



Orange County Law Enforcement Impact Fee Update Study

FINAL REPORT

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Prepared for:

Orange County

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**Orange County
Law Enforcement Impact Fee Update Study
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Introduction

Law enforcement impact fees are used to fund capital expansion projects for law enforcement service related buildings, land, vehicles and capital equipment required to support the additional demand created by new growth. Orange County’s law enforcement impact fees were last updated in 2012. It is the policy of the County to update the impact fee technical study frequently to ensure the fees are based on the most current and localized data. As such, the Orange County retained Tindale Oliver to prepare an updated study to reflect changes to the cost, credit, and demand components since the last update study. It should be noted that figures calculated in this report represent the technically defensible level of impact fees that the County could charge; however, the Board of County Commission (BCC) may choose to discount the fees as a policy decision.

Methodology

The methodology used to update the law enforcement impact fee is a consumption-based impact fee methodology, which has also been used to calculate the current adopted law enforcement impact fee for the County as well as several law enforcement impact fees throughout Florida, including, but not limited to, fees in Collier, Charlotte, Palm Beach, and Indian River Counties. A consumption-based impact fee is intended to charge new growth the proportionate share of cost associated with providing law enforcement facilities available for use by new growth.

Legal Standard Overview

In Florida, legal requirements related to impact fees have primarily been established through case law since the 1980’s. Generally speaking, impact fees must comply with the “dual rational nexus” test, which requires that they:

- Be supported by a study demonstrating that the fees are proportionate in amount to the need created by new development paying the fee; and
- Be spent in a manner that directs a proportionate benefit to new development, typically accomplished through establishment of benefit districts (if needed) and a list

of capacity-adding projects included in the County’s Capital Improvement Plan, Capital Improvement Element, or another planning document/Master Plan.

In 2006, the Florida legislature passed the “Florida Impact Fee Act,” which recognized impact fees as “an outgrowth of home rule power of a local government to provide certain services within its jurisdiction.” § 163.31801(2), Fla. Stat. The statute – concerned with mostly procedural and methodological limitations – did not expressly allow or disallow any particular public facility type from being funded with impact fees. The Act did specify procedural and methodological prerequisites, such as the requirement of the fee being based on most recent and localized data, a 90-day requirement for fee changes, and other similar requirements, most of which were common to the practice already.

More recent legislation further affected the impact fee framework in Florida, including the following:

- **HB 227 in 2009:** The Florida legislation statutorily clarified that 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 the Impact Fee Act and that the court may not use a deferential standard.
- **SB 360 in 2009:** Allowed fees to be decreased without the 90-day notice period required to increase the fees and purported to change the standard of legal review associated with impact fees. SB 360 also required the Florida Department of Community Affairs (now the Department of Economic Opportunity) and Florida Department of Transportation (FDOT) to conduct studies on “mobility fees,” which were completed in 2010.

The following paragraphs provide further detail on the generally applicable legal standards applicable here.

Impact Fee Definition

- An impact fee is a one-time capital charge levied against new development.
- An impact fee is designed to cover the portion of the capital costs of infrastructure capacity consumed by new development.
- The principle purpose of an impact fee is to assist in funding the implementation of projects identified in the Capital Improvements Element (CIE) and other capital improvement programs for the respective facility/service categories.

Impact Fee vs. Tax

- An impact fee is generally regarded as a regulatory function established as a condition for improving property and is not established for the primary purpose of generating revenue, as are taxes.
- Impact fee expenditures must convey a proportional benefit to the fee payer. This is accomplished through the establishment of benefit districts, where fees collected in a benefit district are spent in the same benefit district.
- An impact fee must be tied to a proportional need for new infrastructure capacity created by new development.

This technical report has been prepared to support legal compliance with existing case law and statutory requirements. The technical report also documents the methodology components for the law enforcement impact fee, including an evaluation of the inventory, service area, cost, credit, and demand components. Information supporting this analysis was obtained from the Orange County Sheriff's Office (OCSO) and other sources, as indicated. The study's methodology is documented in the following sections of this technical report:

- Facility Inventory
- Service Area
- Cost Component
- Credit Component
- Net Impact Cost
- Demand Component
- Calculated Law Enforcement Impact Fee Schedule
- Impact Fee Schedule Comparison
- Indexing

These various elements are summarized in the remainder of this report, with the result being the calculated law enforcement impact fee schedule.

Facility Inventory

According to the information provided by the Orange County Sheriff's Office (OCSO), Orange County has approximately 373,000 square feet of building space, including 331,000 square feet of primary buildings and 42,000 square feet of support buildings. Additionally, OCSO current inventory includes 143.5 acres of land that is associated with the primary and support buildings. **Table 1** presents this information.

The building value estimates are based on recent construction cost, insurance values of the existing buildings, information from other Florida jurisdictions, and discussions with OCSO staff. This analysis resulted in an estimated cost of \$225 per square foot for primary buildings and \$175 per square foot for support buildings. It is also important to note that, in addition to the buildings shown in Table 1, OCSO leases several facilities that are also utilized in providing law enforcement services. For the purposes of this impact fee study, the inventory includes only the space owned by the County.

