



Flagler County School Impact Fee Study

Prepared for:
School District of Flagler County

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EXECUTIVE SUMMARY

The School District of Flagler County retained TischlerBise to recalibrate its school impact fees. Impact fees are one-time payments used to construct system improvements needed to accommodate new development. An impact fee represents new growth’s proportionate share of capital facility needs. Impact fees do have limitations, and should not be regarded as the total solution for infrastructure funding needs. Rather, they are one component of a comprehensive portfolio to ensure provision of adequate public facilities needed to serve new development. In contrast to general taxes, impact fees may not be used for operations, maintenance, replacement of infrastructure, or correcting existing deficiencies.

FLAGLER COUNTY SCHOOL IMPACT FEE OVERVIEW

Flagler County has seen significant residential growth over the past several years and with it increased enrollment. This growth is expected to continue in the future.

Flagler County school impact fees are derived using the incremental approach. This approach determines current level-of-service standards for school buildings (i.e., elementary, middle, and high), land for school sites, and buses. Level-of-service standards are derived using permanent capacity and are expressed as follows:

1. School buildings: Square feet per student by type of school
2. Land: Acres per student by type of school
3. Buses: Buses per student

To ensure there are no double payments for capital improvements, a credit is included in the impact fee to account for outstanding debt on school improvements. Further detail on the approach, levels of service, costs, and credits is provided in the body of this report.

GENERAL LEGAL FRAMEWORK

This framework introduces the authority under which impact fees are imposed in Florida, but is not exhaustive of every aspect of the body of law now related to impact fees. **In addition, TischlerBise has documented in bold type how this analysis ensures the “dual rational nexus” discussed in this section is met.**

The authority for Florida counties to adopt and collect impact fees to offset the demands new development creates for new infrastructure is well established. *St. Johns County v. Northeast Florida Builders Association* (583 So. 2d 635, 638 Fla. 1991) states, “The use of impact fees has become an accepted method of paying for public improvements that must be constructed to serve new growth.”¹ State statutes specifically “encourage the use of innovative land development regulations which include

¹ Citing *Home Builders & Contractors Ass’n. v. Palm Beach Cty.*, 446 So.2d 140 (Fla. 4th DCA 1984); *Hollywood, Inc. v. Broward County*, 431 So.2d 606 (Fla. 4th DCA 1983).

provisions such as ... impact fees,” and Florida courts have upheld local government’s authority to adopt fees under general home rule and police power theories.²

In 2006, the Florida legislature passed the “Florida Impact Fee Act,” which recognized impact fees as “an outgrowth of the home rule power of a local government to provide certain services within its jurisdiction.” § 163.31801(2), Fla. Stat. The statute – concerned mostly with procedural and methodological limitations – did not expressly allow or disallow any particular public facility type from being funded with impact fees. The Act did specify procedural and methodological prerequisites, most of which were common to the practice already. Subsequent amendments to the Act, in 2009, removed prior notice requirements for impact fee reductions (but not increases) and purported to elevate the standard of judicial review.³

Under Florida law, impact fees must comply with the “dual rational nexus” test, which requires “a reasonable connection, or rational nexus, between the need for additional capital facilities and the growth in service units generated by new development. In addition, the government must show a reasonable connection, or rational nexus, between the expenditures of the funds collected and the benefits accruing to the subdivision,” St. Johns County, 583 So.2d at 637 (quoting Hollywood, Inc. 431 So. 2d at 611-12). Impact fee calculation studies, generally speaking, establish the pro rata, or proportionate, “need” for new infrastructure and implementing ordinances to ensure that new growth paying the fees receive a pro rata “benefit” from their expenditure.

² See §163.3202(3), Fla. Stat.; see also Home Builders & Contractors Ass’n., 446 So.2d 140.

³ The “Florida Impact Fee Act” currently reads as follows:

163.31801 Impact fees; short title; intent; definitions; ordinances levying impact fees.

(1) This section may be cited as the “Florida Impact Fee Act.”

(2) The Legislature finds that impact fees are an important source of revenue for a local government to use in funding the infrastructure necessitated by new growth. The Legislature further finds that impact fees are an outgrowth of the home rule power of a local government to provide certain services within its jurisdiction. Due to the growth of impact fee collections and local governments’ reliance on impact fees, it is the intent of the Legislature to ensure that, when a county or municipality adopts an impact fee by ordinance or a special district adopts an impact fee by resolution, the governing authority complies with this section.

(3) An impact fee adopted by ordinance of a county or municipality or by resolution of a special district must, at minimum:

(a) Require that the calculation of the impact fee be based on the most recent and localized data.

