

Staff Report

Presentation to the Collier County Planning Commission of the 2018 combined Annual Update and Inventory Report on Public Facilities and Schedule of Capital Improvements as provided for in Chapter 6.02.02 of the Collier County Land Development Code and Section 163.3177(3)(b), Florida Statutes

OBJECTIVE: That the Collier County Planning Commission (CCPC) review the combined 2018 Annual Update and Inventory Report (AUIR)/Capital Improvement Element (CIE) on public facilities and provide recommendations to the Collier County Board of County Commissioners (Board) on specific projects and associated funding sources for inclusion in the Schedule of Capital Improvements within the CIE during the FY18/19 annual update (only Category "A" public facilities are included in the CIE). The AUIR identifies capital needs for new facilities to serve population growth projected for the five-year AUIR period. As with past AUIR, this year's AUIR presents additional information related to individual Division/Department operational data. This additional data is provided to evaluate the year-to-year change in demand experienced by each AUIR component and to assist the CCPC in making recommendations upon the appropriateness of the County's current Level of Service (LOS) Standards and timing/necessity of proposed projects. The AUIR constitutes the process of evaluating budgetary priorities, as well as determining appropriateness of the County's currently adopted LOS Standards.

BACKGROUND: Chapter 163, Part II, Florida Statutes, requires the County to adopt certain Land Development Regulations (LDR) to implement its Growth Management Plan adopted on January 10, 1989. Land Development Code (LDC) Section 6.02.00 requires the County to, *"Provide that public facilities and services meet or exceed the standards established in the CIE required by Section 163.3177 and are available when needed for the development..."* This Section of Chapter 163, Part II, Florida Statutes is commonly known as the concurrency requirement. Accordingly, on March 21, 1990, the Board adopted the Collier County Adequate Public Facilities Ordinance No. 90-24. This Ordinance was subsequently codified in LDC Section 6.02.02.

Statutory changes initiated by HB7207 in 2011 [which is now Chapter 2011-139, Laws of Florida] only require from each local government that they maintain concurrency management for its Stormwater Management System, Potable Water System, Wastewater Treatment Systems and Solid Waste Disposal services and facilities. During the 2011 AUIR/CIE process, the County decided to maintain concurrency for the optional facilities of Schools, Arterial and Collector Roads and Bridges, and Parks and Recreation facilities, based upon the perspective that maintaining concurrency management for the optional facilities is necessary to sustain the currently identified levels of service for the respective facilities and to ensure that the demands of new development are provided for by system expansion corresponding to those demands.

As noted, LDC Section 6.02.02 establishes the management and monitoring program for public facilities, which provides for an annual determination of LOS Standard concurrency for Category "A" public facilities and identification of need for additional facilities. Category "A" facilities are arterial and collector roads, drainage system and stormwater management, potable water supply and distribution, wastewater treatment systems, solid waste disposal, public schools, and parks. The AUIR

also provides analysis and recommendations on Category "B" facilities for which the County has adopted LOS Standards and collects impact fees. Category "B" facilities are jail and correctional facilities, law enforcement, library buildings and collections, emergency medical services, and government buildings. Adoption of LOS Standards for Category "B" facilities legally validate impact fees for these facilities.

At the direction of the County Manager in 2013, Coastal Zone beach re-nourishment and inlet management projects were added to the AUIR, within a new Category "C". This addition allows the Board to formally and predictably evaluate the condition of each project for their respective capital programming. Category "C" areas (coastal zone beaches and inlets) are not subject to concurrency management or coupled to impact fee funding. The quality and usability of these features are sustained through periodic surveys, and maintenance and management programs, funded with tourist development taxes and other revenue sources.

Under the provisions of LDC Section 6.02.02, the Board's options in response to the needs identified in the AUIR include, but are not limited to, the following:

1. Establishment of Areas of Significant Influence (ASI) surrounding deficient road segments which are not in a Traffic Congestion Management Area (TCMA) or Traffic Congestion Exception Area (TCEA).
2. In response to the needs identified in the AUIR, Public Facility projects can be added to the financially feasible Schedule of Capital Improvements in the CIE. Road projects must be in the first or second year of the next adopted Schedule of Capital Improvements to be factored as available capacity in the real-time Transportation Concurrency Management System database.
3. Deferral of development order issuance will occur for development not vested by statute in areas affected by deficient Category "A" public facilities. This applies to necessary improvements both pending and not financially feasible, or not in the five-year CIE Schedule of Capital Improvements. Both circumstances could result in the following remedial action:
 - a. Modification of levels of service via Growth Management Plan amendment;
 - b. Subsequent direction to staff to include the necessary Category "A" public facility projects in a future annual CIE update and amendment to be adopted by the Board;
 - c. Future approval of new or increased revenue sources for needed Public Facility projects, by the Board of County Commissioners, the State Legislature or the County voters; or
 - d. Developer constructed improvements guaranteed by an enforceable development agreement.

