

**City of Coral Gables**  
**CITY COMMISSION MEETING**  
**November 15, 2016**

**ITEM TITLE:**

**Ordinance on First Reading. Amendment to City Code Impact Fee Ordinance.**

An Ordinance of the City Commission of Coral Gables, Florida, providing text amendments to the City of Coral Gables Code by amending: Chapter 2 "Administration," Article IX "Impact Fees," revising Impact Fees, establishing a new Mobility Impact Fee; authorizing the City Manager to adjust the impact fees based on Construction Cost Index; providing applicability, providing for severability, repealer, codification and an effective date.

**Resolution. Changes to the Fee Schedule to update Impact Fees.**

A Resolution of the City Commission of Coral Gables, Florida, amending the Impact Fee Schedule as authorized by Ordinance No. 2015-17, as amended, providing applicability; providing for severability and an effective date. (For discussion purposes, with adoption scheduled for 12.06.16)

**DEPARTMENT HEAD RECOMMENDATION:**

Approval.

**BRIEF HISTORY:**

Impact fees are one-time payments used to construct system improvements needed to accommodate new development. The City's Impact Fee Ordinance was originally adopted on August 28, 2007 (Ord. 2007-27), based on a comprehensive study conducted by TischlerBise. On January 13, 2009, the City adopted impact fees applicable to University of Miami campus based on a companion study (Ord. 2009-01).

The Ordinances that adopted impact fees, now codified in the City Code as Article IX, list the authority and findings for the imposition of impact fees and service charges for new development. Since its adoption, impact fees for new non-residential development were collected for Police, Fire, and General Government and an additional Parks impact fee for new residential development. Sanitary sewer capacity fees were also instituted to address wastewater facility demand attributable to new development.

Sec. 2-2110 (g) of the City Code requires that the city conduct a complete review of impact fees every three years "to determine if changes in costs, facility needs, development patterns, demographics, and any other relevant factors indicate a need to update the impact fee calculations, data, methodology or other components of the impact fee system." The proposed Ordinance and Resolution are the result of an updated study by TischlerBise consistent with the intent of the City Code to periodically update the City's impact fees. The service charges collected with the impact fees were used to fund the study update. The University of Miami offered to pay their portion of the study, as they did in 2007.

**Major Updates:**

1. Current impact fees for residential development are based on the dwelling unit count of four residential types: Single Family, Multifamily Low, Mid and High Rise. The proposed fees are by dwelling size for all types of housing, using five size ranges, indicated by square feet of finished living space, which will exclude garages, porches and patios from the impact fee assessment. Fees

by dwelling size, rather than type, simplify administration and improve proportionality.

2. Current impact fees for nonresidential development are based on 23 categories. TischlerBise recommends three general nonresidential categories. This change also makes the fees easier to administer and eliminating size thresholds helps small businesses that tend to be locally owned. For unique developments, the City may allow or require an independent impact fee assessment.
3. The updated 2016 impact fee study recommends an additional impact fee for mobility facilities, which may be used for the installation of bike paths and facilities, sidewalk extension, traffic calming, Corridor Master Plans, Multimodal Transportation Plan, etc. The study also recommends a cumulative Administrative (previously Service) Charge related to the preparation and collection of impact fees for all types of infrastructure. The Florida Impact Fee Act specifically authorizes the Administrative Charge, which is based on actual costs expected over the next five years.
4. Current impact fees for the University of Miami were completed after the City's impact fee study. The 2016 update incorporates University-specific data into the citywide analysis, which led to a change in the nonresidential development categories.

**Fee Changes:**

In general, impact fee rates for Police and Fire were reduced due to the plan based fee calculation method. The future development of the new Public Safety Building and Fire Station #2 was used as the basis of the impact fee calculation for Police and Fire. (See summary table below from the study.)

