

IMPACT FEE ADMINISTRATION POLICY

POLICY NO. 35-01

PURPOSE: To provide for guidelines and procedures designed to efficiently implement the intent and purpose of the Hernando County Impact Fee Ordinances as codified in Chapter 23, Article III of the Hernando County Code of Ordinances within unincorporated Hernando County. Terminology used herein corresponds to the definitions used in the Impact Fee Ordinances. For the purposes of this document, the term “Department” shall mean the Zoning Department.

POLICY:

I. PROCEDURES FOR IMPOSITION OF IMPACT FEE

A. Fee Determination

1. Benefit District. Upon application for land use approval pursuant to an application for a building or development permit, the Department shall determine the applicable benefit districts for each of the fees to be collected.
2. Procedure for Fee Determination. The amount of the impact fees shall be determined by the Department as the designee of the County Administrator. The application shall be analyzed to determine the appropriate fees from the fee schedule and the applicant shall be informed of the amount due.

For any impact generating activity which is not one of the land use types listed on the fee schedule contained in the Hernando County Code of Ordinances, the County shall use the land use codes contained in the North American Industry Classification System (NAICS) (four digit level) of the US Department of Commerce, United States Census Bureau, to categorize the use. The fee will be calculated based upon the use characteristics of the land use type listed on the fee schedule that the use most closely resembles.

- B. Independent Fee Calculation.** If the fee payer opts not to have the impact fee or fees determined according to the fee schedules contained within the Ordinances, then the fee payer shall prepare and submit to the Department, an independent fee calculation study for the land development activity for which the building permit is sought. The independent fee calculation study shall follow the prescribed calculation methodologies and formats established by the Department or standards contained in Chapter 23, Article III of the County Code. Any adjustments to the fees from that which is found in the fee schedules may only be based upon impact or use characteristics that are expected to exist throughout the expected life of the structure and not be based on temporary or transitory use characteristics. All independent fee calculations shall be based upon professionally accepted sources and data.

- C. **Payment Due.** The impact fee is due at the time of the issuance of a permit for any activity requiring payment of an impact fee or as otherwise specified in Chapter 23, Article III, and shall be collected by the Department or a designee.
- D. **Rate Studies.** Impact fee rates shall be reviewed by the board of county commissioners at least once every five years. The calculation of impact fee rates will be based on the most recent and localized data available. Studies may be funded from the associated impact fee fund provided the funding source is legally allowable.
- E. **Required Notice.** Notice shall be provided no less than 90 days before the effective date of an ordinance imposing a new or increased impact fee. The 90 day notice is not required to decrease, suspend, or eliminate an impact fee.

II. DETERMINATION OF IMPACT FEE BASED ON FEE SCHEDULE

- A. **Land Use Categories.** A list of land use categories for each of the impact fee types is found in Sections 23-46 (Fire and EMS), 23-69 (Educational), 23-91 (Public Capital Facilities), 23-114 (Parks), and 23-138 (Roads). These schedules are used to assign a specific activity to a land use type for each category of impact fee applicable to the proposed structure.
- B. **Gross Floor Area.** The amount of impact fees for non-residential development shall be based upon gross floor area, not leasable floor area. Gross floor area refers to the total area of floors of a building as measured to the outside surfaces of exterior walls and including, but not limited to, halls, stairways, and elevator shafts. Parking garages are excluded from the definition of gross floor areas.
- C. **Mixed Use Development/Structures.** If a development or structure includes both residential and non-residential land uses, the impact fees are assessed for each use type based on the fee schedules.
- D. **Internal Capture.** If for the purposes of calculating the roads impact fees, the developer seeks to reduce the fees due to the capture of internal trips between the residential and non-residential portions of the mixed use development, then an independent fee calculation study shall be prepared by the developer meeting the standards in the Ordinance to justify the amount of internal capture.
- E. **Auxiliary or Accessory Uses.** In many instances, a particular structure may include auxiliary or accessory uses associated with the primary land use. In this instance, the fee shall be based upon the primary land use. In instances where it is determined that there is more than one primary use, each use will be assessed a separate fee as determined by the applicable fee schedule.
- F. **Multi-tenant Structures.** With the exception of the roads impact fee where certain categories assess multi-tenant structures a single rate, where the structure contains

multiple tenant spaces, of varying uses, the impact fees for the structure will be calculated based on the sum of the fees determined for the individual different land use types contained within the structure.

- G. Residential Accessory Uses.** Accessory uses are uses that are necessary and customarily associated with, and clearly incidental and subordinate to the principal use. No fee shall be assessed for accessory land uses to a residential development such as, but not limited to a clubhouse, swimming pool, or tennis court in an apartment complex, mobile home or recreational vehicle park, or residential subdivision, provided it can be clearly established to the Department that the use does not serve as an individual attraction to serve the needs of non-residents of the residential development. However, structures classified as accessory dwellings, temporary second principal residences by conditional use, and single family accessory dwellings for bonafide agricultural operations, shall not be charged impact fees as dwelling units.
- H. Replacement.** The replacement of a previously existing permitted structure or use shall not be assessed impact fees if the owner or their representative can provide documentation regarding their prior existence including square footage and use or uses. Credit for non-residential structures shall be limited to the square footage of the primary use. Pole barns, lean-to, sheds, carports and other accessory uses shall not be afforded credit for non-residential projects.
- I. Mobile Home Parks and Subdivisions.** Impact fees for mobile homes in parks and mobile home subdivisions shall be due at the time of the placement of the mobile home on the lot with a permit. Impact fees for other uses, if they serve the general public and are determined applicable, shall be due at the time of the building permit issuance or as otherwise specified in Chapter 23, Article III. Impact fees shall not be due for replacement mobile homes on existing sites that were previously developed prior to adoption of the Impact Fee Ordinances.
- J. Recreational Vehicle Parks.** Impact fees for sites in recreational vehicle parks shall be due at the time of the issuance of a site development permit. Impact fees for other uses, if they serve the general public and are determined applicable, will be due at the time of building permit issuance or as otherwise specified in Chapter 23, Article III.
- K. Model Homes.** Model homes on single family lots are assessed as a detached residential dwelling. Model homes on commercial lots shall pay at the same rate as the general office land use category on the fee schedule.
- L. Places of Worship.** The Department will assess no fees on churches or other places of worship. Places of worship with weekday schools and daycare centers will be assessed fees for those uses.
- M. Fraternal Organizations/Civic Clubs and Veterans Organizations Meeting Halls/Facilities.** The organization shall pay the office rate as determined by the fee schedules. In the alternative, the fee payer may prepare an independent fee calculation

