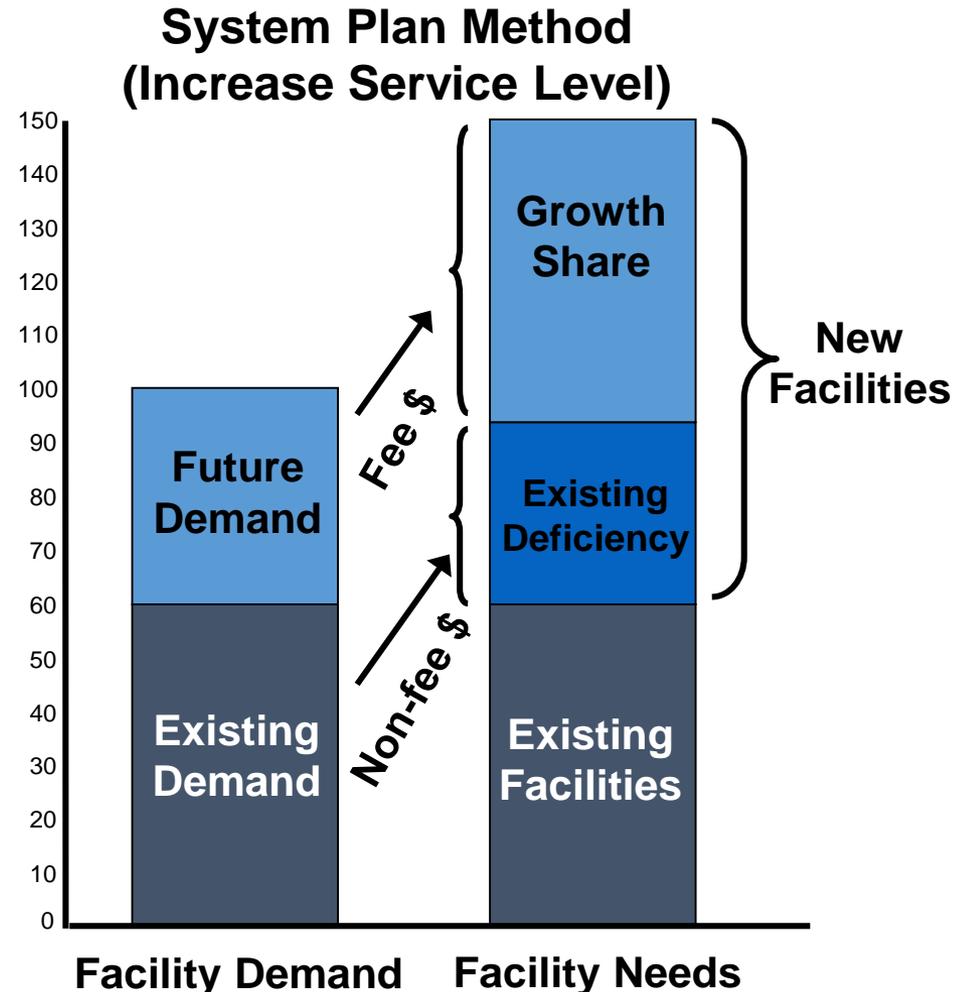
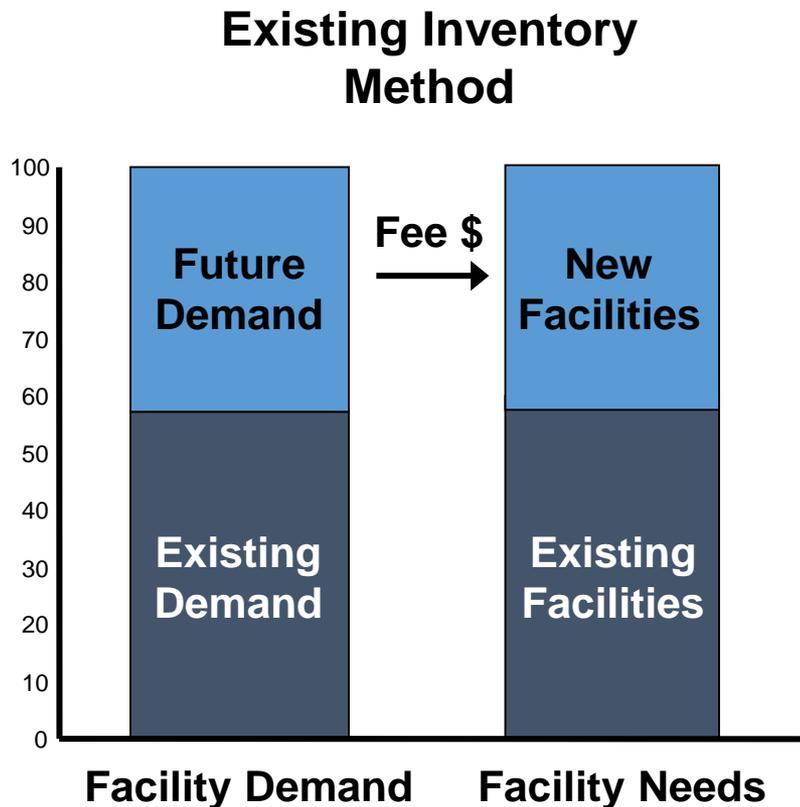
	2019	2030	Increase
Residents ¹	73,652	93,693	20,041
Employment ²	6,117	7,781	1,664

