

***Impact Fee Technical Report Update
Clay County School District***

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*Prepared for the
Clay County School Board
Green Cove Springs, Florida*

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1.0 Background and Scope

The Clay County School Board (CCSB) has studied and completed an analysis and projection of its long range capital needs to year 2025. Capital needs include improvements to existing schools, replacement of aging temporary classroom facilities (i.e., portable units) with permanent facilities, and construction and furnishing of new schools to serve continued growth in the County. The magnitude of these needs is well beyond the capabilities of existing state and local funding sources, including existing impact fee revenues.

School impact fees were established in Clay County in 2002 and updated in 2005, and are found in more than 20 Florida counties. Revenues from these fees have provided much needed assistance for new school construction in Clay County over the past 3-4 years. However, changes in student station cost factors released recently by the Florida Department of Education (FDOE), results of recent impact fee litigation in other Florida counties, and other factors have generated the need to once again adjust the methodology and re-calculate fees appropriate to current conditions in and affecting Clay County.

Dollar amounts of school impact fees are determined by methodologies that take into account several factors:

- Type and characteristics of land use. **Note:** School impact fees apply only to residential uses, but may vary by type of housing (e.g., single family and multifamily) based on household size and number of school age children by type of unit.
- Cost of new and expanded facilities needed to accommodate and serve new development. **Note:** Costs to improve and replace existing facilities are eligible only where capacity is increased.
- The extent to which these costs may also be funded by other sources. **Note:** To the extent that other sources of funding are available, calculation of impact fees is based on the difference between total cost and amount of other funding. New school facilities are already funded in part by revenues generated by a local two-mill advalorem tax and various state sources profiled in this report.

Calculation of school impact fees involves the following three basic steps:

- Determination of gross costs -- capital cost of facilities and equipment per student and household.

- Determination of other funding credits -- local and state sources of funding which reduce these costs.
- Determination of net costs -- residual capital cost by type of housing unit.

2.0 Existing Facilities And Deficiencies

Impact fees and revenues derived therefrom cannot be used to fund improvement, repair, replacement, and renovation of existing facilities and equipment unless such improvements increase capacity to accommodate additional students. Likewise, impact fees cannot be used to remedy existing deficiencies, such as replacing aging portable classroom units with new permanent classroom space.

The Clay County school system has several schools which are below capacity and several others above capacity based on school capacity standards established by the CCSB. The system as a whole, however, is neither significantly over capacity or under capacity in classroom space. Deficiencies in the existing school system tend to be qualitative not quantitative. In this regard, the key deficiency in the system is a heavy reliance on portable classroom units. Over 40 percent of all classroom space is provided by portable units, and nearly the same percentage of portable units is 20 years old and older. The CCSB has adopted the policy to replace portable units 30 years old and older with permanent classrooms over the next several years as funds allow. These aging units are inefficient and costly to operate and are generally beyond productive renovation.

Implementation of the policy would entail replacing 245 units over the next five years at an estimated cost of \$38 million, averaging \$7.6 million per year. The only existing funding source for such a program is the CCSB two mill advalorem tax, which generated revenues of \$14.4 million in FY05-06. Correcting this deficiency would require more than half of the principal existing capital improvement funding source available to the CCSB over several years, making these funds unavailable for growth-related new school construction.

3.0 Long-Range School Needs And Costs

Information is presented in this section to indicate the magnitude of needs for and costs of providing school capacity to accommodate projected enrollment growth over the next twenty years (2006-2026), and needs for a meaningful local source of funding to meet demands of new growth.

3.1 Enrollment Trends

Total enrollment in Clay County public schools increased from 20,945 in 1990 to 27,415 in 2000, according to School Board data for March of each year (see Table 1, below). This gain averaged 647 students per year or approximately 3.0 percent per year during the 1990s.

