

NEW DEVELOPMENT – POLICE IMPACT FEE ON CERTAIN PERMITS
EFFECTIVE OCTOBER 12, 2020

Police impact fees are necessary to offset the costs associated with meeting future demands for the City’s police facilities pursuant to the projections set forth in the Study. Please check with the Building Department if you have a permit that has expired and needs to be renewed. You will be charged the police impact fee if you are required to obtain another permit to finish construction.

Any applicant who seeks to develop land or make improvements to real property shall pay the following police impact fees in the manner and amount established and computed pursuant to Ordinance #ORD2020-08. The City of Dunnellon police impact fee shall be as follows:

Land Use	Calculated Impact Fee
Residential (per dwelling unit)	
Hotel/Motel (per room)	\$315.00
Non-residential:	
Office (per square foot)	\$0.145
Retail (per square foot)	\$0.365
Institutional (per square foot)	\$0.190
Industrial (per square foot)	\$0.035

For questions relating to the police impact fee please contact Community Development/
Building Department (465) 465-8500 x1010

ORDINANCE NO. 2020-08

AN ORDINANCE OF THE CITY OF DUNNELLON, FLORIDA, REGULATING IMPACT FEES; PROVIDING FOR CREATION OF POLICE IMPACT FEES TO BE EFFECTIVE NINETY (90) DAYS FROM ADOPTION OF THIS ORDINANCE; ADOPTING A POLICE IMPACT FEE STUDY DATED MAY 28, 2020; CREATING CHAPTER 71, "IMPACT FEES," OF THE CODE OF ORDINANCES; PROVIDING REGULATIONS PERTAINING TO POLICE IMPACT FEES; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY AND CONFLICTS, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, under its home rule powers and pursuant to §163.31801, Florida Statutes and judicially created law, the City of Dunnellon may impose impact fees to ensure that new development pays for its proportional share of capital facilities required by such new development; and

WHEREAS, the City Council of the City of Dunnellon has studied the necessity for and implications of the adoption of an ordinance creating police impact fees and has retained a professional consulting firm to prepare a study relating to police impact fees (the "Study") to determine the proportionate demand that new development generates for additional police improvements and facilities; and

WHEREAS, the Study has been presented to, and reviewed by, the City Council of the City of Dunnellon, and it has been determined (1) that police impact fees are necessary to offset the costs associated with meeting future demands for the City's police facilities pursuant to the projections set forth in the Study; (2) that the police impact fees bear a reasonable relationship to the burden imposed upon the City to provide police facilities to new City residents; (3) that police impact fee revenues will provide a direct benefit to such new City residents reasonably related to the fees assessed; (4) that an essential nexus exists between projected new development and the need for additional police facilities to be funded with police impact fees and the benefits that accrue to new development paying the fees; and (5) that the amount of the police impact fees are roughly proportional to the *pro rata* share of the additional police facilities needed to serve new development; and

WHEREAS, the costs of real property for use in police facilities development and the costs of various facilities and equipment have been used by the City's consultant in developing a development impact cost per land use type as set forth in the Study; and

WHEREAS, the decisions of the City Council as set forth herein are reasonable and prudent steps pertaining to sound growth management which have been taken for the benefit of the citizens of the City, both present and future; and

WHEREAS, the City is projected to significantly grow in population and further economically develop in the future; and

WHEREAS, this Ordinance contains an administrative framework to ensure that the benefit of police facilities funded with police impact fees will accrue proportionately to new development paying the fees; and

WHEREAS, Section 163.3202(3), *Florida Statutes*, encourages the use of innovative land use regulations and impact fees by local governments to manage growth and to provide the necessary public facilities and for the imposition by local governments of impact fees on development to fund the capital cost of facilities necessitated by such development; and

WHEREAS, requiring future growth to contribute its fair share of the costs necessary to fund required capital improvements and additions is an integral and vital part of the regulatory plan of growth management in the City and is a practice consistent with sound and generally accepted growth management, fiscal and public administration practices and principles.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Dunnellon, Florida, as follows:

SECTION 1. The above recitals, or “Whereas” clauses, are hereby adopted as the City Council’s legislative findings and are incorporated herein by reference.

SECTION 2. Chapter 71 of the Dunnellon Code of Ordinances, to be entitled “Impact Fees,” is hereby created as follows:

CHAPTER 71 – IMPACT FEES

ARTICLE I. IN GENERAL

Sec. 19-1. Short title and authority.

(a) This chapter shall be known and may be cited as "Dunnellon Impact Fees."

(b) The City Council has the authority to adopt this chapter pursuant to article VII of the Constitution of the State of Florida, F.S. Ch. 166, and §163.31801, F.S.

Sec. 19-2. Intent and purpose.

(a) The purpose of this chapter is to ensure that new development pays its proportionate share of the anticipated costs of public facilities necessary to provide police protection for the new development.

(b) The intent of the City Council is to ensure that its impact fee schedules reflect the most recent and localized data pertaining to growth patterns in the City and the cost of public facilities necessary to provide police protection for new development.

Sec. 19-3. Administrative charges.

If established, administrative charges shall be collected from each applicant and shall be distributed as appropriate for impact fee administration, for financial administration, and for costs related to the establishment, amendment and annual review/update of the impact fee ordinance and methodology. Administrative charges, if adopted, shall be set by resolution and shall be based upon incurred and anticipated costs to create, administer, update and manage the impact fee system and shall not exceed actual costs of the City. Administrative charges, if collected, shall not be deposited in any impact fee capital fund accounts.

Sec. 19-4. Impact fee capital fund accounts and use of capital fund account monies.

(a) There is an established capital fund accounts for police impact fees, to be designated as the “police impact fee account.” The capital fund account for impact fees shall continue to be maintained separate and apart from all other accounts of the City. The monies deposited into the impact fee capital fund account shall be used solely for the purposes as set forth in this chapter and shall be accounted for accordingly.

(b) Funds on deposit in impact fee accounts established within this article shall not be used for any expenditure that would be classified as an operational expense, a maintenance expense, or a repair or replacement expense.

(c) Any funds on deposit in the impact fee fund not immediately necessary for expenditure shall be invested in interest-bearing accounts. Applicants shall not receive a credit for or be entitled to interest from the investment of such funds, except as otherwise required in this chapter.

Sec. 19-6. Impact fees are nontransferable unless such transfer is specifically required to be authorized by Florida Law.

Impact fees shall remain with the property on which they were paid and are not transferable unless such transfer is specifically required to be authorized by Florida Law. Even if a structure on the property is moved to a new location, the impact fees shall remain with the property unless such transfer is specifically required to be authorized by Florida Law.

Sec. 19-7. Non-binding impact fee estimate.

An applicant may request an estimate of impact fees which may be imposed by filing a written request to the City. Any estimate which the City provides is non-binding and may be subject to change when the impact fees become due and payable pursuant to this chapter. Non-binding estimates are for the sole benefit of the prospective applicant and neither bind the City nor preclude it from making amendments or revisions to any provisions of this chapter. No vested rights, legal entitlements, or equitable estoppel accrue by reason of a non-binding estimate. A non-binding fee estimate does not constitute a final decision and may not be appealed pursuant to this chapter.

Sec. 19-8. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning, or

except as otherwise provided. For words, terms and phrases not listed in this section, definitions in the City of Dunnellon Land Development Code may apply.

Applicant means any person, developer, builder or entity which requires public services as a result of development for the benefit of itself or a prospective future occupant.

Building is any structure, either temporary or permanent, designed or built for the support, enclosure shelter or protection of persons, chattels or property of any kind. This term shall include trailers, mobile homes or any other vehicles serving in any way the function of a building. This term shall not include temporary construction sheds or trailers erected to assist in construction and maintained during the time of a construction.

Dwelling Unit is a room or rooms connected together and constituting a separate, independent housekeeping establishment for one family only, for occupancy periods of no less than thirty (30) consecutive days and containing independent cooking and sleeping facilities.

Hotel/Motel is the category applied to any hotels, motels, or short term rental accommodation sites.

Industrial is the category used to account for larger footprint facilities that do not generate significant traffic demands such as self-service storage facilities, printing plants, material testing laboratories, power stations and sites where the primary activity is manufacturing or converting raw materials or parts into finished products.

Institutional is the category applied to those specific property types including churches, day care centers, hospitals, nursing homes and other similar service-based facilities.

