

# Osceola County, Florida Fire/EMS Impact Fee Study



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# EXECUTIVE SUMMARY

The purpose of this study is to update Osceola County's fire rescue and emergency medical services (EMS) impact fees. Following this introduction are chapters on Study Area, Legal Framework, and Fee Calculations. Appendices provide additional detail on existing land use and fire/EMS incidents by land use, as well as the full text of the current Florida Impact Fee Act.

## Background

The Osceola County Fire Rescue & EMS Department provides fire rescue and EMS services to the unincorporated area of the county, excluding the portion of the county located in the Reedy Creek Improvement District. Fire rescue and EMS personnel are cross-trained, and fire and EMS personnel and equipment are co-located in all the County's fire stations. Osceola County initially adopted fire rescue and EMS impact fees in 2006, and updated them in 2017. This study is a comprehensive update of the 2017 analysis.

## Update Approach

This section discusses two aspects of the impact fee study: (1) separate calculation of fire and EMS fees, and (2) methodology.

### Fire and EMS

The County's fire rescue and EMS personnel are cross-trained, personnel and equipment share fire stations, and both respond to most incidents. However, the two services have different funding sources, as required by State law. Fire rescue is funded by a non-ad valorem assessment, and EMS is funded by an ad valorem tax. The fire rescue assessment fee analysis needs to take into consideration the portion of the impact fee revenue that is attributable to fire rescue versus EMS. Consequently, this study calculates the two components separately before summing them, in order to allow the share attributable to fire rescue to be identified.

### Methodology

The methodology used in this update is the same as that used in the 2017 fire rescue/EMS impact fee study. In broad terms, the replacement cost of existing County land, facilities, and equipment is divided by the number of annual incidents to determine the cost per annual incident. Annual incidents are divided by existing development units (residential dwelling units and nonresidential building square footage) to determine the annual incidents per development unit. The cost per annual incident is multiplied by the annual incidents per development unit to determine the cost per development unit. The cost per annual incident is reduced to account for other revenues generated by new development that are available to fund growth-related capital costs (the mechanism to reduce the fee is referred to as a revenue credit). The resulting net cost per annual incident is multiplied by the annual incidents per unit to determine the net cost per development unit, which is the maximum fee for each land use type.

## Current and Updated Fees

In Table 1 below, the updated maximum impact fees are compared to current fees. The updated fees are higher than current fees for nine of the 13 land use categories, including single-family, hotel/motel, retail/commercial, and office. The other four categories, including multi-family, have lower updated fees. The wide variation in fee changes by land use type, ranging from a decrease of 50% to an increase of 176%, reflects updated information on fire and EMS average annual incidents over the last five years.

**Table 1. Current and Updated Maximum Fire/EMS Impact Fees**

Land Use Type	Unit	Current Fee	Updated Fee	Percent Change
Single-Family Detached	Dwelling	\$391	\$780	99%
Multi-Family	Dwelling	\$484	\$303	-37%
Hotel/Motel	1,000 sq. ft.	\$284	\$784	176%
Retail/Commercial	1,000 sq. ft.	\$543	\$639	18%
Restaurant/Bar	1,000 sq. ft.	\$2,623	\$3,145	20%
Office	1,000 sq. ft.	\$267	\$414	55%
Industrial/Warehouse	1,000 sq. ft.	\$43	\$71	65%
Church	1,000 sq. ft.	\$474	\$430	-9%
School/College	1,000 sq. ft.	\$338	\$311	-8%
Hospital/Clinic	1,000 sq. ft.	\$1,088	\$539	-50%
Nursing Home/Group Living	1,000 sq. ft.	\$473	\$1,202	154%
Government/Public	1,000 sq. ft.	\$206	\$223	8%
Agriculture	1,000 sq. ft.	\$217	\$218	0%

Source: Current fees from Osceola County website; updated fees from Table 16.

## Phasing Requirements

Amendments to the Florida Impact Fee Act made in 2021 imposed limitations on how quickly impact fees can be increased. As described in more detail in the Legal Framework chapter, the statute now requires that fee increases not exceed 50% over four years and be increased by equal annual amounts. Aside from annual phasing of increases, fees can only be increased once every four years.

The statute also requires that the fees be proportional to the impact of the development. Having all fees assessed at the same percentage of the updated maximum each year of the phase-in is not possible, due to the requirement of equal annual increases, but they should be proportional in the final fourth year. The land use with the largest percentage fee increase determines the maximum fourth-year fee for all the other land uses, because the other land uses must be assessed at no more than that use's percentage of the updated maximum fee.