¹ Existing residents from University of Florida Bureau of Economic and Business Research (BEBR) data. Residents in 2030 identified in the City of North Port Comprehensive Plan (2017) as a BEBR estimate.

² Estimate of 6,781 total workers less 664 local government workers based on data from OnTheMap.ces.census.gov. Increase in employment based on maintaining the current jobs-housing balance.

Allocating Cost of New Facilities

Existing Inventory vs. System Plan Method



Impact Fee Categories

Existing Standard:

- General Government Facilities
- Fire and Rescue Facilities
- Parks and Recreation Facilities

System Plan Standard:

- Law Enforcement Facilities
- Solid Waste Facilities



Service Population Weighting

	Existing	Projected Growth	Total (2030)
<i><u>Unadjusted</u></i>			
Residents	73,652	20,041	93,693
Workers	6,117	1,664	7,781
<i><u>Employment Weighting Factors</u></i>			
General Government, Law Enforcement	0.31	0.31	0.31
Fire and Rescue	1.51	1.51	1.51
Parks	-	-	-
<i><u>Weighted Service Population</u></i>			
General Government, Law Enforcement	75,548	20,557	96,105
Fire and Rescue	82,889	22,554	105,442
Parks	73,652	20,041	93,693

Solid Waste Demand

Solid Waste Generation

	2019	2030	Increase ¹
Residential	36,656	46,554	9,898
Commercial	10,649	13,524	2,875
Total Tonnage	47,305	60,078	12,773
Annual Waste Generation per EDU	1.16	1.16	1.16
Estimated EDUs	40,780	51,791	11,011

¹ Increase based on projected 27% residential and nonresidential growth to 2030, consistent with growth projections.



Facility Standards



Facility Standards

Fee Category	Inventory	Facility Demand	Facility Standard
<i>Existing Standard</i>			
General Government	\$ 25,724,097 Existing Value	75,548	\$ 341 Per Capita
Fire and Rescue	\$ 39,496,610 Existing Value	82,889	\$ 477 Per Capita
Parks and Recreation	440.81 Acres	73,652	5.99 Acres per 1,000 Residents
<i>System Standard</i>			
Law Enforcement	\$ 54,919,885 2030 System Value	96,105	\$ 571 Per Capita
Solid Waste	\$ 25,004,957 2030 System Value	51,791	\$ 483 Per EDU



Demand by Land Use



Occupant Density Assumptions

Residential

Single Family	2.39	Residents per Unit
Multifamily	1.56	Residents per Unit
Senior Unit	1.12	Residents per Unit

Nonresidential

Commercial	2.34	Employees per 1,000 SF
Office	2.97	Employees per 1,000 SF
Industrial	1.16	Employees per 1,000 SF
Business Park	3.08	Employees per 1,000 SF
Institutional	0.63	Employees per 1,000 SF
Hotel	0.58	Employees per Room

Solid Waste - Equivalent Dwelling Units

<u>Land Use</u>	<u>Waste Generation Units (WGU)¹</u>	<u>Equivalent Dwelling Units (EDU)²</u>
<u>Residential - per Dwelling Unit</u>		
Single Family	1.16	1.00
Multifamily	0.58	0.50
Senior Unit	0.58	0.50
<u>Nonresidential - per 1,000 Sq. Ft. or Hotel Room</u>		
Commercial	5.11	4.41
Office	1.19	1.03
Industrial	1.61	1.39
Business Park	1.14	0.98
Institutional	3.48	3.00
Hotel Room	0.68	0.59

¹ Waste generation units are the number of annual tons of waste produced by a dwelling unit, per 1,000 square feet of nonresidential space, or per hotel room.

² EDU factors relate demand for solid waste facilities in terms of the demand created by a single family dwelling unit, in terms of tons of waste generated.