Office is the category applied to office buildings containing one or multiple tenants and are a location where affairs of business are conducted. Office buildings may or may not contain tenant services such as a bank or savings and loan, a restaurant or cafeteria, and service retail facilities. This land use also encompasses Medical-Dental office buildings where outpatient care is performed on a routine basis, but no prolonged in-house medical/surgical care is provided.

Owner of record means the most recent owner of a parcel of property appearing in the Official Records of Marion County, Florida.

Residential means multi-family dwelling units, mobile homes, and single-family detached houses.

Retail is the category applied to land uses that generally encompass commercial merchandizing establishments ranging from factory outlet centers, restaurants, automobile repairs and/or sales, gasoline/service stations, convenience markets, electronics/toy stores, and/or apparel/furniture sales.

Single-family house is a dwelling unit on an individual lot.

Sec. 19-9. Administrative rules and policies.

The City Administrator or designee is hereby authorized to adopt administrative rules and policies to implement the provisions of this chapter as the City Administrator deems necessary and appropriate.

Sec. 19-10. Appeals.

(a) Any person who disagrees with a decision or interpretation of this chapter may appeal to the City Administrator or designee by filing a written notice of appeal within ten (10) days after the date of the action or decision complained of. The written notice of appeal shall set forth concisely the action or decision appealed as well as the grounds upon which the appeal is based. The City Administrator or designee shall consider all facts material to the appeal and render a written decision within thirty (30) days of receiving the appeal. Any person who disagrees with the decision of the City Administrator or designee may appeal to the City Council by filing a written notice of appeal with the City Administrator's office setting forth concisely the decision appealed within ten (10) days after the date of the City Administrator's decision. The appeal shall be set for the next available City Council meeting for consideration. The City Council's written decision and shall constitute final administrative review.

(b) Appeal fees commensurate with costs incurred by the City, as set by resolution, shall be paid by the applicant prior to a decision being rendered.

Sec. 19-11. Penalties and liens against property.

Violations of this Chapter shall be prosecuted as provided by City Code or by an injunction or other legal or equitable relief in the circuit court against any person violating this Chapter. Failure to pay an impact fee when determined by the city that an obligation is required to satisfy the impact of development may result in the amount due becoming a lien against the property. The City shall provide a written notice of the impact fee due by personal service, certified, return receipt requested United States mail or Federal Express or other equivalent overnight letter delivery company.

ARTICLE II. POLICE IMPACT FEES

Sec. 19-20. Adoption of impact fee study.

(a) The City Council hereby adopts by reference the study entitled "City of Dunnellon 2020 Municipal Impact Fee Study," dated May 28, 2020, as prepared by Raftelis Financial Consultants, Inc. It relates to the computation and allocation of the capital costs of the City of Dunnellon to provide police protection.

(b) The City Council finds there is a reasonable connection, or rational nexus, between the need for police facilities in the City and the growth in population anticipated within the city. In addition, the City Council finds there is a reasonable connection, or rational nexus, between the anticipated

expenditures of the police impact fees collected and the benefits accruing to anticipated new development.

Sec. 19-21. Imposition of police impact fees.

(a) Any applicant who seeks to develop land or make improvements to real property shall pay the following police impact fees in the manner and amount established and computed pursuant to this article.

(b) The City of Dunnellon police impact fee shall be as follows:

Land Use	Calculated Impact Fee
Residential (per dwelling unit)	\$315.00
Hotel/Motel (per room)	
Non-residential:	
Office (per square foot)	\$0.145
Retail (per square foot)	\$0.365
Institutional (per square foot)	\$0.190
Industrial (per square foot)	\$0.035

Sec. 19-22. Schedule of payment of police impact fees.

The police impact fee shall be paid at the time of issuance of a building permit for a structure or structures, or such other time as may be specifically provided by a developer's agreement.

Sec. 19-23. Disposition of revenues imposed by police impact fee.

The funds collected by reason of establishment of the police impact fees in accordance with this Article shall be used solely for the purpose of acquisition of facilities and equipment determined to be needed to provide police for new development within the City. Said funds shall not be used to maintain or repair existing police facilities or equipment or to acquire facilities or equipment to serve existing development. The City shall spend funds on a first in, first out basis.

Sec. 19-24. Disposition of funds not expended.

(a) If the City of Dunnellon police impact fees have not been expended or encumbered by the end of the calendar quarter immediately following ten (10) years from the date the fees were paid, upon application of the fee payer of proof of payment, or proof of the date the development permit was approved by the City and that development was never begun, the fees shall be returned with interest at the rate determined by the City based upon the average interest earning rate incurred by the City in accordance with the following procedure:

(1) The present owner must petition the City Council for the refund within one year following the end of the calendar quarter immediately following ten (10) years from the date on which the fee was received.

- (2) The petition must be submitted to the City Administrator and must contain:
- (i) A notarized sworn statement that the petitioner is the current owner of the property;
 - (ii) A copy of the dated receipt issued for payment of the fee or other document evidencing the date the development was approved by the City, which development was never begun;
 - (iii) A certified copy of the latest recorded deed; and
 - (iv) A copy of the most recent ad valorem tax bill.

(3) If reimbursement is approved, the City shall remit to the petitioner within 60 days of approval.

(b) In determining whether a petitioner is entitled to a refund, it shall be assumed that impact fees are expended or encumbered in the same order in which they were received (that is, "first in, first out").

(c) No refund shall be made of any administrative fee authorized and collected pursuant to this chapter.

Sec. 19-25. Charge when use of property changed.

Any change in the use of property shall require payment of a police impact fee in an amount equal to the increased calculation.

SECTION 3. Codification. It is the intent of the City Council of the City of Dunnellon that the provisions of Section 2 of this Ordinance shall be codified. The codifier is granted broad and liberal authority in renumbering and codifying the provisions of Section 2 of this Ordinance; article and section numbers assigned throughout are suggested by the City.

SECTION 4. Severability. If any section, sentence, phrase, word or portion of this Ordinance is determined to be invalid, unlawful or unconstitutional, said determination shall not be held to invalidate or impair the validity, force or effect of any other section, sentence, phrase, word or portion of this Ordinance not otherwise determined to be invalid, unlawful or unconstitutional.

SECTION 5. Conflicts. In any case where a provision of this Ordinance is found to be in conflict with a provision of any other ordinance of this City, the provision which establishes the higher standards for the promotion and protection of the health and safety of the people shall prevail.

SECTION 6. Effective Date. This Ordinance shall become effective on October 11 2020, which is ninety (90) days from the date of adoption of this Ordinance, pursuant to §163.31801, Florida Statutes.

Upon motion duly made and carried, the foregoing Ordinance was approved upon the first reading on the 8th day of June 2020.

Upon motion duly made and carried, the foregoing Ordinance was approved and passed upon the second and final reading and public hearing on the 13th day of July 2020.

Ordinance Posted on the City's website on May 28, 2020. Public hearing advertised on the City's website on June 10, 2020 and advertised in the Riverland News on July 2, 2020.

Ordinance approved and signature section completed City Council Meeting 13 July 2020, a signed master copy is available upon request to the Public Records Clerk, 352-465-8500.

ATTEST:

CITY OF DUNNELLON

Amanda L. Roberts, CMC
City Clerk

C. Dale Burns, Jr., Mayor

Approved as to Form:

Andrew J. Hand, City Attorney

CERTIFICATE OF POSTING

I HEREBY CERTIFY that copies of the foregoing Ordinance were posted at City Hall, the Chamber of Commerce, and the Dunnellon Library, in the City of Dunnellon, Florida, this 28th day of May 2020 and on the City's Official Website the 28th day of May 2020.

Amanda Roberts
City Clerk

City of
Dunnellon

2020 Impact Fee Study

Final Report / May 28, 2020





May 28, 2020

Ms. Dawn Bowne
City Administrator
City of Dunnellon
20750 River Drive
Dunnellon, FL 34431

Subject: 2020 Impact Fee Study

Dear Ms. Bowne,

Enclosed is the 2020 impact fee study report for your use and reference. The attached report includes an executive summary followed by technical sections regarding the calculation of police impact fees, the feasibility of implementing recreation impact fees, and additional background information. If you should have any questions, please do not hesitate to contact me at 407-960-1806. We appreciate the opportunity to work with you and the City on this important project.

Respectfully Submitted,

A handwritten signature in blue ink that reads 'Joe Williams'.

