



Palm Beach County Impact Fee Update Study Supplement

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Prepared for:

Palm Beach County

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Demonstration of Extraordinary Circumstances

Palm Beach County retained Benesch in 2021 to update the County's impact fee program for seven service areas. In June 2021, Florida House Bill (HB) 337 was signed by the Governor, which placed limits on impact fee increases while allowing local governments to exceed these limits if the following is fulfilled:

1. A demonstrated needs study justifying any increase in excess of those authorized that has been completed within 12 months before the adoption of the impact fee increase and expressly demonstrating the extraordinary circumstances necessitating the need to exceed the phase-in limitations.
2. No less than two publicly noticed workshops dedicated to the extraordinary circumstances.
3. Approval of the impact fee increase ordinance by at least a two-thirds vote of the governing body.

Benesch completed a technical study that updated the County's impact fee program for the following service areas:

- Public buildings
- Fire rescue
- Law enforcement
- Library facilities
- Parks & recreation
- School facilities
- Transportation

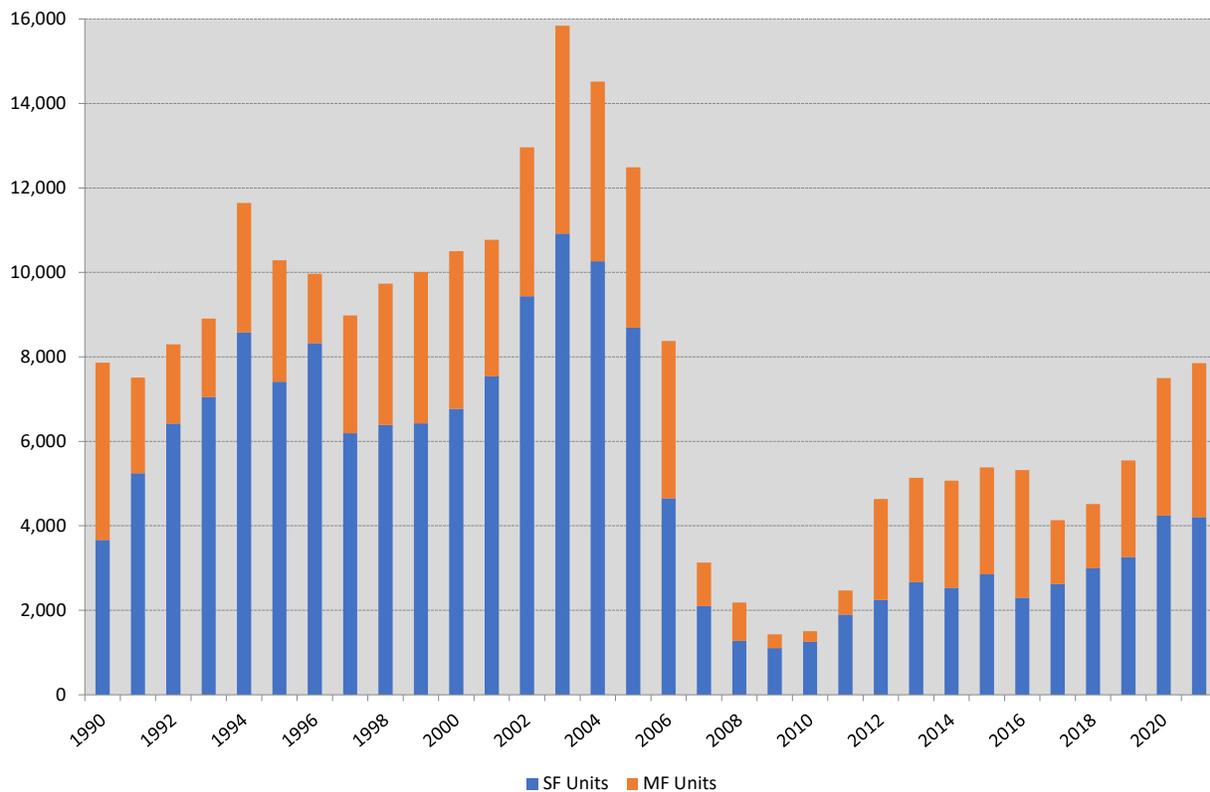
The study provided the data and analysis that support a level of increase exceeding the 50-percent limit identified in HB 337 for all service areas, except for libraries. The remaining sections of this document address the extraordinary circumstances related to the County's impact fee program.

Palm Beach County Profile and Growth Trends

With a population of 1.5 million, Palm Beach County ranks third out of 67 Florida counties in terms of population. The county continues to experience growth. Growth projections provided by University of Florida, Bureau of Business and Economic Research (BEBR) and Woods & Poole range from 0.93 percent to 1.23 percent per year over the next ten years. In terms of absolute growth, the County is projected to add 150,000 persons to over 200,000 persons through 2032.

Consistent with these population growth patterns, permits for new structure have been increasing. **Figure 1** shows residential permitting trends. As presented, after a decline between 2008 and 2012 due to the economic downturn, permitting levels started to increase again. The number of residential permits increased from approximately 1,400 permits in 2009 to almost 7,900 permits in 2021.

Figure 1
Residential Permitting



Source: U.S. Census

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As another indicator of expected future growth levels, **Table 1** presents a comparison of lane mile addition and the increase in vehicle miles of travel between 2015 and 2045. The data obtained from the Southeast Florida Regional Planning Model suggests that between 2015 and 2045, the lane miles in the county are projected to increase by 8 percent while total travel is estimated to increase by 28 percent and overall travel per lane mile will increase by 10 percent. The difference in these figures is more significant in the case of roads that are not limited access facilities. For example, roads owned by the County are projected to experience an increase of 24 percent in terms of vehicle miles of travel per lane mile, suggesting higher levels of congestion.

