



**Department of Economic
and Development Services**

Memorandum

To: Board of County Commissioners
From: Holly Coyle, Director of Economic and Development Services
Date: August 3, 2017
Re: Clay County Transportation Impact Fee Study

Issue: Review of the Clay County Transportation Impact Fee Study prepared by Tindale-Oliver dated July 7, 2017. Staff will look for direction from the Board on the transportation impact fee schedule to be included in an Adoption Ordinance.

Background: Tindale-Oliver has updated the Transportation Impact Fee Study that was provided to you in June. The study has been updated to add sections entitled *Fee Discounts & Economic Growth Model Application* (page 31) and *Roadway Impact Fee Benefit District* (page 35). Fee schedules were also revised to address recreational categories and to collapse certain land use categories. Due to concerns about the rates for a number of the commercial land use categories, a number of specific retail categories have been collapsed into general retail categories. In addition, size-based medical office rates have been merged into a single medical office rate using the lower of the two rates.

The study, as discussed previously, includes recommendations for a consumption-based plan and a needs-based plan. The consumption based plan impact fee rate is based on the burden that the new development activity places on roadways from each land use. The needs-based impact fee is the one on which the current impact fee is based. In this case, the future requirements for a certain year are defined and the total cost to provide those facilities is estimated. Because the needs-based impact is based on an improvement plan and not on the cost of adding capacity, the needs based impact fee is less flexible. As such, staff believes that a consumption based impact fee should be considered by the Board.

A summary of the consumption-based fee rates for four different volume to capacity (v/c) ratios can be seen on Table 6 of the report. The consultant calculated the impact fee for four scenarios; a v/c ratio of 0.46, 0.48, 0.56, and 1.0. The v/c ratio of 0.46 represents a very ambitious improvement plan for the County of \$723,141,446 in improvements by 2040. This corresponds to the 2040 Long Range Transportation Plan and improves the operation of the

system from its current level of v/c of 0.48 to 0.46. The v/c ratio of 0.48 represents an ambitious improvement plan that if implemented will maintain the current operational capacity. The v/c ratio of 0.56 corresponds to the cost feasible plan improvements, and recognizes that the County will accept some degradation of operating conditions but still maintain an overall system that operates well above capacity. Finally, the v/c of 1 allows system degradation but maintains that overall the Clay County transportation system will operate at capacity.

Staff has prepared a table that provides a consumption-based impact fee schedule for a v/c ratio of .56 with a 15% reduction (which yields a v/c ratio of .65). This table also includes a v/c ratio of 1.00 with no reduction. Staff has also included column that show Clay County's current fee rates and the current and proposed transportation impact fee schedule for St. Johns County. In addition, staff has calculated a projected annual impact fee total that would be collected based on population projections from the County's EAR. Estimates for non-residential annual impact fee total was based on 25% of the residential total. Our analysis from last year's permit date projected that non-residential impact fee would have been 29% of the residential total.

Recommendation/Action: Staff recommends that the Board adopt the impact fee schedule for a v/c ratio of 1.00 provided on the attached table and requests that the Board provide direction to advertise and schedule a public hearing to adopt the impact fee with the recommended fee schedule. Staff will present the ordinance to the Board on August 22nd for consideration and approval. Paragraph 163.31081(3)(d), F.S. states that an impact fee adopted by ordinance of a county must "require 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." Therefore, the effective date of the impact fee if adopted by ordinance at the August 22nd meeting would be November 20, 2017.