Joe Williams
Manager

Table of Contents

EXECUTIVE SUMMARY	1
INTRODUCTION.....	1
FINDINGS AND RECOMMENDATIONS	2
SECTION 1: INTRODUCTION	4
INTRODUCTION.....	4
IMPACT FEE BACKGROUND.....	5
SUMMARY OF REPORT	6
SECTION 2: SERVICE AREA AND UNITS	8
GENERAL.....	8
FUNCTIONAL POPULATION	9
SECTION 3: POLICE IMPACT FEE.....	12
INTRODUCTION.....	12
EXISTING RESOURCES AND LEVEL OF SERVICE.....	12
INCREMENTAL COSTS	13
CALCULATED POLICE IMPACT FEES	14
POLICE IMPACT FEE COMPARISON.....	15
SECTION 4: RECREATION IMPACT FEE FEASIBILITY	17
INTRODUCTION.....	17
EXISTING RECREATIONAL FACILITIES.....	17
PARKS AND RECREATION IMPACT FEE COMPARISON.....	20

List of Tables and Figures

Table ES- 1: Calculated Police Impact Fees.....	1
Figure ES- 1: Police Impact Fee Comparison – Residential.....	2
Figure 1: Historic Residential Population Estimates.....	8
Table 1: Residential Functional Population	9
Table 2: Non-residential Functional Population Coefficients	10
Table 3: Functional Population ERUs by Land Use.....	11
Table 4: Police Department Staffing and Personnel FY 2020	12
Table 5: Existing and Projected Police Officers	13
Table 6: Vehicle Cost per Additional Officer	13
Table 7: Equipment Cost per Additional Officer	13
Table 8: Total Cost per Additional Officer	14
Table 9: Total Cost per Additional Officer	14
Table 10: Police Impact Fee Cost per Square Foot Calculation.....	15
Table 11: Police Impact Fees by Land Use	15
Figure 2: Police Impact Fee Comparison – Single Family.....	16
Table 12: Current Recreational Facilities	17
Figure 3: Map of Parks and Recreation Facilities	18
Table 13: Parks and Recreation Grant Funding.....	19
Figure 4: Parks and Recreation Impact Fee Comparison – Single Family.....	20

Executive Summary

Introduction

The City of Dunnellon (City) has retained Raftelis to assist with calculating and establishing reasonable impact fees for the City’s police services and to review the feasibility of implementing impact fees for parks and recreation. Impact fees are an important source of income for municipalities to fund infrastructure costs related to growth. The study herein is based on the costs to provide the necessary infrastructure to meet the demands of growth based on data specific to each service and related to the City’s characteristics. The calculated impact fees set forth in this study are consistent with Florida case law, Florida Statutes, and generally acceptable impact fee methodologies.

The City has recently experienced significant growth in non-residential development, which has placed a large strain on the police department. The police department has been expanding the number of officers over the past few years to maintain high quality service and desired response times. While existing development will not be subject to the establishment of impact fees, any new development or re-development will pay their fair share of the impact to the police department. With growth helping fund the infrastructure related to the services provided, it will allow the City to expand the police department and keep up with growth.

The report herein outlines the methodologies, assumptions, and considerations in the development of the impact fee calculations. The following summarizes the calculated impact fees based on the analysis in this report:

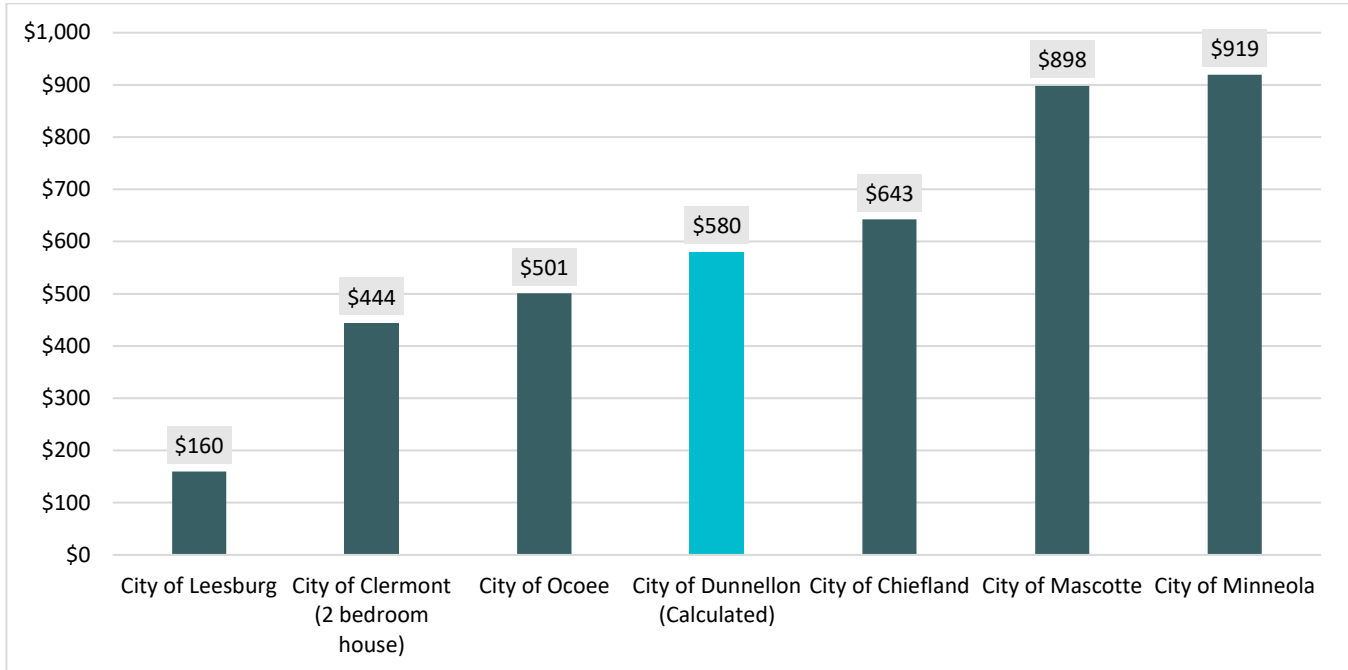
Table ES- 1: Calculated Police Impact Fees

<u>Land Use</u>	<u>Calculated Impact Fee</u>
Residential (per dwelling unit)	\$580
<u>Non-residential:</u>	
Office (per 1,000 square feet)	\$435
Retail (per 1,000 square feet)	\$1,110
Institutional (per 1,000 square feet)	\$570
Industrial (per 1,000 square feet)	\$115
Hotel/Motel (per room)	\$130

As shown above, there are several land uses identified in order to capture the varying level of demand each will typically place on the police department. The typical level of demand is measured through the functional population approach, which is further detailed in Section 2, which takes into consideration where people in the City are throughout the course of a day.

The methodology used in this report is based on recovering the appropriate costs related to growth. A comparison of the City’s existing and calculated impact fee levels to other local municipalities are shown in the figure below for informational purposes.

Figure ES- 1: Police Impact Fee Comparison – Residential



Note: Approx. population for each City: Leesburg – 24,000; Clermont – 41,000; Ocoee – 48,000; Dunnellon – 1,800; Chiefland – 2,200; Mascotte – 6,200; Minneola – 13,000

As shown above, the City’s calculated police impact fees are comparable to the impact fees charged by other nearby communities. As discussed in Section 3, the calculated police impact fees include funding for a portion of the new police building.

Finally, the City has expressed the need for parking and other improvements on existing City owned parks. A future recreation impact fee is recommended once the City finalizes a five-year recreation capital improvement plan. Recreation impact fee revenue would reduce the fiscal impact on the City’s tax revenue and existing residents.

Findings and Recommendations

The following is a summary of the observations and recommendations following our investigation, analyses, and preparation of this report:

1. The establishment of impact fees must satisfy the rational nexus requirements as determined by case law. The impact fees must be reasonably related to the cost of providing capital facilities/equipment needed to accommodate new growth. The impact fees collected must be used by the City to address the capital costs related to serving new development. Based on the information made available by the City, the proposed impact fees are designed to meet these precedents and the requirements set forth in Florida Statutes Section 163.31801.
2. The fees developed within this report reflect recovery of identified costs and the City has discretion to phase-in or otherwise adopt less than the fully calculated fees. However, the adoption of fees less than the fully calculated rates should be applied to all land uses equally in order to maintain the calculations herein in correct proportion. Adopting less than the calculated rates would increase the reliance on general fund and other revenue sources to meet the demands of growth.