Major Planned Facilities



General Government Facilities

- Public Works Facility

Fire and Rescue Facilities

- Fire Station 86
- Fire Station 87

Parks and Recreation Facilities

- 135 acres of parks to maintain existing standard of 5.99 acres per 1,000 residents

Law Enforcement Facilities

- Police Station

Solid Waste Facilities

- Solid Waste Transfer Station
- Solid Waste Share of Public Works Facility

Impact Fee Revenue Projection



Impact Fee Revenue Projection

Fee Category	Net Project Cost	Development Fee Revenue	Additional Funding Required
General Government Facilities	\$ 7,009,937	\$ 7,009,937	\$ -
Fire and Rescue Facilities	10,758,258	10,758,258	-
Law Enforcement Facilities	33,000,000	11,738,000	21,262,000
Parks	21,410,762	21,410,762	-
Solid Waste Facilities	<u>7,712,250</u>	<u>5,318,000</u>	<u>2,394,250</u>
Total	\$79,891,207	\$ 56,234,957	\$23,656,250

Maximum Justified Impact Fee Schedule



Maximum Justified Development Impact Fee Schedule

Land Use	General Government Facilities	Fire and Rescue Facilities	Law Enforcement Facilities	Parks	Solid Waste Facilities	Total
<i>Residential (per Dwelling Unit)</i>						
Single Family	\$ 815	\$ 1,140	\$ 1,365	\$ 2,553	\$ 483	\$ 6,356
Multifamily	532	744	891	1,666	242	4,075
Senior Unit	382	534	640	1,196	242	2,994
<i>Nonresidential (per 1,000 Sq. Ft. or per Hotel Room)</i>						
Commercial	\$ 248	\$ 1,685	\$ 414	\$ -	\$ 2,128	\$ 4,475
Office	315	2,138	526	-	495	3,474
Industrial	123	835	205	-	670	1,833
Business Park	326	2,218	545	-	475	3,564
Institutional	67	454	112	-	1,449	2,082
Hotel Room	61	418	103	-	283	865

Comparison to Existing Fee Schedule



Comparison to Existing Fee Schedule

Land Use	Draft Fee Schedule	Existing Fee Schedule ¹	Difference
<i><u>Residential (per Dwelling Unit)</u></i>			
Single Family	\$ 6,356	\$ 2,198	\$ 4,158
Multifamily	4,075	1,296	2,779
Senior Unit	2,994	1,296	1,698
<i><u>Nonresidential (per 1,000 Sq. Ft. or per Hotel Room)</u></i>			
Commercial	\$ 4,475	\$ 1,538	\$ 2,937
Office	3,474	875	2,599
Industrial	1,833	523	1,310
Business Park	3,564	632	2,932
Institutional	2,082	540	1,542
Hotel Room	865	614	251

¹ Excludes transportation impact fee, which is not being updated at this time. The following nonresidential land use categories are used for comparison: Commercial - Shopping Center 50,000 SF GLA or Less, Office - Office, General 50,000 SF or Less, Industrial - General Light Industry, Business Park, Institutional - High School, Hotel Room.

Comparison to Other Jurisdictions



Single Family Dwelling Unit Fee Comparison

	North Port (Current)	North Port (Maximum Justified)	Bradenton	Cape Coral (Low)	Cape Coral (High)	Ft Meyers	Manatee County (Low)	Manatee County (High)	Punta Gorda	City of Sarasota
<u>City Fees</u>										
General Government	\$ 331	\$ 815	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire and Rescue	365	1,140	210	610	610	57	-	-	-	-
Law Enforcement	292	1,365	310	597	597	-	-	-	1,502	-
Parks	986	2,553	720	-	-	803	-	-	975	-
Solid Waste	224	483	-	-	-	-	-	-	-	-
Transportation	3,403	3,403	2,074	3,347	3,347	5,148	-	-	853	7,340
<u>Utilities</u>										
Water	\$ 1,254	\$ 1,254	\$ 1,369	\$ 2,551	\$ 2,551	\$ 2,220	\$ 1,738	\$ 1,738	\$ 2,942	\$ 1,225
Sewer	1,453	1,453	1,789	2,406	3,390	2,011	3,175	3,175	2,727	3,277
<u>County Fees</u>										
Facilities	\$ 1,915	\$ 1,915	\$ -	\$ -	\$ -	\$ 348	\$ 1,246	\$ 1,246	\$ 2,258	\$ 2,305
Parks	-	-	-	-	-	335	1,298	1,298	-	2,719
Transportation	-	-	-	-	-	-	4,005	6,891	-	-
Education	2,032	2,032	6,127	2,824	2,824	2,824	6,127	6,127	-	2,032
<u>Contribution In Aid of Construction</u>			\$ -	\$ -	\$ 12,100	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 12,254	\$ 16,413	\$ 12,599	\$ 12,335	\$ 25,419	\$ 13,746	\$ 17,589	\$ 20,475	\$ 11,257	\$ 18,898

