

**EXHIBIT A**  
**SCOPE OF WORK/SERVICES**  
**Contract No. 13-105/LJ**

**1. PURPOSE**

CONSULTANT shall provide professional consulting services to review and update county-wide impact fees.

**2. HISTORY AND BACKGROUND**

COUNTY began collecting a road impact fee in July, 1979. The road impact fee was collected in the unincorporated area and several municipalities. COUNTY impact fees were tested in the courts and upheld. In March, 1989, road impact fees went into effect countywide. On October 1, 1989, aggregate impact fees went into effect countywide. Aggregate impact fees consist of the following components: library; school; fire-rescue; law enforcement patrol; parks; and, public buildings. The COUNTY's 2008, 2009, 2010, 2011, and 2012 road and aggregate impact fee revenues have been \$27.4M, \$10.2M, \$12.4M, \$12.8M, and approximately \$28.1M, respectively.

**3. REQUIREMENTS**

Working with the Impact Fee Manager, the CONSULTANT will assist in developing an update schedule that identifies the dates and timeframes for completion of the major task required to complete the impact fee study, including the review and approval of the Impact Fee Review Committee and the Board of County Commissioners. At a minimum, the CONSULTANT will provide the first draft of the proposed impact fee methodology within ninety (90) days of the effective date of the Contract. The proposed impact fee methodology shall include fee calculations. All tasks listed below will be performed in accordance with the update schedule.

- Task 1: Review and evaluate Palm Beach County's current impact fee system, and, based upon this review, the CONSULTANT shall revise or amend assumptions and methods, if appropriate.
- Task 2: Recommend changes to the impact fee system to reflect changes in industry standards, government legislation, including mobility fee and proportionate share, other new methodologies, and the COUNTY's short-term and long-range plans.
- Task 3: Update and recommend changes to the student generation rates (impact fee multiplier) based on methods which are proven within the impact fee industry and that are legally defensible. Prepare a comprehensive analysis report of the existing impact fee multiplier. Present findings and

recommendations to the Impact Fee Manager, Impact Fee Review Committee, and, School District staff, as required.

- Task 4: Review the schedule of each impact fee component to update the costs of providing the capital improvements for which the impact fees are charged. The analysis of each impact fee component cost shall include, but, not be limited to:
- A. Historical costs for the last five (5) years;
  - B. COUNTY's 5, 10, 15, and 20 year Road Improvement Plan;
  - C. COUNTY's Capital Improvement Program;
  - D. Capital Improvement Element of COUNTY's Comprehensive Plan; and
  - E. Palm Beach County School District Capital Improvement Plan.
- Task 5: Review the methodology used to provide impact fee credits and make recommendations regarding the validity and use of credits, as appropriate.
- Task 6: Review and update traffic generation rates, trip lengths, and pass-by rates for the road impact fee component.
- Task 7: Review and update benefit zones/areas and configurations for each impact fee component including recommendations regarding the size of the benefit zones.
- Task 8: Analyze current levels of service (LOS) and the cost of the capital facilities for which impact fees are charged to ensure the impact fees being charged do not exceed the cost to provide the same LOS, and make appropriate recommendations.
- Task 9: Provide alternative bases for determining impact fees based on new and different methodologies in use in the country and industry.
- Task 10: Prepare and submit to the COUNTY a minimum of three (3) draft and status reports (30%, 60% and 90% completion) of the revised impact fee system. Each status report shall discuss and document the extent to which each of the tasks set out in this Scope of Work has been accomplished. The draft and final reports shall contain the research and recommendations of the CONSULTANT. The format and content of the draft and final reports will be guided by ongoing interaction with COUNTY staff, community groups and agencies. The final report will contain all revisions required to amend Article 13 of the Unified Land Development Code. Additionally, the CONSULTANT shall immediately respond to any/all inquiries from COUNTY related to the progress of the reports.

- Task 11: The CONSULTANT will provide an overall review of the methodology including impact fee calculations to staff as a preparation for reviews with the Impact Fee Review Committee, the Board of County Commissioners and meetings with the public.
- Task 12: The CONSULTANT will meet and discuss any recommended changes/amendments to the impact fee system with the Board of County Commissioners and Impact Fee Review Committee, as needed. At a minimum, the CONSULTANT will be required to attend three (3) meetings of the Impact Fee Review Committee and three (3) meetings of the Board of County Commissioners including a first reading/permission to advertise, workshop, and public/adoption hearing.
- Task 13: The CONSULTANT will assist the COUNTY in defending the impact fee methodology, if legally challenged.
- Task 14: The CONSULTANT shall be available for meetings upon five (5) business days notice.