3. Pursuant to Florida Statute Section 163.31801, the City must provide notice no less than 90 days before the effective date of an ordinance or resolution imposing a new or increased impact fee.
4. In compliance with Florida Statutes the City should collect and maintain revenue from each type of municipal impact fee in designated sub-accounts, and use such fees on those facilities designated for each purpose.
5. The City should adopt the impact fees as calculated to ensure adequate funding sources are available to fund future service expansion projects needed to provide the identified level of service to new growth.

Section 1: Introduction

Introduction

The City of Dunnellon (City) is located in Marion County at the point where the Withlacoochee River and Rainbow River merge and has a total area of approximately 7.4 square miles. The City provides select municipal services for its residents including police, parks and recreation activities, and other administrative services. Municipal services including fire protection, water and wastewater services, and library activities are provided by other agencies. According to the University of Florida’s Bureau of Economic and Business Research (BEBR), as of 2018, the City had a residential population of 1,805, which represents a 4.2% increase (0.5% per year) from the 2010 City population of 1,733 obtained from the Census Bureau. While residential population has experienced only moderate growth, commercial development has grown more rapidly as discussed further below.

The City does not currently charge impact fees for any municipal infrastructure. As described below, impact fees are a common and often integral part of a City’s financial repertoire to meeting the capital needs of growth. The City has seen significant growth in its commercial development in the past few years, with large retail stores, grocery stores and fast food restaurant chains. This growth has placed increased demands on City services, especially the police division. With increased traffic and activity around the City related to these new retail services, the City has increased in police staffing level in recent years. While the residential population has not been growing significantly, the City has been having discussions with a large landowner (Gissy Rainbow River Ranch, LLC) adjacent to Rainbow River, if approved, would create a (PUD) planned unit development providing a commercial resort style establishment including a lodge, restaurant, cabins, glamping teepees and RV Park. According to discussions with the City this development would be a recreational resort style development and not a traditional subdivision configuration. This type of development has the potential to spur other development in what is currently a strong and growing economy.

As a result of annexation, there several large undeveloped properties east of Dunnellon with 2,395 acres that could develop in the future and have a significant impact to the services the City provides. These properties are provided on the following table:

Name	Acreage	Units	Land Use	Zoning
Blue Run Ranches	987	1,000 Approx.	Low Density	R1
McBride Commercial	219		Specialized Commerce (old Cnty designation)	Specialized Commerce (old Cnty desig)
Boger Farms	500		Rural (Cnty desig)	Rural (Prev Cnty)
Baxter Trusts	162 (two 81 parcels)		Mixed Use	Ag (Possible Future PUD)
Secret Promise Limited	486			Ag (1house per acre)
Gissy (Formerly Bob Cabbage)	40.76		Mixed Use	Ag (Possible Future PUD)
Total	2,394.76			

Impact Fee Background

Impact fees are one-time charges established to recover in whole or in part, the costs associated with infrastructure and capital equipment needed to accommodate the demands generated by new development. Such capital costs generally include the construction of improvements together with general plant, engineering, administration, surveying, land, legal and related financing costs. For municipal impact fees, including fire and police, such costs also include certain equipment costs for sworn officers and firefighters. Historically, impact fees in Florida were a result of home rule powers with the requirements associated with the development, administration, accounting and expenditure governed by case law. However, in 2006, Section 163.31801 was added to the Florida Statutes, which placed specific requirements and limitations on that home rule authority. Florida Statutes Section 163.31801 F.S., as amended in 2019, is currently as follows:

163.31801 Impact fees; short title; intent; minimum requirements; audits; challenges.—

(1) This section may be cited as the “Florida Impact Fee Act.”

(2) The Legislature finds that impact fees are an important source of revenue for a local government to use in funding the infrastructure necessitated by new growth. The Legislature further finds that impact fees are an outgrowth of the home rule power of a local government to provide certain services within its jurisdiction. Due to the growth of impact fee collections and local governments’ reliance on impact fees, it is the intent of the Legislature to ensure that, when a county or municipality adopts an impact fee by ordinance or a special district adopts an impact fee by resolution, the governing authority complies with this section.

(3) At a minimum, an impact fee adopted by ordinance of a county or municipality or by resolution of a special district must satisfy all of the following conditions:

(a) The calculation of the impact fee must be based on the most recent and localized data.

(b) The local government must provide for accounting and reporting of impact fee collections and expenditures. If a local governmental entity imposes an impact fee to address its infrastructure needs, the entity must account for the revenues and expenditures of such impact fee in a separate accounting fund.

(c) Administrative charges for the collection of impact fees must be limited to actual costs.

(d) The local government must provide notice not 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.

(e) Collection of the impact fee may not be required to occur earlier than the date of issuance of the building permit for the property that is subject to the fee.

(f) The impact fee must be proportional and reasonably connected to, or have a rational nexus with, the need for additional capital facilities and the increased impact generated by the new residential or commercial construction.

(g) The impact fee must be proportional and reasonably connected to, or have a rational nexus with, the expenditures of the funds collected and the benefits accruing to the new residential or nonresidential construction.

(h) The local government must specifically earmark funds collected under the impact fee for use in acquiring, constructing, or improving capital facilities to benefit new users.

(i) Revenues generated by the impact fee may not be used, in whole or in part, to pay existing debt or for previously approved projects unless the expenditure is reasonably connected to, or has a rational nexus with, the increased impact generated by the new residential or nonresidential construction.

(4) The local government must credit against the collection of the impact fee any contribution, whether identified in a proportionate share agreement or other form of exaction, related to public education facilities, including land dedication, site planning and design, or construction. Any contribution must be applied to reduce any education-based impact fees on a dollar-for-dollar basis at fair market value.

(5) If a local government increases its impact fee rates, the holder of any impact fee credits, whether such credits are granted under s. 163.3180, s. 380.06, or otherwise, which were in existence before the increase, is entitled to the full benefit of the intensity or density prepaid by the credit balance as of the date it was first established. This subsection shall operate prospectively and not retrospectively.

(6) Audits of financial statements of local governmental entities and district school boards which are performed by a certified public accountant pursuant to s. 218.39 and submitted to the Auditor General must include an affidavit signed by the chief financial officer of the local governmental entity or district school board stating that the local governmental entity or district school board has complied with this section.

- (7) In any action challenging an impact fee or the government's failure to provide required dollar-for-dollar credits for the payment of impact fees as provided in s. 163.3180(6)(h)2.b., the government has the burden of proving by a preponderance of the evidence that the imposition or amount of the fee or credit meets the requirements of state legal precedent and this section. The court may not use a deferential standard for the benefit of the government.
- (8) A county, municipality, or special district may provide an exception or waiver for an impact fee for the development or construction of housing that is affordable, as defined in s. 420.9071. If a county, municipality, or special district provides such an exception or waiver, it is not required to use any revenues to offset the impact.
- (9) This section does not apply to water and sewer connection fees.

Although the statute provides specific impact fee criteria, certain precedents established by case law also constitute the legal requirements associated with impact fees. Case law precedent for impact fees in Florida was originally set in the landmark Florida Supreme Court decision, Contractors and Builders Association of Pinellas County vs. City of Dunedin, Florida. In the ruling, the court identified certain conditions as necessarily present in order to have a valid impact fee. In general, the court decision addressed the following:

1. The impact fee should be reasonably equitable to all parties; that is, the amount of the fee must bear a relationship to the amount of services or facility capacity related to accommodating the new development;
2. The system of fees and charges should be set up so that there is not an intentional windfall to existing users;
3. The impact fee should, to the extent practical, only cover the capital cost of construction and related costs thereto (engineering, legal, financing, administrative, etc.) for increases in or expansions of capacity or capital requirements that are required solely due to growth. Therefore, expenses due to normal renewal and replacement of a facility (e.g., replacement of a capital asset) should be borne by all users of the facility or municipality. Similarly, increased expenses due to operation and maintenance of that facility should be borne by all users of the facility; and
4. The local government must adopt a revenue-producing ordinance that explicitly sets forth restrictions on revenues (uses thereof) that the imposition of the impact fee generates. Therefore, the funds collected from the impact fees should be retained in a separate account, and separate accounting must be made for those funds to ensure that they are used only for the lawful purposes described.

Based on the criteria provided above, the impact fees herein will: 1) include local current costs of improvements associated with the capacities needed to serve new growth; 2) not reflect costs of improvements associated with the renewal and replacement (R&R) of existing capital assets or correction of deficiencies in level of service attributed to existing development; and 3) not include costs of operation and maintenance of the capital improvements and equipment.

