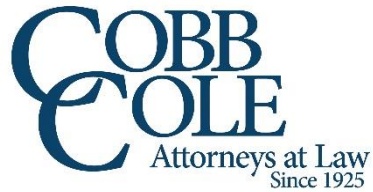


The Impact of TRANSPORTATION IMPACT FEES

THANK YOU TO OUR SUPER SPONSORS:



THANK YOU TO OUR MAJOR SPONSORS:



*Volusia County Association for Responsible
Development & its Flagler County Chapter*

HOUSEKEEPING
REFRESHMENTS
AGENDA - TIME LIMITATIONS
Q&A FOLLOWING EACH
SEGMENT
INTRODUCTION OF PANELISTS

Welcome



*Volusia County Association for Responsible
Development & its Flagler County Chapter*

PANEL:

MARK WATTS, ESQ., ATTORNEY, COBB COLE

JAMIE SEAMAN, ESQ., VOLUSIA COUNTY DEPUTY COUNTY ATTORNEY

JONATHAN PAUL, AICP, NUE URBAN CONCEPTS

**CLAY ERVIN, AICP, VOLUSIA COUNTY DIRECTOR OF GROWTH AND
RESOURCE MANAGEMENT**

R. SANS LASSITER, PE, LTG



1. What is an Impact Fee?

MARK WATTS, ESQ., COBB COLE

JAMIE SEAMAN, ESQ., DEPUTY ATTORNEY, VOLUSIA CO.



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An Impact Fee is...

Used to pay

For capital improvements

Needed to address impacts from new development

To maintain adopted levels of service.

Calculated using an analysis

that demonstrates each additional unit of development

Will require additional infrastructure

To maintain adopted levels of service.



Legal framework

***Hollywood, Inc. v. Broward County*, 431 So.2d 606 (Fla. 4th DCA), review denied, 440 So.2d 352 (Fla.1983).**

[T]he local government **must demonstrate** a reasonable connection, or **rational nexus, between the need for additional capital facilities and the growth in population** generated by the subdivision. In addition, the government **must show** a reasonable connection, or **rational nexus, between the expenditures of the funds collected and the benefits accruing** to the subdivision. In order to satisfy this latter requirement, the ordinance must specifically earmark the funds collected for use in acquiring capital facilities to benefit the new residents.

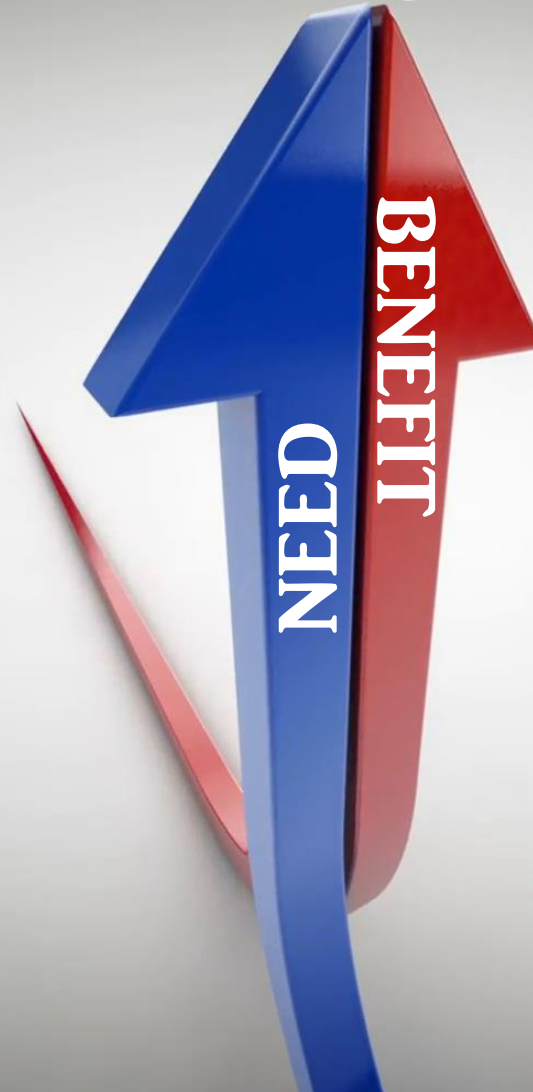
***Contractors & Builders Association v. City of Dunedin*, 329 So.2d 314 (Fla.1976).**

Raising expansion capital by setting [impact fees], which **do not exceed a pro rata share of reasonably anticipated costs of expansion**, is permissible where expansion is reasonably required, if use of the money collected is limited to meeting the costs of expansion. The cost of new facilities should be borne by new users to the extent new use requires new facilities, but only to that extent. When new facilities must be built in any event, **looking only to new users for necessary capital gives old users a windfall at the expense of new users**.



DUAL RATIONAL NEXUS

Need – new development creates need and the fee is proportional to the capacity consumed by the new development



Benefit – new development subject to the fee will benefit from the expenditure of the impact fee

Legal framework

163.31801 - Florida Impact Fee Act

Requires that the calculation of the impact fee be based on the **most recent** and **localized data**.

If a local governmental entity imposes an impact fee to address its infrastructure needs, the entity shall account for the revenues and expenditures of such impact fee in a separate accounting fund.

Limits administrative charges for the collection of impact fees to actual costs.

Requires that **notice be provided no less than 90 days before the effective date** of an ordinance or resolution imposing a new or increased impact fee. A county or municipality is not required to wait 90 days to decrease, suspend, or eliminate an impact fee.

In **any action challenging an impact fee**, the **government has the burden of proving by a preponderance of the evidence** that the imposition or amount of the fee meets the requirements of state legal precedent or this section. The court may not use a deferential standard.



When did Volusia County adopt Transportation Impact Fees?

THOROUGHFARE ROAD IMPACT FEE

adopted 1986, fee updated 2003

(Volusia County uses **local option fuel tax** and **thoroughfare road impact fees** for the majority of road projects.)

Other types of impact fees Volusia County adopted:

- PARKS *adopted 1990*
- FIRE/RESCUE *adopted 1989*
- SCHOOLS *adopted 1997*



Impact Fee CREDITS

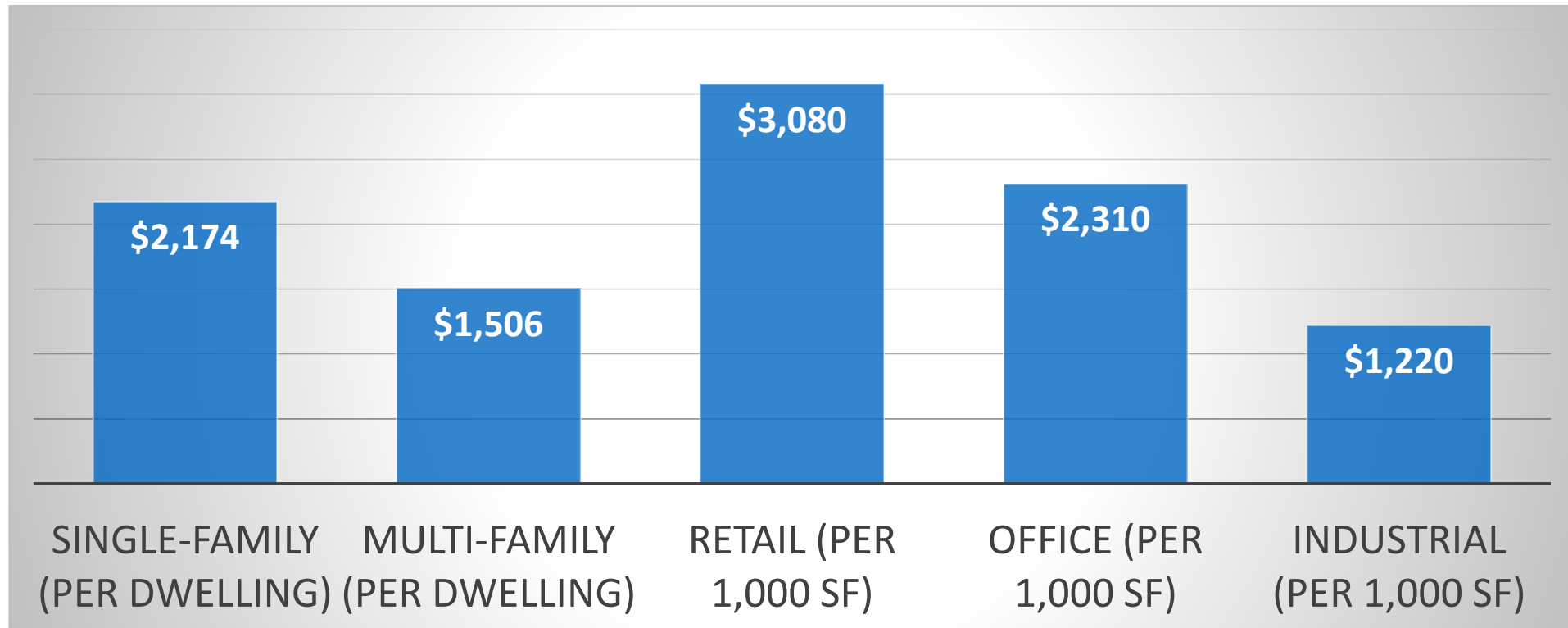
- Improvements may be eligible for credit for additional capacity to county thoroughfare roads.
- Granted to a developer that gives land or constructs an improvement that provides capacity to county thoroughfare roads.
- Any development that constructs a “pipe-lined” improvement or makes a proportionate share payment receives a dollar for dollar credit.

Impact Fee EXEMPTIONS

- Alterations and replacement of existing buildings with no additional units.
- Exemptions specific to property where the structure exists and cannot be transferred to other property.



Volusia Thoroughfare Road Impact Fees



Land Use	Size/No. DUs	Fee per unit	Fee paid
Apartments	286 du's	1,506.04/du	\$430,727.44
Fast Food Restaurant	4,325 sq. ft.	\$23.01/sq. ft.	\$99,518.25
Medical Office	9,335 sq. ft.	\$5.56/sq. ft.	\$51,902.60
Warehouse-Distribution	524,993 sq. ft.	\$.68/sq. ft. to \$1.22/sq. ft.	\$558,779.80
Retail	8,762 sq. ft.	\$5.35/sq. ft.	\$47,876.70
Corp. HQ	37,812 sq. ft.	\$1.48/sq. ft.	\$55,961.76



Table 9. Comparison of Total Impact Fees by Type for 1800 sq. ft., 3 Bedroom 2 Bath Home*

	Fire/EMS	Government	Parks	Police/Law Enforcement	City Transportation	County Thoroughfare	School	Water	Sewer	Total
Daytona Beach	\$192.00	\$595.00	\$1,385.00	\$325.00	\$299.00	\$2,173.88	\$3,000.00	\$1,253.00	\$1,660.00	\$10,882.88
DeBary		\$186.79	\$528.56			\$2,173.88	\$3,000.00	\$1,334.17	\$2,935.96	\$10,159.36
DeLand	\$82.00	\$185.41	\$850.79	\$112.00		\$2,173.88	\$3,000.00	\$2,800.00	\$3,500.00	\$13,704.08
Deltona	\$221.40		\$1,539.90	\$113.40	\$1,044.00	\$2,173.88	\$3,000.00	\$1,872.00	\$3,817.00	\$13,781.58
Edgewater	\$330.51		\$612.11	\$111.45	\$1,426.17	\$2,173.88	\$3,000.00	\$1,612.43	\$2,226.69	\$11,493.24
Holly Hill	\$254.98		\$711.78	\$221.69	\$421.10	\$2,173.88	\$3,000.00	\$1,422.00	\$1,908.00	\$10,113.43
Lake Helen	\$299.54	\$200.00	\$200.00	\$200.00	\$550.00	\$2,173.88	\$3,000.00			\$6,623.42
New Smyrna Beach	\$331.24		\$140.10	\$306.84		\$2,173.88	\$3,000.00	\$1,340.00	\$1,290.00	\$8,582.06
Oak Hill	\$299.54					\$2,173.88	\$3,000.00	\$1,546.04	\$2,935.96	\$9,955.42
Orange City	\$223.72		\$438.26	\$85.87	\$560.32	\$2,173.88	\$3,000.00	\$1,600.00	\$3,100.00	\$11,182.05
Ormond Beach			\$1,312.24		\$162.61	\$2,173.88	\$3,000.00	\$2,717.00	\$2,647.00	\$12,012.73
Pierson	\$299.54					\$2,173.88	\$3,000.00	\$239.75		\$5,713.17
Ponce Inlet			\$347.81			\$2,173.88	\$3,000.00	\$1,018.00	\$1,868.00	\$8,407.69
Port Orange			\$1,525.00		\$902.00	\$2,173.88	\$3,000.00	\$1,555.00	\$1,540.00	\$10,695.88
South Daytona	\$301.97		\$315.00	\$164.69	\$436.46	\$2,173.88	\$3,000.00	\$625.00	\$426.00	\$7,443.00
Unincorporated	\$299.54		\$608.14			\$2,173.88	\$3,000.00	\$1,334.17	\$2,935.96	\$10,351.69

*Water and sewer connection and impact fees will vary depending on the utility provider.