Table 1. Population, Households, and School Enrollment, 1990 and 2000

Parameter	1990	2000	Change, 1990-2000
County Totals (1)			
Population	105,986	140,814	34,828
Households	36,663	50,243	13,580
School Age Population (1)			
Total Ages 5-17	22,515	30,156	7,641
Percent of Total Pop.	21.2	21.4	NA
Public School Enrollment (2)			
Number of Students	20,945	27,415	6,470
Percent of Total Pop.	19.76	19.47	NA
Number per Household	0.571	0.546	NA

Notes:

- (1) US Census, 1990 and 2000
- (2) US Census and Clay County School Board
- NA Not Applicable

The school-age population (5-17) increased slightly in relation to the total population from 21.2 percent in 1990 to 21.4 percent in 2000, but declined slightly in average number per household from 0.61 in 1990 to 0.60 in 2000. Meanwhile, public school enrollment as a percentage of the total population declined slightly from 1990 to 2000, from 19.8 percent to 19.5 percent, and the average number of public school students per household also declined slightly from 0.571 in 1990 to 0.546 in 2000. These trends indicate that one or more conditions were at work:

- Enrollments in alternative schools (e.g., private and parochial schools) may have increased.
- Household demographics have changed.
- Multifamily housing has become more prominent in the housing mix.

Since 2000, public school enrollment in the County has increased by over 1,100 per year from 27,415 in FY00/01 to 34,118 in FY05/06. The average enrollment increase in the past two years (FY03/04-FY05/06) is 1,468 per year.

3.2 Enrollment Projections

Enrollment projections are based on the latest population projections by the Clay County Planning Department. Department projections show a countywide population of 276,985 by 2020 and 325,665 by 2030. Projected population growth of 130,808 from 2006 to 2026 will in an estimated 25,437 additional public school students in the same period, reaching a total of 59,555 students in 2026, based on FY05/06 enrollment levels (see Table 2, below).

Table 2. Clay County School Enrollment Projections, 2006-2026

Parameter	2000	Estimated 2006	Projected 2026	Change, 2006-2026
Total Population (1)	140,814	175,385	306,193	130,808
Household Population (2)	139,173	173,280	302,519	129,239
Persons per Household	2.77	2.75	2.65	NA
Number of Households	50,243	63,011	114,158	51,147
Public School Enrollment	27,415	34,118	59,555	25,437
Students per Household	0.546	0.541	0.522	NA
Enrollment/Population (%)	19.47	19.45	19.45	NA

Notes:

- (1) 2000 data from Census
- (2) Rest of population is in group quarters
- NA Not applicable

It is interesting to note that average household size in the county has declined from 2.86 in 1990 to 2.77 in 2000. A further decline to 2.65 persons per household is projected by 2025. The number of public school students per household is declining commensurately from 0.571 in 1990 to 0.546 in 2000, an estimated 0.541 in 2006, and to a projected 0.522 students per household in 2026. The relationship of school enrollment to total population, however, is expected to remain comparatively constant at approximately 19.5 percent.

3.3 New School Needs

Up to 25 new schools will be needed from 2006 and 2026 to support projected enrollment growth. This includes 16 elementary schools, four middle schools, and five high schools (see Table 3, below).

Table 3. Clay County New School Needs, 2006-2026

School Type	Percent of Students	Enrollment Growth, 2006-2026	No. Students Per School (1)	Number of Schools Needed (2)
Elementary (PK-6)	54.0	13,736	862	15.9
Middle (7-8)	16.5	4,197	1005	4.2
High (9-12)	29.5	7,504	1600	4.7
TOTALS	100.0	25,437	NA	24.8

Notes:

- (1) Clay County School Board school capacity standards
- (2) Rounded

Percent distribution of enrollment by grade level is based on analysis of enrollment patterns over several years (see Table 4, below).

Table 4. Percent Distribution of School Enrollments (1)

Grade Level	FY01/02	FY02/03	FY03/04	FY04/05	FY05/06
PK-6	54.7	54.5	54.1	54.2	53.8
7-8	16.6	16.3	16.6	16.6	16.7
9-12	28.7	29.2	29.2	29.2	29.5

Notes:

- (1) Based on school enrollment data for month nine of the school year

3.4 New School Costs

Costs of new school facilities reflect allowable costs per student station by type of school as of June 2006 as determined by the Florida Department of Education, based on cost factors released in May 2006 (see Table 5, below). Land costs are based on a countywide land value analysis conducted by the appraisal firm of Weigel-Veasey and contracted on behalf of the CCSB by the Tallahassee law firm of Nabors Giblin Nickerson, P.A.