This section provides only a general background regarding impact fees. Certain circumstances and issues regarding the interpretation of specific statutes or case law should be addressed by qualified legal counsel.

Summary of Report

In addition to Section 1, this report has been subdivided into seven other sections. The following is a brief discussion of the remaining sections included in this report.

Section 2: Service Area and Units. This section of the report provides a general discussion of the existing residential and non-residential land use characteristics, and the functional population approach used in this study.

Section 3: Police Impact Fee. This section includes the development of the proposed impact fee for the capital requirements associated with providing police services, the methodology for the determination of the calculated fees, assumptions utilized in the design of the fees, and other factors associated with the fee determination.

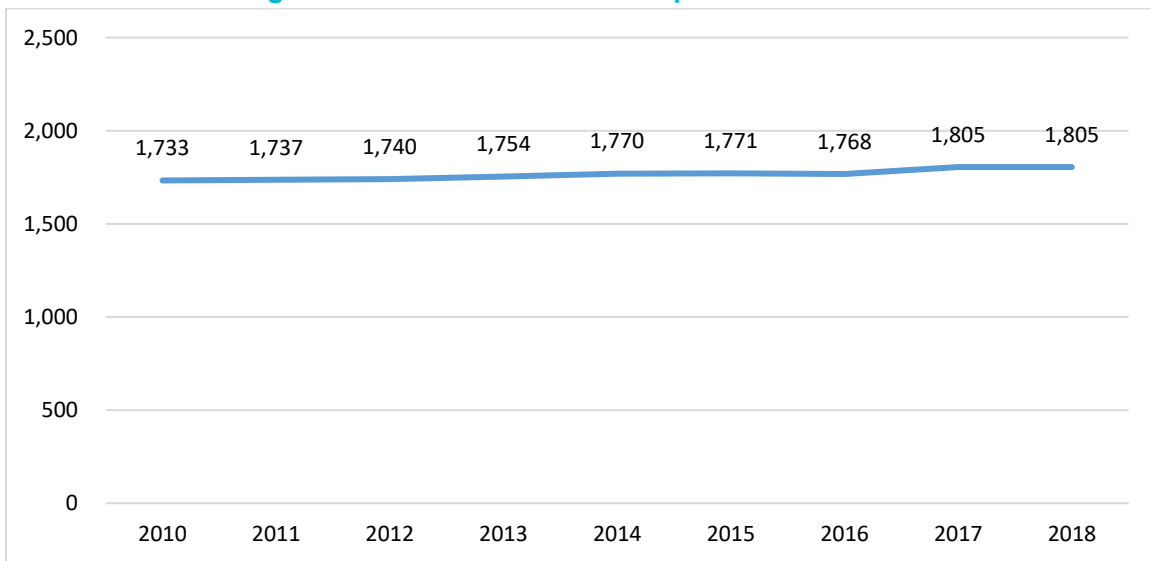
Section 4: Recreation Impact Fee Feasibility. This section discusses the current inventory of parks and facilities, data needs for implementation of an impact fee, and other information regarding the feasibility of imposing a recreation impact fee on new residential development.

Section 2: Service Area and Units

General

This section provides a general discussion of the current service area, population, and future development within the existing City boundaries. Growth in future annexation areas will be subject to any impact fees imposed by the City where the respective services are provided. As mentioned in Section 1, BEBR estimates the current population in the City at 1,805. When compared to the population measured in the 2010 Census of 1,733, the result is an annual compound growth rate of 0.5% over the past eight years. The historic estimated population by year is provided on the chart below:

Figure 1: Historic Residential Population Estimates



Source: Bureau of Economic and Business Research (BEBR): Florida Estimates of Population.

As can be seen on the chart above, the City has not materially increased population in recent years. However, non-residential development has been significant as the City hosts a large tourist area at Rainbow Springs. Due to the seasonal swelling in daytime population from this tourist area, the City has to maintain certain amenities such as parks, parking and police staffing to support the large number of visitors.

Additional publicly available data utilized for this study was obtained from the Marion County Property Appraiser website and from the recent fire assessment study completed for the City. In July 2019 data was gathered from the Marion County website and included parcel level data with fields indicating land use, number of buildings on developed parcels, land size in acres, and the size of the buildings in square feet (sf). This data, in conjunction with the fire assessment data, indicates there are 1,233 residential units (including single family, multi-family and mobile homes) developed in the City with a total of 1,602,900 sf, for an average household size of 1,300 sf. Additionally, there are 1,133,244 sf of non-residential building space. Based on the 1,233 residential units obtained from the

Property Appraiser and the estimated population of 1,805 from BEBR, there are on average 1.5 persons per household in the City.

Functional Population

The goal of the impact fee study is to assign the police and parks and recreation costs associated with new development on an equivalent unit basis. However, the recreation fees are only applied to residential development, so the focus of the following is for the police fee development. Two primary methods of allocating costs include 1) actual service calls based on historical records; and 2) population figures weighted and adjusted for time spent at various land uses based on traffic and other data. This second method is commonly referred to as “functional population” and typically relies on trip data obtained through survey sources. While the service call method would ideally provide an indication of existing and potential future demand for services, this data is not readily available in sufficient detail to allocate costs among various land uses. Conversely, trip data is readily available from sources such as the Institute of Transportation Engineers (ITE) and is widely accepted for the purpose of identifying functional population by land use. The trip data is applied to each land use along with other demographic data in order to establish a functional population by land use. Functional population measures the number of persons at a particular location measured over a 24 hours period. For example, for single family residential a typical functional population would reflect a person at home 100 hours per week (e.g. 10-14 hours per day during weekdays and 20 -30 hours during the weekend). Based on 168 hours per week, this equates to 60% occupancy or 0.6 functional population per resident. Applying this factor to the average household size of 1.50 persons equates to 0.90 functional population per single family residential unit. Table 1 summarizes the existing residential functional population based on this criteria:

Table 1: Residential Functional Population

Housing Type	Population [1]	Households	Average Household Size	Occupancy Factor	Functional Population/Unit
Residential Unit	1,805	1,233	1.50	60.0%	0.90

[1] Obtained from Bureau of Economic and Business Research (BEBR): Florida Estimates of Population, 2018.

For non-residential land uses, the functional population is determined through the process of applying the following attributes to each land use, typically measured per 1,000 square feet (i.e. per unit): 1) trips per unit and employees staffed per unit; 2) trip end adjustment; 3) hours worked by employees; 4) occupants per trip; 5) number of visitors, visitor hours, and visitor hours per week. Trip and employee data are primarily obtained from the ITE manual (10th Edition, 2017), and visitors and other data is obtained from sources including the 2017 National Household Travel Survey (U.S. Department of Transportation.)

Table 2 provides the functional residential coefficient for each non-residential land use:

(Remainder of Page Intentionally Left Blank)

Table 2: Non-residential Functional Population Coefficients

Land Use	Impact Unit [1]	ITE LUC	Trips per Unit [1]	Employees per/ Unit [1]	One Way Factor (50%)	Occupants per Trip [2]	Visitors [3]	Visitor Hours per Trip [4]	Functional Population Coefficient
Office	1,000 S.F. GFA	710	9.74	2.97	4.87	1.19	2.83	1.00	0.88
Retail	1,000 S.F. GLA	820	37.75	2.34	18.88	1.85	32.58	1.00	2.24
Institutional	1,000 S.F. GFA	610	10.72	2.83	5.36	1.77	6.66	2.00	1.15
Industrial/Manufacturing	1,000 S.F. GFA	Blend	3.54	0.72	1.77	1.19	1.38	1.00	0.24

Land Use	Impact Unit	ITE LUC	Occupancy per Unit	Occupancy Factor	Hours at Place	Employees per Unit	Worker Hours [4]	Days per Week	Functional Population Coefficient
Hotel/Motel	Per Room	310	1.75	70%	12.00	0.50	9.00	7.00	0.80

[1] From ITE Manual, 10th Edition.

[2] From 2017 National Household Travel Survey.

[3] One Way Factor times the Occupants per Trip, less Employees per Unit.

[4] Assumed.