In terms of estimating current land values, a review of the value of land where existing law enforcement facilities are located was completed. In addition, land use characteristics of the areas where existing facilities are located were evaluated. Both vacant land sales and the current value of vacant parcels as reported by the Orange County Property Appraiser were evaluated to determine the differentiation in land values for different land uses. This analysis resulted in an average value of \$230,000 per acre for parcels with 15 acres or less. As shown in Table 1, two of the law enforcement facilities are located on large, agriculturally zoned parcels. These two parcels are valued at \$25,000 per acre, based on the value of agricultural land. Additional detail is included in Appendix A.

**Table 1
Land and Building Inventory**

Facility ⁽¹⁾	Address ⁽¹⁾	Law Enforcement Building Square Footage ⁽¹⁾	Total Building Square Footage ⁽²⁾	Total Acres ⁽²⁾	Allocated Law Enforcement Acres ⁽³⁾	Building Value ⁽⁴⁾	Land Value ⁽⁵⁾	Total Building and Land Value ⁽⁶⁾	
Primary Buildings:									
Central Operations	2500 W. Colonial Drive	216,818	216,818	14.29	14.29	\$48,784,050	\$3,286,700	\$52,070,750	
Fleet Maintenance	2200 W. Colonial Drive	15,186	15,186	2.80	2.80	\$3,416,850	\$644,000	\$4,060,850	
Sector 1 (Apopka Service Center)	1111 N. Rock Springs Road	5,857	29,259	9.33	1.87	\$1,317,825	\$430,100	\$1,747,925	
Sector 2	11000 Lake Underhill Road	23,068	23,068	3.30	3.30	\$5,190,300	\$759,000	\$5,949,300	
Sector 3 (Ocoee Service Center)	475 W. Story Road	6,460	29,410	7.64	1.68	\$1,453,500	\$386,400	\$1,839,900	
Sector 4 and BRC	2400 W. 33rd Street	28,002	1,170,067	64.10	1.53	\$6,300,450	\$351,900	\$6,652,350	
Main Courthouse	425 N. Orange Avenue	20,986	905,728	7.51	0.17	\$4,721,850	\$39,100	\$4,760,950	
Juvenile Justice Center	2000 E. Michigan	2,093	251,438	54.11	0.45	\$470,925	\$103,500	\$574,425	
Communications	6590 Amory Court	12,700	58,928	6.52	1.41	\$2,857,500	\$324,300	\$3,181,800	
Support Buildings:									
Evidence	4536 S.W. 35th Street	24,300	24,300	1.44	1.44	\$4,252,500	\$331,200	\$4,583,700	
LEVO	6350 Wadsworth Road	4,680	4,680	82.96	82.96	\$819,000	\$2,074,000	\$2,893,000	
Range	14500 Wewahootee Road	13,400	13,400	31.58	31.58	\$2,345,000	\$789,500	\$3,134,500	
Total		373,550	2,742,282	285.58	143.48	\$81,929,750	\$9,519,700	\$91,449,450	
Weighted Average Building Value per Square Foot⁽⁷⁾						\$219			
Weighted Average Land Value per Acre⁽⁸⁾							\$66,349		

- 1) Source: Orange County Sheriff's Office
- 2) Source: Orange County Sheriff's Office and the Orange County Property Appraiser. Acreage excludes wasteland or submerged land.
- 3) Ratio of the law enforcement building square footage to the total building square footage multiplied by the total number of acres on the parcel
- 4) Law enforcement square footage multiplied by the estimated building value per square foot, \$225 for primary buildings and \$175 for support buildings. Appendix A provides further detail on the cost per square foot estimates.
- 5) Allocated law enforcement acres (Item 3) multiplied by estimated land value per acre, \$230,000 for primary buildings and the Evidence Building and \$25,000 per acre for the remaining support buildings. Appendix A provides further detail on the cost per acre estimates.
- 6) Sum of building value (Item 4) and land value (Item 5)
- 7) Total building value (Item 4) divided by the total law enforcement building square footage
- 8) Total land value (Item 5) divided by the total law enforcement allocated acreage (Item 3)

In addition to the land and buildings inventory, the OCSO also has the necessary equipment and vehicles to perform its law enforcement duties. **Table 2** summarizes the total equipment and vehicle inventory value. As shown, the total value associated with vehicles and equipment amounts to \$126 million. To determine the total value, the average cost to outfit an officer (approximately \$54,000) was multiplied by the total number of sworn officers (1,464) and added to the total vehicle and equipment value of items not included in the cost to outfit an officer.

Table 2
Vehicle and Equipment Value

Item	Count ⁽¹⁾	Value per Officer ⁽²⁾	Total Value ⁽³⁾
Number of Sworn Officers (2016)	1,464		
<i>Average Cost of Field Personnel</i>			
Total Vehicle Cost per Officer		\$42,302	\$61,930,128
Total Uniform/Equipment Cost per Officer		<u>\$11,337</u>	<u>\$16,597,368</u>
Total Cost to Outfit an Officer		\$53,639	\$78,527,496
<i>Additional Vehicle and Equipment Value⁽⁴⁾</i>			
Vehicle Value			\$8,331,893
Equipment Value			\$38,872,323
Total Vehicle and Equipment Value⁽⁵⁾			\$125,731,712

1) Source: Orange County Sheriff's Office

2) Source: Orange County Sheriff's Office

3) Count of sworn officers (Item 1) multiplied by the value per officer (Item 2)

4) Source: Orange County Sheriff's Office. Figures shown represent the total value of equipment and vehicles that are not included in the cost to outfit an officer.