Comparison of total impact fees within Volusia County



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Question & Answer



2. How Can Impact Fees Be Spent?

CLAY ERVIN, AICP, VOLUSIA COUNTY GROWTH MANAGEMENT DIRECTOR



*Volusia County Association for Responsible
Development & its Flagler County Chapter*

County Road Impact Fee Facts

Thoroughfare Road Impact Fees:

- Can **ONLY** be used on Thoroughfare Road capacity projects in the zone
- **CANNOT** be used for maintenance
- **CANNOT** be used to address **EXISTING** deficiencies



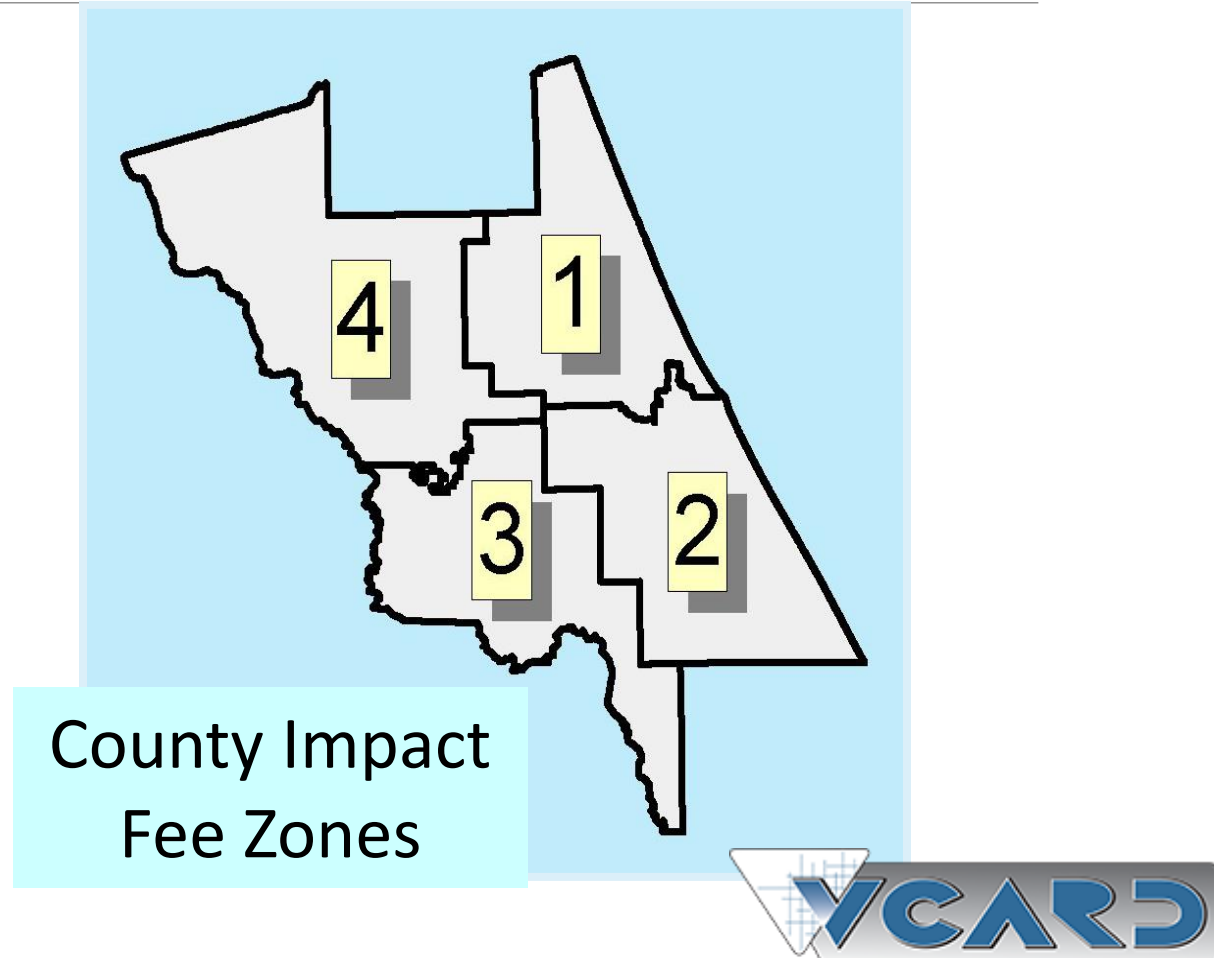
County Road Impact Fee Facts

- Impact fees must be spent in a **timely manner** or they must be **refunded**
- Typically, impact fees are paid before a building receives a **certificate of occupancy**



Background – ROAD IMPACT FEES

- There are four thoroughfare road impact fee zones.
- Impact fees are used for expansion of existing roads and the study, design, land acquisition, and construction of new roads.
- There are restrictions that limit the use of road impact fees within the zones.



HISTORY OF EXPENDITURES

(FY 2004/05 – FY 2016/17)

ALL IMPACT FEE EXPENDITURES \$23,850,206

Zone 4

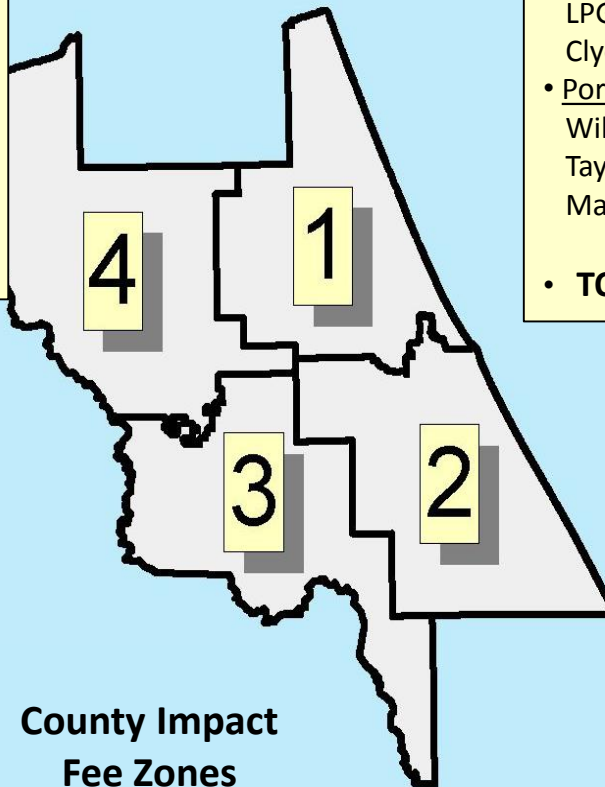
- DeLand
Orange Camp Rd- MLK, Jr to US 17/92
I-4 Frontage Rd- SR 472 to Orange Camp
Kepler Rd- SR 44 to US 92

• **TOTAL EXPENDITURES: \$345,501**

Zone 3

- Deltona
Howland Blvd- Elkcam to Newmark
Howland Blvd- Deltona High School to Providence
Saxon Blvd- Normandy to Tivoli
- Orange City
Hamilton Ave Extension- Saxon to French
Rhode Island Extension- US 17/92 to University High School
- DeBary/Deltona
DeBary Avenue Bypass- Deltona Blvd to Providence
Saxon Blvd Extension- US 17/92 to Proposed SunRail Station

• **TOTAL EXPENDITURES: \$7,138,259**



Zone 1

- Ormond Beach
Tymber Creek Rd & Airport Rd intersection
Airport Rd & Sunshine Blvd intersection
- Daytona Beach
Williamson Blvd- US 92 to LPGA
LPGA Blvd- Jimmy Ann to SR5A/Nova
Clyde Morris Blvd- LPGA to Falls Way
- Port Orange
Williamson Blvd- Spruce Creek to Taylor
Taylor Rd- Dunlawton to Spruce Creek
Madeline Ave Extension- Sauls to US 1

• **TOTAL EXPENDITURES: \$14,984,564**

Zone 2

- Edgewater/New Smyrna Beach
Old Mission Rd- Park Ave to Josephine
Tenth St- Tatum to Myrtle
Pioneer Trail & Turnbull Bay Rd intersection

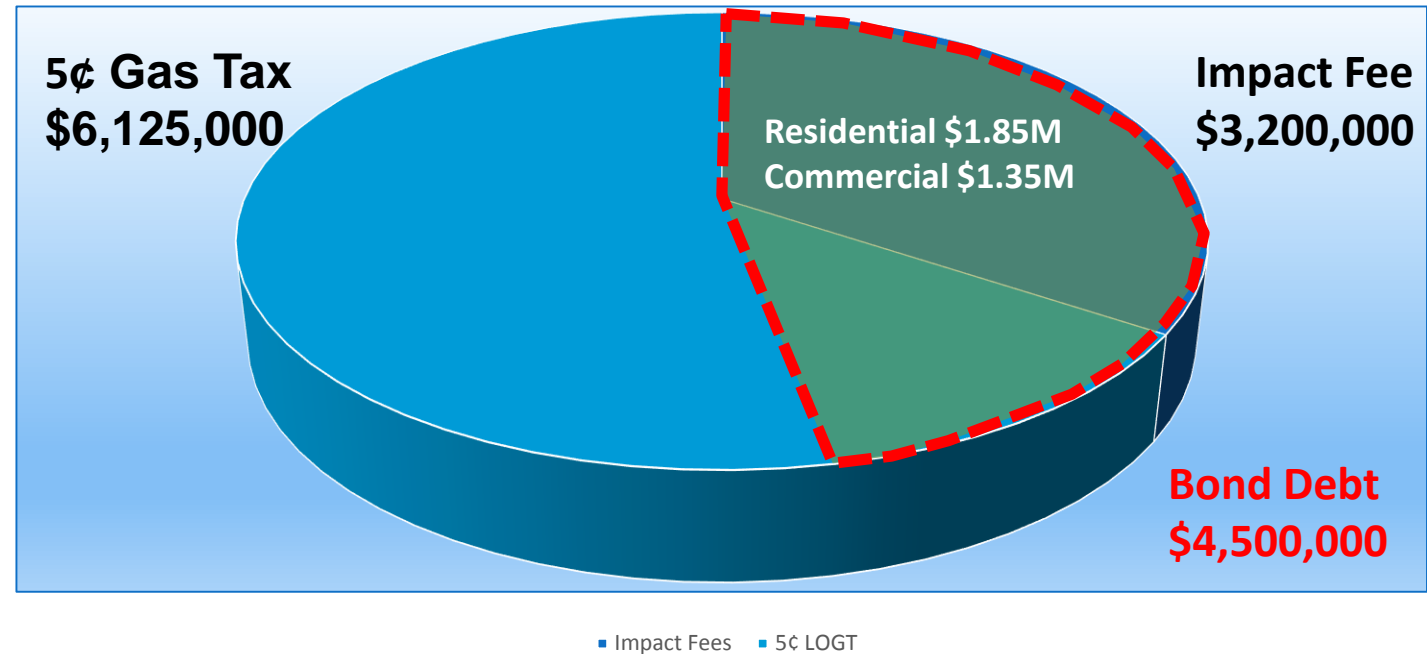
• **TOTAL EXPENDITURES: \$1,381,882**



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How do we currently pay for capacity and our revenue sources?

