



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
2/2/2022	<input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Other	Ordinance Reading	4/7/2021	2/2/2022
		Public Hearing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
		Advertising Required	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
		Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
File No.:				
19-319 and 20-377				
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number:	
N/A	N/A	N/A	N/A	
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	Vanessa Leroy, Director	Community Enhancement and Sustainable Development Dept	
Strategic Plan Focus Areas:				
<input type="checkbox"/> Finance & Budget		<input type="checkbox"/> Organizational Capacity	<input checked="" type="checkbox"/> Infrastructure/Projects	
Implementation Timeline:				
Estimated Start Date: 4/7/2021 Estimated End Date: 02/2/2022				

THIS ITEM IS HEARD IN CONJUNCTION WITH FILE NO. 20-377 ITEM 10B.

SHORT TITLE:

Ordinance "A" (File No. 19-319)

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AMENDING CHAPTER 30, "UTILITIES", ARTICLE VI, "WATER AND WASTEWATER IMPACT FEES"; CREATING CHAPTER 31, DEVELOPMENT IMPACT FEES; PROVIDING FOR THE ADOPTION OF IMPACT FEES FOR FIRE & RESCUE, LAW ENFORCEMENT, PARKS & RECREATION, AND MULTI-MODAL TRANSPORTATION CAPITAL IMPROVEMENTS; PROVIDING FOR APPLICABILITY, FINDINGS OF FACT, INTENT AND PURPOSE; DEFINITIONS; ADOPTING AN IMPACT FEE STUDY; PROVIDING FOR THE CALCULATION, IMPOSITION AND PAYMENT OF IMPACT FEES AND FEE SCHEDULES; EXEMPTIONS; CHANGES IN USE;

ALTERNATIVE IMPACT FEE CALCULATIONS; DEVELOPER CONTRIBUTION CREDITS; USE OF FUNDS AND REFUNDS; UPDATING, ANNUAL INDEXING, REPORTING, AND AUDITS; VESTED RIGHTS; PENALTY; APPEALS; PROVIDING CODIFICATION, IMPLEMENTING ADMINISTRATIVE ACTIONS, CONFLICTS, SEVERABILITY, AND FOR AN EFFECTIVE DATE.

and,

Ordinance “B” (File No. 20-377)

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AMENDING CHAPTER 32, “ZONING AND LAND DEVELOPMENT CODE”, ARTICLE V, “DEVELOPMENT REVIEW PROCEDURES”; PROVIDING FOR “IMPACT FEES” REQUIREMENTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

The City of Hallandale Beach retained the services of Tindale-Oliver and Associates to prepare impact fee technical studies to document the current cost, credit, and demand components associated with providing capital facilities and resulting fee schedules. Impact fees are a one-time charge to new development to fund the portion of the capital costs of infrastructure capacity consumed by new development. The principal 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.

The final report, attached as Exhibit 3, entitled “City of Hallandale Beach Impact Fee Study,” originally dated November 30, 2020, and recently updated on December 2, 2021, (the “Impact Fee Study”), prepared by Tindale-Oliver, sets forth a methodology and analysis for establishing the impact of new development on the need for and costs of additional capital improvements related to fire and rescue, law enforcement, parks and recreation, and multi-modal transportation services in the City.

The proposed attached Ordinance “A” amends Chapter 30, Utilities and creates Chapter 31, adopting Law Enforcement, Fire Rescue, Parks and Recreation and Transportation and Mobility Impacts fees; Ordinance “B” amends Chapter 32, Article V, Development Review Procedures of the Zoning and Land Development Code as it relates to transportation fees.

Background:

On February 11, 2019, Tindale-Oliver presented their findings to the City Commission on impact fee studies for Fire Rescue, Law Enforcement, Parks and Recreation, and Transportation. The

City Commission recommended staff conduct a public workshop for the development community before proceeding with the adoption of the proposed impact fees.

On June 18, 2019, the City hosted a workshop on recently adopted Capital Improvement Plan projects and discussed the proposed impact fees. The workshop, attended by the development community and residents, expanded on factors that drive and halt developments and the importance of impact fees on future Zoning Code considerations and how they may ease the development process.

On September 23, 2020, the Planning and Zoning Board considered the proposed Impact Fee Study and subject ordinances. The Board recommended approval of the ordinances, by a vote of 5 to 0. The Board made the following recommendations on Ordinance "A": revise the number of years to update the Impact Fee Study from 3 years to 5 years; require impact fee payment for single-family homes when an expansion results in the dwelling unit moving to a different tier. The Board's comments have been incorporated into Ordinance "A". The Board further commented on providing a discount of fees for affordable housing. The Tindale-Oliver Consultant, Nilgun Kamp, advised that was a City policy decision and was not aware of any City providing for a discount of impact fees. No changes were proposed to Ordinance "B".