| <b>Proposed</b>  | <b>Police Facilities</b> | <b>Fire Facilities</b> | <b>Municipal Facilities</b> | <b>Parks and Recreation</b> | <b>Mobility Facilities</b> | <b>Administrative Charges</b> | <b>Proposed Total</b>    |
|--|--------------------------|------------------------|-----------------------------|-----------------------------|----------------------------|-------------------------------|--------------------------|
| <b>Residential (per housing unit by square feet of living space)</b> |                          |                        |                             |                             |                            |                               |                          |
| 1400 or less   | \$131                    | \$147                  | \$447                       | \$3,512                     | \$793                      | \$42                          | \$5,072                  |
| 1401 to 2500   | \$215                    | \$242                  | \$735                       | \$5,774                     | \$1,304                    | \$70                          | \$8,340                  |
| 2501 to 3700   | \$270                    | \$305                  | \$924                       | \$7,260                     | \$1,640                    | \$88                          | \$10,487                 |
| 3701 to 4900   | \$307                    | \$346                  | \$1,049                     | \$8,239                     | \$1,861                    | \$100                         | \$11,902                 |
| 4901 or more   | \$335                    | \$377                  | \$1,143                     | \$8,982                     | \$2,029                    | \$109                         | \$12,975                 |
| <b>Nonresidential (per 1,000 square feet of building)</b>            |                          |                        |                             |                             |                            |                               |                          |
| Retail & Restaurant  | \$591                    | \$290                  | \$880                       | \$1,244                     | \$1,558                    | \$83                          | \$4,646                  |
| Institutional & Industrial   | \$213                    | \$109                  | \$332                       | \$470                       | \$589                      | \$31                          | \$1,744                  |
| Office & Other Services  | \$231                    | \$397                  | \$1,202                     | \$1,700                     | \$2,130                    | \$114                         | \$5,774                  |
| <b>Increase/Decrease</b>   |                          |                        |                             |                             |                            |                               |                          |
| <b>Increase/Decrease</b>   | <b>Police Facilities</b> | <b>Fire Facilities</b> | <b>Municipal Facilities</b> | <b>Parks and Recreation</b> | <b>Mobility Facilities</b> | <b>Administrative Charges</b> | <b>Cumulative Change</b> |
| <b>Residential (per housing unit by square feet of living space)</b> |                          |                        |                             |                             |                            |                               |                          |
| 1400 or less   | -\$446                   | -\$1,263               | -\$294                      | \$176                       | \$793                      | \$20                          | -\$1,014                 |
| 1401 to 2500   | -\$362                   | -\$1,168               | -\$6                        | \$2,438                     | \$1,304                    | \$48                          | \$2,254                  |
| 2501 to 3700   | -\$410                   | -\$1,356               | \$51                        | \$3,329                     | \$1,640                    | \$62                          | \$3,316                  |
| 3701 to 4900   | -\$373                   | -\$1,315               | \$176                       | \$4,308                     | \$1,861                    | \$74                          | \$4,731                  |
| 4901 or more   | -\$807                   | -\$2,413               | -\$323                      | \$2,380                     | \$2,029                    | \$64                          | \$930                    |
| <b>Nonresidential (per 1,000 square feet of building)</b>            |                          |                        |                             |                             |                            |                               |                          |
| Retail & Restaurant  | -\$499                   | -\$470                 | \$130                       | \$1,244                     | \$1,558                    | \$23                          | \$1,986                  |
| Institutional & Industrial   | \$123                    | -\$181                 | \$42                        | \$470                       | \$589                      | \$21                          | \$1,064                  |
| Office & Other Services  | -\$169                   | -\$633                 | \$202                       | \$1,700                     | \$2,130                    | \$64                          | \$3,294                  |

Impact fees for Municipal Facilities (previous General Government) were increased slightly for new nonresidential development. Impact fees for Parks were generally increased for residential uses, and will also apply to all new nonresidential uses. The purpose is to offer park and recreation facilities for workers and customers in nonresidential areas.

If adopted, the total impact fee for a new single family residence of 5,000 square feet will increase slightly from the current \$12,045 to \$12,975, as the decrease in Police, Fire and Municipal impact fees is offset by the increase in Parks and the imposition of the new Mobility impact fee. Currently, the demolition of a single family residential structure replaced with a much larger one will not incur impact fees. The proposed Ordinance will now apply to all residential development with an increase of 1,000 gross square feet or greater. The total impact fee for a new 50,000 square foot office use will increase from \$79,000 to \$164,700, primarily due to the newly proposed Park and Mobility impact fees.