Total Gas Tax & Impact Fee Revenue FY 17/18 = \$9,325,000



Remaining Funding Available for Capacity: \$4,825,000

To Widen Road from 2 to 4 Lanes = ~\$6,000,000 per mile

So County can Build a road from 2 to 4 Lanes ~0.8 mile/year



Question & Answer



3. Components of an Impact Fee

JONATHAN PAUL, AICP, NUE URBAN CONCEPTS



*Volusia County Association for Responsible
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How Does Volusia County Calculate Impact Fees?

- Based on the cost of providing additional capital facilities for the proposed use;
- Based on trips generated by the type of development, the impacted roads, and the net cost of construction of a new road;
- Based on current local data.



$$\text{Road Impact Fee} = ((1/2) \times (\text{TGR}) \times (\% \text{NT}) \times (\text{DF}) \times (\text{ATL}) \times (\text{CC/LM}) / \text{LM Capacity}) - \text{Credits}$$

Breaking Down the Formula

Trip Generation Rate (TGR): The average daily trip generation rate, in vehicle-trips/day.

Percent New Trips (%NT): Adjustment factor for trips that are already on the roadway.

Average Trip Length (ATL): The total daily miles traveled associated with a particular land use. This reflects an adjustment to account for local roads and is divided in half to avoid double counting, since every land use has an origin and a destination.

Distribution Factor (DF): Adjustment factor to account for the travel on city, county, state and federal roadways. There is an adjustment to exclude travel occurring on roads that are not eligible to be funded with the county's thoroughfare impact fee (interstates/toll facilities, local roads, and city collectors).

Construction Cost per Lane Mile (CC/LM): The cost of constructing one mile of a thoroughfare road divided by the average capacity added per lane mile, which is the increase in average daily traffic on one lane-mile of roadway.

Lane Mile Capacity (LM Capacity): the weighted capacity of one mile of lane.



Breaking Down the Formula

Road Impact Fee = $((1/2) \times (TGR) \times (\%NT) \times (DF) \times (ATL) \times (CC/LM)/LM \text{ Capacity}) - \text{Credits}$



What are credits?

- Local Option Gas Tax
 - New Gas Tax Paid by the New Development
- Other Revenues Dedicated to Road Construction
 - Dedicated Property Taxes (doesn't apply to Volusia County)
- Local Option Sales Tax

Components of an Impact Fee

- Allow for alternate Impact Fee Studies
- Impact Fee Rate Indexing for Inflation
- Regular Impact Fee Study Updates



Question & Answer



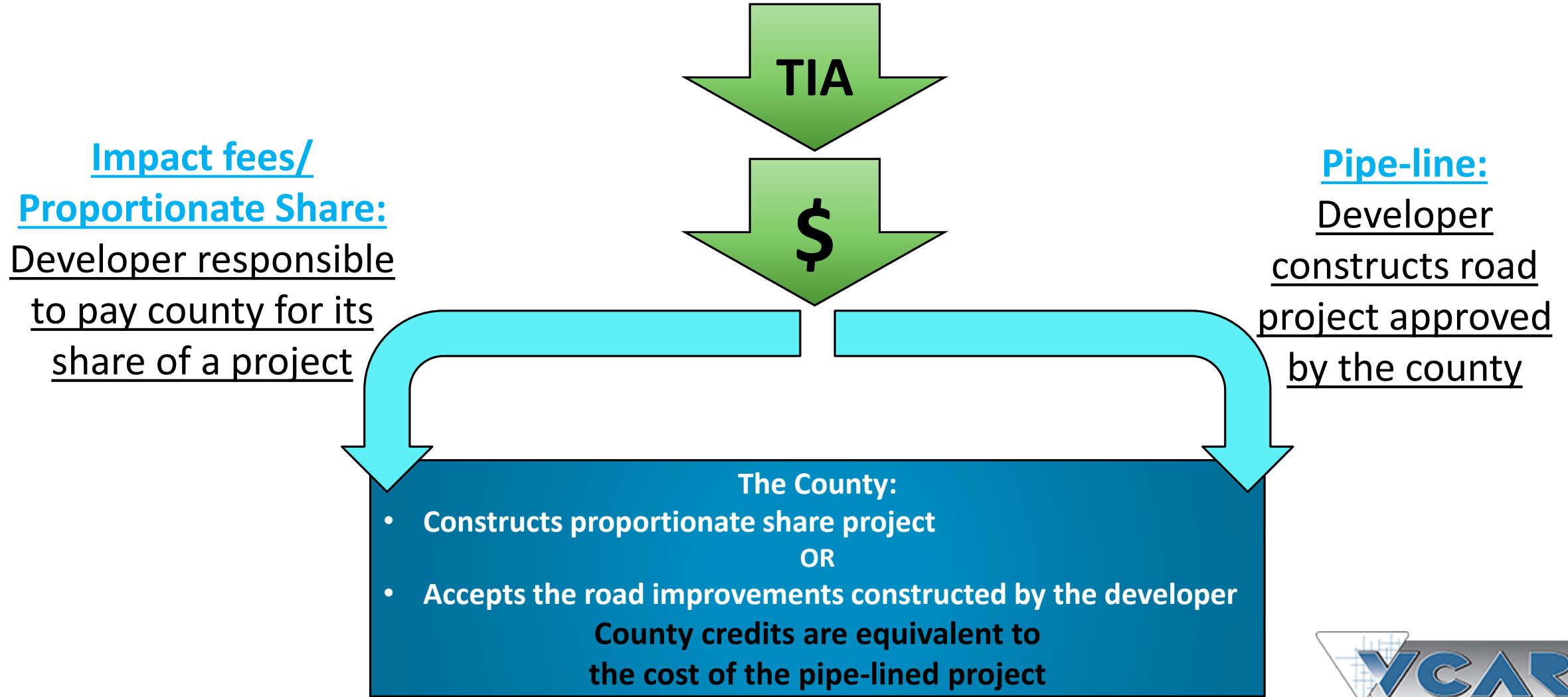
4. Implementing Impact Fees

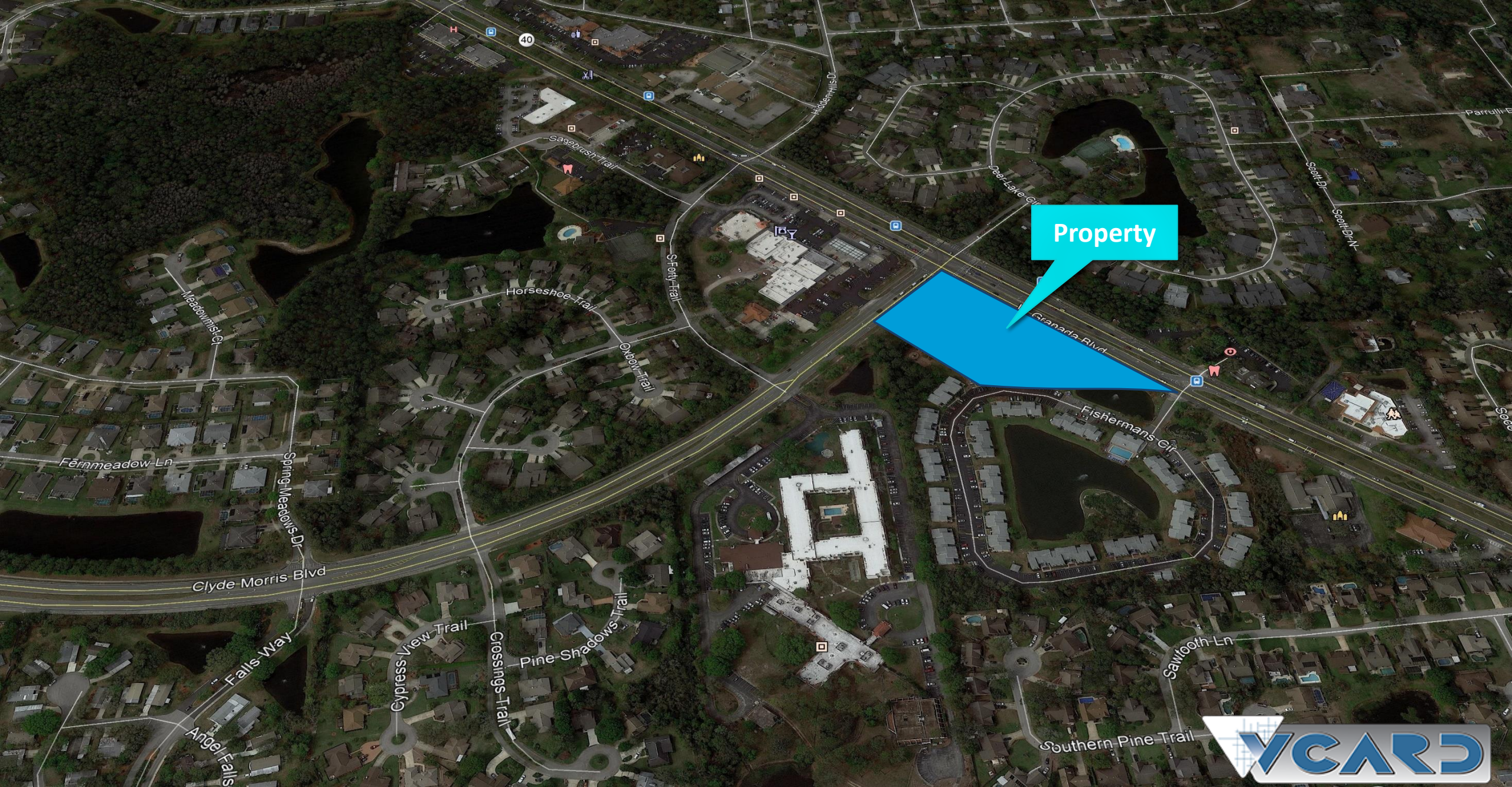
SANS LASSITER, PE, LTG



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How does the county ensure that new development is paying for its impact on the county thoroughfare network?