Subsequent to the Planning and Zoning Board, Ordinance "A" was amended by Tindale-Oliver to include additional City reporting requirements, and to provide language on developer credits to be transferable from one property to another as required by Florida statutes.

On April 7, 2021, the City Commission approved the First Reading of the ordinances. Subsequent to the First Reading, staff was made aware of new legislation that had been adopted by the State of Florida under F.S. 163.31801, regarding impact fees that would affect the ordinance as approved by the City Commission on First Reading. As a result, Second Reading was deferred to allow time to review the new State Statutes and revise the ordinance accordingly.

The new laws limit the extent to which local governments may increase impact fees imposed on builders and developers, including:

- Impact fees may only be increased once every four years;
- Impact fees may be increased by no more than 50%;
- Increases between 25% and 50% must be phased in over four years in four equal installments; and
- Increases less than 25% must be phased in over two years in two equal installments.
- Local governments may only exceed these impact fee limits if they demonstrate that there are "extraordinary circumstances requiring the additional increase" as specified in the Ordinance.

The attached Ordinance (*A redlined version that reflects the revisions, and a clean version are attached as Exhibit 1*) has been revised to meet the requirements of the new State Statutes.

Recently, the Consultant advised that a new edition of the ITE (Institute of Transportation Engineers) Handbook had been released which affected the trip generation rates used for multimodal transportation, fire rescue and law enforcement impact fees. The Consultant advised that given that the proportionality between land uses is one important legal requirement for impact fees, the Impact Fee Study should be updated with the most recent data on the demand component. Accordingly, the Impact Fee Study of November 30, 2020, was also updated as of December 2, 2021, (Exhibit 3) to reflect the updated fees for the multimodal transportation, fire

rescue and law enforcement impact fees based on ITE Handbook 11th Edition. Table 1, the Impact Fee Schedule in Ordinance “A” has also been updated to reflect the revised fees.

Current Situation:

Currently, only water and sewer impact fees are adopted for new development in the City of Hallandale Beach as provided in Chapter 30, Utilities, of the Hallandale Beach Code of Ordinances. Transportation impact fees are currently calculated on a case-by-case basis for new major developments pursuant to Chapter 32, the Zoning and Land Development Code, Article V, Development Review Procedures, Section 32-794. There are no impact fees for Law Enforcement, Fire Rescue, and Parks and Recreation services.

Adoption of impact fees per the Hallandale Beach Impact Fee Study would be implemented by a new chapter to the Hallandale Beach Code of Ordinances creating Chapter 31, establishing development impact fees for law enforcement, fire rescue, parks and recreation, and transportation (Exhibit 1). The Ordinance attached as Exhibit 2 amends the Development Review Procedures in Chapter 32 as it relates to transportation fees. Revenue from impact fees would be used solely for funding capital improvement capacity within the City.

Analysis:

Amendments to Chapter 30 and Creation of Chapter 31- Ordinance “A”

Ordinance “A” amends Chapter 30, Utilities, and creates Chapter 31, Development Impact Fees. A summary of the Ordinance attached as Exhibit 1 is provided below:

1. Amends Chapter 30, Utilities, Article VI, Water and Wastewater Impact Fees to require payment of such fees at the time the building permit is issued rather than prior to the issuance of the building permit.
2. Creates Chapter 31, Development Impact Fees by requiring impact fees for law enforcement, fire rescue, parks and recreation and multi-modal transportation systems.
3. Creates definitions relative to impact fees in Chapter 31.
4. The Hallandale Beach Impact Fee Study prepared by Tindale-Oliver and Associates is incorporated and adopted by reference as the “Hallandale Beach Impact Study” updated December 2, 2021.
5. Imposes fees on all capital improvement impact projects in the City at the rate established in Table 1 of the Ordinance. Capital improvement impact projects are defined as: land designed or intended to permit a use of land which will contain more impact units than the existing use of land, or which will otherwise change the use of land in a manner that increases the demands upon the City’s capital improvement system.
6. Exempts alteration, expansion, or replacement of an existing dwelling unit that does not increase the number of dwelling units, except in the case of single-family homes when the expansion results in the dwelling unit moving into a different tier.
7. Exempts alteration, expansion of a building, or replacement of a building, if the building use upon completion does not generate greater demand for the applicable category of the

capital improvement system than was assumed in the impact fee study and reflected under the applicable impact fee rate. Public and charter schools are also exempted.

