



Transportation Needs and Funding Role of Impact Fees

January 6, 2015
BoCC Workshop



Impact Fees Provide Facilities for:

Roads*

Schools

Parks

Fire

EMS

**Most significant element*

Discussion Topics

Current and
Future Needs

Revenue
Sources

Timing

How Projects are Programmed in CIP

Level of Service Deficiencies (as identified in Concurrency report/projections)

Public Health and Safety Needs

- Hurricane Evacuation
- Legal Requirements
- Continuity of System
- Economic Development Objectives

Requests from cities and other groups

Bike-Ped Advisory Committee priority list

(Major Projects should be reflected in MPO long range plan and linked to Comprehensive Plan)

*All subject to Board approval

Priority Considerations for Projects

Major Maintenance

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graph TD; A[Major Maintenance] --> B[Fully Funded]; B --> C[Partially Funded]; C --> D[Potential New Projects];
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Fully Funded

Partially Funded

Potential New Projects

*All subject to Board approval

Projects Fully Funded in CIP (2015-19)

PROJECT	AMOUNT
Alico Road	\$15 million
Burnt Store Road	\$46 million
Homestead Road	\$21 million
Estero Boulevard (3 Phases)	\$28 million
Other	\$21 million
TOTAL	\$131 million

Source: Lee County DOT

Projects Partially Funded in CIP (2015-19)

PROJECT	UNFUNDED AMOUNT
Bike-Ped Facilities (based on BPAC priority list)	\$22 million
Big Carlos Pass Bridge Replacement	\$26 million
* Bonita Beach Road	\$24 million
Cape Coral Bridge Westbound Span	\$87 million
Estero Boulevard (3 remaining phases)	\$23 million
* Ortiz Avenue	\$35 million
* Three Oaks Parkway Extension North	\$38 million
Other	\$16 million
TOTAL	\$271 million

Source: Lee County DOT

Major Maintenance Funded in CIP (2015-19)

PROJECT	AMOUNT
Road Resurface/Rebuild Program	\$25 million
Master Signal Project/Major Intersections	\$7.5 million
Master Bridge Project	\$2.5 million
Road Beautification (Landscaping)	\$.5 million
Other	\$7.5 million
TOTAL	\$43 million

Source: Lee County DOT

Potential New Projects

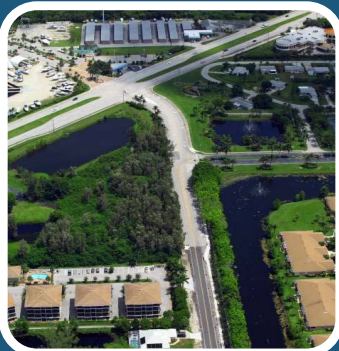


Bridge Replacements

- Big Hickory Pass
- Little Pine Island Pass
- Little Carlos Pass

\$18 million

Other Projects



- Buckingham Road
- Corkscrew Road
- Crystal Drive
- Plantation Road
- Littleton Road
- Veterans Parkway

\$133 million

Future Needs

MPO long range plan – 20+ years

- “Needs Plan” – address LOS needed by 2035, regardless of costs
- “Financially Feasible Plan” (Cost Feasible Plan) – limited to projected available revenues – what we think we can afford

Financially Feasible Plan identifies \$1.1 billion in Lee County projects

Current horizon year 2035 – now being updated to 2040 (Dec. 2015)

Primary Revenue Sources

Road Impact Fees

Local Option Gas Taxes

Surplus Toll Revenues

General Fund Revenues (very limited)