5) Sum of the total cost to outfit an officer and the additional vehicle and equipment value (Item 4)

Service Area

OCSO provides law enforcement services in the unincorporated county and the Cities of Bay Lake and Lake Buena Vista. Therefore, the proper benefit district for the provision of law enforcement services is the unincorporated county and the Cities of Bay Lake and Lake Buena Vista.

Cost Component

The cost component of the study evaluates the cost of all capital items, including buildings, land, vehicles, and equipment. **Table 3** provides a summary of all capital costs, which amounts to \$217.2 million.

Also presented within Table 3 is the total impact cost per call. To calculate the total impact cost per call, the total asset value of \$217.2 million is divided by the average annual number of law enforcement related calls over the past six years. The resulting total impact cost per call amounts to \$534.

Table 3
Total Impact Cost

Component	Cost	Percent of Total Value ⁽⁶⁾
Building Value ⁽¹⁾	\$81,929,750	37.7%
Land Value ⁽¹⁾	\$9,519,700	4.4%
Vehicle and Equipment Value ⁽²⁾	\$125,731,712	57.9%
Total Asset Value⁽³⁾	\$217,181,162	100.0%
Average Annual Number of Calls (2011-16) ⁽⁴⁾	406,919	
Total Impact Cost per Call⁽⁵⁾	\$533.72	

1) Source: Table 1

2) Source: Table 2

3) Sum of building, land, and vehicle and equipment value (Items 1 and 2)

4) Source: Orange County Sheriff's Office

5) Total asset value (Item 3) divided by the average annual number of calls (Item 4)

6) Distribution of building, land, and vehicle and equipment values

Credit Component

To avoid overcharging new development for the law enforcement impact fee, a review of the capital financing program for law enforcement facilities and capital assets was completed. The purpose of this review was to determine any non-impact fee revenue generated by new development that is being used for capital facility (buildings, land, vehicles and equipment) expansion of the law enforcement program. Revenue credits would then apply against the cost per call so that new development is not overcharged for capital expansion projects. Based upon a review of capacity addition expenditures over the past six years and projected over the next four years, it has been determined that OCSO has used revenue from the Federal Forfeiture and Capital Fund to fund the capital expansion of law enforcement facilities. Additionally, because the OCSO has outstanding payments for a capital lease used to purchase a helicopter, a credit for the remaining payments is also recognized.

Capital Expansion Expenditures Credit

To calculate the capital expansion expenditure per call, the historical and planned capital expansion projects are reviewed. During the time period between 2011 and 2020, the County appropriated an average annual non-impact fee funding of \$1.7 million towards expansion of law enforcement facilities. The average annual expenditure was then divided by the average annual number of calls over the past six years. As shown in **Table 4**, the result is an average annual capital expansion expenditure of \$0.42 per call.

Table 4
Capital Expansion Credit

Building/Equipment ⁽¹⁾	Funding Source ⁽¹⁾	Total (FY 2011-2020) ⁽¹⁾
Lenco BearCat G3	Federal Forfeiture Fund	\$303,540
K-9 Admin/Training Facility	Capital Funds	\$1,388,000
Total Capital Expansion Expenditure		\$1,691,540
Average Annual Capital Expansion Expenditure ⁽²⁾		\$169,154
Average Annual Number of Calls (2011-16) ⁽³⁾		406,919
Annual Capital Expansion Expenditure per Call ⁽⁴⁾		\$0.42

1) Source: Orange County Sheriff's Office

2) Average capital expansion expenditures over the 10-year period

3) Source: Table 3

4) Average annual expenditure (Item 2) divided by the average annual number of calls (Item 3)

Capital Lease Credit

Table 5 reflects the outstanding payments related to the purchase of the OCSO’s Bell helicopter. The current lease obligation is being repaid with revenue from the General Fund. To calculate the credit of the outstanding loan, the present value of the total remaining payments is divided by the average annual number of calls over the past six years. As shown, the resulting credit is \$9.16 per call.

Because the capital lease is being partially funded with ad valorem revenues out of the General Fund, an adjustment was made to account for the fact that new homes tend to pay higher taxes per dwelling unit. This adjustment factor was estimated based on a comparison of the average taxable value of new homes to that of all homes. As presented in Table 5, the adjusted capital expansion credit amounts to \$12.42 per call in the case of residential land uses.