In this case, the hotel/motel fee is the one that is going up by the highest percentage. By the fourth year, the hotel/motel fee would be at 54.3% of its maximum updated fee. To meet proportionality requirements, each land use category should be assessed at that same percentage of its maximum fee by the end of the phasing period. Most of the fees would need to be decreased to be at that percentage at year four, and these reductions would become effective in the first year. Only the single-family, hotel/motel, and nursing home fees would be able to be increased over the next four years. The statutory four-year phasing schedule is shown in Table 2.

**Table 2. Four-Year Phasing Schedule**

Land Use Type	Unit	Current Fee	Statutory Phasing Schedule				Updated Max. Fee
			Year 1	Year 2	Year 3	Year 4	
Single-Family Detached	Dwelling	\$391	\$399	\$407	\$415	\$424	\$780
Multi-Family	Dwelling	\$484	\$165	\$165	\$165	\$165	\$303
Hotel/Motel	1,000 sq. ft.	\$284	\$320	\$356	\$392	\$426	\$784
Retail/Commercial	1,000 sq. ft.	\$543	\$347	\$347	\$347	\$347	\$639
Restaurant/Bar	1,000 sq. ft.	\$2,623	\$1,709	\$1,709	\$1,709	\$1,709	\$3,145
Office	1,000 sq. ft.	\$267	\$225	\$225	\$225	\$225	\$414
Industrial/Warehouse	1,000 sq. ft.	\$43	\$39	\$39	\$39	\$39	\$71
Church	1,000 sq. ft.	\$474	\$234	\$234	\$234	\$234	\$430
School/College	1,000 sq. ft.	\$338	\$169	\$169	\$169	\$169	\$311
Hospital/Clinic	1,000 sq. ft.	\$1,088	\$293	\$293	\$293	\$293	\$539
Nursing Home/Group Living	1,000 sq. ft.	\$473	\$518	\$563	\$608	\$653	\$1,202
Government/Public	1,000 sq. ft.	\$206	\$121	\$121	\$121	\$121	\$223
Agriculture	1,000 sq. ft.	\$217	\$118	\$118	\$118	\$118	\$218
<b>Annual Change</b>							
Single-Family Detached	Dwelling	n/a	\$8	\$8	\$8	\$9	n/a
Multi-Family	Dwelling	n/a	-\$319	\$0	\$0	\$0	n/a
Hotel/Motel	1,000 sq. ft.	n/a	\$36	\$36	\$36	\$34	n/a
Retail/Commercial	1,000 sq. ft.	n/a	-\$196	\$0	\$0	\$0	n/a
Restaurant/Bar	1,000 sq. ft.	n/a	-\$914	\$0	\$0	\$0	n/a
Office	1,000 sq. ft.	n/a	-\$42	\$0	\$0	\$0	n/a
Industrial/Warehouse	1,000 sq. ft.	n/a	-\$4	\$0	\$0	\$0	n/a
Church	1,000 sq. ft.	n/a	-\$240	\$0	\$0	\$0	n/a
School/College	1,000 sq. ft.	n/a	-\$169	\$0	\$0	\$0	n/a
Hospital/Clinic	1,000 sq. ft.	n/a	-\$795	\$0	\$0	\$0	n/a
Nursing Home/Group Living	1,000 sq. ft.	n/a	\$45	\$45	\$45	\$45	n/a
Government/Public	1,000 sq. ft.	n/a	-\$85	\$0	\$0	\$0	n/a
Agriculture	1,000 sq. ft.	n/a	-\$99	\$0	\$0	\$0	n/a

Source: Current and updated maximum fees from Table 1; fourth year fees are all at 54.3% of maximum fees.

It would take another six years of phasing to get all the fee categories to 100% of the updated maximum amounts. This is because the individual fees would all need to be increased by 84% to get to 100%, which is slightly less than the maximum 87.5% increase allowed over six years.

## EXTRAORDINARY CIRCUMSTANCES

The Florida Impact Fee Act allows the phase-in limitations to be exceeded based on an analysis that “expressly demonstrates the extraordinary circumstances” that require exceeding them. In addition to a written description of the extraordinary circumstances, two workshops would need to be held on the issue within twelve months prior to adoption, and adoption would require a two-thirds vote of the governing body (four of the five commissioners). The act does not define what would constitute extraordinary circumstances, but appears to leave that determination to a super-majority of the governing body. A dictionary definition of “extraordinary” is “going beyond what is usual, regular, or customary.”<sup>1</sup> This section provides an analysis of extraordinary circumstances confronting Osceola County that justify varying from the statutory phasing requirements for fire/EMS impact fees.