Table 5. Clay County Public School Cost Factors, 2006

Type of School	Cost per Student Station (\$) (1)	Average Capacity (2)	Cost of School Facilities (\$)	Cost of Land (\$) (3)
Elementary (ES)	18,111	862	15,611,682	1,350,000
Middle (MS)	19,558	1005	19,655,790	1,800,000
High (HS)	25,404	1600	40,646,400	2,700,000

Notes:

- (1) Florida Department of Education (FDOE) student station cost factors for 8/06
- (2) Clay County School Board school capacity standards
- (3) Land cost based on \$45,000 per acre; ES -- 30 acres, MS -- 40 acres, HS -- 60 acres

The estimated cost of new schools needed to accommodate projected enrollment growth from 2006 to 2026 is approximately \$564 million (see Table 6, below).

Table 6. New School Costs, 2006-2026

Type of School	No. New Students	Cost Per Student (\$) (1)	School Cost (\$000)	Land Cost (\$000) (2)	Total Cost (\$000)
Elementary School	13,736	18,111	248,772.7	21,600.0	270,322.7
Middle School	4,197	19,558	82,084.9	7,200.0	89,284.9
High School	7,504	25,404	190,631.6	13,500.0	204,131.6
TOTALS	25,437	NA	521,489.2	42,300.0	563,739.2

Notes:

- (1) FDOE student station cost factors for 8/06, not adjusted for inflation
- (2) Based on number of new schools (see Table 3, above); land cost factor of \$45,000 per acre; and CCSB school capacity standards (see Table 5, above)

4.0 Cost Basis Per Student and Per Household

4.1 Transportation Costs

Another cost associated with expansion of school capacity to accommodate additional enrollments is expansion of the fleet of school buses. The school system presently has a fleet of 271 buses, for regular education and special education use. Use of these vehicles is apportioned approximately as follows: elementary schools (PK-6): 45%; middle schools (7-8): 28%; and high schools (9-12): 27%. Estimated per student costs for new buses are shown below (see Table 7, below).

Table 7. School Bus Costs Per Student

Type of School	No. Students, FY05/06	No. Buses Allocated	No. Buses/ Student	Cost Per Student (\$)(1)
Elementary	18,258	122	0.0066	442
Middle	5,683	76	0.0133	890
High	10,277	73	0.0071	472
Totals	34,118	271	0.0079	529

Notes:

- (1) Cost based on the existing mix of regular education buses at \$61,443, new, and special education buses at \$71,704, new, for an average cost of \$66,574

4.2 Total Cost Per Student and Household

Costs of new school facilities and land sites and associated transportation and technology equipment are summarized below per student (see Table 8, below). The weighted average total cost of schools and equipment per student \$22,665. Weighting is based on a 54.0/16.5/29.5 percent distribution of elementary, middle, and high school students (see Tables 3 and 4, above).

Table 8. Summary of New School Costs Per Student, 2006

Type of School	School Facility (\$)(1)	Land (\$)	School Buses (\$)	Total Cost (\$)
Elementary	18,111	1,566	442	20,119
Middle	19,558	1,791	890	22,239
High	25,404	1,688	472	27,564
Weighted Average	20,501	1,640	529	22,665

Notes:

- (1) FDOE student station cost factors for 8/06, including design, site improvements, building construction, and furnishings

Average cost per household is **\$12,261**, based on a public school student per household factor of 0.541 as determined for 2006 (see Table 2, above).

5.0 Cost Credits for Existing Revenue Sources

5.1 Determination of Credits

Total costs per student or per household (subsection 4.2, above) must be reduced by amounts reflecting the presence of other revenue sources available to help fund new schools and equipment needed to serve growth. In this regard, various existing local and state sources of capital funds are analyzed in this section.