#### **4. PROJECT LIAISON**

The Palm Beach County Impact Fee Manager shall serve as the liaison between the CONSULTANT and the COUNTY.

**EXHIBIT B  
CONTRACTOR'S PROPOSAL  
Dated December 6, 2013**

**Contract No. 13-105/LJ**

**(Consisting of 95 pages)**

## Tab 3.2: Project Approach/Understanding Information

This section includes the detailed project understanding and approach, County resources needed and schedule for the update of the following Impact fee program areas:

- Roads
- Public Education Facilities
- Public Libraries
- Fire Protection and Rescue Services
- Law Enforcement Facilities
- Public Buildings
- Parks

The TOA Team includes planners, engineers, economists, and attorneys and has in-depth experience in planning and impact fee studies for a wide range of program areas, including those listed above. In addition, TOA staff have prepared Fire and Parks Master Plans, Transit

Development Plans (TDPs), and other planning studies and understand the relation between impact fees, master plans, and economic development and growth management goals. As such, if desired, TOA's impact fee studies can incorporate a tool that allows local governments to make the necessary policy decisions to support their economic

development and growth management goals and provide the desired level of infrastructure.

The remainder of this section includes the following:

- A brief background review;
- Description of TOA's approach to impact fee calculations and the County's scope of services;
- County resources needed; and
- A preliminary project schedule.

### BACKGROUND REVIEW

With a population of approximately 1.3 million, Palm Beach County is the third largest county in the state and is the second largest in area with 1,977 square miles. The County experienced an average annual growth rate of approximately 2 percent between 2001 and 2007, which was consistent with that observed in the state of Florida (as shown in Figure 1). Similar to other Florida jurisdictions, since 2007, the growth rate decreased to about 0.6 percent per year due to the economic conditions.





As presented in Figure 2, between 2001 and 2007, the County experienced high increase in per capita taxable values (an average of 11 percent per year). Similar to other Florida jurisdictions, since then, the County's tax base started to decline, with an average annual decrease of 6 percent for the past five years. With the decrease in ad valorem tax revenues, the availability of other revenue sources becomes more important than ever.

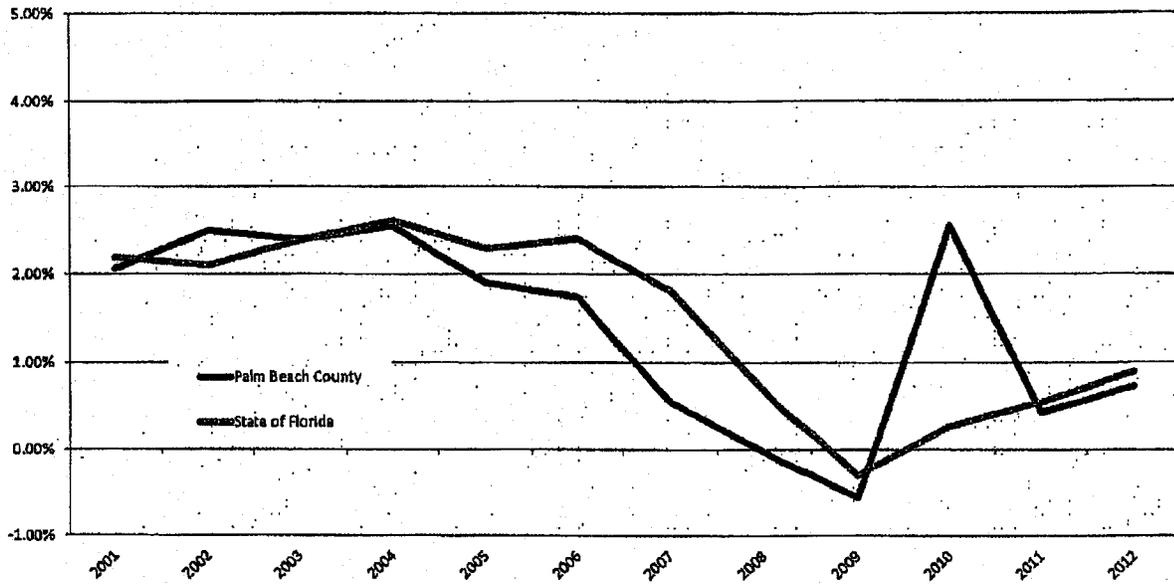
The County began collecting road impact fees in 1979, which was collected in unincorporated county and several municipalities. The County impact fee was tested in the courts and upheld. In 1989, the road impact fees were implemented countywide, and since then, additional impact fees were implemented for the six other program areas listed previously. The aggregate impact fee revenues collected in recent years ranged from \$10.2 million in 2009 to \$28.1 million in 2012. It is the County's policy to update its impact fee program biennially to ensure that the fees reflect the most current data. As such, the County asked for proposals from qualified firms.