**Table 5
Capital Lease Credit**

Issue⁽¹⁾	Funding Source⁽¹⁾	Present Value of Remaining Payments⁽¹⁾	Average Annual Number of Calls (2011-16)⁽²⁾	Credit per Call⁽³⁾
Bell 206 L4 Helicopter	General Fund	\$3,727,359	406,919	\$9.16
Portion Funded with Ad Valorem Tax Revenues ⁽⁴⁾				\$8.15
Adjustment Factor for Residential Land Uses ⁽⁵⁾				1.40
Adjusted Credit for Residential Land Uses ⁽⁶⁾				\$11.41
Portion Funded with Other Sources ⁽⁷⁾				\$1.01
Total Credit for Residential Land Uses ⁽⁸⁾				\$12.42

- 1) Source: Orange County Sheriff's Office
- 2) Source: Table 3
- 3) Present value of payments remaining (Item 1) divided by the average annual number of calls (Item 2)
- 4) Portion of the total debt service funded with ad valorem tax revenues, which represents approximately 89% of General Fund revenues.
- 5) Adjustment factor to reflect higher ad valorem taxes paid by new homes
- 6) Portion funded with ad valorem tax revenues (Item 4) multiplied by the credit adjustment factor (Item 5)
- 7) Total capital lease credit less the portion funded with ad valorem tax revenues (Item 4)
- 8) Sum of the adjusted debt service credit for residential land uses and the portion funded with other sources (Items 6 and 7)

Net Impact Cost

Table 6 summarizes the calculation of the net law enforcement impact cost per call, which is the difference between the total impact cost and the total revenue credit. The resulting net impact cost per call is \$514 for residential land uses and \$517 for non-residential land uses.

**Table 6
Net Impact Cost**

Impact Cost/ Credit Element	Per Call
Impact Cost	
Total Impact Cost ⁽¹⁾	\$533.72
Revenue Credit	
Capital Improvement Credit ⁽²⁾	\$0.42
Capitalization Rate	3%
Capitalization Period (in years)	25
Total Capital Improvement Credit ⁽³⁾	\$7.31
Capital Lease Credit ⁽⁴⁾	
- Residential Land Uses	\$12.42
- Non-residential Land Uses	\$9.16
Total Revenue Credit ⁽⁵⁾	
- Residential Land Uses	\$19.73
- Non-residential Land Uses	\$16.47
Net Impact Cost⁽⁶⁾	
- Residential Land Uses	\$513.99
- Non-residential Land Uses	\$517.25

1) Source: Table 3

2) Source: Table 4

3) Average annual capital improvement credit (Item 2) for a capitalization rate of 3% over 25 years

4) Source: Table 5

5) Sum of total capital improvement credit (Item 3) and capital lease credit (Item 4)

6) Total impact cost (Item 1) less total revenue credit (Item 5)

Compared to the last study, the cost per call increased by nearly 95 percent due to additional building and vehicle/equipment inventory as well as a more completed list of vehicle/equipment inventory. The credit per call decreased by 25 percent, which represents approximately 4 percent of the total cost, down from 10 percent in the previous study. The net cost per call doubled (an increase of 105 percent). The remaining changes in fee levels are due to fluctuations on call data.

Demand Component

In determining the impact fee for each land use on a per call basis, it is necessary to determine the service delivery to residential and non-residential land uses. In developing the call-based demand, the average annual calls by land use between 2011 and 2016 were reviewed. The following calls were excluded from the analysis:

- **MOBHUs:** Based on discussions with the OCSO, calls classified as mobile phone hang ups (MOBHU) were excluded. The OCSO indicated that when these calls are received by the Communication Center, if the call taker does not hear anything before it is disconnected, the call taker attempts to reverse dial the number twice before moving onto the next call. The only time that a deputy is dispatched to this type of call is when the call taker hears something in the background that gives a reason for concern.

- **Non-patrol functions:** Similar to the 2012 impact fee study, calls that are not related to patrol functions are excluded from the call-based demand calculations, including:
 - DOR Code 8600 - County (Other than Public Schools, Colleges, Hospitals) Including Non-Municipal Govt.;
 - DOR Code 8700 - State (Other than Military, Forests, Pks., Rec Areas, Hospitals, and Colleges);
 - DOR Code 8600 - Federal; and
 - DOR Code 8900 - Municipal (Other than Parks, Rec Areas, Colleges, and Hospitals).

- **Public schools:** Calls to public schools were also excluded since public schools are not assessed impact fees, including:
 - DOR Code 8300 – School
 - DOR Code 8400 – College

With the exclusion of calls assigned to these land uses, the total annual average number of calls is reduced from 406,919 to 392,539. Of the 392,539 calls, 210,373 could be assigned to a land use. Of the remaining 182,166 calls, 158,544 were associated with mixed use properties, 20,155 were unclassified, 151 could not be allocated to a land use in the schedule, and 3,316 calls were to vacant properties. In order to assign all calls to the appropriate land

uses, the percentage distribution of assigned calls is utilized in allocating unassigned calls to a land use. **Table 7** presents this analysis.

The final step in the call based demand calculations involves the calculation of calls per units of development, which are also presented in Table 7. In order to determine the number of units to each respective land use, a review of the Orange County Property Appraiser's Database was conducted. Of the residential land uses, single family, multi-family, and mobile homes are measured per dwelling unit. Hotel/motel is measured per room and is calculated based on the average gross square footage per room of 843, estimated based on sample of existing hotels/motels. Non-residential land uses are measured by gross building square footage.