(b) Provide for accounting and reporting of impact fee collections and expenditures. If a local governmental entity imposes an impact fee to address its infrastructure needs, the entity shall account for the revenues and expenditures of such impact fee in a separate accounting fund.

(c) Limit administrative charges for the collection of impact fees to actual costs.

(d) Require that notice be provided no less than 90 days before the effective date of an ordinance or resolution imposing a new or increased impact fee. A county or municipality is not required to wait 90 days to decrease, suspend, or eliminate an impact fee.

(4) Audits of financial statements of local governmental entities and district school boards which are performed by a certified public accountant pursuant to s. 218.39 and submitted to the Auditor General must include an affidavit signed by the chief financial officer of the local governmental entity or district school board stating that the local governmental entity or district school board has complied with this section.

(5) In any action challenging an impact fee, the government has the burden of proving by a preponderance of the evidence that the imposition or amount of the fee meets the requirements of state legal precedent or this section. The court may not use a deferential standard.

The School District of Flagler County is updating its impact fees in order to fund capital facilities needed to meet the demand created by new growth in Flagler County. **As documented in this report, it is anticipated that new residential development will generate the demand for 911 additional elementary school seats, 564 middle school seats, and 853 high school seats, or a total of 2,328 student seats over the next ten years.** The need for these services, and the infrastructure necessary to provide them, is driven by residential development; therefore, as vacant lands within Flagler County convert to residential uses, or as existing uses expand, the demand imposed upon the School District for additional capital facilities increases proportionately.

The need for additional capacity for new development is further shown through the School District's existing work plan. Hollywood, Inc., 431 So.2d at 611 (holding that a plan for providing facilities at a reasonable level of service demonstrates "a reasonable connection between the need for additional park facilities and the growth in population"). Capital facilities necessary to provide this infrastructure have been provided by the School District to date; however, as new development occurs, the School District will need to provide new residents with the same levels of services and facilities. The expenditures required to maintain levels of service are not necessitated by existing residents, but rather by new growth. **As documented in this report, the School District has planned capital expenditures for a minimum of 3,835 additional student seats over the next ten years.**

Furthermore, through the implementation of the School District's work plan, new development paying impact fees will receive a pro rata benefit from new facilities built with those fees. **While excess capacity may exist today system-wide at the elementary, middle and high school levels, capacity needs at individual schools are not concentrated in specific areas of the County, but exist in all areas of the County. As a result, the School District's planned and anticipated growth-related capital expansions over the next ten years will not be limited to certain areas of the County, and will therefore benefit all fee payers as additional student seats are constructed and attendance zones are redrawn in order to reflect the construction of additional school capacity and to balance capacity and enrollment.** In addition, the County's impact fee ordinance, including any amendments necessary to implement the fees recommended in this study, earmarks impact fees solely for the expansion of capital facilities necessary to accommodate new development in the County.

Finally, there are several steps the School District will take to ensure ongoing compliance with applicable Florida laws related to impact fees. First, it will continue to update and implement plans for expending impact fee revenues on the types of facilities TischlerBise has used to develop the fees in this study. In Florida, this typically is done through the Capital Improvement Plan (CIP) and Capital Improvements Element (CIE) framework.

CONCEPTUAL IMPACT FEE CALCULATION

In contrast to project-level improvements, impact fees fund growth-related infrastructure that will benefit multiple development projects, or the entire jurisdiction (referred to as system improvements). The first step is to determine an appropriate demand indicator for the particular type of infrastructure. The demand indicator measures the number of demand units for each unit of development. For example, an

appropriate indicator of the demand for schools is population growth, and the increase in population can be estimated from the average number of students per housing unit. The second step in the impact fee formula is to determine infrastructure units per demand unit, typically called level-of-service (LOS) standards. In keeping with the school example, a common LOS standard is square footage per student. The third step in the impact fee formula is the cost of various infrastructure units. To complete the school example, this part of the formula would establish the cost per square foot for school facility construction.

GENERAL METHODOLOGIES

There are three general methods for calculating development impact fees. The choice of a particular method depends primarily on the timing of infrastructure construction (past, concurrent, or future) and service characteristics of the facility type being addressed. Each method has advantages and disadvantages in a particular situation, and can be used simultaneously for different cost components.

Reduced to its simplest terms, the process of calculating development impact fees involves two main steps: (1) determining the cost of development-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, though, the calculation of impact fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities within the designated service area. The following paragraphs discuss three basic methods for calculating development impact fees and how those methods can be applied.

Cost Recovery (Past Improvements)

The rationale for recoupment, often called cost recovery, is that new development is paying for its share of the useful life and remaining capacity of facilities already built, or land already purchased, from which new growth will benefit. This methodology is often used for utility systems that must provide adequate capacity before new development can take place.