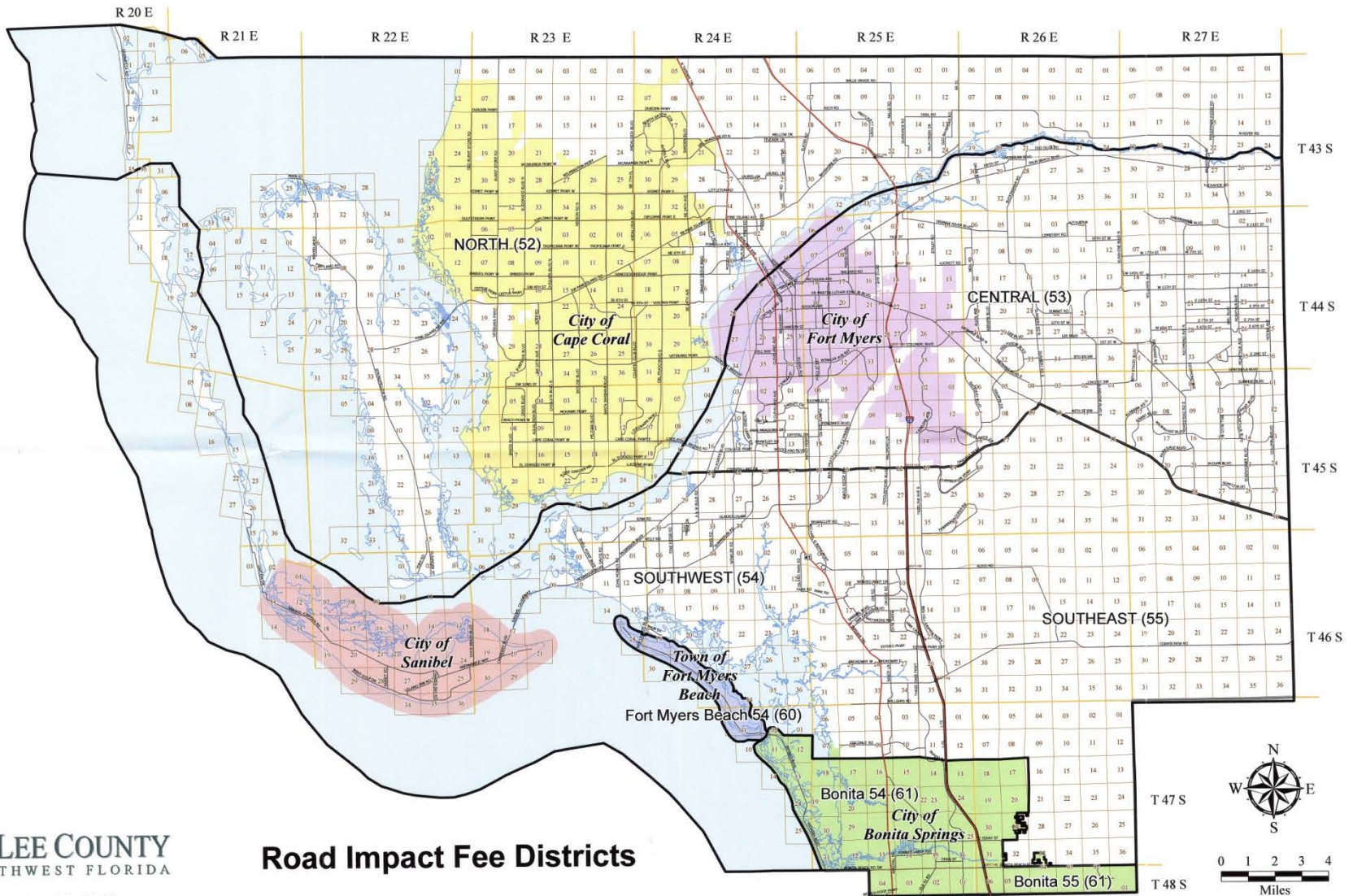
- Each has different rules for use – sometimes are combined
- Note: Estero incorporation will reduce County's share of local option gas taxes and road impact fees

Road Impact Fees

- ✓ Fee on new development to address the impacts of that new development
- ✓ *Must be spent in the district in which they are collected (5 districts)*
- ✓ Can only be used for capacity-increasing improvements
- ✓ *Fee is based on studies that look at a number of factors – trip generation by land use, trip lengths, cost of building roads, credits for other revenues*