**Table 7
Orange County Law Enforcement Call Based Demand**

Land Use	Unit	Average Calls per Year (2011-16) ⁽¹⁾	% Distribution (All Assigned Uses) ⁽²⁾	Distribution of Unassigned Calls ⁽³⁾	Total Calls ⁽⁴⁾	Revised Percentage ⁽⁵⁾	Units of Development ⁽⁶⁾	Calls per Unit ⁽⁷⁾
<i>Calls Assigned to a Land Use</i>								
SFR Detached	du	93,716	44.6%	81,245	174,961	44.6%	187,525	0.93
Multi-Family	du	18,653	8.9%	16,213	34,866	8.9%	97,353	0.36
Mobile Home	du	4,796	2.3%	4,190	8,986	2.3%	13,811	0.65
Hotel/Motel	room	26,487	12.6%	22,953	49,440	12.6%	67,852	0.73
Commercial/Retail	1,000 gross sf	48,893	23.2%	42,263	91,156	23.2%	62,998	1.45
Office/Institutional	1,000 gross sf	11,447	5.4%	9,837	21,284	5.4%	43,675	0.49
Manufacturing	1,000 gross sf	1,477	0.7%	1,275	2,752	0.7%	10,242	0.27
Warehousing	1,000 gross sf	4,661	2.2%	4,008	8,669	2.2%	57,195	0.15
School - Private	1,000 gross sf	243	0.1%	182	425	0.1%	2,516	0.17
Subtotal - Assigned Calls		210,373	100.0%	182,166	392,539	100.0%		
<i>Calls Unassigned to a Land Use</i>								
Mixed Use		158,544						
Null		20,155						
Other		151						
Vacant		3,316						
Subtotal - Unassigned Calls⁽⁸⁾		182,166						
Total		392,539						

- 1) Source: Orange County Sheriff's Office. Represents the average annual number of calls during the 2011 to 2016 time period, excluding calls not related to patrol functions, calls from public schools, and MOBHU classified calls.
- 2) Percent of all assigned calls (210,373) for each land use
- 3) Distribution of all assigned calls (Item 2) multiplied by the number of unassigned calls (Item 8)
- 4) Average annual calls (Item 1) plus the distribution of unassigned calls (Item 3)
- 5) Percent of total calls (392,539) for each land use.

- 6) Source: Orange County Property Appraiser's Database. Non-residential land uses are measured in terms of gross square feet. The hotel/motel land use utilizes an average of 843 gross square footage per room to convert total gross area into hotel/motel rooms.
- 7) Total calls (Item 4) divided by units of development (Item 6)
- 8) Sum of mixed use, null, other, and vacant calls

Calculated Law Enforcement Impact Fee Schedule

Based on the analysis presented in this report, a law enforcement impact fee schedule was developed for both residential and non-residential land uses, and is presented in **Table 8**. The total impact fee is calculated by multiplying the net impact cost per call from Table 6 by the number of calls per unit shown in Table 7.

Table 8
Calculated Law Enforcement Impact Fee Schedule

Land Use	Unit	Impact Cost per Call ⁽¹⁾	Calls per Unit ⁽²⁾	Total Impact Fee ⁽³⁾	Current Adopted Fee ⁽⁴⁾	Percent Change ⁽⁵⁾
SFR Detached	du	\$513.99	0.93	\$478	\$271	76%
Multi-Family	du	\$513.99	0.36	\$185	\$319	-42%
Mobile Home	du	\$513.99	0.65	\$334	\$263	27%
Hotel/Motel	room	\$517.25	0.73	\$378	\$135	180%
Commercial/Retail	1,000 gross sf	\$517.25	1.45	\$750	\$494	52%
Office/Institutional	1,000 gross sf	\$517.25	0.49	\$253	\$109	132%
Manufacturing	1,000 gross sf	\$517.25	0.27	\$140	\$118	19%
Warehousing	1,000 gross sf	\$517.25	0.15	\$78	\$57	37%
School - Private	1,000 gross sf	\$517.25	0.17	\$88	\$32	175%

1) Source: Table 6

2) Source: Table 7

3) Impact cost per call (Item 1) multiplied by the number of calls per unit (Item 2)

4) Source: Orange County Impact Fee Administration, Development Services

5) Percent change from the current adopted fee (Item 4) to the total impact fee (Item 3)

Impact Fee Schedule Comparison

As part of the work effort in updating the Orange County law enforcement impact fee program, the County’s calculated impact fee schedule was compared to the adopted fee schedule and those of the jurisdictions OCSO requested to be included in the comparison. Additionally, this review includes only the communities that have implemented law enforcement impact fees. **Table 9** presents this review. **Table 10** presents a comparison of the current adopted single family impact fee rate as well as the fully calculated rate for each of the Florida counties that implemented law enforcement impact fees. As shown, Orange County’s adopted and calculated fees are within the range of counties charging law enforcement impact fees.