Credits are determined by evaluating the recent history of the amounts of these funds that have been available for and allocated to growth-related facilities and equipment, projecting potential revenues over a period of years, and estimating the net present value of these future revenues. Typically, credits are based on the discounted present value of revenues over some period of years. A modest discount rate of five percent is generally used inasmuch as neither costs nor revenues are inflated and projected future revenues are more uncertain and less valuable than current revenues.

For this analysis, five-year credit periods are used. This is based on the recent passage of Florida Senate Bill 360, requiring the design and implementation of school concurrency management programs at the county level, similar to existing concurrency management programs for roads, parks, and other public facilities. The bill also requires the preparation of five-year cost-feasible plans showing that there is adequate funding for improvements needed in the five-year planning period. Recent school impact fee litigation in Osceola County upheld the concept of a five-year credit period, whereas 20-25 year credit periods were once the norm. The theory of Senate Bill 360 and results of the Osceola County litigation is that only revenues available or applicable within the five-year planning time frame are relevant to consider.

5.2 Local Advalorem Taxes

The CCSB has two local capital funding sources. The largest is a two mill ad valorem tax that generated revenues of approximately \$14.4 million in FY05/06. Proceeds from the two mill tax are used for a variety of purposes including new construction, repair, remodeling, debt service, and equipment purchases. Analysis of how these two mill revenues were used over the past five fiscal years indicates that an average of 75.9 percent was used to fund debt service and projects that increased the school system capacity (i.e., growth-related expenditures), as shown in Table 9, below. The other 24.1 percent was used for capital maintenance, improvement and renovation of existing schools, and equipment replacement.

Table 9. Use of Two Mill Tax Revenues, FY02/03 to FY06/07 (1)

Use	FY02/03	FY03/04	FY04/05	FY05/06	FY06/07 (2)
Two Mill Revs (\$000)	9,943.8	10,990.1	12,407.4	14,410.2	17,516.0
Non-Capacity Expenditures (\$000)	2,022.0	3,099.9	2,899.9	3,731.8	3,980.4
Percent of Revenues	20.3	28.2	23.4	25.9	22.7

Notes:

(1) Revenue and expenditure data from the Clay County School Board

(2) Projected for FY06/07

Significant shares of future annual two mill tax revenues will continue to have to be allocated for purposes other than providing facilities to serve new growth. Examples include:

- **Replacement of Portables.** Implementation of a policy to replace units 30 years old and older will cost an estimated \$38 million over the next five years, or an average of \$7.6 million per year.
- **Improving Existing Facilities.** The School Board’s 20-year needs plan includes approximately \$34 million to improve and renovate existing schools in the next five years, or approximately \$6.8 million per year.

These two areas of need total \$14.0 million per year, which, if implemented, would consume much of the available two mill revenues, leaving little available to fund new growth-related facilities and equipment. Therefore, it is reasonable to assume that the allocation history of two mill revenues over the past five years is likely to continue in the future if not increase in the direction of non-capacity spending. That portion of two mill revenues not allocated to providing new capacity (i.e., 24.1 percent) is not eligible as a credit.

5.2.1 Credits for New Residential Development

The credit amount attributed to the two mill tax on a unit of new residential development is a function of the cash flow generated by the average taxable value of a new single family home capitalized over five years. Average taxable values of new single family homes added to the tax roll each year was obtained through 2004 from the County Property Appraiser. For 2005, the average taxable value was estimated based on an average sales price of a new home during the year, less 15 percent (a factor used by the Appraiser to discount market value to assessed value) and less the \$25,000 homestead exemption, which was assumed for all for-sale housing.

This average sales price of a new home in 2005 was \$235,068, based on analysis of 2,698 sales. Average taxable value in 2005 was estimated at \$174,808, based on 85 percent of market value less the homestead exemption. Based on this estimate for 2005 and Property Appraiser data for earlier years, the average taxable value of new single family homes in the County increased by an average 11.6 percent annually from 2000 to 2005. A taxable value estimate for 2006 was determined by applying this percentage to the 2005 taxable value figure (\$174,808), resulting in an average taxable value in 2006 of \$195,086.