Property

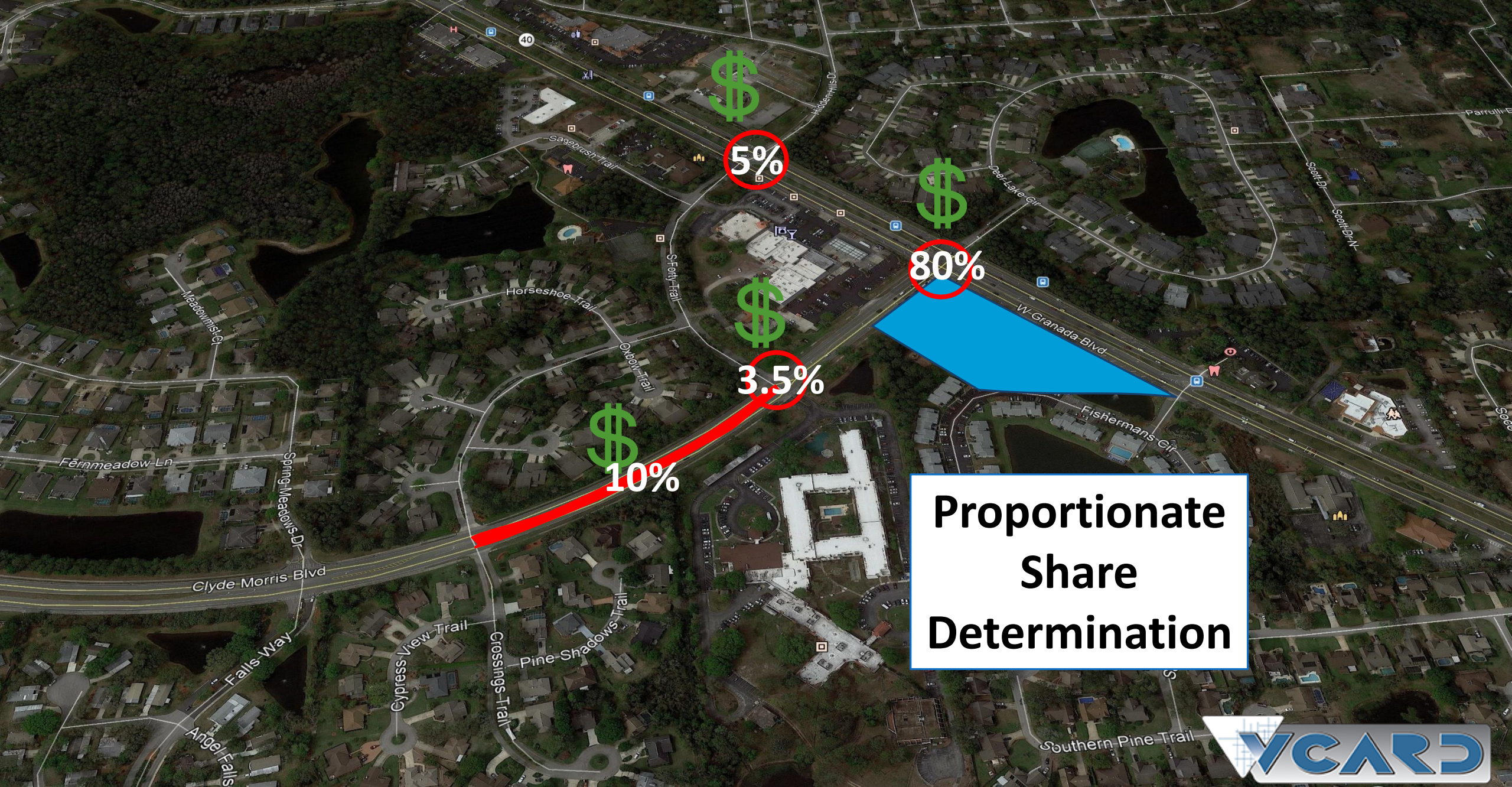


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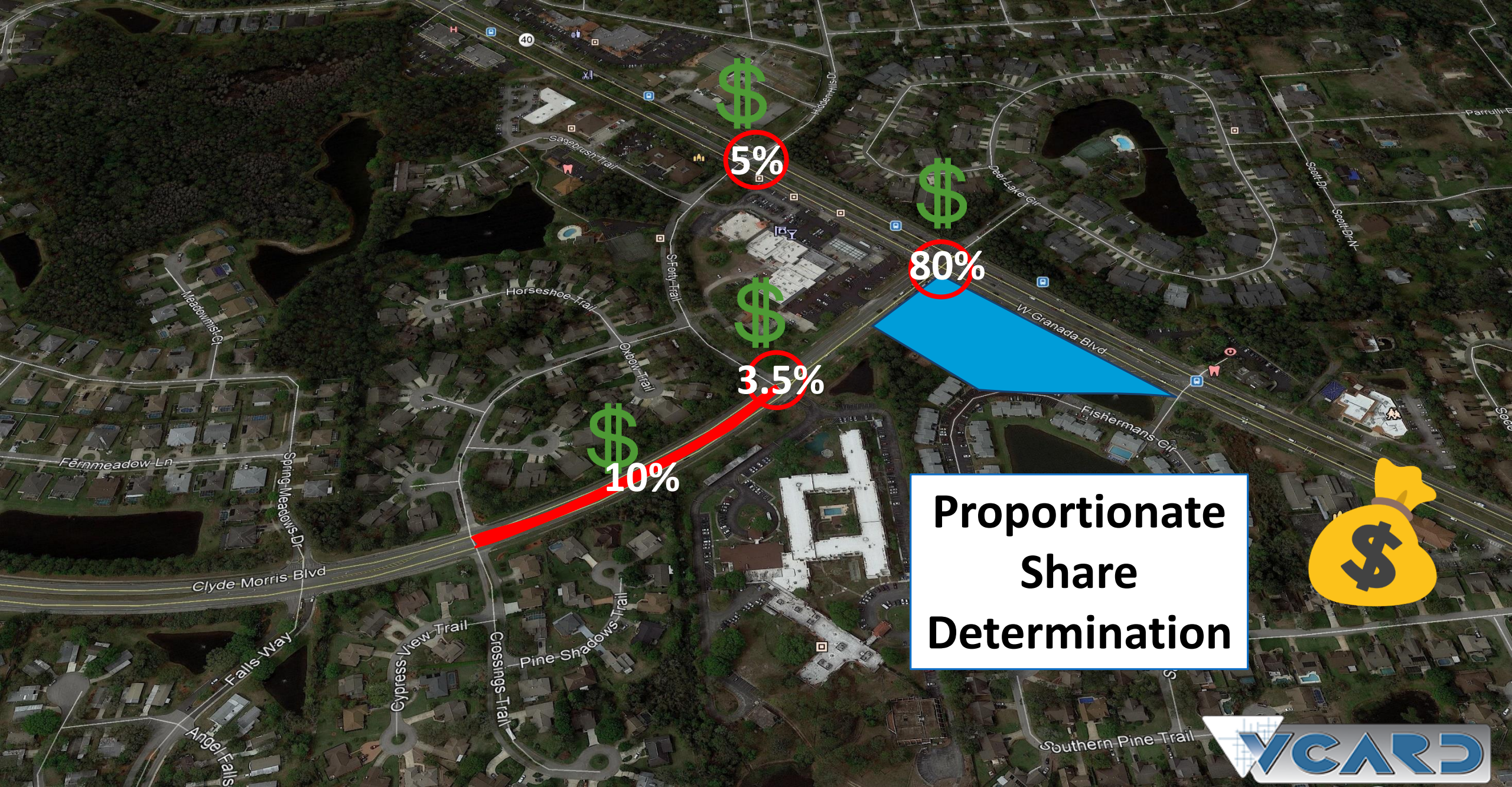
**TIA Identifies
Improvement Needs**





