



Proposed FY2017 Innovation District Infrastructure Improvement Area Fees

Item #110541
Utility Advisory Board
August 17, 2016

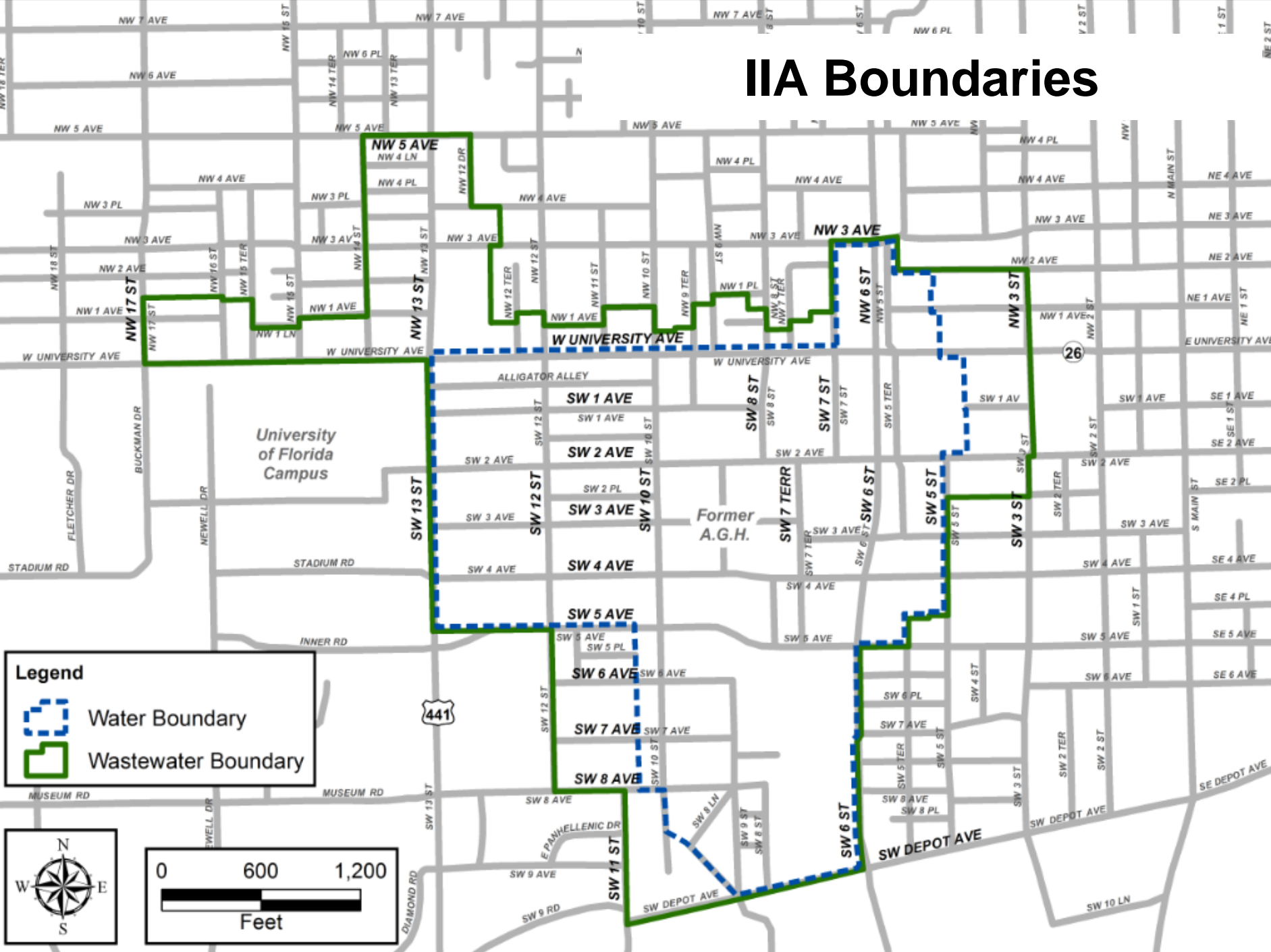
What is an Infrastructure Improvement Area (IIA)?