The options identified above are crafted under the design of attaining a fiscally feasible CIE based on the concurrency management system. The requirement for financial feasibility is a local requirement, no longer a statutory requirement. The Board, through Objective 2 of the CIE, provides direction to maintain an annual financially feasible Schedule of Capital Improvements.

CIE ~ OBJECTIVE 2: (FINANCIAL FEASIBILITY)

Provide public facilities, as described in Policy 1.1 above, to maintain adopted level of service standards that are within the ability of the County to fund...

Policies 1.1 through 1.5 of the CIE establish the standards for levels of service for Category "A" public facilities.

GROWTH MANAGEMENT IMPACT: Preparation and presentation of the AUIR to the CCPC and Board meets the requirements of LDC Section 6.02.02 for an annual determination of the status of public facilities. Board direction to include the projects identified in the AUIR in a financially feasible Schedule of Capital Improvements will establish and maintain concurrency for Category "A" public facilities, except roads, for the next twelve months. Road projects needed to remedy levels of service deficiencies must be in the first or second year of the Schedule of Capital Improvements.

Based upon statutory changes initiated in 2011, the CIE Schedule of Capital Improvements is no longer required to be sent to the State Land Planning agency and requires only a single public hearing before the Collier County Planning Commission (sitting in its official role as the County's land planning agency) and a single public hearing before the governing board (Board) as an adoption hearing. This single hearing process allows for concurrent hearings of the AUIR and CIE.

Level of Service Appropriateness: As indicated within the Objective portion of this report, the AUIR provides the platform for the CCPC to make evaluations and recommendations regarding the appropriateness of the County's current Levels of Service Standards. The process of capital improvement programming for the County is a linear equation for most components of the AUIR; (New Population x Level of Service Standard = Capital Improvement). This equation is the only justification required of the proposed capital improvement. While Public Utilities, Stormwater Management and Transportation have developed a more complex formula and system for maintaining Level of Service Standards which dictates capital expansion, the basic premise of additional demand requiring new improvements remains the underlying fundamental of the equation.

The AUIR provides an opportunity on an annual basis for the CCPC to evaluate and provide recommendations on the appropriateness of currently adopted Level of Service Standards. Within each individual section, the year-to-year demand for service or demands upon the system are included to assist the advisory boards and the Board in this determination.

Level of Service Standards and Impact Fees: Impact fee studies and methodologies in and of themselves do not establish Level of Service Standards. They serve at a minimum, to establish a base line where levels of service cannot fall below without invalidating the impact fee. A level of service that is established by an impact fee study represents the standard that has been achieved for a facility, but does not dictate that a local government cannot adopt a Level of Service Standard that is higher than the achieved level of service. However, the difference between the achieved level of service and the adopted Level of Service Standard will require supplemental funding from a source other than impact fees to fund the cost of the improvement. EMS is an AUIR component in which the impact fee level of service is below the AUIR adopted Level of Service Standards. As indicated, this discrepancy is resulting in a higher level of necessary supplemental general governmental funding.

The established Level of Service Standards for most AUIR components are currently satisfied based upon the levels of service and current population levels, but steadily-increasing population growth

[or other factors, e.g. access to new technology, in the example of Library materials] continue to reduce the available capacity of the respective infrastructure and service providers. Based upon this diminishing capacity, the due diligence process to bring about the next generation of system expansion has begun and will require continued revenue growth needed to maintain the Level of Service Standards for the system providers.

Population: The population projections utilized with the 2018 AUIR are based upon prior Board policy direction and acceptance from the State of Florida Department of Economic Opportunity (DEO). The population method utilizes the Bureau of Economic and Business Research (BEBR) *medium range* projections for the entire projection period with a twenty percent (20%) seasonal adjustment factor applied to permanent population projections. The table below presents a comparison of the past six years of projected permanent population growth figures.