study. If the structure contains a bar or restaurant that is open to the general public on a daily basis, then the fee payer shall be assessed impact fees based on the rates for the square footage of such uses consistent with the requirements for mixed use structures.

- N. Residential Home Expansion.** No additional impact fee will be assessed for expansion of a single-family residence.
- O. Change of Use.** For all non-residential structures less than five years old from the time of the Certificate of Occupancy, any change in use that results in an assessment of additional fees, said fees shall be paid in conformance with the requirements of the Impact Fee Ordinances. Non-residential structures over five years old from Certificate of Occupancy shall not be subject to additional impact fees. However, any addition to an existing non-residential structure shall be subject to additional impact fees for the land use(s) within the addition.

III. ADMINISTRATIVE GUIDELINES

- A. Administrative Determination of Fees.** Whenever possible, impact fees shall be assessed in accordance with the land use types in the fee schedule adopted in the impact fee ordinances. If it is determined that there is no comparable type of land use in the fee schedule, the Department shall administratively determine the appropriate land use using the source outlined in section I.A.2 of this policy. If the fee payer disagrees with the impact fee determined administratively, the fee payer may prepare an independent fee calculation study.
- B. Residential.** Replacement of a dwelling unit with another dwelling unit of the same type on the same lot or site will not incur an impact fee.
- C. Industrial/Manufacturing, Retail/Commercial, and Office.** Determination of the land use category will be based upon two criteria:
 - 1. The site plan and construction plans submitted for permit review; and
 - 2. The proposed use of the land, based upon the uses permitted by right in the zoning district in which the use is being permitted. If specific uses are not identified, the fee shall be assessed at the highest impact fee for land uses permitted by right in the district.
- D. Uses Not Requiring A Building Permit.** For uses that require a development order or permit, but not a building permit, the impact fee shall be calculated in accordance with this policy and payable at the time the development order or permit is approved.
- E. Expiration of Building Permit.** If a building permit and/or development order or permit expires without commencement of any construction, the current parcel owner of record shall be entitled to a refund of the impact fees paid, less an administrative fee retained by the Department. If a refund is received, the applicant for a new building

permit/development order for the same parcel shall pay the applicable impact fees at the time of issuance of the building permit/development order.

- F.** If construction, including the improvement of land, has commenced, a refund of impact fees shall not be authorized.
- G.** **Appeals.** Any decision made in the course of administering impact fees may be appealed to the Board of County Commissioners by filing a notice of appeal with the Department within ten (10) days after the decision. The appeal shall be scheduled before the Board of County Commissioners within thirty (30) days after receiving the notice of appeal.
- H.** **Pre-payment of Fees.** The pre-payment of impact fees shall not be allowed.
- I.** **Development and Proportionate Share Agreements.** Agreements that make provisions for impact fee credits shall provide that impact fees will be calculated at the then prevailing rate at the time each building permit or group of building permits are pulled. The amount of credits will then be deducted from the Developer's total credits under this provision until all credits have been used.

IV. CREDITS

Credits will be given in accordance with Chapter 23, Article III of the Code of Ordinances. Generally, credits shall be provided for land dedication or the construction/purchase of capital facilities.

V. NON-APPLICABILITY

The requirement to pay impact fees shall not apply to the following:

- A.** Alteration, expansion or replacement of an existing residential building where no additional residential units are created and the type of housing units are not changed.
- B.** Alternation, remodeling, or replacement of a non-residential building or structure or a change of use of an existing non-residential building or structure greater than five years old, where the square footage has not increased.
- C.** The replacement of a non-residential building or structure with another building or structure of the same size.
- D.** Any public educational and ancillary plants constructed by a district school board or community college district board of trustees.

VI. USE OF IMPACT FEE FUNDS

- A.** **Administration.** The County shall be entitled to the administrative expense of collecting fees and administering the impact fee ordinance as provided for in Chapter 163 Florida

Statutes. Said expenses shall be accounted for, and revenues appropriated through the County's annual budgetary process. During the annual budget process, the Department shall document that the funding received in the last fiscal year covered only the personnel and other costs directly attributable to administering the impact fee system during the same time period.

- B. Capital Improvements.** Except for the administrative expense, impact fees collected shall be used to fund capital improvements for the same type of facility for which they were paid and within the same benefit district where they were collected.
- C. Ordinance Amendments.** In the event that additional impact fees are approved by amendment of the Ordinances or the adoption of new ordinances, their administration shall be governed by this regulation so long as no conflict is created thereby. In any event, the specific language of the ordinance shall prevail should such conflict arise.
- D. Use of Funds.** The use of impact fee funds shall be approved by the County Attorney.

Adopted: March 8, 2016