Based on this taxable value, two mill tax will generate annual revenues per unit of \$390.17, which capitalized over five years at an assumed five percent discount rate yields a present value per unit of \$1,689. This credit amount is reduced to \$1,282 to reflect the assumption that only 75.9 percent of two mill revenues are allocated for growth-related purposes.

This credit amount reflects the two mill tax contribution from an average new single family home. Although average taxable values of multifamily units and mobile homes and corresponding credits would be lower, impact fee determinations for the various types of residential development are indexed to single family housing. The reasons for so doing are that single family housing is the dominant form of residential development in the County and indexing to single family housing simplifies data requirements and analysis.

5.2.2 Credits for Other Taxable Property

The credit provided by the two mill tax on all other taxable property in the County toward the cost of new school facilities and equipment is determined from assessing revenues generated per student, and using this history to project a capitalized future revenue stream per student and per household. Two mill revenues per student have grown from \$334 in FY02/03 to a projected \$493 in FY06/07 (see Table 10, below).

Table 10. Two Mill Tax Revenues, FY02/03 to FY06/07

Parameter	FY02/03	FY03/04	FY04/05	FY05/06	FY06/07 (1)
School Enrollment	29,757	31,182	32,317	34,118	35,520
Tax Revs (\$000) (2)	9,943.8	10,990.1	12,407.4	14,410.2	17,516.0
Revs/Student (\$)	334	352	384	422	493

Notes:

- (1) Projected
- (2) Budgeted revenues are generally around 96 percent of potential revenues to account for non-collections

FY06/07 two mill average revenues per student (\$493), capitalized over five years at a five percent discount rate, yield a present value of \$2,134 per student and or \$1,154 per household, reflecting an average 0.541 public school students per household in 2006. These amounts are reduced to \$1,620 per student and \$876 per household, respectively, to reflect the assumed 75.9 percent allocation of two mill revenues for growth-related purposes.

5.3 Local Option Sales Tax Sharing

The CCSB receives a ten percent share of the County's one percent local option sales tax. This source is projected to generate revenues of \$1.8 million in FY06/07. These funds are used for technology-based teaching and administrative equipment. In the past two fiscal years, only 17 percent of funds were used for growth-related equipment. Most funds were used for replacement and upgrading. For FY06/07, only \$400,000 is projected for growth-related uses. This equates to \$11.26 per student based on projected FY06/07 enrollment. This amount capitalized over five years at a five percent discount rate yields a present value \$48.70 per student, or \$26 per household.

5.4 State Capital Funds

State capital funding support to the Clay County school system is of two general types: recurring and non-recurring. Recurring funds are those provided in all or most years over a number of years. Non-recurring funds are those provided very infrequently and at irregular intervals.

5.4.1 Recurring Funding Sources

The State of Florida helps fund capital needs of local school districts through two ongoing annual funding sources: Public Education Capital Outlay (PECO) and Capital Outlay & Debt Service (CO&DS). PECO Fixed Capital Outlay Project funds are used almost entirely to fund new construction and related capital expenditures.

PECO Fixed Capital Outlay Funds. This funding source from FY02/03 to FY05/06 varied from zero in FY04/05 to \$2.2 million in FY02/03 (see Table 11, below). Excluding zero funding in FY04/05, funds averaged \$1,933,737 in the other three years. Projected funding for FY06/07 is \$7,744,075. This amount, however, is considered an extraordinary event unlikely to be repeated annually in the future. Thus, projected FY06/07 PECO funding is divided into a recurring amount based on the three-year average noted above (i.e., \$1,933,737) and a non-recurring balance (\$5,810,336).

Capital Outlay & Debt Service Funds. This funding source has averaged \$257,125 from FY02/03 to FY06/07, ranging from to \$192,978 in FY02/03 to \$335,768 in FY05/06 (see Table 11, below). Projected funding for FY06/07 is \$300,000.