Below is a list of the non-residential land uses, including descriptions of the types of development that would be applicable to each, to supplement the table above:

- Office – General Office Building (LUC 710) was used to encompass all office type development. In general, office buildings contain one or multiple tenants and are a location where affairs of business are conducted. The office buildings may or may not contain tenant services such as a bank or savings and loan, a restaurant or cafeteria, and service retail facilities. This land use also encompasses Medical-Dental office buildings where outpatient care is performed on a routine basis, but no prolonged in-house medical/surgical care is provided.
- Retail – Shopping Center (LUC 820) was used to establish the functional population coefficient for this land use category. Retail/service land uses generally encompass commercial merchandizing establishments ranging from factory outlet centers, restaurants, automobile repairs and/or sales, gasoline/service stations, convenience markets, electronics/toy stores, and/or apparel/furniture sales.
- Institutional – The functional population coefficient for this category is generally based on the Hospital (LUC 610). An institutional category is designed to include specific property types including churches, day care centers, hospitals, nursing homes and other similar service based facilities.
- Industrial/Manufacturing – Light Industrial, Manufacturing, and Warehousing (LUCs 110, 140 & 150) – The industrial category is used to account for larger footprint facilities that do not generate significant traffic demands such as self-service storage facilities, printing plants, material testing laboratories, power stations and sites where the primary activity is manufacturing or converting raw materials or parts into finished products.

Using the Functional Population developed for residential units and the Functional Resident Coefficients developed for the non-residential land uses, a uniform factor for an equivalent residential unit (ERU) is established. The ERUs are calculated by converting the separate factors to be on a uniform basis with the residential units, as illustrated on the table below:

(Remainder of Page Intentionally Left Blank)

Table 3: Functional Population ERUs by Land Use

Description	Functional Coefficient [1]	ERUs [2]
Residential Unit	0.90	1.00
Office (per 1,000 sf)	0.88	0.98
Retail (per 1,000 sf)	2.24	2.48
Institutional (per 1,000 sf)	1.15	1.28
Industrial/Manufacturing (per 1,000 sf)	0.24	0.26
Hotel/Motel (per room)	0.80	0.89

[1] From Table 1 and Table 2.

[2] Converted Function Coefficient for each land use to reflect that a residential unit is 1.0 ERU. Amount calculated based on each functional coefficient divided by 0.90.

The ERUs identified on Table 3 above will be referenced in Section 3 for Police impact fees and will serve as the basis for identifying fee levels.

Section 3: Police Impact Fee

Introduction

The City maintains a police department to provide law enforcement services and ensure the safety and well-being of the community and residents of Dunnellon. The existing police headquarters is the former City Hall building, which was converted when a new City Hall was developed. However, the City has recently entered into a purchase agreement for a building that will be renovated to serve as the new police headquarters. Since the City has entered into certain agreements and is moving forward the project, the cost of the new police headquarters will be included in the impact fee calculation. With adoption of the FY 2020 budget, the police department currently consists of a Police Chief, eight sworn officers, one full time administrative assistant and one part time administrative assistant. The FY 2020 budget included a new sworn office position, which increased the number of sworn officers from seven to eight. This additional officer is included in the calculation of the existing level of service.

As the City continues to grow the demand for law enforcement services will increase, causing a need for additional sworn officers and equipment. While actual staffing levels will be determined annually based on the number of calls and incidents and the ability of the police force to maintain the desired response times, this analysis assumes that as development occurs the number of officers will grow proportionally. Should the City's need for additional officers outpace this forecast, it may warrant an update to the impact fee study to ensure growth is paying its equitable share of the additional cost. This section provides an analysis for the City's consideration regarding the design of a police impact fee based on the costs to meet demands from growth. The approach used herein is based on the "standards approach", whereby the level of service, and related costs, provided to existing development are calculated and then used to apply against future development to ensure that the police department can maintain an adequate level of service.

Existing Resources and Level of Service

The City's police department comprises a total of 10.5 full time equivalent personnel, as shown by position on the table below:

Table 4: Police Department Staffing and Personnel FY 2020

Position	Staffing
Chief	1.0
Sergeant	2.0
Officer	6.0
Admin Assistant	1.5
Total	10.5

Level of service for law enforcement services is typically measured by officers per 1,000 population. The City's police department currently consists of nine sworn officers, including the police chief who performs patrol duties. With nine full time sworn officers, the current level of service is calculated at 5.0 sworn officers per 1,000 population, based on the current population of 1,805. For the purposes of the impact fee calculation, the City will be able to maintain this level of service of 5.0 sworn officers per 1,000 population. The number of sworn officers per 1,000 population is in line with other cities and is representative of the City of Dunnellon's characteristics that include a swelling tourist population at Rainbow River and the relatively large amount of commercial development to support the tourism

demands. The level of service is also provided in the number of officers per 1,000,000 square feet of building space, as shown on the table below:

Table 5: Existing and Projected Police Officers

Position	Existing 2020	Level of Service	Comment
Sworn Police Officers	9.0		
Population	1,805	5.0	Officers per 1,000 population
Building sf	2,736,144	3.3	Officers per 1,000,000 sf

Incremental Costs

Costs related to growth in the police force typically include a combination of equipping new officers with vehicles, field equipment, protective gear and providing the necessary facilities such as police stations. Since eligible impact fees costs are limited to capital items, certain costs are excluded from the impact fee analysis. The excluded costs are items such as salaries, uniforms, handcuffs and traffic vests. Items included in the impact fee calculation generally have a minimum of a three to five-year life and are not replaced frequently such as radios and firearms.

The table below illustrates the costs for each additional fully equipped police vehicle that will be added over the next several years. These costs are based on detailed information provided by the City from recent vehicle purchases:

Table 6: Vehicle Cost per Additional Officer

Description	Amount
Vehicle	\$28,200
Equipment for Vehicle	11,950
Radio	5,000
Total Cost per Vehicle	\$45,150

As shown on the table above, the cost per additional fully equipped vehicle added is \$45,150. Non-capital items such as warranties (less than 5 years) and software costs have been excluded from this amount. It is anticipated that each additional officer staffed for service within the City will be supplied with one fully equipped vehicle. Another factor in determining the appropriate police impact fee level is the cost of equipment and protective gear needed for the sworn police officers. The cost of the equipment needed for each police officer is shown in the table below:

Table 7: Equipment Cost per Additional Officer

Description	Amount
Body Camera	\$550
Pistols	1,000
Rifles	2,500
Tasers	900
Radio	5,000
Total Equipment cost per Officer	\$9,950

As shown on the table above, there are five key capital items identified for equipping each new officer added to the police force at a cost of \$9,950.

The final component for staffing additional police officers is building space. The police department is currently operating out of a building that was the former City Hall and was built in 1925. Through discussions with staff it has been identified that the police department is outgrowing this space and has recently entered into a purchase agreement for a building that will be renovated to serve as the new police headquarters. The new building is 6,564 square feet and after renovation will be designed to accommodate up to 15 officers, plus the required support staff. While not finalized, the current cost estimate to purchase and renovate the building is \$1,215,132.50. By making this investment now, the Town is enhancing the services provided to existing development and is setting up the department to be able to accommodate the needs of future development. To apportion the cost of the new building equally amongst existing and new development, the total estimated cost of \$1,215,132.50 is divided by the capacity of 15 officers and results in a cost of approximately \$81,000 per officer.

The table below provides an illustration of the total vehicle, equipment and building space needs provide per officer to the currently staffed officers:

Table 8: Total Cost per Additional Officer

Description	Cost per Officer
Vehicles	\$45,150
Equipment	9,950
Building Space Needs Study	81,000
Total Costs	\$136,100

Based on the costs per officer identified for the existing sworn officers staffed by the City, the total initial capital related cost for additional officers is \$136,100. There are other purchases, salaries, and operating costs associated with hiring these officers, but operating and minor capital costs are not eligible to be funded through impact fees revenues. With nine sworn officers currently staffed, the current value of the capital investment made by the City for the police department is \$1,224,900, as illustrated on the table below:

Table 9: Total Cost per Additional Officer

Description	Amount
Existing Officers	9.0
Cost per Officer	\$136,100
Total Costs	\$1,224,900

Calculated Police Impact Fees

With the full capital cost of staffing the existing police force identified, the impact fee can be calculated. The impact fee will first be calculated per square foot of development and will then be adjusted to account for the functional population ERU factors developed in Section 2. For residential development, the impact fee will be applied per dwelling unit, based on the average dwelling unit size of 1,300 sf. The hotel/motel fee is designed to be recovered per room, based on an average room size of 330 sf¹. For non-residential development the impact fee will be applied per square foot based on the land use category. The following table illustrates the calculation of the capital cost per

¹<https://www.usatoday.com/story/travel/roadwarriorvoices/2015/11/04/hotel-rooms-20-years-ago-were-twice-as-large-as-some-of-todays-offerings/83847338/>

square foot of providing police protection services to existing development. The cost per square foot serves as the standard that will be applied to future development in the City.