Incremental Expansion (Concurrent Improvements)

The incremental expansion method documents current level-of-service (LOS) standards for each type of public facility, using both quantitative and qualitative measures. This approach ensures that there are no existing infrastructure deficiencies or surplus capacity in infrastructure. New development is only paying its proportionate share for growth-related infrastructure. Revenue will be used to expand or provide additional facilities, as needed, to accommodate new development. An incremental expansion cost method is best suited for public facilities that will be expanded in regular increment to keep pace with development, and is the methodology used for this school impact fee calculation.

Plan-Based Fee (Future Improvements)

The plan-based method allocates costs for a specified set of improvements to a specified amount of development. Improvements are typically identified in a long-range facility plan and development potential is identified by a land use plan. There are two options for determining the cost per demand unit: (1) total cost of a public facility can be divided by total demand units (average cost), or (2) the growth-

share of the public facility cost can be divided by the net increase in demand units over the planning timeframe (marginal cost).

Credits

Regardless of the methodology, a consideration of “credits” is integral to the development of a legally defensible impact fee methodology. There are two types of “credits” with specific characteristics, both of which should be addressed in development impact fee studies and ordinances.

- First, a revenue credit might be necessary if there is a double payment situation and other revenues are contributing to the capital costs of infrastructure to be funded by impact fees. This type of credit is integrated into the impact fee calculation, thus reducing the fee amount.
- Second, a site-specific credit or developer reimbursement might be necessary for dedication of land or construction of system improvements funded by impact fees. This type of credit is addressed in the administration and implementation of the impact fee program.

PROPOSED IMPACT FEE SCHEDULE

As documented in this report, the School District of Flagler County has complied with the Florida Development Impact Fee Act and applicable legal precedents. Impact fees are proportionate and reasonably related to capital improvement demands of new development. Specific costs have been identified using local data and current dollars. With input from School District staff, TischlerBise determined demand indicators for each type of capital facility to allocate costs to new development. This report documents the formulas and input variables used to calculate the impact fees for each type of facility. Impact fee methodologies also identify the extent to which new development is entitled to various types of credits to avoid potential double payment of growth-related capital costs.

Figure 1 provides the proposed school impact fees for Flagler County. For a single family unit, the maximum supportable fee amount is \$7,175 per unit; for a multifamily unit, the maximum fee amount is \$1,774 per unit; and the maximum supportable fee for a mobile home is \$5,279.

The current fees are included in the figure along with the increases if the maximum supportable impact fees are adopted.

School impact fees are applied only to residential development and are per housing unit, reflecting the proportionate demand by type of unit. The amounts shown are “maximum supportable” amounts based on the methodologies, levels of service, and costs for the capital improvements identified herein. The fees represent the highest amount feasible for each type of applicable development, which represent new growth’s fair share of the capital costs as detailed in this report. The School Board can adopt amounts that are lower than the maximum amounts shown; however, a reduction in fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in the School District’s level of service.

Figure 1. Maximum Supportable School Impact Fees

Maximum Supportable School Impact Fees						
	<i>Elementary (K-5)</i>	<i>Middle (6-8)</i>	<i>High (9-12)</i>	<i>Total</i>	<i>Current Fee [1]</i>	<i>Increase</i>
Single Family	\$2,538	\$1,706	\$2,931	\$7,175	\$3,600	\$3,575
Multifamily	\$836	\$535	\$403	\$1,774	\$931	\$843
Mobile Home	\$2,229	\$1,438	\$1,612	\$5,279	\$1,066	\$4,213

[1] Note: Last technical study was completed in 2004

A note on rounding: calculations throughout this report are based on an analysis conducted using Excel software. Most results are discussed in the report using one, two, and three digit places, which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

STUDENT GENERATION RATES

Demand for additional school capacity will come from new residential development. To determine the level of this demand, student generation rates are used. The term “student generation rate” refers to the number of non-charter, public school students per housing unit in Flagler County. Public school students are a subset of school-aged children, which includes students in private schools and home-schooled children. Student generation rates are important demographic factors that help account for variations in demand for school facilities by type of housing. Students per housing unit are held constant over the projection period since the impact fees represent a “snapshot approach” of current levels of service and costs.

Given demographic characteristics and potential for future development in Flagler County, student generation rates are calculated for the following three housing unit types: (1) Single Family, (2) Multifamily, and (3) Mobile Home.

Student generation rates are provided for three school levels: (1) Elementary (grades K-5), (2) Middle (grades 6-8), and (3) High (grades 9-12). Currently, elementary schools include grades K-6 and middle schools include grades 7-8. However, starting in the 2022 school year, the District will be adjusting the grade levels and moving grade 6 to middle schools. With that, it is recommended that the impact fee schedule be based on the future grade structure to match future operations and facilities.