To better understand the current issues facing the County and assist us in developing a scope of services that demonstrates both our interest in working for the County and our unique approach to impact fee projects, TOA has completed a preliminary review of several documents, including:

- **Previous impact fee studies:** TOA reviewed the recent impact fee update studies completed for the County to understand the current adopted methodology. TOA is familiar with different impact fee methodologies available and developed several methodology options that enable local governments to incorporate their economic and planning goals into the impact fee methodology, including changes to standard impact fee credit equations, encouragement of development in urbanized areas through differentiation in impact fee levels by geographic subareas, and incentives for targeted or "most favored" land uses. These innovations are available to Palm Beach County, if desired.

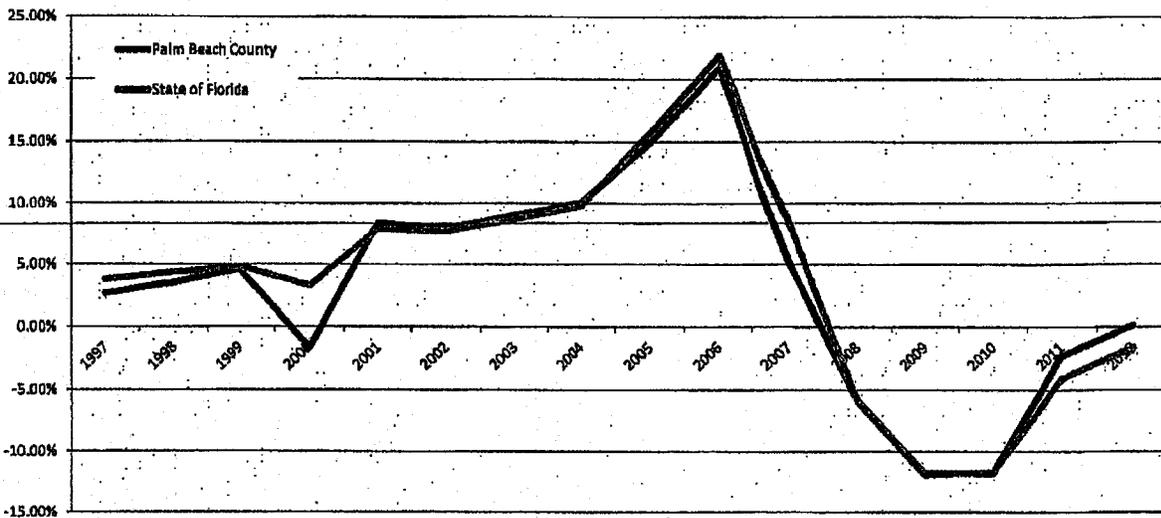


**Figure 1 — Annual Population Change**



Source: The Florida Legislature's Office of Economic and Demographic Research

**Figure 2 — Change in Taxable Values per Capita**



Source: The Florida Legislature's Office of Economic and Demographic Research





- **FY 2014 Annual Budget and FY 2013-2017 Proposed Capital Improvements Program**  
— These documents provide an understanding of planned projects as well as associated funding sources and the level of reliance on Impact fee revenues to fund capacity expansion projects.
- **Comprehensive Plan** — This document provides an understanding of the County's goals and policies and adopted level of service standards in terms of each program area as well as growth patterns and type of future infrastructure.