Road Impact Fees *(continued)*

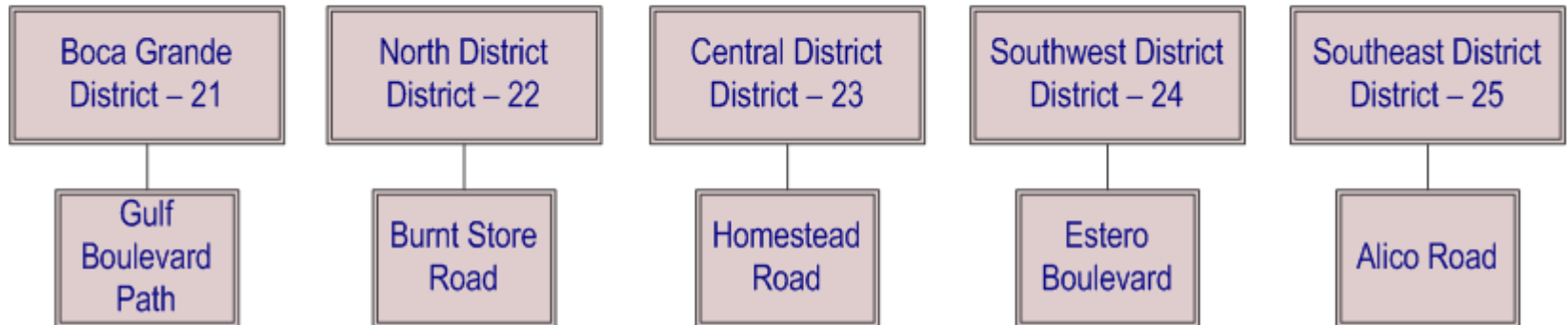
- ✓ Rate study to be updated every three years per County ordinance – road and school studies currently underway; results available end of January
- ✓ *Two-year reduction to collect at 20% rate expires in March*
- ✓ Revenue fluctuates depending on building activity – based on projected revenues, impact fees currently fund 15% of transportation CIP
- ✓ *Target 5% projected collections for each district to bike-ped projects (anticipating letter from BPAC requesting more funding)*



Road Impact Fee Districts

Prepared by Lee County GIS, 4/18/2014

Lee County Road Impact Fee Distribution



Road Impact Fee Collections

FISCAL YEAR	AMOUNT COLLECTED
2009/10	\$2,495,476
2010/11	\$1,562,211
2011/12	\$2,313,407
2012/13	\$2,162,879
2013/14	\$1,974,244