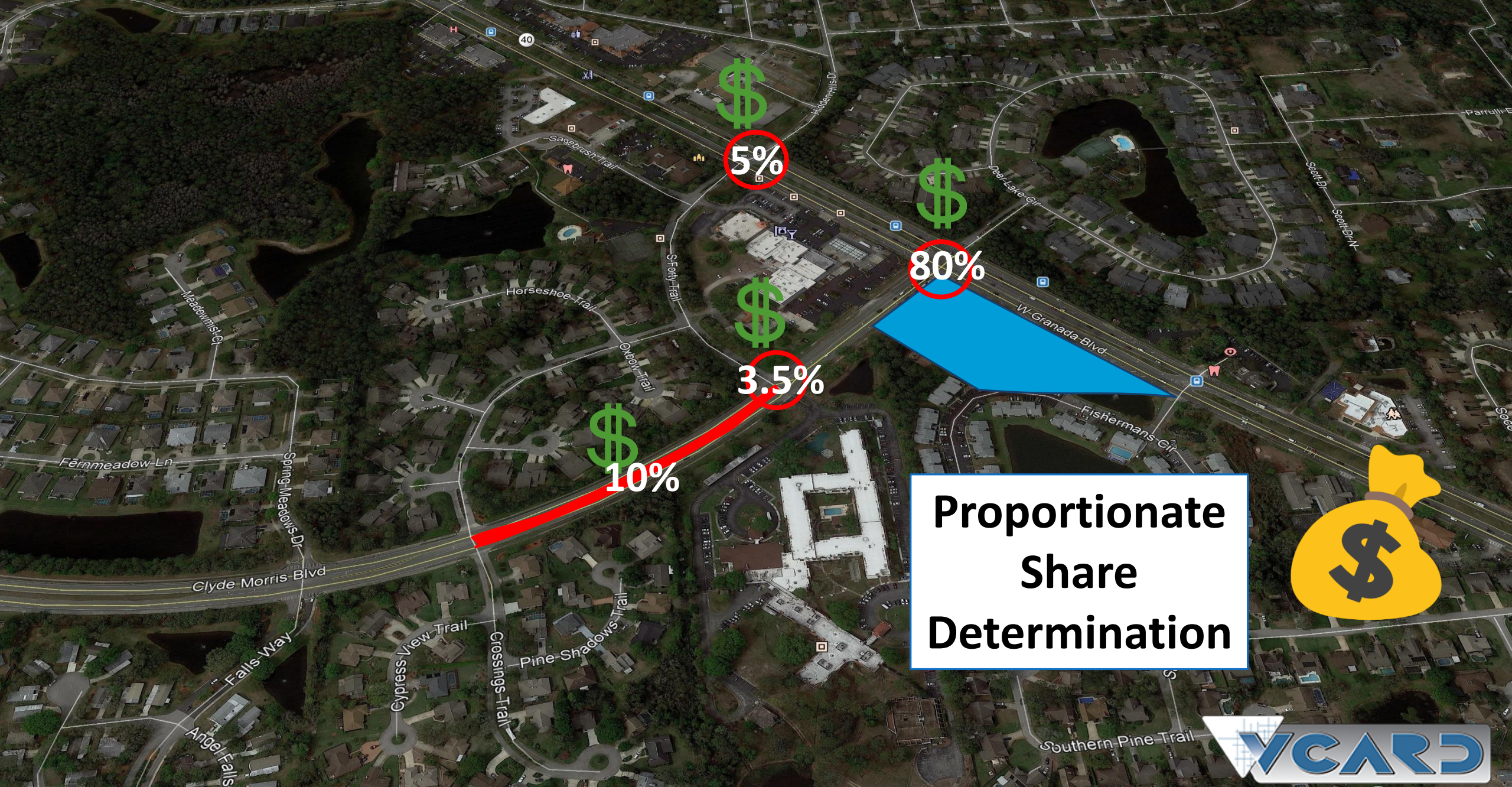
**Proportionate
Share
Determination**





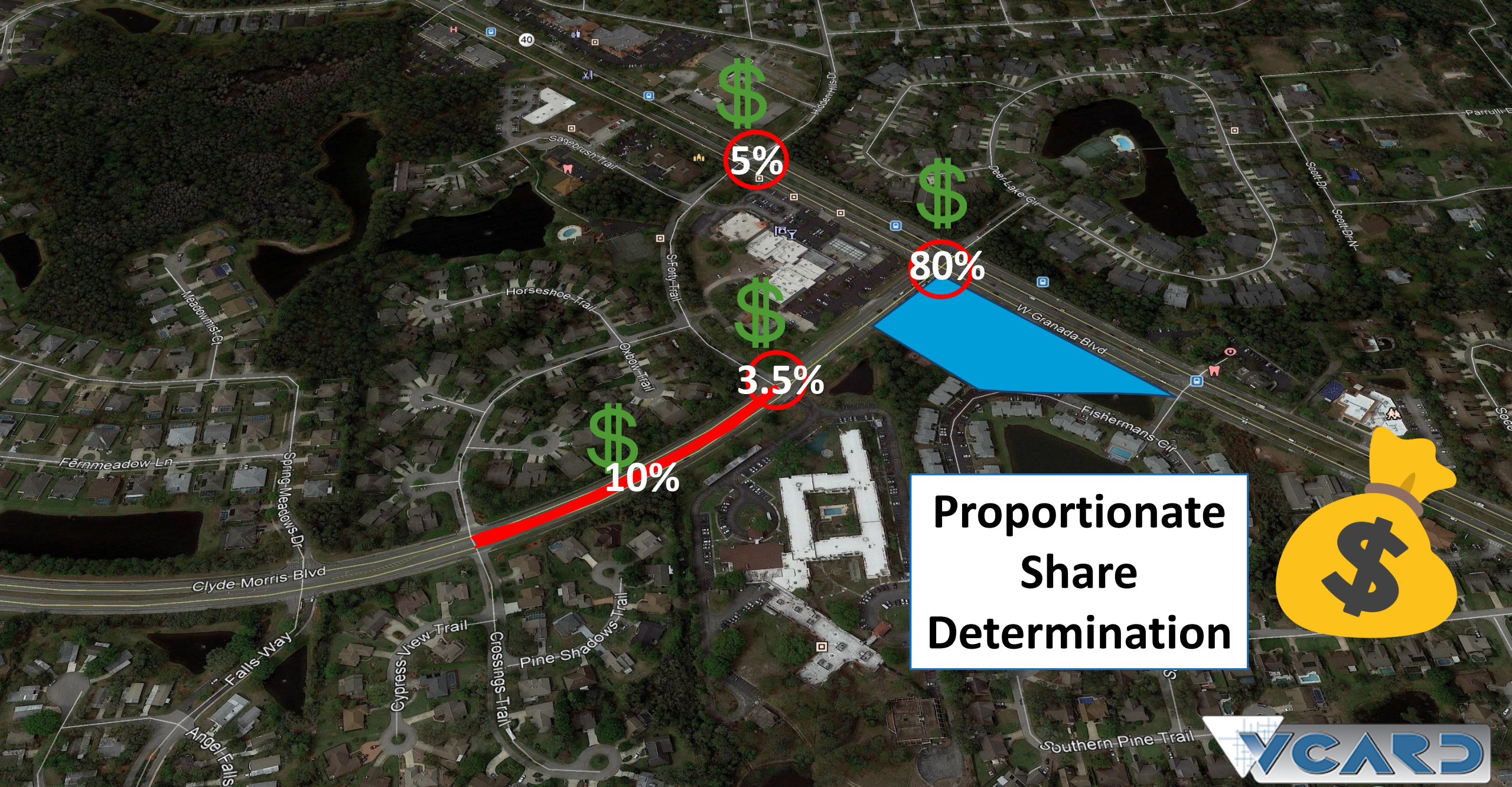
**Proportionate
Share
Determination**





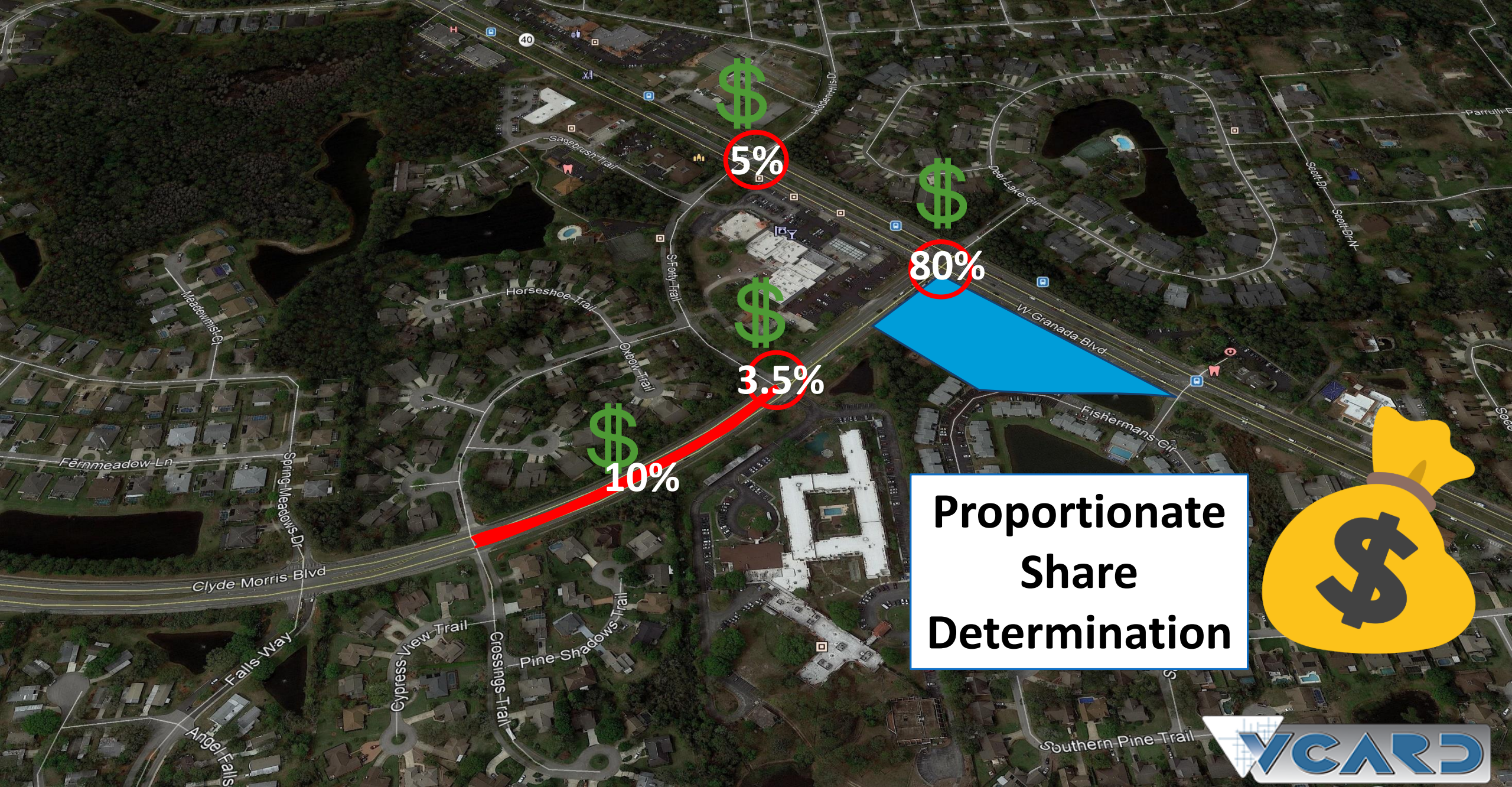
**Proportionate
Share
Determination**





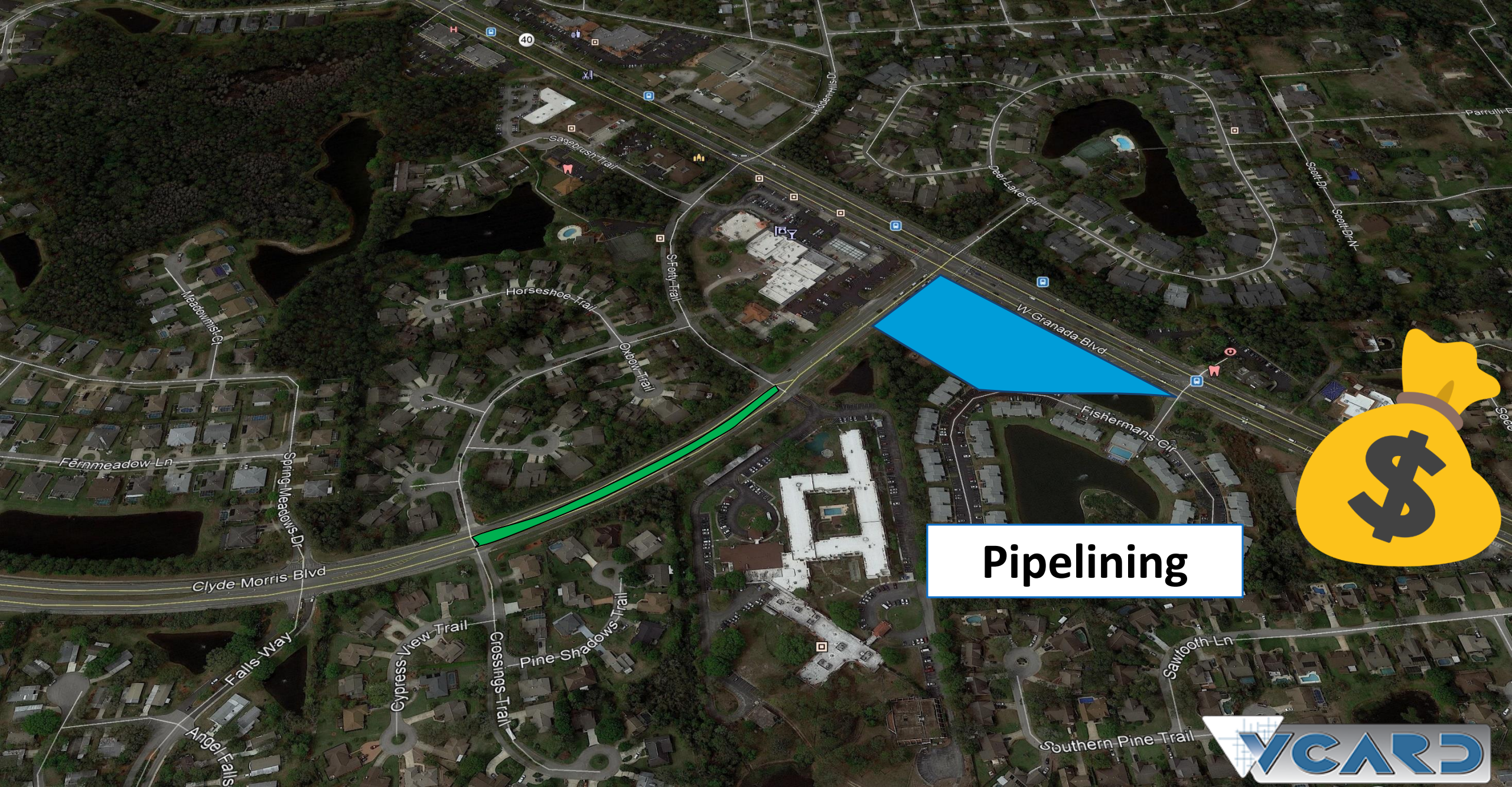
**Proportionate
Share
Determination**





**Proportionate
Share
Determination**





Pipelining



Developer Perspective

Example 1

IMPACT FEES= \$1.2 M

PROPORTIONATE FAIR SHARE= \$1.0 M

TOTAL DUE= \$1.2 M

Example 2

IMPACT FEES= \$1.2 M

PROPORTIONATE FAIR SHARE= \$1.5 M

TOTAL DUE= \$1.5 M

Developer always pays the greater amount.



County Perspective

Example 1

IMPACT FEES= \$1.2 M

PROPORTIONATE FAIR SHARE= \$1.0 M

IMPACT FEES RECEIVED = \$0.2 M

Example 2

IMPACT FEES= \$1.2 M

PROPORTIONATE FAIR SHARE= \$1.5 M

TOTAL DUE= \$0 M

Project constructed – Revenues decreased



Question & Answer



5. Impact Fees vs Mobility Fees

JONATHAN PAUL, AICP, NUE URBAN CONCEPTS



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Katy Freeway, Houston TX

Can a community build its way out of Congestion?

26 Lanes Wide

12 main lanes

8 feeder lanes

6 managed lanes

Result:

Slower Travel Speed

Greater Delay

Increase in Crashes



Mobility Plan & Mobility Fee



LAND USE

- Downtown
- Transit Oriented Development
- Multimodal
- Oriented Development
- Mixed-Use
- Density
- Intensity
- Urban Design
- Climate Change
- Vision, Goals, Objectives & Policies



TRANSPORTATION

- Multimodal Improvements
- Mobility, Connectivity & Accessibility
- Walking, Biking & Non-Motorized Travel
- Transit (Bus, Trolley, Rail, Water Taxi)
- Car & Bicycle Sharing
- Innovative Parking Strategies
- Reduce Greenhouse Gases
- Performance Measures



FUNDING

- Mobility Fees
- Community Redevelopment Agency
- Downtown Development Authority
- Infrastructure Sales Tax
- Special Infrastructure Assessments
- Bonds
- Federal, State, County & Transit Funding
- Parking Revenues
- Gas Taxes

An adopted **Mobility Plan** serves as the basis for establishing a **Mobility Fee**

An adopted **Mobility Fee** is used to fund the Improvements, Capital & Services identified in an adopted **Mobility Plan**