AUIR Year	BEBR Estimate	Permanent Population Following 5-Year BEBR Growth Projections					5 Year Growth Percent	Growth Percent Annualized
2013	338,230	343,928	350,296	357,359	364,564	371,914	9.96%	1.99%
2014	341,914	348,373	354,982	361,717	368,579	375,571	9.84%	1.97%
2015	346,371	352,771	359,289	365,927	372,688	379,084	9.44%	1.89%
2016	353,936	360,846	367,892	375,074	381,722	387,814	9.57%	1.91%
2017	360,825	368,073	375,467	382,465	389,053	395,753	9.68%	1.93%
2018	368,534	376,086	383,166	389,754	394,004	400,292	9.60%	1.92%

The above table illustrates 2018 as another successive year in which the annualized growth rate is projected at under two percent of the total population. This outlook reinforces the contemporary growth reality for the County.

The projected **population increase** totals 31,758 for the five-year period or, 6,352 per year. Utilizing the County’s 2.38 persons per household (PPH) rate, these projected 6,352 new people per year, translate to an average of 2,669 new dwelling units (presuming new population is housed only by new units and not existing inventory) constructed each year.

The recalibration of Collier County’s population through the 2010 Census had provided additional capacity to each of the AUIR/CIE population-based systems; but, the population added since continues to consume this capacity. As such, each of the AUIR providers continue the due diligence process for their next system expansion.

The following table provides Certificate of Occupancy (CO) figures issued per year since 2010.

Compilation Year *	Single Family COs	Multi-Family COs	Single & Multi Family
2010-2011	582	692	1,280
2011-2012	747	480	1,227
2012-2013	806	454	1,260
2013-2014	1,436	286	1,722
2014-2015	2,065	1,010	3,075
2015-2016	2,548	777	3,325
2016-2017	2,776	980	3,756
2017-2018	2,424	442	2,866

** Based upon April 2017 through March 2018 CO data, compiled annually by the Growth Management Department.*

Approximately 2,424 single-family dwellings and 442 multi-family units were constructed (and certified for occupancy, in this compilation year *) – for a total of 2,866 units. These figures represent a decrease over the previous year's residential construction, when 2,776 single-family dwellings and 980 multi-family units – for a total of 3,756 units, were constructed. These figures are provided to better evaluate the market's response to fluctuations in demand for new housing units.

In addition, the Board directed that **population projections** for Golden Gate City be prepared beginning with fiscal year 2018/19. ** This direction is based on the, then expectation for the County to serve all portions of the Florida Governmental Utility Authority (FGUA) franchise utility service area east of Santa Barbara Blvd. within the 10-year AUIR planning window. The future service area is approximately four square miles in size, and can be more specifically described as all of Sections 21, 22, 23, and 28 and portions of Sections 15 and 16 in Township 49 S, Range 26 E, as bounded on the north by Green Blvd., on the east by Collier Blvd., on the south by Golden Gate Canal, and on the west by Santa Barbara Blvd. The population figures for this area – along with information regarding treatment capacity, acquisition and implementation planning are included herein. These are provided under the Level of Service Standards (LOSS) Assessments, and illustrated in the LOSS charts, within the Potable Water System and Wastewater Treatment Systems' reports in the AUIR/CIE booklet.

*** Adopted by Resolution 2017-123, on June 27, 2017.*

Schools: The Schools section of the AUIR stands as a unique component. A summary of the School District Five-Year Capital Improvement Plan is provided for review by the CCPC. But when the AUIR is reviewed, the School District's Capital Improvement Program (CIP) will already have been approved by the School Board, as required by the Florida Department of Education. The proposed School CIP has been reviewed by County staff in conjunction with School District staff to ensure no inconsistencies exist with the timing of new facilities and required infrastructure. The District's five-year CIP includes the construction of an addition to the existing Immokalee High School ('22) and the planning, engineering and construction phases for opening of a new high school ('23) to accommodate growth. While the School District hasn't committed to the new school's location, the County is aware of these locations and have plans to provide access to the one selected.

While the Schools component is included as part of the Category "A" facilities which dictate the concurrency management system for the County, concurrency management for schools is administered by the School District.

Requirements changed for referencing School District documents when the County amended the CIE in 2017. Each year, the County now adopts, by reference, into its CIE, the School District's annually updated financially feasible Five-Year Capital Improvement Plan and the District Facilities Work Program to achieve and maintain the adopted level of service standards for Public School Facilities. The School District Five-Year Capital Improvement Plan identifies the financially feasible school facility capacity projects necessary to address existing deficiencies and future needs based on achieving and maintaining adopted LOS standards for schools. The District Facilities Work Program, prepared by the School District pursuant to Section 1013.35(1)(b), F.S., is adopted as part of the data and analysis in support of the School District's Five-Year Capital Improvement Plan. Adoption by the County, of the School District's Capital Improvement Plan and the District Facilities Work Program now occurs, without requiring separate action, with approval of the annual update to the Schedule of Capital Improvements.