Table 10: Police Impact Fee Cost per Square Foot Calculation

Description	Amount
Total Costs	\$1,224,900
Total existing sf	2,736,144
Calculated impact fee per sf	\$0.448

With a cost per square foot calculated at \$0.448, the ERU factors developed in Section 2 can be applied to weight the cost per square foot for various types of development. The ERU factors for the different land uses are representative of the typical demand level each land use represents on the police department, by measure where people in the City are spending their time throughout the course of a day. For example, the retail land use typically has more traffic, more visitors and more employees per square foot than the industrial land use and therefore the retail land use is assigned a higher ERU weighting. The weighted impact fee per square foot and the conversion to impact fees per dwelling unit or 1,000 square feet are provided on the table below:

Table 11: Police Impact Fees by Land Use

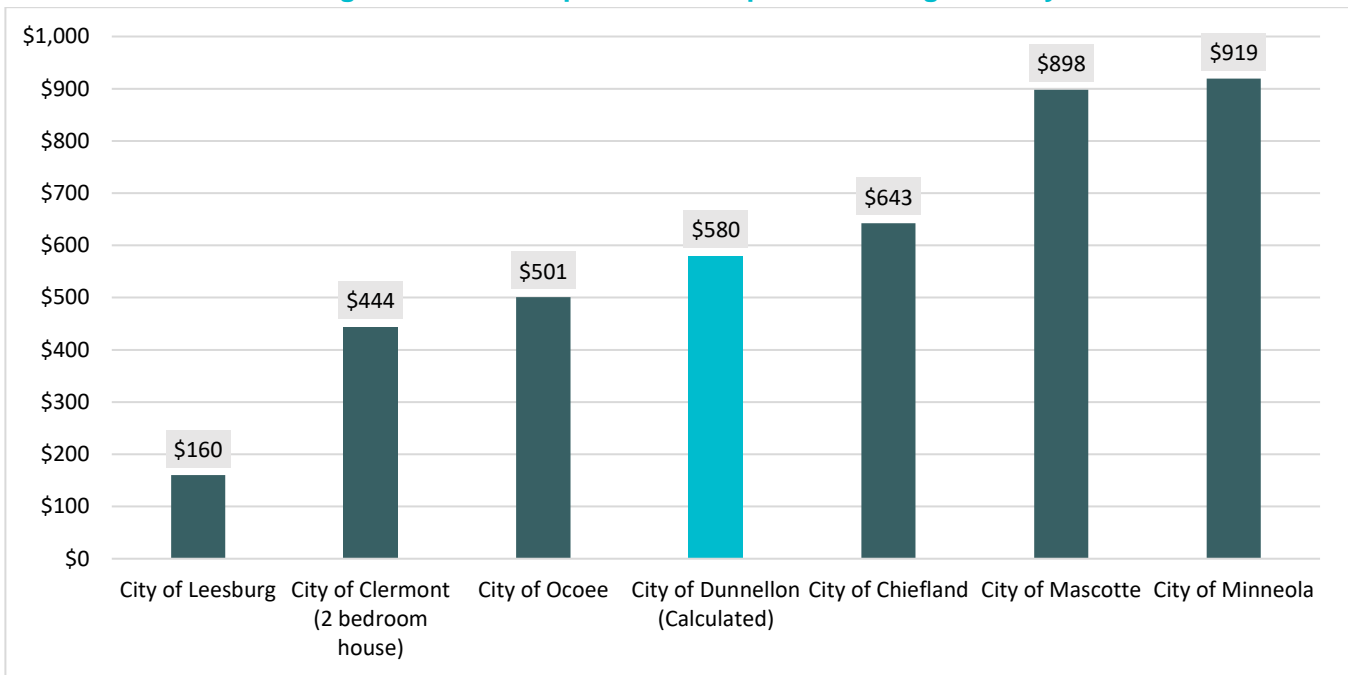
Description	ERU Factor	Weighted Cost	Unit Conversion	Impact Fee
Calculated impact fee per sf		\$0.448		
Residential (per dwelling unit)	1.00	0.448	1,300	\$580
Office (per 1,000 square feet)	0.98	0.438	1,000	\$435
Retail (per 1,000 square feet)	2.48	1.113	1,000	\$1,110
Institutional (per 1,000 square feet)	1.28	0.574	1,000	\$570
Industrial (per 1,000 square feet)	0.26	0.117	1,000	\$115
Hotel (per room)	0.89	0.398	330	\$130

Note: Impact fee calculation rounded down to nearest \$5 increment.

Police Impact Fee Comparison

The following figure compares the City’s proposed residential police impact fee to the impact fees charged in other nearby communities. As shown in the figure below, the proposed residential police impact fee of \$580.00 is comparable when compared to the other communities.

Figure 2: Police Impact Fee Comparison – Single Family



Note: Approx. population for each City: Leesburg – 24,000; Clermont – 41,000; Ocoee – 48,000; Dunnellon – 1,800; Chiefland – 2,200; Mascotte – 6,200; Minneola – 13,000

Section 4: Recreation Impact Fee Feasibility

Introduction

The City owns and maintains parks and recreation facilities for the use and benefit of its residents and visitors. As the City grows, additional facilities and improvements to existing recreation amenities are necessary to accommodate the increased attendance. This section discussed the feasibility and data needs for the City’s potential calculation and implementation of parks and recreation impact fees to meet demands from growth.

Existing Recreational Facilities

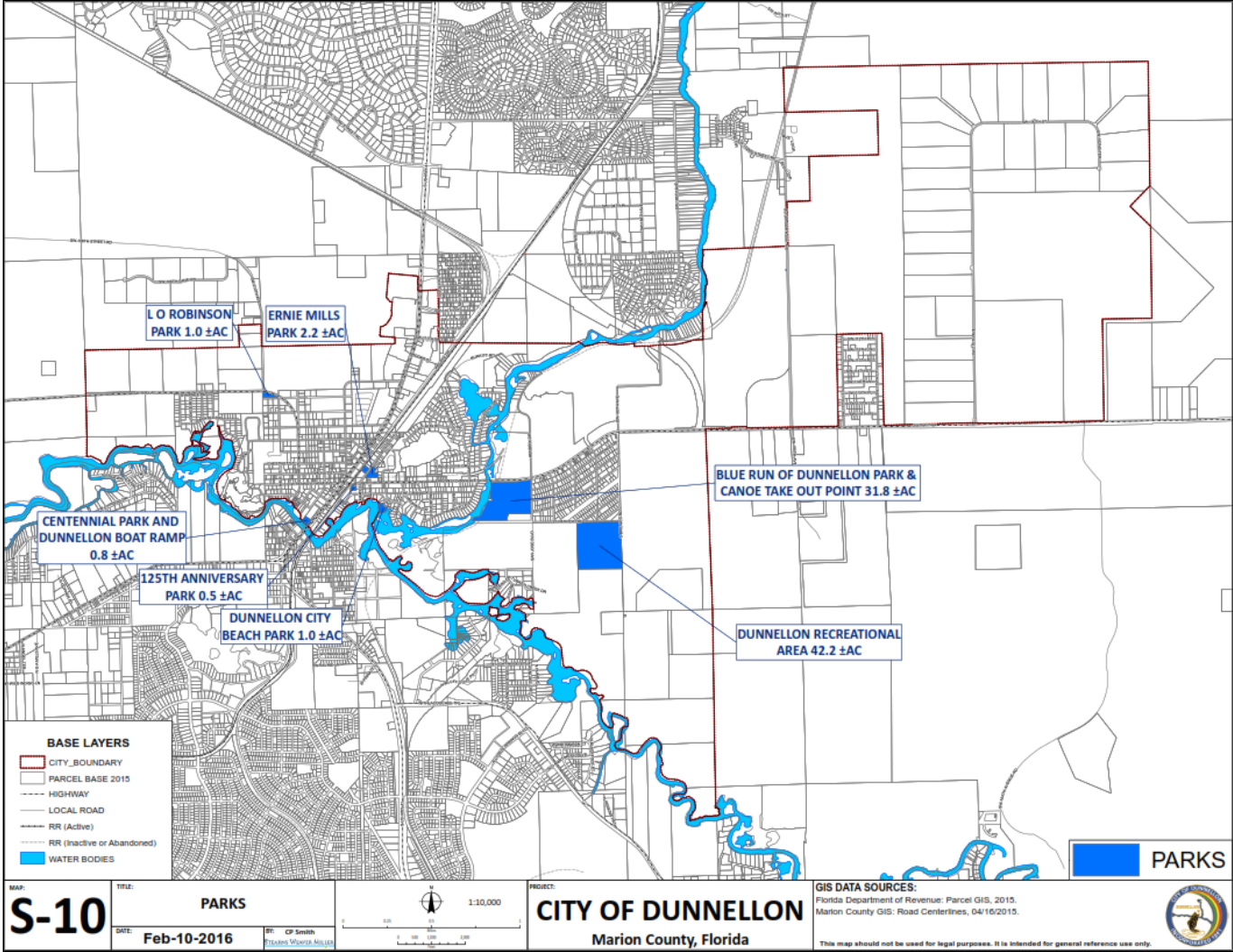
Per discussions with staff and information provided, the following lists of parks and grant funding was obtained. The City has seven existing parks, totaling nearly 80 acres, of various sizes and amenities that it must maintain and upgrade.