Table 11. PECO and CO&DS Funding, FY02/03 to FY06/07

Item	FY02/03	FY03/04	FY04/05	FY05/06	FY06/07
School Enrollment (1)	29,757	31,182	32,317	34,118	35,520
PECO Funding (\$)	2,190,891	1,621,719	0	1,988,602	1,933,737 (2)
Revs/Student (\$)	73.63	52.01	0.00	58.29	54.44
CO&DS Funding (\$)	192,978	199,295	257,583	335,768	300,000 (3)
Revs/Student (\$)	6.49	6.39	7.97	9.84	8.45

Notes:

- (1) Enrollment in month nine of the school year
- (2) Average of the preceding three funded years
- (3) Projected

Credit amounts provided by these two state funding sources are determined from assessing revenues received per student in recent years, and using this history to project a capitalized future revenue stream per student. PECO Fixed Capital Outlay Project funds have averaged approximately \$59.59 per student from FY02/03 to FY06/07, excluding FY04/05 (Table 11). CO&DS funds have averaged \$7.83 per student in same period. The combined amount of \$67.42 capitalized over five years at a five percent discount rate yields a present value of \$291.19 per student or \$158 per household.

Classrooms for Kids Funds. In addition to the historical and more regularly occurring PECO and CO&DS funding from the state, the School District has also received and is scheduled to receive funds from the new Classrooms for Kids program. This program was established to help local school districts meet new class size reduction standards passed by voter referendum a few years ago and would normally be considered a non-recurring funding source, inasmuch as it would be expected to “sunset” after local school have achieved compliance with class size standards, and not a source of credits. However, the CCSB has received funding for four successive years and has utilized a sizeable portion of these funds for growth-related purposes.

The CCSB received a total of \$12.4 million in FY03/04, 04/05, and 05/06. Approximately half of these funds were used to meet class size reduction standards, but compliance with applicable class size standards was achieved without having to utilize all funds. The portion used for additional classrooms needed to reduce class sizes, rather than for adding classrooms to

accommodate more students, is not considered as a source of credits. The remaining half of funds received from FY03/04 to FY05/06, however, was used for growth-related purposes and is a source of credits (see Table 12, below).

Table 12. Classrooms for Kids Funding, FY03/04 to FY05/06

	FY03/04	FY04/05	FY05/06	Average
Total Funding (\$)	8,275,859	2,352,146	1,792,727	4,140,244
Class Size Reduction (\$)	5,081,046	1,085,723	0	2,055,590
Growth-Related Uses (\$)	3,194,813	1,266,423	1,792,727	2,084,654

In addition to this recent funding, the School District is scheduled to receive a major allocation of \$38,315,599 in Classrooms for Kids funding in FY06/07. Inasmuch as the County is now in compliance with class size reduction standards, this new money will all be available for new capacity. This level of funding provides significant and much needed relief to the fast-growing, under-funded school system, but is considered a one-time non-recurring event and highly unlikely to be repeated for many years.

For purposes of analysis, \$2,084,654 of the FY06/07 allocation is considered as a recurring source of growth-related funding. This is the average of Classrooms for Kids funding from FY03/04 to FY05/06 used for growth-related purposes (see Table 12, above). On this basis, the recurring portion of Classrooms for Kids funds have averaged \$62.63 per student from FY03/04 to FY06/07. This amount capitalized over five years at a five percent discount rate yields a present value of \$271.20 per student or \$147 per household.

5.4.2 Non-Recurring Funding Sources

The School District has three non-recurring sources of state funds, including balances of the PECO and Classrooms for Kids funds for FY06/07 and a High Growth County Grant of \$3,184,671 received in FY05-06. These three sources total \$45.2 million (see Table 13, below).

Table 13. Non-Recurring State Funding

Funding Source	Total (\$)	Recurring (\$)	Non-Recurring (\$)
Classroom for Kids (FY06/07)	38,315,599	2,084,654	36,230,945
PECO Fixed Cap Outlay (FY06/07)	7,744,075	1,933,737	5,810,338
High Growth County (FY05/06)	3,184,671	0	3,184,671
Total	49,244,345	4,018,391	45,225,954

These three non-recurring sources represent a capital funding windfall to the County totaling \$45,225,954 and will support the equivalent of 1,995 new student stations, equaling approximately 1.4 years of enrollment growth based on an average growth rate of 1,441 new students in the past five years. A reasonable assumption for this level of non-recurring funding would once in ten years or more, in which case funding would be spread over ten or more years of enrollment growth and capital facility expansion.