Table 1
Palm Beach County
Distribution of Lane Miles and Vehicle Miles of Travel per Lane Mile

Jurisdiction	Lane Miles			Vehicle Miles of Travel			Vehicle Miles of Travel per Lane Mile		
	2015	2045	% Change	2015	2045	% Change	2015	2045	% Change
State Roads (Int./Toll)	772	946	23%	13,289,964	16,131,153	21%	17,213	17,045	-1%
State Roads (non-I/T)	1,680	1,757	5%	8,568,521	11,493,768	34%	5,100	6,542	28%
County	1,922	2,085	8%	8,425,694	11,293,603	34%	4,383	5,418	24%
Other Classified	621	623	0%	1,626,294	2,008,427	23%	2,621	3,223	23%
Total:	4,995	5,411	8%	31,910,474	40,926,951	28%	29,317	32,227	10%

Source: Southeast Regional Planning Model (SEPRPM) v8

Project Needs

These growth levels result in a need for additional infrastructure. Examples of future capacity projects that are eligible to be funded with impact fees for each service area include the following:

Public Buildings & Law Enforcement:

- Palm Beach County Sheriff's Office (PBSO) Shooting Range Expansion - \$9.5 million
- Airport Center Building - \$68 million
- Atlantic Commons Civic Site - \$10 million
- Main Courthouse Expansion/Annex - \$135 million (the first phase)

Fire Rescue:

- Agricultural Reserve North Fire Station - \$7 million
- Agricultural Reserve South Fire Station - \$6.2 million
- Southern Boulevard 20 Mile Bend Station - \$7.3 million

Libraries:

- Canyon Branch Library - \$20.6 million

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Parks & Recreation:

- Villages of Windsor Park - \$8 million
- Milani Park - \$3 million
- West Delray Regional Expansion - \$2 million
- Okeehewee South Phase 3 Development - \$25 million
- John Prince Park Mound Circle Phase 2 - \$2.2 million
- Karen Marcus Preserve Pak - \$15 million
- Lantana District "I" Property - \$15 million
- Sansbury Way Property - \$15 million

Schools:

- Scripps/Gardens Areas Elementary School - \$30 million
- West Acreage Area Elementary School - \$30 million
- Western Communities High School - \$93 million
- West Delray Area Elementary School - \$42 million

Transportation:

- Boca Rio Road from Palmetto Park Road to Glades Rd. (widen 3 -4/5 lanes) - \$8.5 million
- Old Dixie Hwy. from Yamato Road to S. Linton Blvd (widen 2 -3 lanes)) - \$12 million
- Lyons Road from Atlantic Avenue to S. of Flavor Pict Road (widen 2- 4 lanes) - \$16.1 million
- Lyons Road from S. of Flavor Pict Road to Boynton Beach Blvd. (widen 2- 4 lanes) - \$14 million
- Flavor Pict Road from Lyons Road to Hagen Ranch Road (new 4 lane link) - \$18.7 million
- Royal Palm Beach Blvd. from N. of Persimmon Blvd. to N. of M Canal. (widen 2 – 5 lanes) - \$8.3 million
- Royal Palm Beach Blvd. from M Canal to S. of Orange Blvd. (widen 2 – 5 lanes) - \$8 million
- Royal Palm Beach Blvd./ Orange Blvd./ Coconut Blvd. (widen 2 - 5 lanes) - \$14 million
- 60th Street from Seminole Pratt Whitney Road to 140th Avenue North (new 4 lane link) - \$24 million
- Okeechobee Blvd. Extension from SR80 to Seminole Pratt Blvd. (new 4 lane link) - \$60 million
- Kirk Road from LWDD L-7 Canal to Summit Blvd. (widen 2- 3 lanes) - \$3.5 million
- Congress Avenue from Hypoluxo Road to Lantana Road (widen 4 – 6 lanes) - \$10 million

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Current Adopted Impact Fee Levels

Although the most recent technical study was completed between 2014 and 2018, the County's current impact fee schedule is based mostly on the findings of the 2012 study, which was adopted at reduced rates for multiple service areas. The following provides a summary of study dates and adoption percentages of impact fees for each service area.

- Public Buildings: 2012 study rates adopted at 27%
- Fire Rescue: 2014-2018 study rate adopted at 95%
- Law Enforcement: 2012 study rates adopted at 95%
- Libraries: 2012 study rates adopted at 95%
- Parks & Recreation: 2012 study rates adopted at 95%
- Schools: 2014-2018 study rate adopted at 95%
- Transportation: Lower of the 2012 study and 2014-2018 study rates adopted at 95%

As shown, the current adopted rates are based on data that is at least eight to ten years old. Costs have been increasing significantly especially over the past couple of years. The 2021 impact fee study quantified these changes and provided supporting data that indicates that the impact fee levels reflecting the full cost of providing capital facilities require fee increases above 50 percent for most service areas.

Summary and Conclusions

This supplemental document provided information demonstrating extraordinary conditions necessitating an increase above the 50-percent limit for most of the fees. In some cases, the increase of over 50 percent is needed for certain land uses to protect the proportionality between land uses in the fee schedule. The key findings of this review include the following:

- Palm Beach County is continuing to experience growth.
- The current fees are based on information and cost levels that are at least eight years old.
- Costs are continuing to increase making it difficult for local governments to fund infrastructure projects.
- The County identified a list of projects that are impact fee eligible. With reduced impact fee levels, the existing population will be subsidizing new growth, or the level of service will degrade.