Figure 2. Students by Housing Type

Housing Type	ES (K-5)	MS (6-8)	HS (9-12)	Total
Single Family	3,549	2,216	3,442	9,207
Multifamily	137	82	57	276
Mobile Home	180	107	110	397
Total	3,866	2,405	3,609	9,880

Source: School District of Flagler County student geodatabase

Figure 3. Housing Totals by Type

Housing Type	Units
Single Family	43,034
Multifamily	4,988
Mobile Home	2,507
Total	50,529

Source: Flagler County's Proerty Appraiser's parcel database; Senior living communities have been removed.

Figure 4. Elementary School (K-5) Student Generation Rates

Housing Type	ES (K-5) Students [1]	Housing Units [2]	SGR
Single Family	3,549	43,034	0.082
Multifamily	137	4,988	0.027
Mobile Home	180	2,507	0.072
Total	3,866	50,529	0.077

[1] Source: School District of Flagler County student geodatabase

[2] Source: Flagler County Property Appraiser's parcel database; Senior living communities have been removed

Figure 5. Middle School (6-8) Student Generation Rates

Housing Type	MS (6-8) Students [1]	Housing Units [2]	SGR
Single Family	2,216	43,034	0.051
Multifamily	82	4,988	0.016
Mobile Home	107	2,507	0.043
Total	2,405	50,529	0.048

[1] Source: School District of Flagler County student geodatabase

[2] Source: Flagler County Property Appraiser's parcel database; Senior living communities have been removed

Figure 6. High School (9-12) Student Generation Rate

Housing Type	HS (9-12) Students [1]	Housing Units [2]	SGR
Single Family	3,442	43,034	0.080
Multifamily	57	4,988	0.011
Mobile Home	110	2,507	0.044
Total	3,609	50,529	0.071

[1] Source: School District of Flagler County student geodatabase

[2] Source: Flagler County Property Appraiser's parcel database; Senior living communities have been removed

SUMMARY OF GROWTH INDICATORS

Demographic projections through School Year 2029-2030 are summarized in Figure 7. These projections are based on the University of Florida’s Bureau of Economic and Business Research (BEBR) medium projection for Flagler County.

Figure 7: Population and Housing Units

Flagler County, FL	Base Year 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Increase
Population [1]	114,173	116,998	119,824	122,649	125,475	128,300	130,800	133,300	135,800	138,300	140,800	26,627
Percent Increase		2.5%	2.4%	2.4%	2.3%	2.3%	1.9%	1.9%	1.9%	1.8%	1.8%	23.3%
Housing Units [2]												
Single Family	43,584	44,663	45,741	46,820	47,898	48,977	49,931	50,885	51,840	52,794	53,748	10,164
Multifamily	5,549	5,686	5,824	5,961	6,098	6,236	6,357	6,479	6,600	6,722	6,843	1,294
Mobile Homes	2,507	2,569	2,631	2,693	2,755	2,817	2,872	2,927	2,982	3,037	3,092	585
Total	51,640	52,918	54,196	55,474	56,752	58,030	59,160	60,291	61,422	62,553	63,683	12,043

[1] Source: UF Bureau of Economic and Business Research medium projections for population growth

[2] Housing growth is assumed to grow at the same rate as population

Student Enrollment Projections

Enrollment projections are based on student generation rates shown in Figures, 4, 5 and 6 and projected housing unit growth shown in Figure 7. As shown in Figure 8 below, current enrollment is 12,017. By the 2029-2030 school year, Flagler County Schools are projected to have a total enrollment of 14,345, an increase of 2,328 students. Yearly detail by school level is provided below.

Figure 8: Projected Enrollment

School Level	Base Year 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Increase
Elementary (K-5)	4,818	4,915	5,011	5,108	5,204	5,301	5,387	5,472	5,558	5,643	5,729	911
Middle (6-8)	2,984	3,044	3,104	3,164	3,223	3,283	3,336	3,389	3,442	3,495	3,548	564
High (9-12)	4,215	4,306	4,396	4,487	4,577	4,668	4,748	4,828	4,908	4,988	5,068	853
Total	12,017	12,264	12,511	12,758	13,005	13,252	13,471	13,689	13,908	14,126	14,345	2,328

Source: Applying student generation rates to Medium BEBR residential projections

Permanent Capacity Utilization

The School District of Flagler County’s permanent capacity is 14,732 student stations. By school type, permanent capacity is as follows: elementary school – 6,630; middle school – 3,401; and high school – 4,701. Based on 2020-2021 10 enrollment, current permanent capacity utilization is 73% for elementary schools, 88% for middle schools, and 90% for high schools.