Source: Lee County Community Development

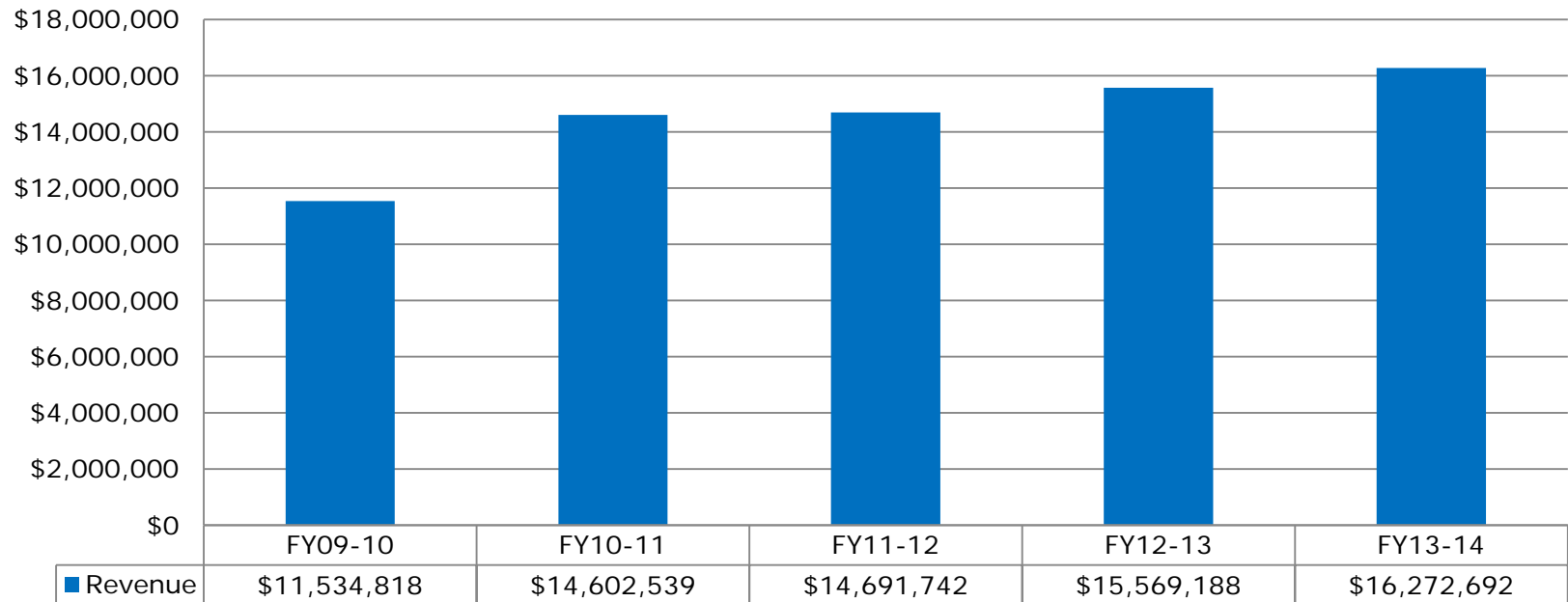
Local Option Gas Taxes

- ✓ County = 15 cents (maximum under state law)
 - 12 cents – capital projects (generates \$16 million per year)
 - Portion for debt service on gas tax bonds
 - 5% or \$750,000 - project contingency
 - \$650,000 - transit
 - Half of remainder - Major Maintenance projects; \$5 million to the annual Road Resurface/Rebuild program
 - Target - \$500,000 a year for bike-ped projects
(anticipating letter from BPAC requesting more funding)
 - 3 cents – used for DOT operating budget

Local Option Gas Taxes *(continued)*

- ✓ Flexible – can be used anywhere in County and for any transportation purpose as defined by Florida law
- ✓ *Shared with cities; shares determined through interlocal agreements*
- ✓ Village of Estero will receive share based on negotiated percentage of unincorporated County's share
- ✓ *Gas taxes are primary source for high cost projects (reconstruction of major roads such as Estero Boulevard project, and bridge replacements)*

Gas Tax Revenues for Capital Projects



Source: Lee County Budget Services

Surplus Toll Revenues

- ✓ Surplus funds available after all debt service and operating expenses for toll bridges operated by Lee County are subtracted
- ✓ *Fund Sharing Agreements with Cities:*
 - *Sanibel – receives 21% from Sanibel Bridge as cash*
 - *Cape Coral – receives 40% from Cape and Midpoint bridges; historically has been applied to projects in defined corridor*
- ✓ County's share of surplus toll funds targeted to bridge replacements

General Fund Revenues

- ✓ Historically not used for major road projects – limited to landscaping and streetlighting phases
- ✓ *In growth years of 2006 and 2007, Board set aside General Fund revenues to create an internal revolving loan program to advance transportation projects, to be repaid with standard transportation revenues*
- ✓ Some repaid, some written off