Table 9
Law Enforcement Impact Fee Schedule Comparison

Land Use	Unit ⁽¹⁾	Orange County		Miami-Dade County ⁽⁴⁾	Palm Beach County ⁽⁵⁾	Polk County ⁽⁶⁾
		Calculated Fees ⁽²⁾	Adopted Fees ⁽³⁾			
Date of Last Update		2017	2012	2005	2012	2015
Adoption Percentage		100%	100%	N/A	95%	50%
Residential :						
Single Family (2,000 sf)	du	\$478	\$271	\$541	\$128	\$129
Non-Residential :						
Light Industrial	1,000 sf	\$78	\$118	\$375	\$7	\$37
Office (50,000 sq ft)	1,000 sf	\$253	\$109	\$375	\$10	\$250
Retail (125,000 sq ft)	1,000 sf	\$750	\$494	\$375	\$57	\$257
Bank w/Drive-Thru	1,000 sf	\$750	\$494	\$375	\$10	\$257
Fast Food w/Drive-Thru	1,000 sf	\$750	\$494	\$375	\$57	\$257

- 1) du = dwelling unit
- 2) Source: Table 8
- 3) Source: Orange County Impact Fee Administration; Community, Environmental & Development Services Department
- 4) Source: Miami-Dade Zoning Development Services Division. Impact fees were adopted in 2005 with an annual adjustment based on the CPI starting in 2006/07.
- 5) Source: Palm Beach County Planning, Zoning and Building Department, includes only the vehicle and equipment value. Law enforcement buildings are included in the general government buildings impact fee.
- 6) Source: Polk County Building and Construction Department

**Table 10
Law Enforcement, Single Family Impact Fee Schedule Comparison**

County	Date of Last Update Study	Adoption %	Single Family (2,000 sf du)	Single Family Fee @ 100% ⁽¹⁾
Nassau County ⁽²⁾	2015	100%	\$73	\$73
St. Johns County ⁽³⁾	2011	100%	\$91	\$80
Hernando County ⁽⁴⁾	1995	N/A	\$86	\$86
Monroe County ⁽⁵⁾	1992	100%	\$150	\$150
Palm Beach County ⁽⁶⁾	2015	N/A	\$128	\$192
St. Lucie County ⁽⁷⁾	2016	100%	\$232	\$232
Polk County ⁽⁸⁾	2015	50%	\$129	\$259
Citrus County ^{(9)*}	2014	100%	\$267	\$267
Orange County (Adopted)⁽¹⁰⁾	2012	100%	\$271	\$271
Sarasota County ⁽¹¹⁾	2016	100%	\$281	\$281
Wakulla County ^{(12)*}	2009	25%	\$85	\$339
Miami-Dade County ⁽¹³⁾	2005	N/A	\$541	\$411
DeSoto County ^{(14)*}	2006	100%	\$423	\$423
Indian River County ⁽¹⁵⁾	2014	100%	\$436	\$436
Orange County (Calculated)⁽¹⁶⁾	2017	N/A	\$478	\$478
Jefferson County ^{(17)*}	2007	100%	\$481	\$481
Charlotte County ⁽¹⁸⁾	2014	40%	\$197	\$493
Collier County ⁽¹⁹⁾	2017	100%	\$587	\$587
Manatee County ⁽²⁰⁾	2015	90%	\$536	\$596
Martin County ⁽²¹⁾	2012	100%	\$760	\$760

* Indicates fees are currently under moratorium

Note: Counties surrounding Orange County are highlighted.

- 1) Fee shown is the fully calculated single family rate
- 2) Source: Nassau County Planning and Economic Opportunity Department
- 3) Source: St. Johns County Planning and Zoning. Fee was adopted in 2011 at 100% and is annually indexed based off construction costs.
- 4) Source: Hernando County Planning Department. Date of original study (1995) shown with internal updates based on the 1995 study conducted afterword's.
- 5) Source: Monroe County Planning & Environmental Resources Department
- 6) Source: Palm Beach County Planning, Zoning, and Building Department. Rate shown under single family fee at 100% reflects most recent on-going technical study.
- 7) Source: St. Lucie County Planning & Development Services Department.
- 8) Source: Polk County Building and Construction Department
- 9) Source: Citrus County Growth Management Department. Fee is suspended through April 2018.
- 10) Source: Orange County Impact Fee Administration; Community, Environmental & Development Services Department
- 11) Source: Sarasota County Planning and Development Services Department
- 12) Source: Wakulla County Planning and Community Development. Fee is currently suspended.

- 13) Source: Miami-Dade Zoning Development Services Division. Impact fees were adopted in 2005 with an annual adjustment based on the CPI starting in 2006/07.
- 14) Source: Desoto County Building Department. Fees are suspended through November 2017.
- 15) Source: Indian River County Planning Division
- 16) Source: Table 8
- 17) Source: Jefferson County Planning Department. Fee is currently suspended.
- 18) Source: Charlotte County Community Development Department. The law enforcement and correctional facilities impact fee is shown and includes the 2.46% administrative fee.
- 19) Source: Collier County Impact Fee Administration Division
- 20) Source: Manatee County Impact Fee Administration
- 21) Source: Martin County Growth Management Department

Indexing

In many cases, impact fees are reviewed periodically (every three to five years, etc.) as opposed to on an annual basis. If no adjustment to the impact fee schedule is made during this period, a situation can be created where major adjustments to the impact fee schedule likely become necessary due to the time between the adjustments. During periods of cost increases, the need for significant adjustments also creates major concerns in the development community. To address this issue, it is suggested that the law enforcement impact fees be adjusted for building, land, and equipment costs on an annual basis. The remainder of this section provides the method for calculating the combined index.