Table 12: Current Recreational Facilities

Description	Acreage
L O Robinson Park	1.00
Ernie Mills Park	2.20
Blue Run of Dunnellon Park & Canoe Take Out Point (shared maintenance with Marion County)	31.80
Dunnellon Recreational Area	42.20
Dunnellon City Beach Park	1.00
125th Anniversary Park	0.50
Centennial Park and Dunnellon Boat Ramp	0.80
Total Recreational Acreage	79.50

The map below highlights the areas within the City where these parks are located:

Figure 3: Map of Parks and Recreation Facilities



Source: City of Dunnellon.

As shown on the map, many of the parks are very close to the waterways that run through the heart of the City. Grant funding was used to fund several of these parks and improvements. Blue Run of Dunnellon Park is a large park located adjoining to Rainbow River and is the City’s most costly park in terms of land value. This park land was fully funded through State and County grants in the 2007/2008 timeframe.

Table 13: Parks and Recreation Grant Funding

Description	Grant No.	Project Description	Grant Funding	City Funding	Total Project
City Hall Park					
FL Fish & Game Commission	1996-30	Boat Ramp, Dock, Fishing Pier, Parking lot	\$30,000	\$0	\$30,000
FRDAP	1998-19	Boat Ramp, Picnic Facilities, Landscaping, Restrooms	50,000	0	50,000
Marion County Boater Improvements	Unknown	City Hall Park	7,728	0	7,728
Ernie Mills Park					
FL Communities Trust	1997-16	Land Acquisition	237,350	0	237,350
FRDAP	1999-11	Recreational Complex	93,750	80,988	174,738
Blue Run Park					
Marion County	2007-14	Land Acquisition	350,000	0	350,000
FL Communities Trust	2008-01	Blue Run Park - Land Acquisition	1,928,250	0	1,928,250
Marion County	TBD	Blue Run Park Restrooms	192,050	30,000	222,050
Total			\$2,889,128	\$110,988	\$3,000,116

The grant funding identified on the table above will need to be taken into consideration for not only calculating the buy-in of future growth to existing facilities but also to attempt to anticipate future grants that will be received. If certain parks were fully funded by grant funds, future growth will not be required to pay for the land or other grant funded amenities of those facilities. There is the potential that existing grant funded facilities will need to be upgraded to increase the capacity, in which case growth would then be required to pay its fair share.

Level of service for parks and recreational services is typically measured in terms of recreational acreage available per 1,000 population. This data point indicates whether the City has sufficient recreational acreage to serve its current residents. Additionally, the City indicated there are several parking improvement projects its wishes to complete that will solve current issues with parking and accommodate future growth as well. These types of parking improvements, anticipated to largely be associated with existing parks, can likely be partially funded with impact fee revenues depending on the timing of improvements. Since the City has indicated there are currently issues with parking during peak times where a significant number of visitors enter the parks and river attraction areas, the City will need to be cautious with the amount of impact fee funding designated for these improvements as impact fees should not be used to cure existing deficiencies. Only the portion of parking or other improvements that benefit future growth should be considered in any recreation impact fee calculation.

The following summarizes the minimum information required to calculate recreation impact fees, should the City elect to do so in the future:

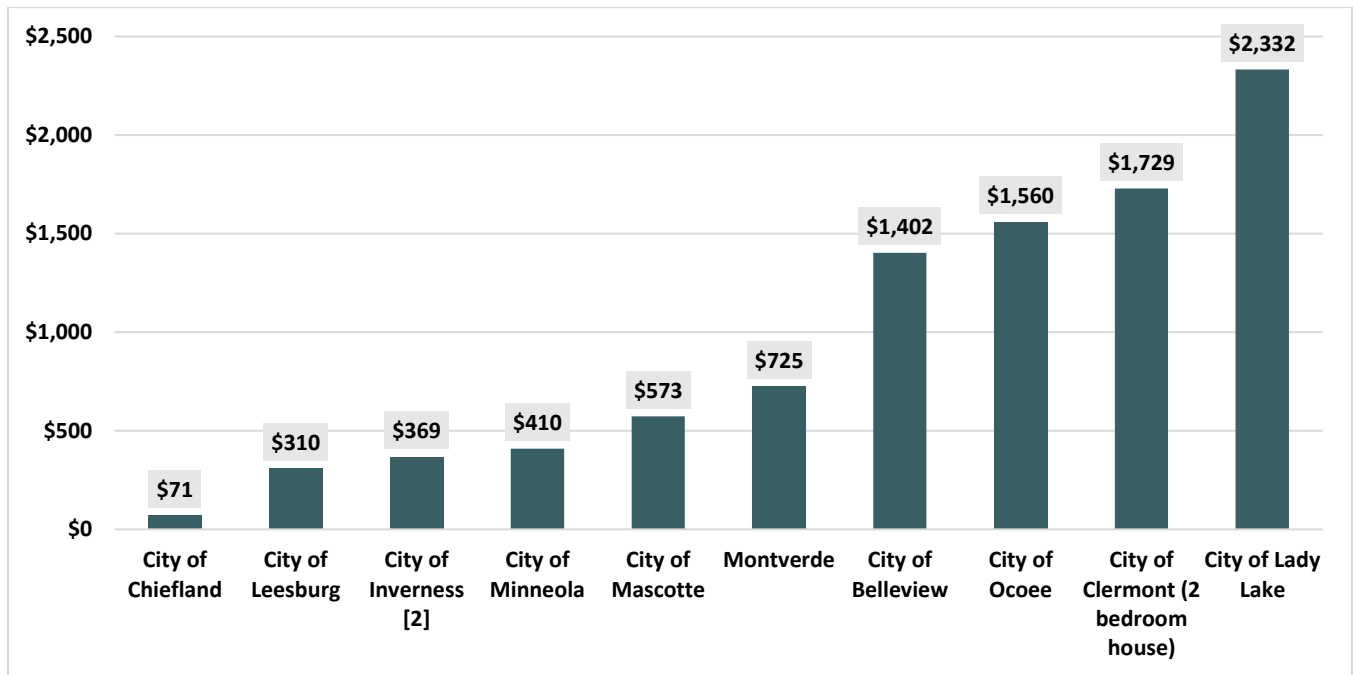
- Five-year recreation capital improvement plan including project costs;
- Reasonable near term (five to ten year) residential development growth forecast;
- Anticipated funding sources for the five-year recreation capital improvement plan, including grant funding.

Recreation impact fees typically range from a few hundred dollars per unit to over one or two thousand dollars per unit. Based on currently available information it would be difficult to develop a forecast of potential revenue collections from a recreation impact fee. However, this impact fee revenue would reduce the fiscal impact on the City's tax revenue and existing impact to fund capital improvements related to growth.

Parks and Recreation Impact Fee Comparison

Figure 4 below shows a comparison of parks and recreation impact fees implemented by other surrounding communities. As can be seen on the chart, there is a wide range in the level of fee collected, which is closely related to the level of service and the types of amenities the community desires to provide for its parks. It should be noted that other communities may have higher levels of service than might be indicated in their impact fee and instead have identified other funding sources to offset the need for impact fee collections.

Figure 4: Parks and Recreation Impact Fee Comparison – Single Family



Note: Approx. population for each City: Leesburg – 24,000; Minneola – 13,000; Mascotte – 6,200; Montverde – 1,900; Belleview – 5,300; Ocoee – 48,000; Clermont – 41,000; Lady Lake – 16,000