As the School District’s student enrollment increases, new development will demand additional school infrastructure. Figure 9 below shows capacity projects (permanent student stations) identified by the

School District of Flagler County. During the next ten years, the School District has identified the need for 1,080 permanent student stations in middle schools and 2,755 student stations at the high school level. Although additional student stations have yet to be identified, it is anticipated the School District will construct additional elementary school student stations over the next ten years.

Figure 9: Planned Permanent Student Stations

School Year	Elementary	Middle	High
2020	0	0	0
2021	0	0	0
2022	0	0	0
2023	0	0	380
2024	0	0	0
2025	0	1,080	0
2026	0	0	2,375
2027	0	0	0
2028	0	0	0
2029	0	0	0
2030	0	0	0
Total	0	1,080	2,755

If the permanent student stations identified by the District are constructed, these student stations will serve some of the demand placed on the School District by new development. As shown in Figures 10 through 12, **without any additional student stations, elementary schools will utilize 86% of their permanent capacity, middle schools will utilize 104% of their permanent capacity, and 108% of permanent capacity will be utilized by high schools by the end of the study period.**

Figure 10: Planned Elementary School Capacity Utilization

Grade Level: Elementary (K-5)				
Year	Enrollment	Added Capacity	Permenant Capacity	Enrollment vs Capacity
2020	4,818	0	6,630	73%
2021	4,915	0	6,630	74%
2022	5,011	0	6,630	76%
2023	5,108	0	6,630	77%
2024	5,204	0	6,630	78%
2025	5,301	0	6,630	80%
2026	5,387	0	6,630	81%
2027	5,472	0	6,630	83%
2028	5,558	0	6,630	84%
2029	5,643	0	6,630	85%
2030	5,729	0	6,630	86%
Increase	911		0	
Enrollment vs Capacity without Future Projects				86%

Figure 11: Planned Middle School Capacity Utilization

Grade Level: Middle (6-8)				
Year	Enrollment	Added Capacity [1]	Permenant Capacity	Enrollment vs Capacity
2020	2,984	0	3,401	88%
2021	3,044	0	3,401	89%
2022	3,104	0	3,401	91%
2023	3,164	0	3,401	93%
2024	3,223	0	3,401	95%
2025	3,283	1,080	4,481	73%
2026	3,336	0	4,481	74%
2027	3,389	0	4,481	76%
2028	3,442	0	4,481	77%
2029	3,495	0	4,481	78%
2030	3,548	0	4,481	79%
Increase	564		1,080	

Enrollment vs Capacity without Future Projects	104%
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[1] To accurately capture the new permanent capacity from new school construction, the Florida utilization rate of 90% for middle schools has been applied to find permanent capacity.

Figure 12: Planned High School Capacity Utilization

Grade Level: High (9-12)				
Year	Enrollment	Added Capacity [1]	Permenant Capacity	Enrollment vs Capacity
2020	4,215	0	4,701	90%
2021	4,306	0	4,701	92%
2022	4,396	0	4,701	94%
2023	4,487	380	5,081	88%
2024	4,577	0	5,081	90%
2025	4,668	0	5,081	92%
2026	4,748	2,375	7,456	64%
2027	4,828	0	7,456	65%
2028	4,908	0	7,456	66%
2029	4,988	0	7,456	67%
2030	5,068	0	7,456	68%
Increase	853		2,755	

Enrollment vs Capacity without Future Projects	108%
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[1] To accurately capture the new permanent capacity from new school construction, the Florida utilization rate of 95% for middle schools has been applied to find permanent capacity.

SCHOOL IMPACT FEE

METHODOLOGY

The Flagler County school impact fee methodology is based on current average public school student generation rates, level-of-service standards, and local costs. The school impact fees use an incremental expansion approach, which documents the current level of service for public facilities in both quantitative and qualitative measures. The intent is to use impact fee revenue to expand or provide additional facilities, as needed to accommodate new development, based on the current level of service and cost to provide capital improvements. All school levels are included in the fees. Costs for school buildings, land for school sites, and buses are included in the fee. Finally, credits for future principal payments on existing debt by new development are included.

It is important to note that the enrollment and capacity figures in this section reflect the proposed school reconfigurations at the elementary and middle school levels that will take place in School Year 2022-2023.

SERVICE AREA

The School District of Flagler County provides the students of Flagler County with a range of educational facilities. These facilities are located throughout the County and serve students located within the facility's attendance zone. As enrollment at individual facilities changes, attendance zones can be redrawn in order to better utilize District resources. Although each school has an attendance zone, students may utilize the Choice program and attend a school outside of the student's assigned District. Because of the growing popularity of the Choice program, as supported by the Florida Department of Education, and the ability to reconfigure attendance zones in order to balance capacity and enrollment, a countywide school impact fee service area is appropriate for Flagler County.