Road Impact Fees Fund New Road Capacity

Roads



Turn Lanes



Roundabouts



Sometimes Signals



Mobility Fees Fund Multimodal Improvements



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Road Impact Fees

Vehicle Miles of Travel Based



Mobility Fees

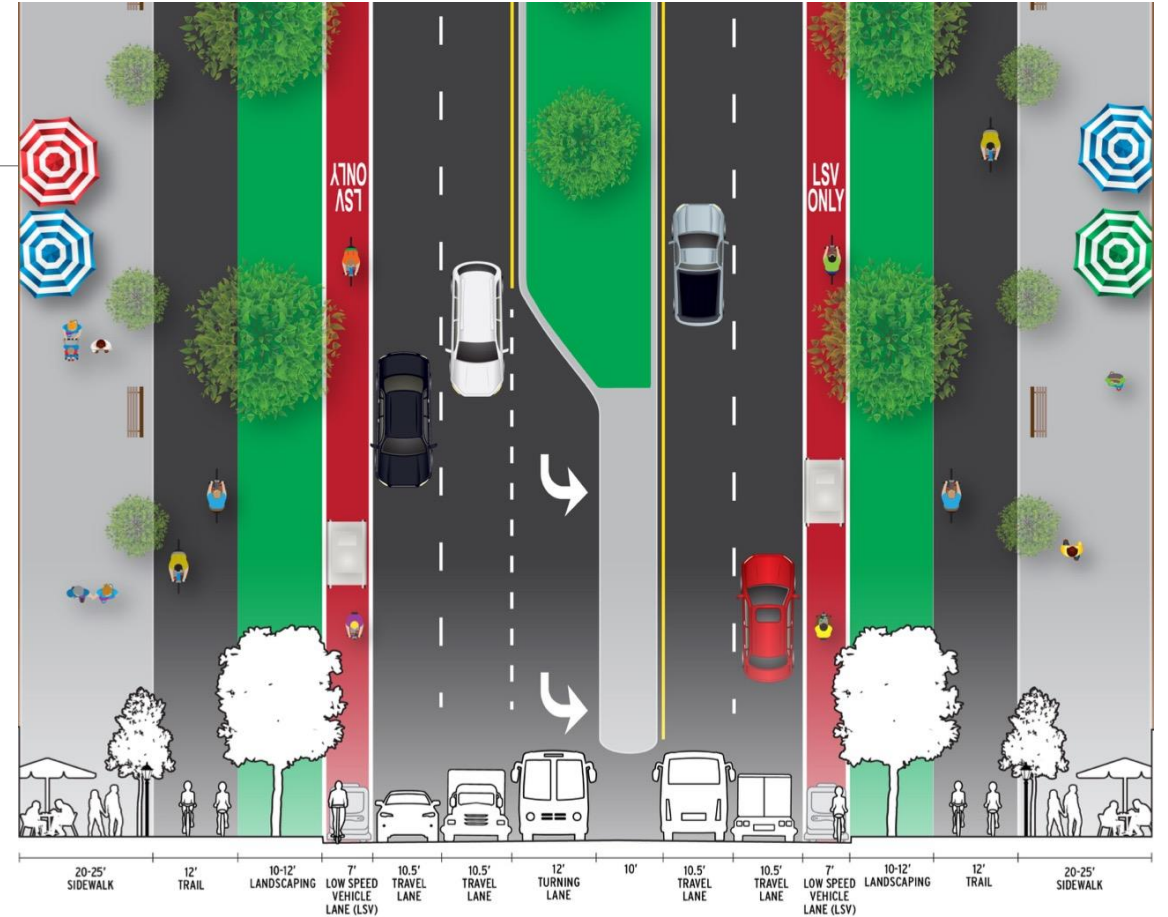
Person Miles of Travel Based



Reimaging Roads (Road Diets)



Complete Streets

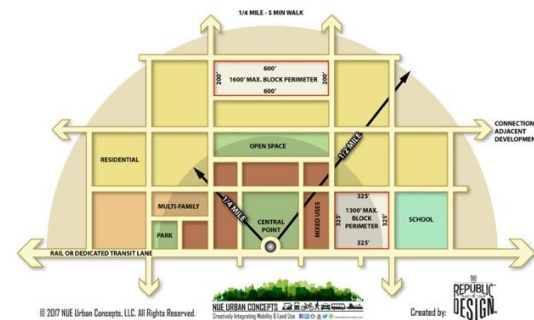
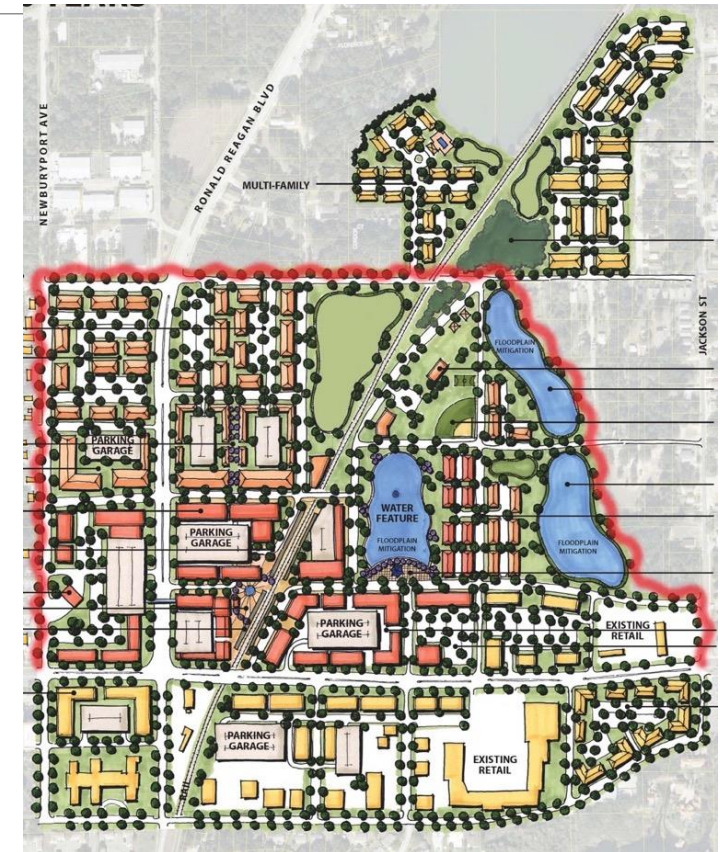
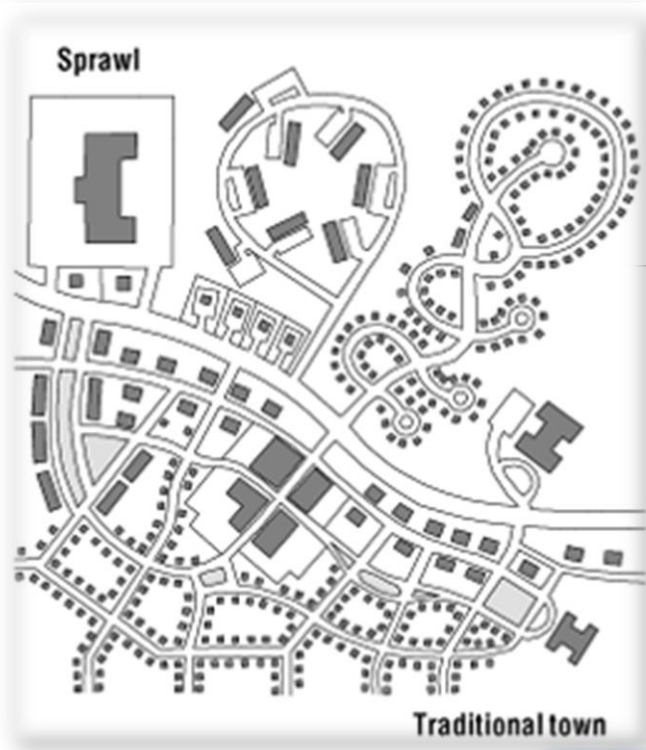


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What locations are best suited for Mobility Plans & Mobility Fees?

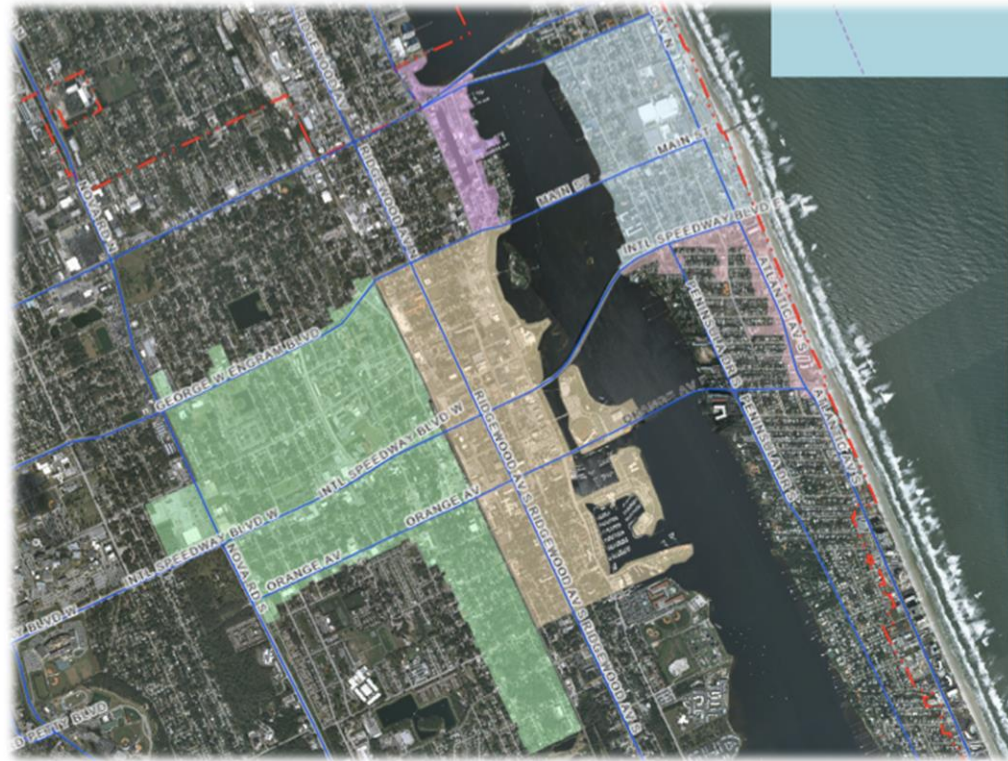


Mixed-Use Development & Transit Oriented Development



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Downtowns, CRAs & Overlay Districts



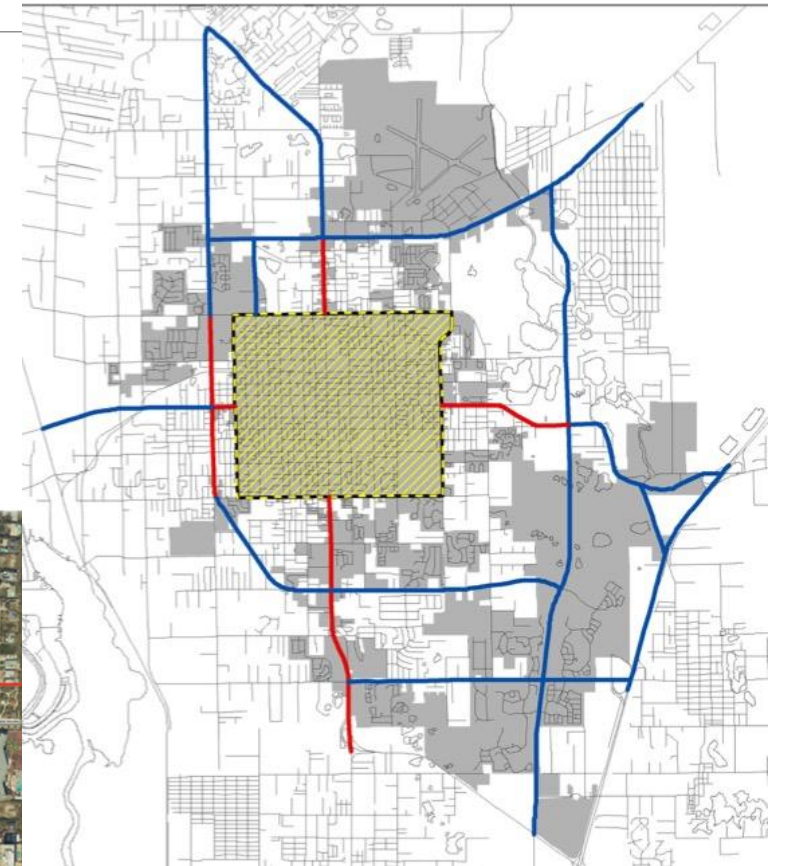
Redevelopment Zones

- Ballough Road Redevelopment Zone
- Downtown Redevelopment Zone
- Main Street Redevelopment Zone
- Midtown Redevelopment Zone
- South Atlantic Redevelopment Zone