However, inasmuch as a five year credit period is used for revenues generated by recurring sources, assuming a five-year funding cycle presents a consistent and much more conservative approach. On this basis, the non-recurring total (\$45,225,954), averaged over five years of enrollment growth (7,205 new students based on the recent growth rate), yields a credit of \$6,277 per student and \$3,396 per household, based a 0.541 students per household factor.

5.5 Summary of Credits

The total amount of all credits per household is \$5,885, including \$2,184 from local sources and \$3,701 from state sources (see Table 14, below).

Table 14. Summary of Impact Fee Credits

Credit Source	Per Student	Per Household
Local Funding Sources		
Two Mill Advalorem Tax - Per New Unit	NA	1,282
Two Mill Advalorem Tax - Other Property	1,620	876
Ten Percent Share of Local Sales Tax	48.70	26
State Funding Sources		
PECO & CO&DS Funds -- Recurring	291.19	158
Classrooms for Kids Funds -- Recurring portion	271.20	147
Non-Recurring Sources	6,277	3,396
TOTAL -- All Sources	NA	5,978

Notes:

NA Not Applicable

6.0 Net Cost And Impact Fee Determinations

6.1 Net Costs Per Household

Total estimated costs of new facilities and equipment are **\$12,261** per new household. Total credits are an estimated **\$5,885** per household, resulting in a net cost or gross potential impact fee of **\$6,376** per household (or housing unit). This is the theoretical maximum impact fee that can be assigned to a typical new single family residential unit.

6.2 Housing Characteristics

Differential impact fees can be determined for and assigned to specific types of housing based on their household sizes and age composition. Individual fees are most often determined for single family homes, multifamily units, and mobile homes to reflect their different characteristics.

Differences in impacts on schools by housing type can be defined, for example, by differences in school-age population (ages 5 through 17). In 2000, single family detached homes had an average of 0.67 school age children (Table 15, below). Multifamily units, defined herein as two or more attached units, had an average of 0.31 school age children. Mobile homes averaged 0.57 children of school age. The multifamily average is 46 percent of the single family average, and the mobile home average is 85 percent of the single family average.

Table 15. School Age Population by Housing Type, 2000

	Occupied Units	Population in Units	Total Pop. per Unit	Pop. 5-17 per Unit
Single Family Detached	35,087	101,170	2.88	0.67
Multifamily (1)	6,623	14,296	2.16	0.31
Mobile Home	8,441	23,597	2.80	0.57
Total/Average	50,151	139,063	2.77	0.60

Notes:

(1) Multifamily defined as two or more attached units.

6.3 Potential Impact Fees

Based on these different age characteristics, impact fee levels for other types of housing can be indexed to the single family fee, as shown below (see Table 16, below). The table shows the theoretical maximum fees that can be charged.

Table 16. Potential School Impact Fees by Type of Housing

Type of Housing	Ratio to Single Family	Potential Fee
Single Family Detached	1.00	6,376
Attached and Multifamily	0.46	2,933
Mobile Home	0.85	5,420

6.4 Implementation Considerations

6.4.1 School Site Land Value Limitations

It is desirable to implement a two-tier impact fee that separates land and other capital costs, and which recognizes that land cost is a small part of the total cost of delivering new school capacity. Under this two-tier system, credits for contributions of school sites would be applied to only a portion of the total fee. The rationale for this procedure is that schools located in or immediately adjacent to a residential development are conveniences to that development and help promote sales of residential property. Moreover, contribution of land does comparatively little to ease the burden to the CCSB in having to build and equip new schools to serve new residential development.

Table 8, above, indicates that land represents less than 10 percent of the total cost of new school capacity per student. This is based on a land value of \$45,000 per acre, which is determined from a land value study conducted in 2005-06 for the CCSB through the Tallahassee-based land use law firm of Nabors Giblin Nickerson, P.A., by the Clay County-based appraisal firm of Weigel-Veasey. URBANOMICS recommends that the County continue with the adopted two-tier impact fee approach where credits for land contributions be applied to not more than 15 percent of the total impact fee.