BUILDING AND SITE LEVEL-OF-SERVICE STANDARDS

This section provides current inventories of elementary, middle, and high schools in the Flagler County Public School system. The data contained in these tables are used to determine infrastructure standards for school buildings and sites on which the impact fees are based.

Elementary Schools

The inventory and current levels of service for Flagler County elementary schools are shown below in Figure 13. As indicated below, elementary school buildings have a total of 892,558 square feet of building floor area on approximately 180 acres. Total enrollment in all elementary schools for the 2020-2021 school year is 4,818 and permanent capacity is 6,630.

Since elementary schools overall are currently operating under capacity, *the level of service standard on which the facility fees are based is calculated using capacity* (shaded in Figure 13). This ensures new development is not charged for a higher level of service than what is currently provided or what is planned

to be provided, using a level of service that is based on capacity represents the level of service the District provides (or will ultimately provide).

Levels of service are shown for buildings and land for elementary schools at the bottom of Figure 13. Levels of service are calculated by dividing the amount of infrastructure by total enrollment and capacity. (For example, 892,558 square feet of school building space is divided by a permanent capacity of 6,630 students to arrive at 134.62 square feet per student.) Because District elementary schools (effective SY22-23) are below capacity, levels of service differ when calculated based on enrollment and capacity. For example, the building square footage level of service is 185.25 square feet per student when based on enrollment versus a level of service of 134.62 square feet per student when based on capacity.

Current levels of service are:

Land: 0.027 acres per student
 Buildings: 134.62 square feet per student

Figure 13: Flagler County Elementary Schools

School	Building Sq Ft [1]	Acreage [1]	2020-2021 Enrollment [2]	Permanent Capacity [2]	Utilization
Belle Terre	172,463	77.0	1,075	1,557	69%
Bunnell	207,199	19.0	898	1,601	56%
Old Kings	130,296	16.0	957	1,290	74%
Rymfire	265,762	61.0	853	1,486	57%
Wadsworth	116,838	6.6	740	696	106%
iFlagler	-	-	282	-	-
Homeschool Students [3]	-	-	13	-	-
Total	892,558	179.6	4,818	6,630	73%

<i>Elementary School Levels of Service</i>	<i>Building SF</i>	<i>Site Acreage</i>
LOS per Student (current enrollment)	185.25	0.037
LOS per Student (current capacity)	134.62	0.027

[1] Source: Florida Inventory of School Houses (FISH)
 [2] Source: School District of Flagler County, Student Enrollment March 29, 2021
 [3] Source: Enrollment includes the average number of homeschool students who attend at least one class at a public school

Note: The enrollment and capacity have been adjusted to reflect the District's plans to move 6th grade from elementary to middle school

Middle Schools

The inventory and current levels of service for middle schools are shown below in Figure 14. As indicated below, middle school buildings have a total of 468,346 square feet of gross floor area on approximately 125 acres. Total enrollment in all middle schools for the 2020-2021 school year is 2,984 and permanent capacity totals 3,401. Utilization percentages for individual schools are calculated by dividing enrollment by capacities. Overall, middle schools are operating at 88 percent capacity for the 2020-2021 school year.

Levels of service are shown for buildings and land for middle schools at the bottom of Figure 14. Levels of service are calculated by dividing the amount of infrastructure by capacity, since total enrollment is less than overall capacity. (For example, 468,346 square feet of school building space is divided by middle school permanent capacity of 3,401 students to arrive at 137.71 square feet per student.)

Current levels of service are:

- Land: 0.037 acres per student
- Buildings: 137.71 square feet per student

Figure 14: Flagler County Middle Schools

School	Building Sq Ft [1]	Acreage [1]	2020-2021 Enrollment [2]	Permanent Capacity [2]	Utilization
Buddy Taylor	255,364	39.4	1,803	1,797	100%
Indian Trails	212,982	86.0	1,015	1,604	63%
iFlagler	-	-	157	-	-
Homeschool Students [3]	-	-	9	-	-
Total	468,346	125.4	2,984	3,401	88%

<i>Middle School Levels of Service</i>	<i>Building SF</i>	<i>Site Acreage</i>
LOS per Student (current enrollment)	156.95	0.042
LOS per Student (current capacity)	137.71	0.037

[1] Source: Florida Inventory of School Houses (FISH)
 [2] Source: School District of Flagler County, Student Enrollment March 29, 2021
 [3] Source: Enrollment includes the average number of homeschool students who attend at least one class at a public school
 Note: The enrollment and capacity have been adjusted to reflect the District's plans to move 6th grade from elementary to middle school

High Schools

The inventory and current levels of service for high schools are shown below in Figure 15. As indicated below, high school buildings have a total of 645,835 square feet of gross floor area on approximately 156 acres. Total enrollment in all high schools for the 2020-2021 school year is 4,215 and total capacity is 4,701. Utilization percentages for individual schools are calculated by dividing enrollment by capacities. Overall, high schools are at 90 percent capacity for the 2020-2021 school year.