- Designated area with master plan & funding mechanism for water & wastewater capacity improvements
- Requested by iDistrict stakeholders to facilitate redevelopment in iDistrict area
- Directed by City Commission to work with stakeholders to develop



City Commission Direction on Infrastructure Improvement Area (IIA)

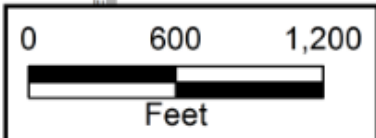
- December 16, 2010 - City Commission direction for utility assessment
- December 15, 2011 - City Commission direction to draft ordinance
- December 5, 2013 – Update to City Commission
- August 20, 2015 – 1st reading of ordinance
 - *Pulled from 2nd reading pending UF Agreement*
- March 17, 2016 – 1st reading of ordinance
- April 7, 2016 – 2nd reading – ordinance passed

IIA Boundaries



Legend

-  Water Boundary
-  Wastewater Boundary



Stakeholder Goals

- Design & construct capacity improvements efficiently & cost-effectively
- Make capacity available for redevelopment
- Spread costs for improvements equitably among developers
- Reduce uncertainty in costs for developers

Conventional Policy vs. IIA

Conventional Policy	IIA
Improvements constructed in segments with each development project	Master planned & constructed in conjunction w/ development & roadwork
Each development project pays for improvements needed to serve it	Development projects pay IIA fees which fund improvements over time

iDistrict IIA

- No impact to property owner unless property is redeveloped as commercial or multi-family
- Single family residential exempt
- Renovations exempt
- Fees due prior to issuance of Certificate of Occupancy

2014-2016 IIA Fees

Use	Unit	Water	WW
Office/Dry Laboratory	ft ²	\$0.54	\$0.50
Parking Garage	ft ²	\$0.54	NA
Commercial/Institutional	ft ²	\$0.91	\$0.83
Wet Laboratory	ft ²	\$1.09	\$1.00
Multifamily Residential	Bedrooms	\$254.23	\$232.31
Hotel/Motel	No. Rooms	\$363.18	\$331.87

*Fees will be updated annually & will be periodically reviewed.

Review Procedures

- Annual review of IIA revenues & expenditures as part of budget process
- Internal caps for cumulative (Expenditures – Revenues) of \$1.5M for water and \$1.5M for wastewater
- If cap exceeded at annual review, more detailed review of IIA & development of revised timeline for cost recovery

Summary

- IIA provides master plan & funding for infrastructure to facilitate redevelopment
- Adjust master plan and fees as appropriate to recover costs
- Ordinance retroactive to projects completed on or after December 6, 2013

Summary (cont'd)

- Ordinance facilitates adding other IIA areas in future
- Further evaluation required before adding another IIA
- IIA ordinance will be reviewed with City Commission during FY2018 budget process (i.e. in July 2017)
- IIA fees adjusted as necessary in Appendix A as part of annual budget

Current & Proposed FY2017 I-District IIA Fees

Water

Use	Unit	Current 2014-2016*	Proposed 2017	% Increase
Office/Dry Laboratory	ft ²	\$0.54	\$0.60	10.7%
Parking Garage	ft ²	\$0.54	\$0.60	10.7%
Commercial/Institutional	ft ²	\$0.91	\$1.01	10.7%
Wet Laboratory	ft ²	\$1.09	\$1.21	10.7%
Multifamily Residential	Bedrooms	\$254.23	\$281.51	10.7%
Hotel/Motel	No. Rooms	\$363.18	\$402.15	10.7%

*Current IIA fees apply to projects completed on or after Dec 6, 2013

Current & Proposed FY2017 I-District IIA Fees

Wastewater

Use	Unit	Current 2014-2016*	Proposed 2017	% Increase
Office/Dry Laboratory	ft ²	\$0.50	\$0.62	23.2%
Parking Garage	ft ²	NA	NA	NA
Commercial/Institutional	ft ²	\$0.83	\$1.02	23.2%
Wet Laboratory	ft ²	\$1.00	\$1.23	23.2%
Multifamily Residential	Bedrooms	\$232.31	\$286.19	23.2%
Hotel/Motel	No. Rooms	\$331.87	\$408.84	23.2%

*Current IIA fees apply to projects completed on or after Dec 6, 2013

Recommendation

- UAB recommend the City Commission to direct the City Attorney to draft and the Clerk of the Commission to advertise an ordinance to adopt the recommended FY2017 I-District Infrastructure Improvement Area fees effective October 1, 2016.