

Wakulla County

General Governmental Facilities Impact Fee Study

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Executive Summary

INTRODUCTION

Wakulla County (County) has engaged Government Services Group, Inc. (GSG) to assist the County in the development of an impact fee program for General Governmental Facilities (General Governmental Facilities Impact Fee Project). GSG has retained Nabors, Giblin, & Nickerson, P.A. (NG&N) to provide legal guidance on the study.

GSG specializes in government finance and taxation issues by working with cities, counties, special districts, and state agencies to develop unique funding and service delivery solutions for critical infrastructure and service needs. The firm has developed extensive experience in structuring and implementing alternative revenue sources in Florida.

General Governmental Facilities impact fees are charged to properties that benefit from General Governmental Facilities. Demand for general governmental services and the capital facilities necessary to provide those services is driven primarily by residential property uses; so, as vacant property within the county convert to residential uses, the demand imposed on the county for additional governmental buildings increases – thus fees have been developed to accommodate all residential property use categories.

The objective of this study was to develop a methodology to support the calculations and imposition of a General Governmental Facilities impact fee to pay for the costs of General Governmental Facilities, attributable to new development. Currently, there are no cases upholding General Government Facilities Impact Fees. In the event of a legal challenge the outcome is uncertain.

Local governments charge impact fees for various reasons:

- To obtain revenue to pay for some of the cost of new public facilities that would not be needed if new development did not occur;
- To implement a public policy of growth regulations that requires new development to pay a portion of the cost of facilities that it requires and that existing development should not pay all of the cost of facilities required to accommodate growth; and,
- To assure that public facilities will be constructed in a timely manner to serve new development.

This document describes the results of the study of impact fees for General Governmental Facilities for Wakulla County (Report), which is the project deliverable specified in the scope of services that is incorporated in the professional services agreement between the County and GSG. The Report describes the methodology that is used to develop the fees, presents the formulas, variables and data that are the basis for the fees, and documents the calculation of the fees.

The objectives of this initial effort were to:

- Provide an inventory of the primary General Governmental Facilities the County owns and maintains.
- Determine the Population, within the unincorporated area of the County.
- Calculate the current level of service.
- Calculate credit component.

- Calculate impact fee rates on a per dwelling unit basis.
- Ensure that the recommended property use categories and impact fee rates conform to the legal tests required in Florida for a valid impact fee.

STUDY METHODOLOGY

The calculation of impact fee rates for Public Government Facilities is determined by six elements: (1) the inventory of existing General Governmental Facilities; (2) the current level of service provided; (3) the population within the unincorporated area of the County; (4) the capital cost of new construction; (5) the average persons per dwelling unit multiplied by the current level of service being provided; and (6) the development of a credit component to account for the existing revenues used to fund growth related capital expenditures. The level of service is determined by dividing the primary building square footage of County General Governmental Facilities by the population. The level of service is then multiplied by the most current estimated cost, per square foot, for new construction of General Governmental Facilities to develop the capital cost per population. The resulting capital cost, per person is then multiplied by the average number of persons residing, per dwelling unit to determine the capital cost per dwelling unit. Finally, the capital cost per dwelling unit is reduced by a credit for other revenues the county will use to fund growth related capital expenditures. The end result is the net impact fee.

NG&N has had substantial involvement in the development, review and analysis of the proposed impact fee methodology and deliverables relative to the legal tests required in Florida for a valid impact fee. Currently, there are no cases upholding the imposition of general governmental facilities impact fees in the State of Florida. In the event of a legal challenge the outcome is uncertain.

PRELIMINARY IMPACT FEE RATES AND CATEGORIES

Table 1 in this section of the Executive Summary includes the recommended property categories and preliminary impact fee rates as calculated within this Report. This table is a result of the analysis conducted in this Report. The impact fee rates will be imposed on all new residential construction within unincorporated Wakulla County.