As mentioned previously, Palm Beach County is interested in updating its impact fees in seven program areas. The scope of services to prepare the impact fee update study is organized into four major tasks that outline the analysis related to initial background

review/methodology evaluation, technical analysis to update the fee for the seven program areas and a technical report, ordinance update, and meetings/presentations.

The work plan for each of the four major tasks is presented in the remainder of this section.

## SCOPE OF SERVICES

### TASK 1: Background and Methodology Review (Addresses Tasks 1, 2 and 9 of the RFP scope)

Upon receipt of the Notice to Proceed, TOA will coordinate with the County the collection of the specific studies, data, previous technical reports, current policies and procedures, and other related information necessary to complete the impact fee study. It is requested that the County's Impact Fee Manager assemble as much of the requested data as possible and have it available prior to or at the kickoff meeting.

TOA will review the background information and facilitate a kickoff meeting with key County staff to identify and discuss major

technical, legal, and policy issues, coordinate staff/Consultant responsibilities, and refine the project schedule, as necessary. Some of the technical and policy issues that will be discussed include the following:

- Consumption-based vs. needs-based methodologies, and TOA's Smart Growth methodology and approach.





- Impact fee variables that need to be updated.
- Recent trends in land and construction costs experienced by the County and other jurisdictions in Florida.
- Capital improvement plans and projects and associated funding sources and levels.
- Level of service analysis.
- Methodology used to measure demand for each impact fee program area.
- Roadway-based transportation impact fee versus mobility fee and associated impacts on proportionate share calculations and legislative requirements.
- Review of land uses included in the current fee schedule and potential changes, if necessary.
- Economic development and growth management goals and policies.
- Reduction in impact fees for land uses that generate fewer vehicle miles of travel, such as traditional neighborhood development, mixed use development, and transit oriented development.
- Other related issues, as applicable.

Upon completion of the background review and the kick-off meeting, TOA will provide a summary of evaluation of the County's current system and recommended changes to the methodology (if any).

**TASK 2: Impact Fee Technical Analysis**

*(Addresses Tasks 3, 4, 5, 6, 7, 8, and part of 10 of the RFP scope)*

This task addresses the update of the seven impact fee program areas, which will reflect the capital costs of providing infrastructure in each program area in Palm Beach County. This work effort includes the development of the inventory of existing facilities, preparation of a demand component, a review of the construction, land, right-of-way, vehicle, equipment, and other related costs and credits, and a review of benefit zones/areas.

**Subtask 2.1 – Inventory of Existing and Planned Facilities**

The County will provide an inventory of the seven infrastructure types within the county as well as planned facilities. In the case of transportation, the County's roadway inventory will be obtained and reviewed. If





the County decides to move toward a mobility fee, an inventory of sidewalks, bicycle lanes, and transit facilities will also be obtained.

Public education facilities inventory will include school buildings, administrative and maintenance buildings, land, white and yellow fleet.

Library inventory will include library buildings and land, books, and other library material and equipment.

In the case of fire/EMS and law enforcement, the inventory will include stations and other buildings, vehicles, and equipment.

For public buildings inventory, government buildings and associated land will be evaluated.

Parks impact fee inventory will include park land and recreational facilities, such as baseball/softball fields, tennis courts, playgrounds, etc.

A summary of capital asset inventory for each program area will be incorporated into the technical report.

#### **Subtask 2.2 – Level of Service Analysis**

TOA will document the County's current, achieved level of service (LOS) and its adopted LOS in the Comprehensive Plan, as available.

This will determine the appropriate LOS that can be used in the impact fee calculations. In addition, a comparison of County's achieved LOS and adopted LOS standard to those in other Florida counties will also be provided.

#### **Subtask 2.3 – Demand Component**

TOA will calculate the demand component for each impact fee program area. In the case of transportation impact fee, demand is measured in terms of vehicle miles of travel (VMT) for roadway-based fees. TOA has an extensive database that includes trip characteristics studies for over 40 land uses, which was used during the previous transportation impact fee and mobility fee

studies throughout Florida. In addition, if the County desires, this information can be supplemented with local trip characteristics. Otherwise, the demand component will be developed based on secondary data sources, such as the latest *ITE Trip Generation Handbook* (9th Edition), TOA's trip characteristics database, 2012 FDOT General





Level of Service tables, and any alternative studies that may have been conducted in Palm Beach County. If the County decides to convert its roads impact fee to a mobility fee, the demand component will be expressed in terms of person miles of travel (PMT).