8. Provides a process for an alternative fee calculation if an applicant believes their project's impact is less than the fee established in the Ordinance. An applicant may perform an alternative study at his or her own expense, utilizing a methodology based on the adopted Impact Fee Study which may be approved by the Director of the Community Enhancement and Sustainable Development (CESD) Department.
9. Requires impact fee credits to be issued on a dollar-for-dollar basis at fair market value to reduce any impact fee collected for the category or infrastructure for which the contribution was made. A credit would not be applied if the City does not charge or collect an impact fee.
10. Impact fee credits are assignable and transferable from one property to another in the same impact fee zone or an adjacent zone and may receive benefits from the improvement or contribution that generated credits as allowed by Florida Statutes.
11. Provides for developer contribution credits for the donation of land that is not required right-of-way or for construction of off-site improvements other than access improvements as defined in the Ordinance. Credits may include fees imposed by Broward County for capital improvement obligations, or prior obligations such as development agreements or mitigation fees. In order to receive a credit, the CESD Director must determine that: the obligated capital improvements are in the City's Five-Year Capital Improvement Plan (CIP) or is similar in nature to the improvements on the CIP.
12. Developer contribution credits approved by the CESD Director shall be subject to a credit agreement with the City Commission. The credit agreement shall establish, among other things, the duration for which the credits are eligible, not to exceed 20 years as well as the value of the credits of any subsequent increases in the City impact fees.
13. Requires separate accounting funds for each capital improvement system. The monies deposited in the impact fee funds shall be used for design, plans and construction, right-of-way acquisition, and necessary capital equipment.
14. Requires the Impact Fee Study be updated every 5 years. On years when no update occurs, the impact fee schedule shall be adjusted annually for inflationary causes. An annual report on the status of the revenues shall be provided by the Director to the City Commission.
15. Requires the City to issue a report on the following data in addition to the items that are reported in the annual financial reports under F.S. § 218.39 as follows:
 - a) The specific purpose of the impact fee, including the specific infrastructure needs to be met, for each category of impact fee collected pursuant to the Article.
 - b) The impact fee schedule policy describing the method of calculating impact fees, such as flat fees, tiered scales based on the number of bedrooms, or tiered scales based on square footage, as set out in the impact fee study.
 - c) The amount assessed for each purpose and each type of dwelling.
 - d) The total amount of impact fees charged by type of dwelling.

- e) Each exception and waiver provided for the construction or development of housing that is affordable.

16. The Ordinance and any subsequent increase in fee rates shall be effective 90 days after its adoption.

Amendments to Chapter 32 - Ordinance "B"

Ordinance "B" amends Chapter 32, Article V, Development Review Procedures. A summary of the Ordinance attached as Exhibit 2 is provided below:

1. Clarifies that development review application fees specified under Section 32-792(a) are not included in the costs of required impact fees in Chapter 31.
2. Revises Section 32-794 to eliminate the requirement of a contribution of a transportation exaction and requires payment for multi-modal transportation impacts as specified in Chapter 31, Development Impact Fees.

The City intends to develop specific objectives and policies to create projects and programs that would be funded with the associated impact. In addition to identifying how the collected revenues will be used, City Staff is also coordinating efforts on key issues, including public safety, transportation and mobility improvements, parks, and open space, and a cost-feasible 5-year capital improvement program.

Why Action is Necessary:

Pursuant to Article V, Division I, Section 5.01 of The City of Hallandale Beach City Charter, a City Ordinance is to be adopted to amend an existing Ordinance.

Cost Benefit:

The proposed code amendments will address the need for new capital facilities improvements due to new growth in the City of Hallandale Beach in order to continue to provide high-quality service to its residents for Fire Rescue, Law Enforcement, Parks and Recreation, and Multi-Modal Transportation Systems.

PROPOSED ACTION:

The City Commission consider approval on Second Reading of:

1. The Ordinance amending Chapter 30, Utilities and creating Chapter 31, Development Impact Fees (Exhibit 1) and,
2. The Ordinance adopting amendments to Chapter 32, Development Review Procedures relative to impact fees (Exhibit 2).


ATTACHMENT(S):

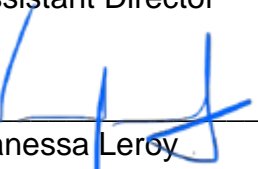
Exhibit 1 - Ordinance Amending Chapter 30 and Creating Chapter 31 (*Redlined and Clean version*)

Exhibit 2 - Ordinance Amending Chapter 32

Exhibit 3 - Hallandale Beach Impact Fees Study prepared by Tindale-Oliver

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