Levels of service are shown for buildings and land for high schools at the bottom of Figure 15. Since high schools overall are currently operating under capacity, *the level of service standard on which the facility fees are based is calculated using permanent capacity* (shaded in Figure 16).

Current levels of service are:

Land: 0.033 acres per student
 Buildings: 137.38 square feet per student

Figure 15: Flagler County High Schools

School	Building Sq Ft [1]	Acreage [1]	2020-2021 Enrollment [2]	Permanent Capacity [2]	Utilization
Flagler Palm Coast	389,264	61.0	2,529	2,534	100%
Matanzas	256,571	95.0	1,556	2,167	72%
iFlagler	-	-	119	-	-
Homeschool Students [3]	-	-	11	-	-
Total	645,835	156.0	4,215	4,701	90%

<i>High School Levels of Service</i>	<i>Building SF</i>	<i>Site Acreage</i>
LOS per Student (current enrollment)	153.22	0.037
LOS per Student (current capacity)	137.38	0.033

[1] Source: Florida Inventory of School Houses (FISH)
 [2] Source: School District of Flagler County, Student Enrollment March 29, 2021
 [3] Source: Enrollment includes the average number of homeschool students who attend at least one class at a public school

CONSTRUCTION COSTS

Construction costs were provided by the Flagler County School District and are based on estimated construction costs for schools planned for schools (high school and middle school) and the State of Florida Department of Education average cost of construction for elementary schools. As shown in Figure 16, the construction cost assumptions are \$229 per square foot for elementary schools, \$239 per square foot for middle schools, and \$264 per square foot for high schools.

Figure 16: Cost of Construction

Site	Year	Gross Sq. Ft.	Student Stations	Cost of Construction	Cost per Sq. Ft.
Elementary School Cost Assumption [1]					
State DOE Elementary	N/A	N/A	N/A	N/A	\$229
Middle School Cost Assumption [2]					
New Middle School	2025	157,000	1,200	\$37,500,000	\$239
High School Cost Assumption [2]					
New High School	2026	350,000	2,500	\$92,500,000	\$264

[1] Elementary School cost factor is based on the State DOE average elementary construction cost, based on contracts completed between 1/01/2019 and 12/31/2019. Cost to purchase land was subtracted.

[2] Middle and High School costs based on planned capacity increasing School District of Flagler County projects.

LAND COSTS

The School District of Flagler County anticipates the need to purchase land for future school sites to accommodate school capital needs brought about by growth in the County. School District staff provided an average cost of \$41,000 per acre, based on a recent purchase by Flagler County for a parcel of approximately 7 acres with a cost of approximately \$278,000.

BUS COSTS

Buses are another component included in the impact fee. New buses will need to be purchased to accommodate increased enrollment. Total current value of the fleet is estimated at approximately \$13.4 million, which equates to an average cost of \$116,000 per bus. The current level of service is .010 buses per student.

Figure 17: Flagler County Buses

Type	Units	Cost	Total Value
Bus	116	\$116,000	\$13,456,000
Total	116		\$13,456,000

Level of Service	
Student Enrollment	12,017
Buses per Student	0.010

Average Cost per Bus	\$116,000
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Source: School District of Flagler County

CREDITS FOR FUTURE PRINCIPAL PAYMENTS ON SCHOOL IMPROVEMENTS

Because the School District of Flagler County debt-financed recent school capacity expansions, a credit is included for future principal payments on outstanding Certifications of Participation. A credit is necessary

since new residential units that will pay the impact fee will also contribute to future principal payments on this remaining debt through property taxes. A credit is not necessary for interest payments because interest costs are not included in the impact fee.

School District staff provided outstanding debt for Certificates of Participation related to capacity expansions. These principal payments are credited 100 percent to residential development, which is a conservative assumption given that nonresidential properties also contribute property tax that is used to retire this debt.