Projected Transportation Revenues FY2014 – FY2019

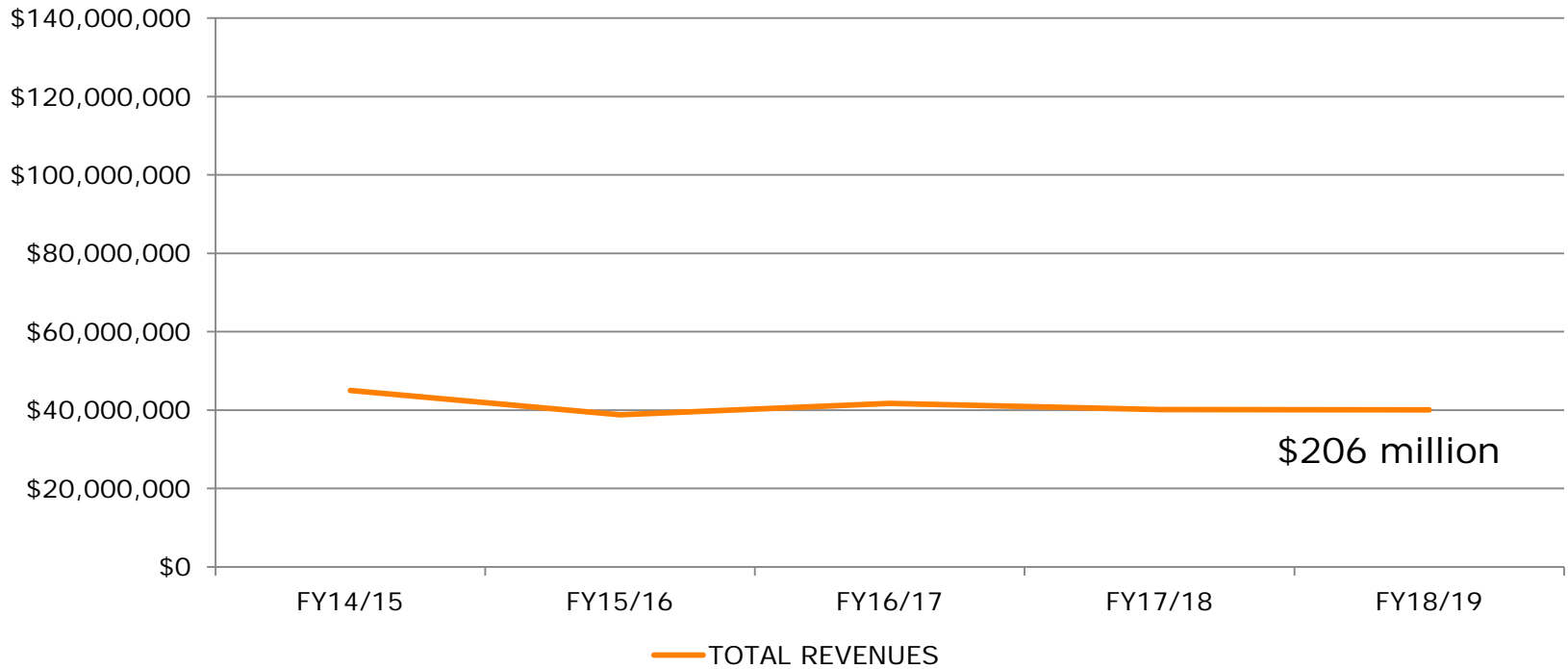
SOURCE	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	5 YEAR TOTAL
Gas Taxes ¹	\$14,632,517	\$16,230,328	\$16,597,082	\$16,971,618	\$17,359,085	\$81,790,630
Road Impact Fees ²	\$4,228,000	\$7,065,000	\$7,206,300	\$7,350,427	\$7,497,435	\$33,347,162
Surplus Tolls ³	\$8,600,000	\$8,370,000	\$8,668,000	\$7,884,000	\$7,938,000	\$41,460,000
TOTAL	\$27,460,517	\$31,665,328	\$32,471,382	\$32,206,045	\$32,794,520	\$156,597,792

¹ Only Includes assessments used for capital costs (5-cent, 6-cent, 9th cent) net of debt service