Parks and recreation and library impact fees are typically charged to residential land uses only, and demand is measured in terms of population per housing unit. This information will be obtained from 2000 and 2010 Census data.

In the case of law enforcement, fire/EMS, and public buildings, TOA typically uses functional population per unit of land use, which is consistent with the County's current methodology for public buildings impact fee.

Functional population measures the benefit to each land use based on the presence of people at that land use throughout the day. In other words, land uses are charged for the availability of these services based on full-time equivalent persons present at each land use throughout the day. The County's current methodology is measuring demand for law enforcement and fire/EMS impact fees in

terms of service calls/incidents. TOA is very familiar with this methodology as well and will discuss both approaches with the County as part of the methodology review.

In the case of public education facilities, the demand is measured in terms of student generation rate. Most school impact fee studies use Census data to estimate the student generation rates. Over the past several years, TOA has developed a Geographic Information Systems (GIS)-based approach, which ties student addresses to parcel addresses from the Property Appraiser's database. TOA used this approach in school impact fee studies for several counties, including Collier, Orange, Osceola, Hernando and Volusia Counties, which resulted in a more accurate and detailed demand component.

There are several reasons a GIS-based approach results in a better estimate and better complies with the F.S. 163.31801 requirements of using the most current and localized data. The following provides a summary of these reasons:

- Student enrollment figures obtained from the Public Use Microdata Sample (PUMS) data, which is used in conjunction with the



Census data to estimate student generation rates, tend to vary from actual enrollment and needs to be adjusted. The GIS-based approach uses actual enrollment and connects it to housing units/types.

- The 2000 Census provided data on the distribution of housing units and students by housing type. The 2010 Census does not provide data on the distribution of housing units by type. As such, a Census-based analysis still needs to at least partially be dependent on the 2000 Census, which may be outdated.
- Census land use categories are limited to single-family, multi-family, and mobile homes. Any additional analysis that may be desired (such as separating town homes, condos, etc., if needed) is only possible with a GIS-based approach.

TOA is familiar with both approaches and will discuss these with the County prior to finalizing the methodology. The student generation rates will reflect the average number of public school students by type of school (elementary, middle, high) per housing unit and will be calculated for each type of

dwelling unit (single-family, multi-family, and mobile home).

As part of this task, a comparative analysis report of the County's school concurrency and the existing impact fee multiplier will be prepared.

Finally, as part of this task, land uses included in the County's impact fee schedules will be reviewed and discussed with the County to determine if certain changes are necessary. This work effort will be documented in the technical report and the recommendations will be presented to the Impact Fee Manager, Impact Fee Review Committee, and School District staff, as appropriate.

**Subtask 2.4 – Cost Component**

The cost component for each impact fee program area will be calculated to reflect the current cost of adding capacity in Palm Beach County. Cost elements reviewed will include design and engineering inspection, construction, right-of-way, land purchase, vehicle/equipment purchase, and other related costs. TOA will review the Capital Improvement Program, County's 5-, 10-, 15-,





and 20-Year Road Improvement Plan, Capital Improvement Element of the Comprehensive Plan, Palm Beach County School District Capital Improvement Plan, annual budgets/reports, recent bids, recently-completed local projects (past five years), recent land/ROW purchases or appraisals, and other relevant documents to identify capital service facility system improvement costs that may be considered in the calculation of the cost component of the impact fee formula for the County. This information will be compared to and/or be supplemented with TOA's cost databases that includes information from other Florida jurisdictions.

This work effort will be documented in the technical report.

#### **Subtask 2.5 – Credit Component**

TOA will review historical and projected capital improvement funding sources and expenditures for land, construction, design and engineering inspection, and other related costs in Palm Beach County. Debt service for any bond proceeds used for capacity expansion projects will be reviewed and documented as appropriate. These

calculations will reflect any recent and/or anticipated changes in how the capital assets are funded. This information will be used to prepare the credit component of the impact fee formula. This work effort will be documented in the technical report.

#### **Subtask 2.6 – Review of Benefit Zones/ Districts**

This task will review the service area of each service as well as existing benefit zones/districts. Some of the considerations will include any changes to the municipal boundaries (through annexations), natural/man-made boundaries, level of impact fee collections versus expenditures in each districts, etc. Results of this analysis will be incorporated into the technical report.