As shown in Figure 18, outstanding principal on Certificates of Participation totals approximately \$37.03 million. Annual principal payments are divided by student enrollment in each year to get a per student credit. For example, in the 2023-2024 school year, the total principal to be paid of \$3,594,882 is divided by projected enrollment of 13,005 for a principal payment per student of \$276. To account for the time value of money, annual payments per student are discounted using a net present value formula based on an average current interest rate of 5 percent. The total net present value of future principal payments per student is \$2,141. This amount is subtracted from the gross capital cost per student to derive a net capital cost per student.

Figure 18: Credit for Future Principal Payments on Certificates of Participation

2014A Certificates			
Rymfire ES & Matanzas HS Additions			
Year	Total Payment	Enrollment	Payment/Student
2021	\$3,389,353	12,264	\$276
2022	\$3,454,456	12,511	\$276
2023	\$3,521,325	12,758	\$276
2024	\$3,594,882	13,005	\$276
2025	\$3,674,873	13,252	\$277
2026	\$3,723,568	13,471	\$276
2027	\$3,807,218	13,689	\$278
2028	\$3,867,401	13,908	\$278
2029	\$3,953,953	14,126	\$280
2030	\$4,051,228	14,345	\$282
Total			\$2,775
Interest Rate			5%
Net Present Value per Student			\$2,141

Source: School District of Flagler County

SCHOOL IMPACT FEE INPUT VARIABLES

Factors used to derive Flagler County’s school impact fees are summarized in Figure 19. Impact fees for schools are based on student generation rates (i.e., public school students per housing unit) and only apply to residential development. Level-of-service standards are based on current costs per student for school buildings, land, and buses as described in the previous sections and summarized below.

The gross capital cost per student is the sum of the cost per student for each component. For example, for the elementary school portion, the calculation is as follows: $\$30,828$ [building construction] + $\$1,183$ [land] + $\$1,160$ [buses] = $\$33,095$ gross capital cost per student.

The net capital cost per student is the sum of the gross capital cost per student and the recommended revenue credits. Continuing with the elementary school example, the calculation is as follows: $\$33,095$ [gross capital cost per student] + $\$2,141$ [future Certificates of Participation principal payments] = $\$30,954$ net capital cost per student. The same approach is followed for middle and high schools.

Figure 19: School Impact Fee Input Variables

Public School Students per Housing Unit	School Level			Total
	Elementary (K-5)	Middle (6-8)	High (9-12)	
Single Family	0.082	0.051	0.080	0.213
Multifamily	0.027	0.016	0.011	0.054
Mobile Home	0.072	0.043	0.044	0.159

Current Level of Service Standards			
	Elementary	Middle	High
Permanent Building Square Feet per Student	134.62	137.71	137.38
Total Cost per Square Foot	\$229	\$239	\$264
Total Building Construction Cost per Student	\$30,828	\$32,913	\$36,268
Acreage per Student	0.027	0.037	0.033
Land Cost per Acre	\$41,000	\$41,000	\$41,000
Land Cost per Student	\$1,107	\$1,517	\$1,353
Buses per Student	0.010	0.010	0.010
Cost per Bus	\$116,000	\$116,000	\$116,000
Bus Cost per Student	\$1,160	\$1,160	\$1,160
Total Gross Capital Cost per Student	\$33,095	\$35,590	\$38,781
Credit for Future Principal Payments Towards 2014A	(\$2,141)	(\$2,141)	(\$2,141)
Total Net Local Capital Cost per Student	\$30,954	\$33,449	\$36,640

MAXIMUM SUPPORTABLE SCHOOL IMPACT FEES

Figure 20 shows the schedule of maximum supportable impact fees for the School District of Flagler County. The fees are calculated by multiplying the student generation rate for each housing type by the net capital cost per student for each type of school. Each component is then added together to derive the total school impact fee.

For example, for a single family unit, the elementary school portion of the fee is calculated by multiplying the student generation rate of .082 by the net capital cost per elementary student of \$30,095, which results in \$2,538 per single family unit. This is repeated for the other school levels. Totals for the three school levels of the fee are added together to calculate the total fee per single-family detached unit of \$7,175 (\$2,538 + \$1,706 + \$2,931 = \$7,175). This is repeated for each housing unit type.

Figure 20: Maximum Supportable School Impact Fees

Maximum Supportable School Impact Fees						
	<i>Elementary (K-5)</i>	<i>Middle (6-8)</i>	<i>High (9-12)</i>	<i>Total</i>	<i>Current Fee [1]</i>	<i>Increase</i>
Single Family	\$2,538	\$1,706	\$2,931	\$7,175	\$3,600	\$3,575
Multifamily	\$836	\$535	\$403	\$1,774	\$931	\$843
Mobile Home	\$2,229	\$1,438	\$1,612	\$5,279	\$1,066	\$4,213

[1] Note: Last technical study was completed in 2004