² FY14/15, 6 months at 20%, 6 months at 100%; Years 2, 3, 4, 5 at 100%

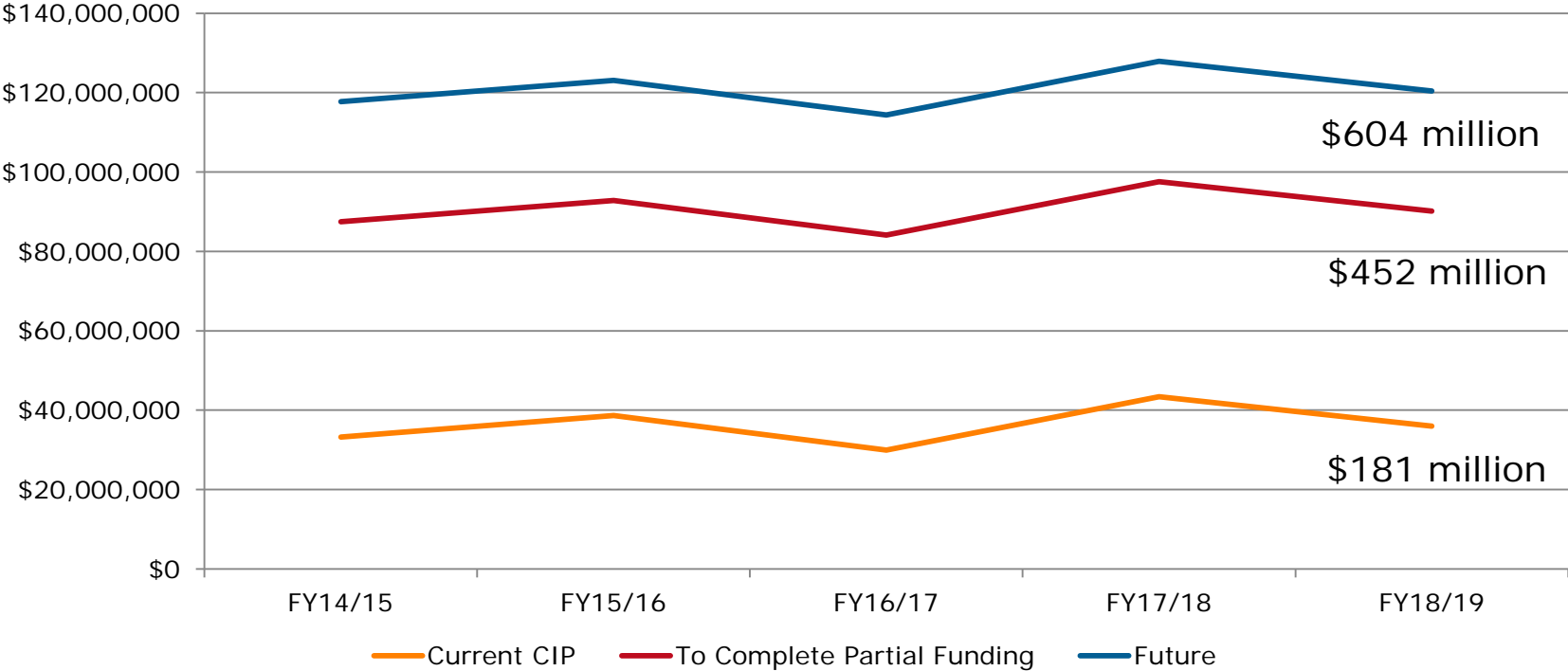
³ 100% of Cape/Midpoint surplus; 79% of Sanibel surplus