Table 1
Total Governmental Facilities Impact Fee by Property Use Category

Property Category	Total Facilities Fee Per Dwelling Unit	Credit Adjustment @ 0.00%	Total Facilities Fee Per Dwelling Unit	Type of Unit of Development
Single Family Home	\$823.58	\$0.00	\$823.58	Dwelling unit
Multi-Family	\$761.36	\$0.00	\$761.36	Dwelling unit
Mobile Home	\$885.79	\$0.00	\$885.79	Dwelling unit

Background

SERVICE DESCRIPTION

Wakulla County offers services through General Governmental Facilities including building permits, code enforcement, courthouse facilities, emergency services, public works, fire protection, library, animal control, recreation, and law enforcement facilities. The County is also responsible for providing facilities for the Property Appraiser, Tax Collector, Supervisor of Elections and the Clerk of Court. Public Facilities, providing general governmental services are a benefit to the entire County. For the purpose of this study, the public facilities inventory includes primary facilities, not support buildings (defined as out-type buildings used for storage, etc). Only primary buildings, not already generating their own impact fees are included in the inventory of this study.

OBJECTIVES

The objectives of this initial effort were to:

- Provide an inventory of the General Governmental Facilities the County owns and maintains.
- Determine the Population, of the unincorporated area of the County.
- Calculate the current level of service.
- Calculate credit component
- Calculate impact fee rates on a, per dwelling unit basis.
- Ensure that the recommended property use categories and impact fee rates conform to the legal tests required in Florida for a valid impact fee.

STUDY METHODOLOGY

GSG performed the following tasks to accomplish the project objectives:

- Undertook extensive data collection and a research process to identify the capital funding of General Governmental Facilities in the County;
- Identified the capital costs of the General Governmental Facilities;
- determined the residential population;
- Determined the current level of service;
- Calculated the fee and the credit component.

THE NEED FOR FACILITIES FOR NEW DEVELOPMENT

The need or demand for General Governmental Facilities, providing governmental services, is driven by residential land uses; so as vacant lands within the County convert to residential property uses, the demand imposed upon the County for additional General Governmental Facilities providing governmental services increases. The need for General Governmental Facilities for new development in Wakulla County is required because of the projected growth in the County and the need for additional capital to serve the growth.

DATA SOURCES

Pursuant to F.S. 163.31801 (3) (a), "... the calculation of the impact fee [is required to] be based on the most recent and localized data." In order to fulfill this requirement, this impact fee rate study used the most recent data available from Wakulla County at the time the research was assembled and analyzed for this impact fee rate study, as provided by the Wakulla County Board of County Commissioners Administrative offices unless a different source is specifically identified.

Impact Fee Development

CAPITAL COST FOR GENERAL GOVERNMENTAL FACILITIES, PROVIDING GOVERNMENTAL SERVICES

The first step in calculating the capital cost per General Governmental Facilities is to identify the General Governmental Facilities inventory, which serve as a primary facility and are not used for County services related to a specific impact fee imposed by the County. Impact fees have been developed for the County for fire, parks, libraries, corrections, emergency medical services, transportation and law enforcement facilities, so those facilities will not be included. The inventory of primary facilities, with replacement values and square footages as provided by the Wakulla County Insurance Schedule through September 30, 2005 is reflected in Table 2.

Table 2
Inventory of General Governmental Facilities, Primary Facilities

Square Footage	Building	Building Value	Replacement Value
7,316	Tax Collector	\$646,413.00	\$914,500.00
36,262	Courthouse	\$4,054,976.00	\$4,532,750.00
10,248	Trice lane Annex	\$541,723.00	\$1,281,000.00
6,886	BOCC Administration	\$785,926.00	\$860,750.00
1,500	Animal Control Office	\$70,185.00	\$187,500.00
61,829		\$6,099,223.00	\$7,776,500.00

Source: Wakulla County Insurance Schedule, May 2006

According to information provided by the Wakulla County Finance Department, the County has 61,829 square feet of general government facilities that are applicable for the calculation of impact fees. This includes only the primary facilities. Support facilities, defined as low square footage, out-type buildings without air-conditioning, are not included. The County retains ownership of all facilities listed in table 2.