Land Cost

As shown in **Table 11**, between 2011 and 2016, just value of vacant land increased by an annual average of 5 percent in the law enforcement service area. Given the high level of fluctuations in land values, it is recommended to review a longer period as well. A review of land value changes from 1976 to 2016 suggested an average increase of 5.6 percent per year. This figure is consistent with the increase experienced over the past five years. When the change in a shorter period suggests a large average annual increase (for example, 8 percent or greater), this average can be moderated by a longer-term period.

Table 11
Vacant Land Value Change

Year	Just Value	Percent Change
2011	\$1,631,338,304	-
2012	\$1,523,407,539	-6.6%
2013	\$1,502,056,289	-1.4%
2014	\$1,726,971,898	15.0%
2015	\$1,865,604,766	8.0%
2016	\$2,079,704,020	11.5%
Average		5.3%

Source: Florida Department of Revenue, Ad Valorem Valuation and Tax Data files

Building Construction Cost

For building construction costs, a common index used is the national building cost index provided by Engineering-News Record. As shown in **Table 12**, the building cost index has remained fairly stable averaging 2 percent over the past five-years.

Table 12
Building Cost Index (National Average)

Year	Annual Avg	Percent Change
2011	5,058	-
2012	5,174	2.3%
2013	5,278	2.0%
2014	5,387	2.1%
2015	5,518	2.4%
2016	5,645	2.3%
Average		2.2%

Source: Engineering News-Record, Building Cost Index

Equipment Costs

For equipment costs, the Consumer Price Index (CPI) within the South Region is utilized for indexing purposes. **Table 13** presents the annual cost increase over the past five-years, which averages 1 percent.

Table 13
Equipment Cost Index (South Region)

Year	Annual Avg	Percent Change
2011	139.2	-
2012	142.1	2.1%
2013	144.3	1.5%
2014	146.5	1.5%
2015	145.9	-0.4%
2016	147.3	1.0%
Average		1.1%

Source: Bureau of Labor Statistics, CPI-All Urban Consumers, All Items

Application

To index the law enforcement impact fee schedule previously presented in this report, the combined index should first be calculated, which is shown in **Table 14**. The second column summarizes the average cost increases presented previously in Tables 11, 12, and 13. The third column presents the percent of the total cost for each inventory component, which are then multiplied with the annual change to create the overall index. The combined index for the law enforcement impact fee is then applied to the calculated fees and is presented in **Tables 15**.

Table 14
Indexing Application – Combined Index

Cost Component	Annual Change⁽¹⁾	Percent of Total⁽²⁾	Index⁽³⁾
Land Cost	5.3%	4.4%	0.2%
Building Cost	2.2%	37.7%	0.8%
Vehicle/Equipment Cost	1.1%	57.9%	0.6%
Total			1.6%

1) Source: Tables 11, 12, and 13

2) Source: Table 3

3) Annual change (Item 1) multiplied by the percent of total (Item 2)

Table 15 presents the indexed fee schedule for the next four years using the overall index calculated and shown in Table 14. It is recommended the calculated index be reviewed and recalculated annually, especially during time periods when costs fluctuate significantly.

**Table 15
Indexed Fees**

Land Use	Unit	Year 1 Calculated Impact Fee ⁽¹⁾	Year 2 ⁽²⁾	Year 3 ⁽³⁾	Year 4 ⁽⁴⁾	Year 5 ⁽⁵⁾
		Annual Index⁽⁶⁾	1.6%	1.6%	1.6%	1.6%
SFR Detached	du	\$478	\$486	\$494	\$502	\$510
Multi-Family	du	\$185	\$188	\$191	\$194	\$197
Mobile Home	du	\$334	\$339	\$344	\$350	\$356
Hotel/Motel	room	\$378	\$384	\$390	\$396	\$402
Commercial/Retail	1,000 gross sf	\$750	\$762	\$774	\$786	\$799
Office/Institutional	1,000 gross sf	\$253	\$257	\$261	\$265	\$269
Manufacturing	1,000 gross sf	\$140	\$142	\$144	\$146	\$148
Warehousing	1,000 gross sf	\$78	\$79	\$80	\$81	\$82
School - Private	1,000 gross sf	\$88	\$89	\$90	\$91	\$92

1) Source: Table 8

2) Year 1 figures (Item 1) multiplied by (1+0.016), annual index (Item 6)

3) Year 2 figures (Item 2) multiplied by (1+0.016), annual index (Item 6)

4) Year 3 figures (Item 3) multiplied by (1+0.016), annual index (Item 6)

5) Year 4 figures (Item 4) multiplied by (1+0.016), annual index (Item 6)

6) Source: Table 14

Appendix A
Building and Land Value Analysis -
Supplemental Information

Appendix A

This appendix provides the additional data and information on building and land value estimates.

Building Values

In determining the appropriate unit value for buildings, the following analysis was conducted:

- A review of recently built or planned law enforcement buildings in Orange County;
- Insurance value of the existing inventory; and
- Construction cost observed in other jurisdictions for law enforcement facilities.

The most recent substation construction included the following:

- Sector II, Substation, which was constructed in 2010 for \$168 per square foot for construction and site work.
- Sector VI, Substation, which was built in 2017 at a cost of \$386 per square foot, including construction, site work, design/professional fees, and project management fees.
- The weighted average cost of these two buildings is \$217 per square foot.