Total 5-Year Revenues



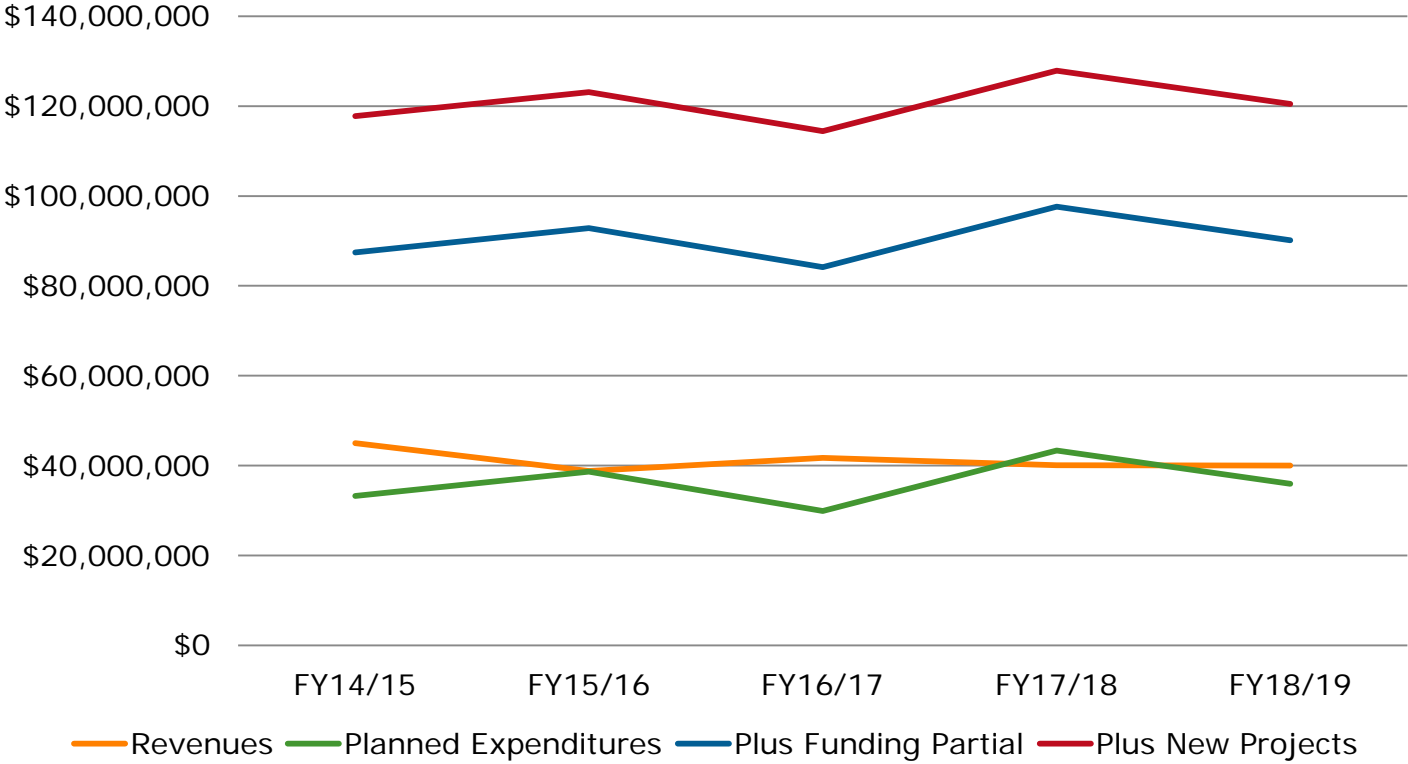
Source: Lee County DOT

Total Projected Expenses



Source: Lee County DOT

Revenues Compared to Planned Expenditures, Fully Funded and New Projects



Source: Lee County DOT

Summary

There are some significant transportation needs identified that will require funding

- Partially-funded CIP projects – \$271 million (\$54.2 million per year)
- Potential new projects – \$151 million (\$30.2 million per year)

Funding sources are limited

Prioritization will be important

Other Timing Elements to Consider

Additional discussion is anticipated regarding the March expiration of the reduced impact fee collection

Updated Roads Study expected no later than
January 31

March 13 – 80% reduction rate sunsets

If different collection rate is desired by BoCC,
ordinance must be adopted

Ordinance Timeline

February 3, 2015

Board gives direction to draft ordinance for public hearing



March 3, 2015

Public hearing to adopt ordinance



March 10, 2015 (approximate)

Ordinance becomes effective