The costs in this study represent the actual cost of constructing each facility listed, and its replacement cost. Constructing new facilities will provide most of the additional capacity in the County General Governmental Facilities inventory; however, expanding existing facilities may provide some capacity. Throughout this study, any reference to new facilities includes expansion of existing facilities, as well as construction of new facilities.

POPULATION

The County's primary General Governmental Facilities are available to serve the entire County. However, for the purposes of this study, only the unincorporated population will be included when calculating the impact fee. The unincorporated population figures are provided by the Bureau of Economic and Business Research, at the University of Florida and are reflected in Table 3.

Table 3
Countywide 2005 Population

Area	2005
Entire County	26,867
St. Marks	311
Sopchoppy	413
Unincorporated	26,143

Source: Bureau of Economic and Business Research, University of Florida

GENERAL GOVERNMENTAL FACILITIES LEVEL OF SERVICE

The total square footage of primary General Governmental Facilities available to the unincorporated population is divided by that population to determine the level of service provided in square feet. Table 4 shows this calculation.

Table 4
Level of Service

	Square Footage	Uninc. Population	Current Level of Service
Primary Buildings	61,829	26,143	2.37

Source: Wakulla County Insurance Schedule

TOTAL COST OF GENERAL GOVERNMENT FACILITIES

The total cost of General Government Facilities is calculated by first determining the capital cost per resident. The current level of service, from table 4 is multiplied by the current cost per square foot to build or expand General Governmental Facilities, based on a local quote for a non-specific structure provided to the County. Specific structures would include fire stations, corrections facilities, etc. Table 5 shows this calculation.

Table 5
Capital Cost, Per Square Foot for Population

	Rate Per SF	Current LOS	Capital Cost Per Resident
Gov Facilities, Capital Cost Per Square Foot	\$125.00	2.37	\$296.25

Source for Construction Rate: Wakulla County Building Dept.

PROPOSED IMPACT FEE SCHEDULE

The capital cost of General Governmental Facilities per residential unit of development or dwelling unit is calculated by multiplying the capital costs of facilities per person (as per Table 5) by the average number of persons per each type of dwelling unit, according the U.S. census. See this result in Table 6.

Capital Cost of Facilities Per Person	X	Average Persons Per Dwelling Type	=	Capital Cost of Facilities By Dwelling Unit
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Table 6
Total Capital Cost of Facilities per Dwelling Unit

Capital Cost Per Person	Type	Avg Persons Per Dwelling	Capital Cost Per Dwelling Unit
\$296.25	Single Family Homes	2.78	\$823.58
\$296.25	Multi-Family Homes	2.57	\$761.36
\$296.25	Mobile Homes	2.99	\$885.79

Source: U.S. Census County Specific Search, Demographic Profile

CREDITS FOR PAYMENTS OF OTHER REVENUE

The final step in determining the impact fee for General Governmental Facilities is to reduce the cost per residential dwelling unit by subtracting any credits for other revenues from existing and new development that the County will use to pay for part of the cost of new facilities that serve new development.

Cost Per Dwelling Unit	-	Credit for Other Revenue	=	Impact Fee Per Dwelling Unit
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New development will be given credit for future payments of other revenues that are used to pay for the same General Governmental Facilities that are required to serve the new development. Credits are not given for revenues that are used for repair, maintenance or operating costs, because impact fees are not used for such expenses.

The only revenue sources to be credited are those which have historically been used for facilities' capacity expansion according to law and local policy or practice.

The present practice of the County has been to use general funds revenues to pay for all capital cost of General Governmental Facilities that are not eligible for impact fees, such as replacement or renovation of existing facilities. The historical practice has been to use existing impact fees to pay for expansion, attributable to new growth and will continue to do so. The percentage of general funds expected to fund capital improvements, attributable to new growth is expected to be 0%, thus the credit is 0%.

Table 7
Total Facilities Impact Fee by Property Use Category

Property category	Total Facilities Fee Per Dwelling Unit	Credit Adjustment @ 0.00%	Total Facilities Fee Per Dwelling Unit	Type of Unit of Development
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