ORMOND BEACH DOWNTOWN MASTER PLAN UPDATE

Control Business District



Volusia County Association for Responsible Development & its Flagler County Chapter

Question & Answer



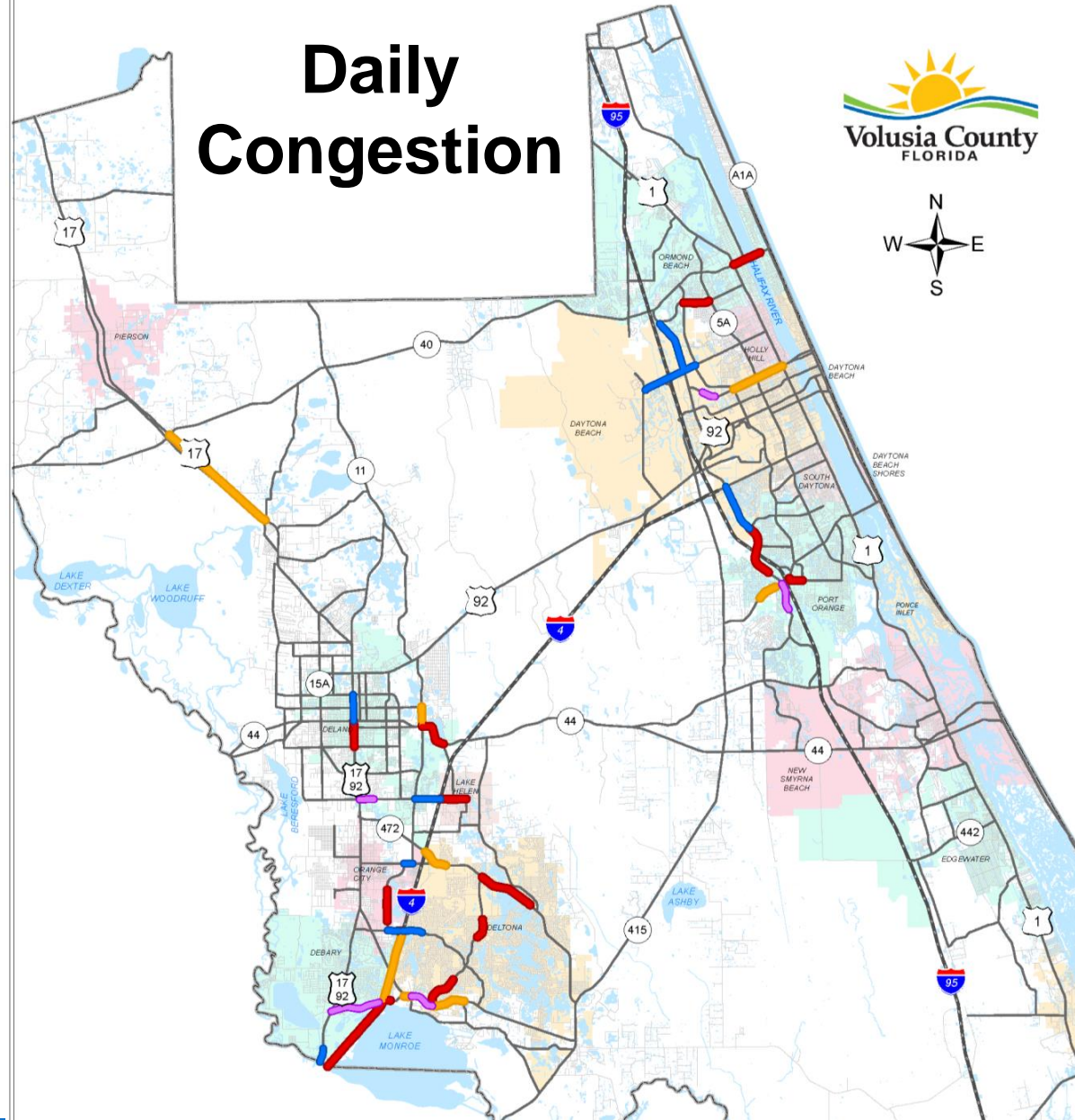
6. What are Volusia Co. Infrastructure Needs?

CLAY ERVIN, AICP, VOLUSIA CO. GROWTH MANAGEMENT DIRECTOR



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Daily Congestion



East Volusia

- SR 40/Granada Blvd
- Hand Ave
- LPGA Blvd
- Williamson Blvd
- Mason Ave
- Taylor Rd

Key To Features

-  Critical
-  Near Critical
-  Vested Critical*
-  Vested Near Critical**
-  Impact Fee Zones



- **US 1 & I-95 Interchange**
- **US 1 & SR 5A/Nova Rd**
- **US 1 & 10th St**
- **US 1 & Park Ave**
- **Tomoka Farms Rd & Pioneer Trail**

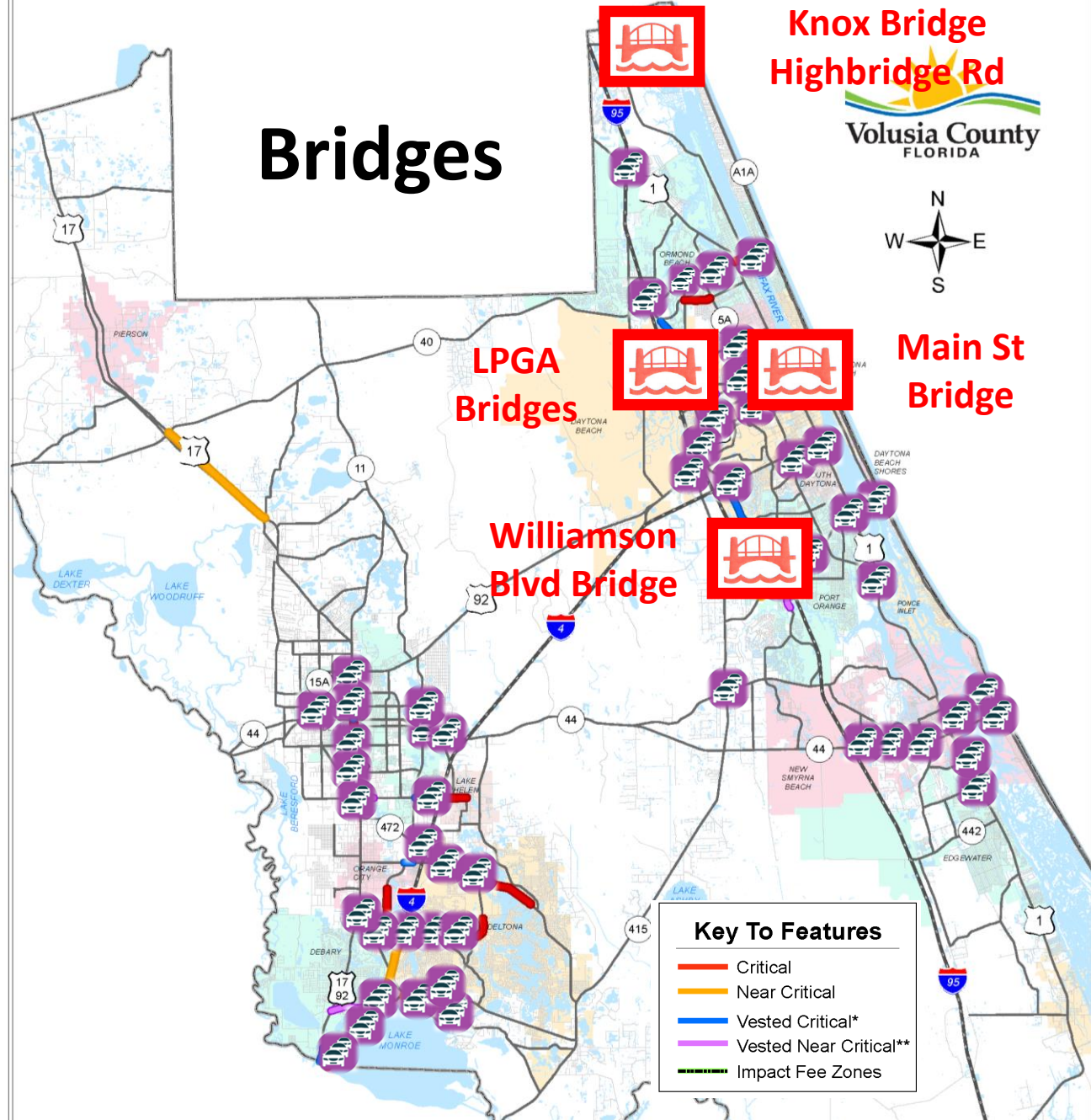
❖ **Daily Congestion**
 🚗 **Peak Congestion**
 🌉 **Bridge Infrastructure**

Capacity:

- LPGA Bridge over Tomoka River
- LPGA Bridge over Interstate 95
- Williamson Bridge over Interstate 95

Functional Obsolete:

- Main St Bridge
- Knox Bridge

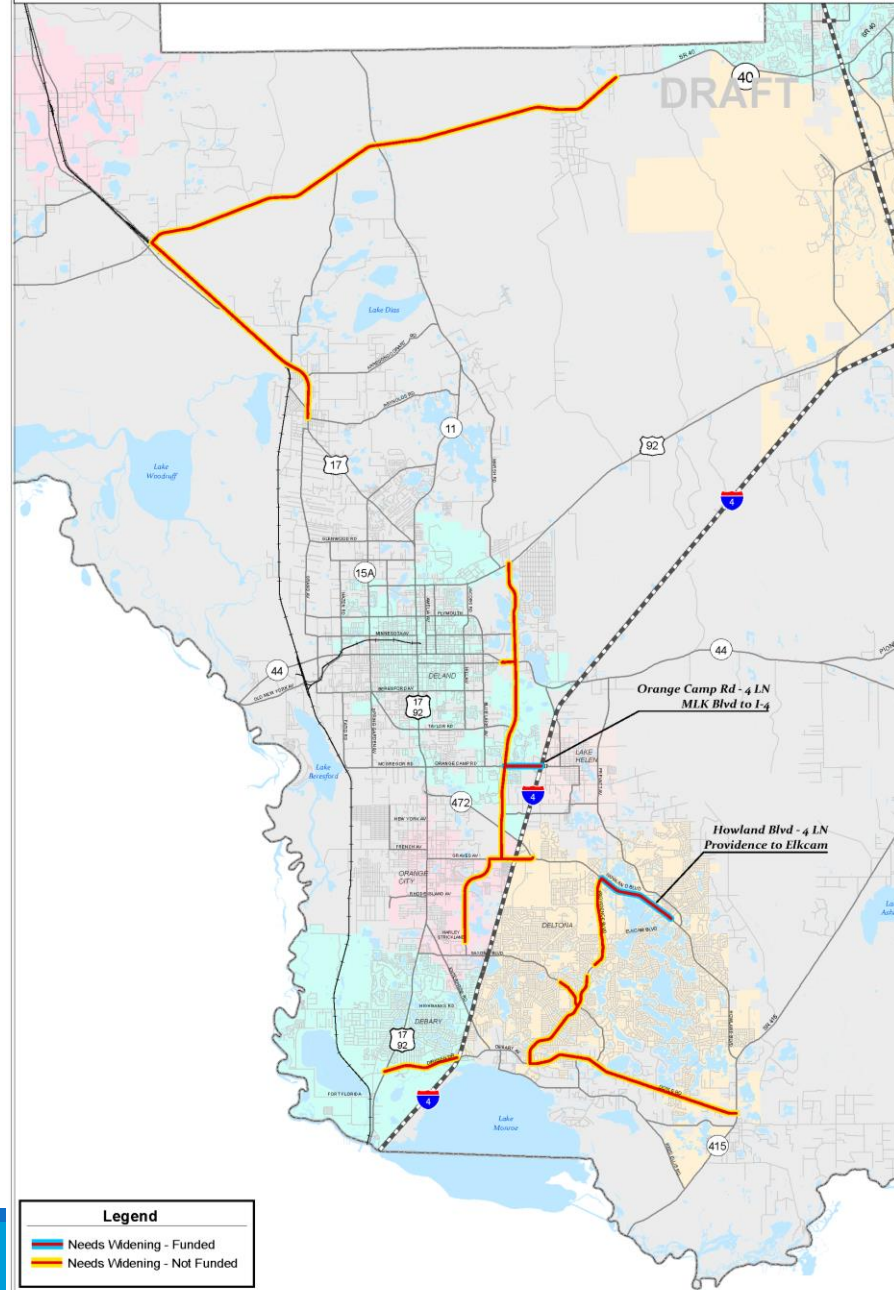


The County Wish List

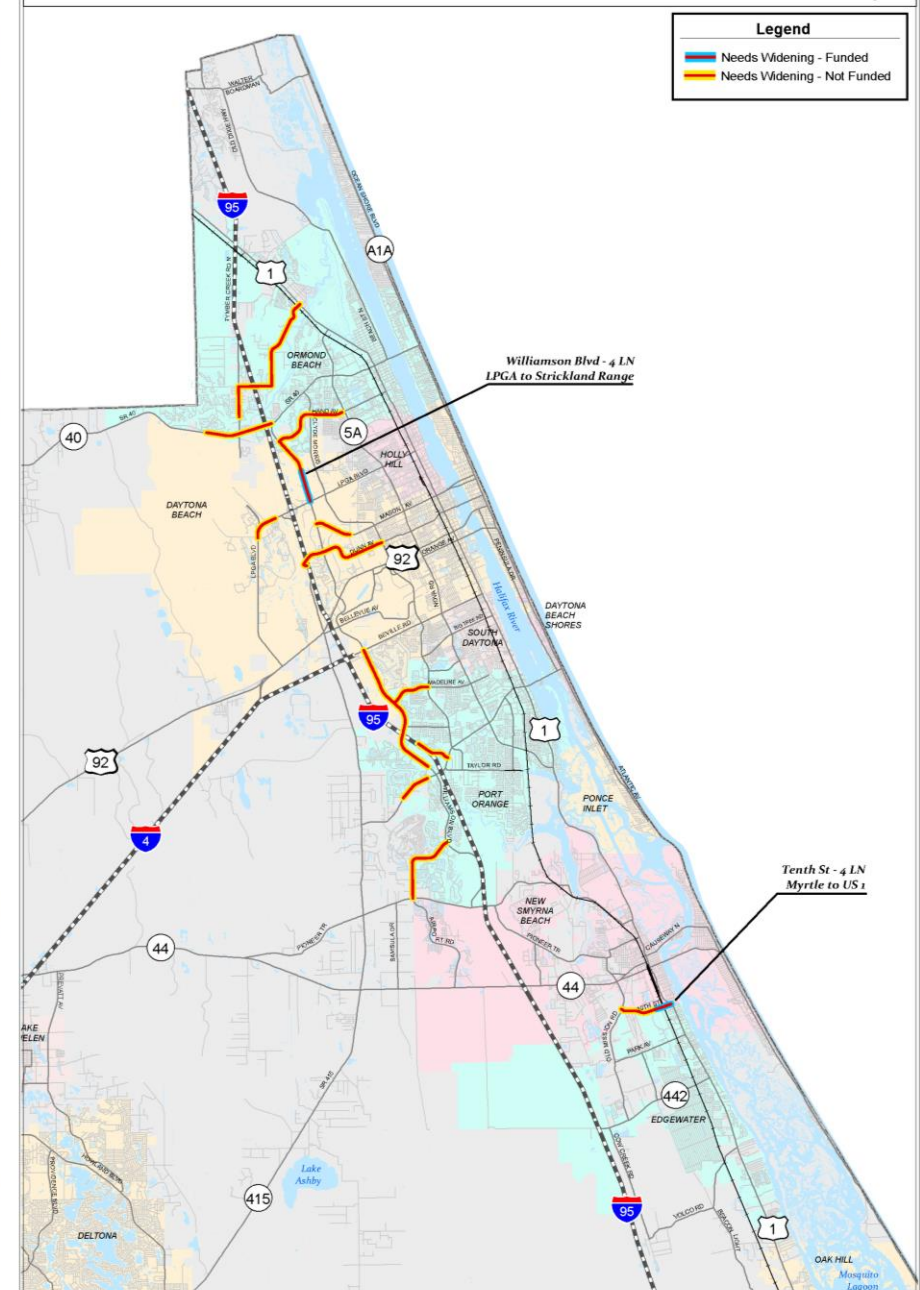


Volusia County Association for Responsible Development & its Flagler County Chapter

Lanes 2025 Widening Needs Funded/Unfunded Projects West Volusia County



Lanes 2025 Widening Needs Funded/Unfunded Projects East Volusia County



Version 1
April 10, 2017



Version 1
April 10, 2017



Question & Answer



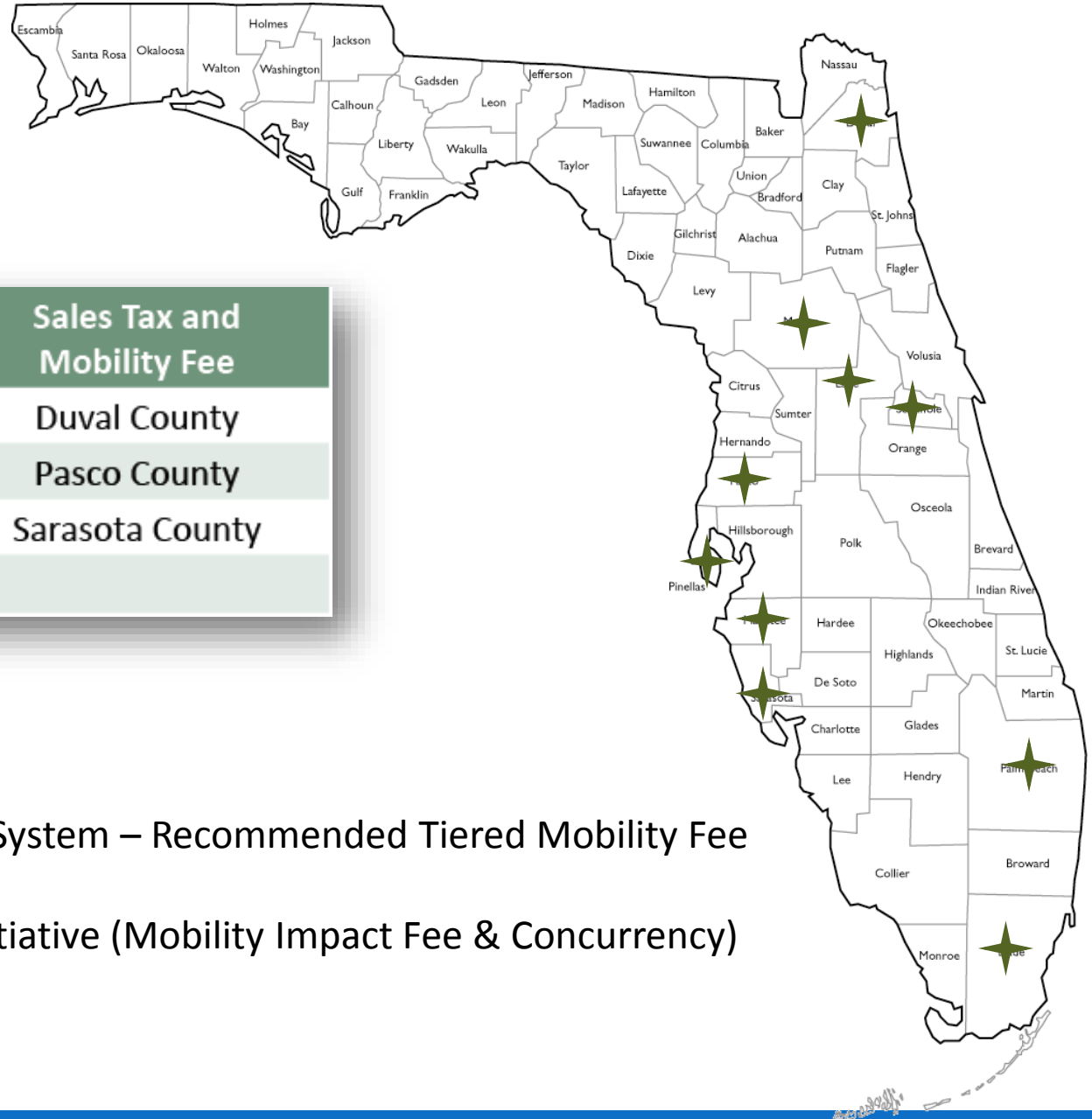
7. What Other Funding Sources Exist?

CLAY ERVIN, AICP, VOLUSIA CO. GROWTH MANAGEMENT DIRECTOR

JONATHAN PAUL, AICP, NUE URBAN CONCEPTS



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Sales Tax and Impact Fee	Sales Tax, Impact Fee, and Concurrency	Sales Tax and Mobility Fee
Manatee County	Lake County	Duval County
Miami Dade County	Marion County	Pasco County
Pasco County	Palm Beach County	Sarasota County
Seminole County	Pinellas County	

Leon County Conducting Alternative Mobility Funding System – Recommended Tiered Mobility Fee

Hillsborough County – 2018 Infrastructure Sales Tax Initiative (Mobility Impact Fee & Concurrency)



Potential Future Revenue

½ Cent Sales Surtax



Strongly agree ☐
 Agree ☒
 Disagree ☐
 Strongly disagree ☐

**Costs to widen road from 2 to 4
 Lanes ~ \$5,000,000 per mile.
 Potential Sales Surtax could
 fund ~4 ½ miles**

Local Government Half-Cent Sales Tax

Revenue Estimates for the Local Fiscal Year Ending September 30, 2019

Local Government	Ordinary Distribution	Default Formula Distribution Percentage
VOLUSIA BOCC	\$ 22,404,791	48.735175
Daytona Beach	\$ 3,788,436	8.240652
Daytona Beach Shores	\$ 251,881	0.547896
DeBary	\$ 1,188,204	2.584597
DeLand	\$ 1,866,189	4.059356
Deltona	\$ 5,219,717	11.353991
Edgewater	\$ 1,250,133	2.719304
Flagler Beach (part)	\$ 3,522	0.007661
Holly Hill	\$ 694,127	1.509873
Lake Helen	\$ 156,377	0.340152
New Smyrna Beach	\$ 1,475,717	3.209997
Oak Hill	\$ 115,874	0.252050
Orange City	\$ 685,674	1.491487
Ormond Beach	\$ 2,369,247	5.153616
Pierson	\$ 99,438	0.216298
Ponce Inlet	\$ 179,739	0.390971
Port Orange	\$ 3,481,787	7.573626
South Daytona	\$ 741,674	1.613298
Countywide Total	\$ 45,972,525	100.000000

Note: The dollar figures represent a 100 percent distribution of estimated monies and contain no adjustment for county contributions to Medicaid pursuant to s. 409.915, F.S.

SOURCE: State of Florida: Office of Economic and Demographic Research (EDR)
<http://www.edr.state.fl.us/Content/local-government/data/county-municipal/index.cfm>

<http://floridarevenue.com/taxes/Pages/distributions.aspx>



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 Development & its Flagler County Chapter

Final Points

The American Planning Association's Policy Guide on Impact Fees

Impact fees.....can be an effective tool for ensuring adequate infrastructure to accommodate growth where and when it is anticipated.

Impact fees should not be considered a panacea for the funding of general capital improvements, nor should they be used to "stop growth." They can do neither.

American Planning Association, Ratified by Board of Directors, April 1997, San Diego, California

(www.planning.org/policy/guides/adopted/impactfees.htm)



*Volusia County Association for Responsible
Development & its Flagler County Chapter*

Question & Answer



8. Volusia County Status Update

JAMIE SEAMAN, ESQ., DEPUTY ATTORNEY, VOLUSIA CO.



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Final Questions?



Don't forget your quiz!

1. Capital Improvements
2. Need
3. Benefit
4. Maintenance
5. Share
6. Trips generated
7. Current local data
8. Pipelining