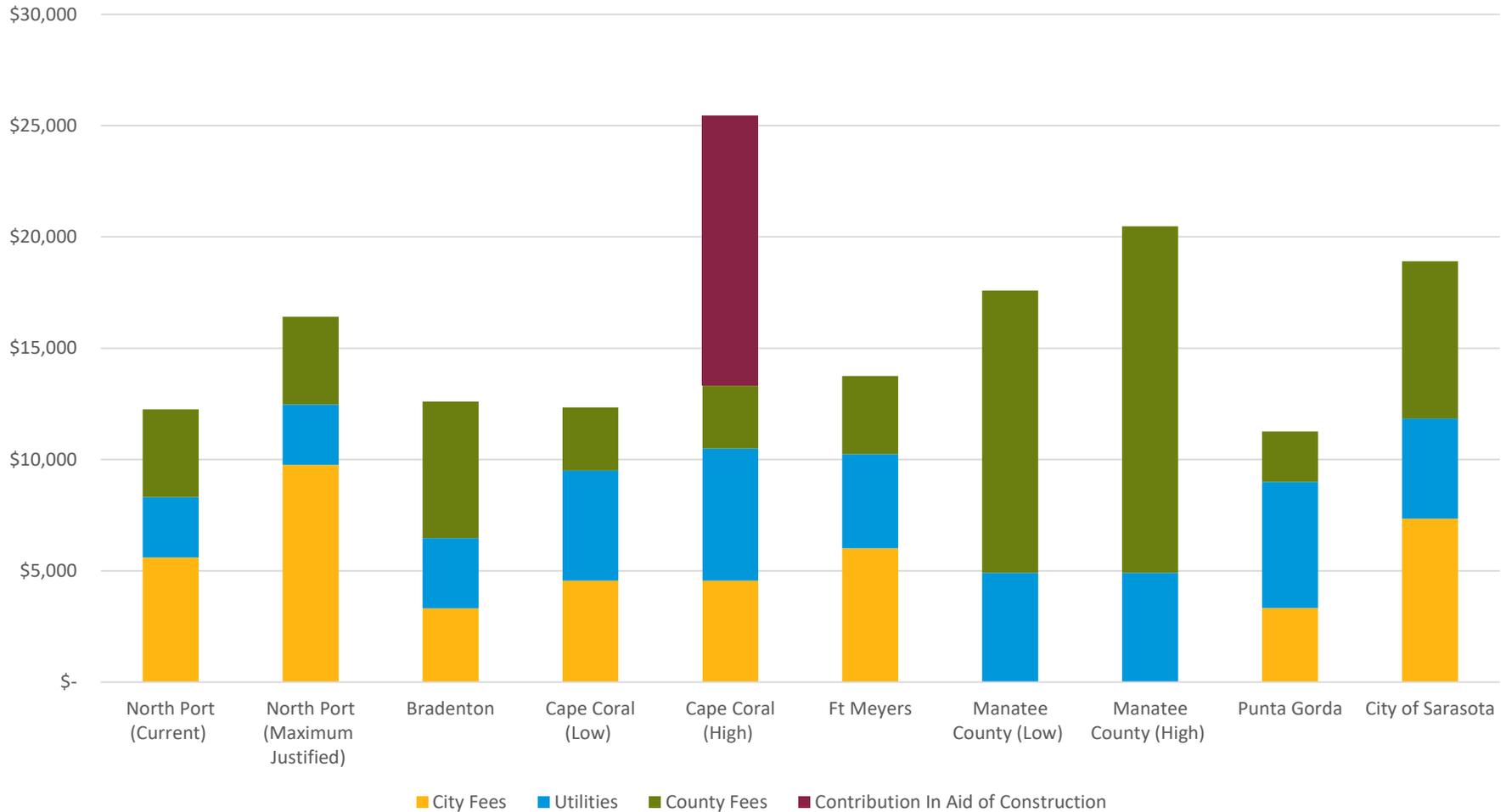
Note: Assumes 2,000 square foot, three bedroom, two bath single family dwelling unit.

Jurisdictions showing low and high fees demonstrate range of potential fees which vary by geographic fee zone.

Comparison to Other Jurisdictions



Single Family Impact Fees per Unit



Policy Options:

- Adopt less than the maximum justified fees
- Phase in fee increases
- Periodic inflation adjustments to fee schedule