#### **Subtask 2.7 – Draft and Final Technical**

**Reports**  
Results of Tasks 1 and 2 will be summarized in a draft technical report. The technical report will include all information, estimates, projections, and data analysis as well as any assumptions made and methodologies employed to complete these tasks. The Consultant will submit a minimum of three



interim report upon 30%, 60%, and 90% completion of the study. Each interim report will discuss and document the extent to which each task has been completed. In addition, the consultant will provide the first draft of the impact fee methodology report with calculations within 90-days of the effective day of the contract. This report may coincide with the 60% completion report. Upon receipt of comments from the County, the Consultant will make the necessary revisions to the draft report and prepare the final report, which will incorporate the format and content requested by the County as well as community groups and agencies.

**TASK 3: Ordinance Update (Addresses part of Task 10 of the RFP scope)**

White & Smith will conduct a legal review of the technical approach and amend Article 13

of the County's Unified Land Development Code to reflect methodology and findings included in the Final Report. The ordinance update will be consistent with the Florida impact fee case law and legislation, including recent changes made through:

- SB 360 (passed in 2009)
- HB 7207 (passed in 2011)

- Changes to HB 319 (passed in 2013).

**TASK 4: Meetings and Presentations**

*(Addresses Tasks 11, 12, 13 and 14 of the RFP Scope)*

As part of this study, the following 10 meetings and presentations will be conducted:

- A kickoff meeting;
- Two interim staff meetings to review the study progress and draft report findings. These meetings will also be used to prepare for public meetings.
- Three meetings with the Impact Fee Review Committee to present study results and obtain input.
- One workshop with the School Board to present study results and obtain input.
- Two workshops/meetings with the Board of County Commissioners to present study results and obtain input.

- One public hearing.

For all presentations, TOA will be available upon five business days of notice. With its Ft. Lauderdale, Tampa and Orlando locations, TOA will be highly accessible. We will prepare user-friendly, easy-to-follow material in Power



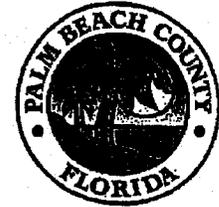
Point and provide draft presentations to the County staff for review prior to the each meeting /presentation. TOA will bring the necessary number of hard copies of the presentation material to each meeting. The Consultant will be assist the County in defending the Impact fee methodology, if legally challenged. To date, TOA has not been successfully challenged for any impact fee work.

**COUNTY RESOURCES NEEDED**

The County will provide the necessary data on the inventory, historical costs, credit, and other impact fee variables, as available. In addition, the County will be available for any questions/clarifications requested by the Consultant and will review study results. Finally, the County will be responsible for scheduling public meetings as needed. It is anticipated that the most of the time needed from the County will be in the Initial, data collection stages of the study.

**PROJECT SCHEDULE**

A preliminary schedule is included in the table on the following page. Upon selection, this schedule will be reviewed with the County's Impact Fee Manager, and if needed, will be modified to better accommodate the County's needs. With its dedicated Public Finance Group as well as other staff members experienced in public finance related analyses, TOA has the necessary resources to meet most desired time frames and still provide a high-quality product.



## Palm Beach County 2014 Impact Fee Biennial Update Preliminary Schedule

Receipt of Signed Contract	January 15, 2014
Submittal of the Data Needs Memo	January 17, 2014
Receipt of All Requested Data	January 31, 2014
Kick-off Meeting	Week of February 3, 2014
Submittal of 30% Completion Draft Report	March 6, 2014
Submittal of Draft Methodology Report (60% Completion)	April 15, 2014
Interim Staff Meeting	Week of April 28, 2014
Impact Fee Review Committee Meeting (1st)	Week of May 5, 2014
Submittal of 90% Completion Draft Report	June 5, 2014
Draft Report Review Meeting	Week of June 16, 2014
Impact Fee Review Committee Meeting (2nd)	Week of June 23, 2014
Board of County Commission Workshop (1st)	July 15, 2014
Receipt of All Comments from the County Staff	August 7, 2014
Submittal of Final Report	August 28, 2014
Impact Fee Review Committee Meeting (3rd)	September 2014
School Board Workshop	September 2014
Board of County Commission Workshop (2nd)	October 2014
Public Hearings (1)	October/November 2014