The County has several buildings being planned, but these plans are in preliminary stages and cost estimates are not yet available.

During the 2012 impact fee study, the value of primary buildings was estimated at \$212 per square foot. Applying Engineering News Records Building Cost Index for the cost changes between 2012 and 2017 resulted in a unit cost of \$231 per square foot (a 9-percent increase).

The insurance values of existing primary buildings averaged \$188 per square foot while this figure was \$174 per square foot for support buildings, including contents. It is important to note that insurance values are considered to be a conservative estimate because the value of the foundation and other more permanent parts of the structure tend to be excluded since they would not have to be rebuilt if the structure is damaged or lost.

A review of law enforcement building cost observed during studies completed over the past four years averaged approximately \$230 per square foot, with a range of \$175 per square foot to \$300 per square foot.

Given this data and information, building cost for primary buildings was estimated at \$225 per square foot. The value of support facilities was estimated at \$175 per square foot, based primarily on insurance values. These costs reflect all costs related to constructing buildings (such as design, construction, site preparation, furniture/fixture/equipment, permitting, etc.) with the exception of land purchase. This information is summarized in **Table A-1**.

Table A-1
Law Enforcement Buildings
Total Building Value per Square Foot

Source	Year	Cost per Square Foot
Recent Construction:		
- Sector II Substation	2010	\$168
- Sector VI Substation	2017	\$386
Recent Construction -- Weighted Average		\$217
Adjusted 2012 Building Cost based on ENR Index	2012 to 2017	\$231
Insurance Values of Existing Buildings with Contents:		
- Primary Buildings	2017	\$188
- Support Buildings	2017	\$174
Data from Other Jurisdictions	2013-2016	\$228
Used in the Study:		
- Primary Buildings		\$225
- Support Buildings		\$175

Land Values

In order to determine land value for future land purchases for law enforcement facilities, the following data/information was evaluated:

- The market (or just) value of parcels where current law enforcement buildings are located based on information provided by the Orange County Property Appraiser;

- Vacant land sales and market/just values of all vacant land in the law enforcement service area; and
- Land use characteristics of the areas where current law enforcement facilities are located.

The value of current parcels as reported by the Property Appraiser averages \$81,000 per acre with a range of \$6,000 per acre to \$2.2 million per acre. A review of vacant land sales and vacant land values as reported by the Orange County Property Appraiser suggested a range of \$36,000 per acre to \$75,000 per acre for residential properties, \$139,000 per acre to \$413,000 per acre for commercial parcels, \$76,000 per acre to \$282,000 per acre for industrial properties, and \$20,000 per acre to \$31,000 per acre for agriculturally zoned properties. **Table A-2** presents this review.

Table A-2
Land Value per Acre

Acreage	Weighted Average Value per Acre				
	All	Vres	Vcom	Vind	Vag
<i>Vacant Land Sales (2013-2016)</i>					
0.5 - 5.00 acres	\$140,829	\$70,303	\$413,168	\$217,437	\$30,618
5.01 - 10 acres	\$163,853	\$74,962	\$290,587	\$281,882	\$19,814
10.01 - 15 acres	\$137,960	\$55,110	\$272,889	\$127,405	\$20,177
Total (0.5 - 15 acres)	\$144,751	\$69,643	\$354,220	\$196,319	\$29,353
<i>Vacant Land Values (2017)</i>					
0.5 - 5.00 acres	\$75,477	\$38,126	\$221,170	\$118,104	\$19,861
5.01 - 10 acres	\$79,408	\$37,217	\$139,181	\$90,518	\$20,440
10.01 - 15 acres	\$98,353	\$36,267	\$171,429	\$75,561	\$20,541
Total (0.5 - 15 acres)	\$79,084	\$37,845	\$186,760	\$100,357	\$19,946

Source: Orange County Property Appraiser

Unit costs obtained by land use are then applied to the distribution of the current inventory. Table A-3 presents this analysis.

**Table A-3
Weighted Land Value per Acre**

Land Use	Value per Acre⁽¹⁾	% of Current Inventory⁽²⁾
Agricultural	\$25,000	15%
Residential	\$50,000	10%
Commercial/Industrial	\$300,000	75%
Weighted Value⁽³⁾		
		\$233,750
Used in the Study:		
- Parcels less than 15 acres		\$230,000
- Parcels greater than 15 acres⁽⁴⁾		\$25,000

- 1) Estimated based on information presented in Table A-2
- 2) Source: Zoning of parcels where existing buildings are located (excluding Planned Developments)
- 3) Value per acre (Item 1) multiplied by the distribution of current inventory (Item 2)
- 4) Two of the law enforcement facilities (LEVO and Shooting Range) are located on large, agriculturally zoned parcels. The value of these two parcels is based on agriculturally zoned parcels.

Based on this analysis, an average land value estimate of \$230,000 is used for impact fee calculations purposes for parcels with less than 15 acres. Two of the law enforcement facilities are located on large, agriculturally zoned parcels. For these two parcels, the estimate of \$25,000 per acre is used, based on the value of agriculturally zoned parcels.