The recommendation sought from the CCPC related to the School District's proposed Capital Improvement Plan is to find that no inconsistencies are contained within the District's Capital Improvement Plan compared to the other planned capital improvement projects within the County's AUIR or CIE.

FISCAL IMPACT: Revenues are required to fund the Capital Improvement projects proposed in the 2018 AUIR/CIE for the FY18/19 thru FY22/23 planning period to maintain financial feasibility of scheduled Category "A" facility improvements. These funds must be made available by the Board of County Commissioners or fall within the Board's statutory general governmental taxing authority. Current and proposed revenues needed to fund public facility construction/expansion for FY18/19 thru FY22/23 planning period are set forth in each respective capital facilities section of the 2018 AUIR/CIE update. Project expenditures more than estimated impact fee, gas tax, and user fee revenue receipts and funded bonds are reflected as being augmented by general governmental sources in the body of the AUIR document. General governmental sources are those existing sales tax revenues and other state shared revenues, or ad valorem allocations at the Board's discretion. Note that all projects identified within the Category "A" facilities have identified funding for the improvement. When funding sources are not identified, the Board is provided five options to address the situation by CIE Policy 2.9.

1. Remove through a plan amendment facility improvements or new facilities from the adopted Schedule of Capital Improvements that exceed the adopted level of service for the growth during the next five (5) fiscal years;
2. Remove from the adopted Schedule of Capital Improvements through a plan amendment facility improvements or new facilities that reduce the operating cost of providing a service or facility but do not provide additional facility capacity;

3. Where feasible, transfer funds from a funded non-CIE capital project to fund an identified deficient CIE public facility. The resulting revisions shall be reflected in the required annual update;
4. Lower the adopted level of service standard through a plan amendment for the facility for which funding cannot be obtained; and,
5. Do not issue development orders that would continue to cause a deficiency based on the facility's adopted level of service standard.

All of Category "B" facility improvements require loans from general governmental sources to meet the necessary revenue (option 3 above). Additionally, to fund the proposed five-year improvements contained within this year's CIE update will require the Board to utilize Debt Service, or to initiate options 4 and/or 5 (identified above). The informational tables detailing the revenue and debt service for the AUIR Divisions/Departments for the five-year capital improvement planning period, as well as the long-term debt financing schedules, are provided within Appendix I of the AUIR/CIE booklet.

RECOMMENDATION: That the Collier County Planning Commission in the form of recommendations to the Board of County Commissioners:

1. To accept and approve the attached document as the 2018 Annual Update and Inventory Report on Public Facilities.
2. To accept and approve by separate motion and vote the Category "A", "B" and "C" facilities relative to projects and revenue sources, with Category "A" facilities set forth for inclusion in the Schedule of Capital Improvements of the annual CIE update and amendment.
3. To find that no inconsistencies are contained within the School District's Capital Improvement Plan compared to the other planned capital improvements within the AUIR or CIE.
4. To consider alternative levels of service for individual components of the AUIR, where deemed appropriate.
5. To adopt the CIE Schedule of Capital Improvements update, and by reference, the School District's Capital Improvement Plan and the District Facilities Work Program.

[Remainder of page intentionally left blank]

PREPARED BY:


CORBY SCHMIDT, AICP, PRINCIPAL PLANNER
COMPREHENSIVE PLANNING SECTION, ZONING DIVISION

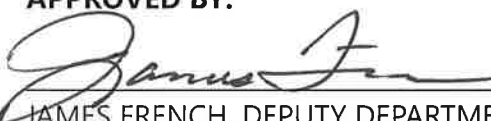
DATE: 11 Sept 18

REVIEWED BY:


MIKE BOSI, AICP, DIRECTOR, ZONING DIVISION

DATE: 9-11-18

APPROVED BY:


JAMES FRENCH, DEPUTY DEPARTMENT HEAD
GROWTH MANAGEMENT DEPARTMENT

DATE: 9-17-18

PETITION No.: PL20180000271/CPSP-2018-1
Staff Report for the October 4, 2018, CCPC meeting

NOTE: This petition has been scheduled for the November 13, 2018, BCC meeting.