Impact fees related to the University of Miami were reviewed by the university staff and their comments and input were incorporated in the Study. Compared with the City-wide impact fee, student dormitory and academic uses will have a reduced Police impact fee and no Parks impact fee. All other uses will apply the city-wide impact fee calculation. (See summary table below.)

| <i>Cost per Person in Dorms</i> |                | <i>Cost per Person Citywide</i> |
|---------------------------------|----------------|---------------------------------|
| Police Facilities (94%)         | \$118          | \$126                           |
| Fire Facilities                 | \$142          | \$142                           |
| Municipal Facilities            | \$430          | \$430                           |
| Parks and Recreation            | \$0            | \$3,377                         |
| Mobility Facilities             | \$763          | \$763                           |
| Administrative Charges          | \$41           | \$41                            |
| <b>Total Cost per Person</b>    | <b>\$1,494</b> | <b>\$4,879</b>                  |
| <i>Current Cost per Student</i> | \$2,056        |                                 |
| <i>Increase/Decrease</i>        | <b>-\$562</b>  |                                 |

| <i>Fee Schedule per KSF for Academic Buildings (Type 1)</i> |                | <i>Cost per KSF Citywide and Type 2</i> |
|---|----------------|---|
| Police Facilities   | \$66           | \$213                                   |
| Fire Facilities   | \$109          | \$109                                   |
| Municipal Facilities  | \$332          | \$332                                   |
| Parks and Recreation  | \$0            | \$470                                   |
| Mobility Facilities   | \$589          | \$589                                   |
| Administrative Charges                                      | \$31           | \$31                                    |
| <b>TOTAL</b>  | <b>\$1,127</b> | <b>\$1,744</b>                          |
| <i>Current Impact Fee per KSF</i>                           | \$650          |   |
| <i>Increase/Decrease</i>                                    | <b>\$477</b>   |   |

Sewer capacity fees (by meter size) is proposed to increase slightly. (See summary table below.)

**Sewer Capacity Fee (per connection)**

| <i>Meter Size (inches)*</i> | <i>Capacity Ratio**</i> | <i>Proposed Sewer Fee</i> | <i>Current Fee</i> | <i>Increase / (Decrease)</i> |
|-----------------------------|-------------------------|---------------------------|--------------------|------------------------------|
| 0.75                        | 1.00                    | \$850                     | \$713              | \$137                        |
| 1.00                        | 1.67                    | \$1,420                   | \$1,071            | \$349                        |
| 1.50                        | 3.33                    | \$2,831                   | \$1,890            | \$941                        |
| 2.00                        | 5.33                    | \$4,532                   | \$2,902            | \$1,630                      |
| 3.00                        | 10.67                   | \$9,073                   | \$6,322            | \$2,751                      |
| 4.00                        | 16.67                   | \$14,175                  | \$10,687           | \$3,488                      |
| 6.00                        | 33.33                   | \$28,342                  |                    |                              |
| 8.00                        | 53.33                   | \$45,350                  |                    |                              |

\* Sewer fees are based on water meter size.

\*\* Source American Water Works Association, M6.

The proposed Ordinance updates include changes to the City Code necessary to ensure compliance with the methods used in the 2016 TischlerBise study and any changes in statutory and case law. The Ordinance also allows the City Manager the option to adjust the impact fees based on the construction cost index from a recognized publication such as the Engineering News Record.

The Ordinance and Resolution will take effect 90 days after formal approval, as required by F.S. Sec. 163.31801(d), and will apply to those applications that have not yet received final Board of Architects' approval, consistent with City Attorney's Opinion 2016-087 issued on Oct. 20, 2016.

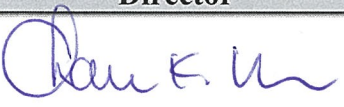
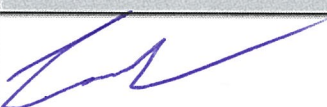

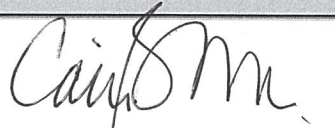
**LEGISLATIVE ACTION:**

| Date: | Resolution/Ordinance No. | Comments |
|-------|--------------------------|----------|
| N/A   |                          |          |

**PUBLIC NOTIFICATION(S):**

| Date | Form of Notification |
|------|----------------------|
|      |                      |

**APPROVED BY:**

| Interim Department Director   | City Attorney   | Assistant City Manager  | City Manager   |
|---|---|---|--|
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**EXHIBIT(S):**

- A. Impact Fee Ordinance
- B. Impact Fee Schedule Resolution
- C. TischlerBise Impact Fee Study Dated Oct. 26, 2016
- D. PowerPoint Presentation