### Rapid Growth in Demand

Osceola County has been experiencing unusually rapid growth. Over the last three years, from 2020 to 2023, its population grew by 11.5%, more than twice the rate for the state as a whole (4.9%). It was the fifth-fastest growing county in the state during this period, out-pacing neighboring Polk County (9.1%) and Orange County (4.2%). Over the next ten years (2025-2035), it is projected to grow by 24.1%, making it the second-fastest growing county in Florida, surpassed only by Sumter County (24.6%), a county only one-third its size in terms of population.<sup>2</sup>

This rapid growth has been reflected in a significant increase in the volume of fire/EMS calls-for-service. Fire/EMS calls over the last five years have increased by almost one-third, as shown in Table 3. While call volumes were boosted somewhat by the COVID pandemic, they did not go up significantly in 2020 and have continued to increase since 2021.

**Table 3. Annual Fire/EMS Calls, 2018-2023**

Year	Calls
2018	28,832
2023	38,117
Percentage Increase	32.2%

Source: Osceola County, February 22, 2024.

### Rapid Increases in Improvement Costs

The major cost components for expanding fire/EMS capacity are station construction and land. Construction costs have increased rapidly in recent years. The ENR Building Cost Index, for example, a national index based on a 20-city average weighted cost of construction labor, structural steel, lumber, and Portland cement, has increased by 47% since the last study was completed in 2017, as shown in Table 4 on the following page.

<sup>1</sup> meriam-webster.com

<sup>2</sup> University of Florida, Bureau of Economic and Business Research, medium projections.



**Table 4. ENR Building Cost Index**

Month/Year	BCI Index
March 2017	5,634
March 2024	8,303
7-Year Change	47%

Source: *Engineering News-Record*, Historical Indices, Building Cost Index, enr.com.

Land costs for new station sites in Osceola County have also increased significantly. At the time of the last study, the most recently purchased site was a 2015 acquisition at \$256,000 an acre. The updated land cost, based on five acquisitions from 2018-2023, averaged \$342,000 per acre – a 33% increase since the 2017 study.

### Urgent Need for Improvement Funding

This exceptional population growth and even more rapid increase in fire/EMS calls indicates there is an increasing need for new capacity in the fire/EMS system. This greater need will be difficult to fund without a proportional increase in funding from new developments. The County’s most-recently adopted capital plan identifies \$48 million in growth-related improvement costs over the next five years. These projects include expansions of existing stations, replacement stations that also increase capacity, land purchases of sites for future planned stations, and a new engine company. Projected impact fee revenues based on current fees are expected to cover only about 37% of those eligible costs, as shown in Table 5.

**Table 5. Fire/EMS Improvement Needs**

Station	Description	Total Cost	Percent Eligible	Eligible Cost	Impact Fees Available	Impact Fee Deficit
Station 64	New Engine Co.	\$1,055,053	100%	\$1,055,053	\$0	\$1,055,053
Station 75	Expansion	\$391,081	100%	\$391,081	\$0	\$391,081
Station 81	Land	\$2,152,661	100%	\$2,152,661	\$0	\$2,152,661
Station 71	Replacement	\$8,372,287	33%	\$2,762,855	\$0	\$2,762,855
Station 83	Expansion	\$9,051,015	100%	\$9,051,015	\$6,414,395	\$2,636,620
Station 87	Land	\$2,238,767	100%	\$2,238,767	\$0	\$2,238,767
Station 43	Replacement	\$11,257,379	33%	\$3,714,935	\$0	\$3,714,935
Station 23	Land	\$2,328,318	100%	\$2,328,318	\$0	\$2,328,318
Station 25	Land	\$2,328,318	100%	\$2,328,318	\$0	\$2,328,318
Station 27	Land	\$2,421,450	100%	\$2,421,450	\$0	\$2,421,450
Station 29	Land	\$2,421,450	100%	\$2,421,450	\$0	\$2,421,450
Station 77	Expansion	\$13,871,864	100%	\$13,871,864	\$11,693,523	\$2,178,341
Station 63	Replacement	\$12,045,396	33%	\$3,974,981	\$0	\$3,974,981
Total		\$69,935,039		\$48,712,748	\$18,107,918	\$30,604,830
Percent Available from Impact Fees					37%	

Source: Osceola County adopted FY 2024-2028 *Capital Improvement Plan* and County staff, February 23, 2024.

## Extensive Revenue Loss due to Phasing

In addition to the limitations on impact fee increases, the Florida Impact Fee Act also requires that the fees be proportional to the impact of the development. Having all fees assessed at the same percentage of the updated maximum each year of the phase-in is not possible due to the requirement of equal annual increases, but they should be proportional in the final fourth year.

When impact fee studies are updated, fees for some land uses often increase by much larger percentages than others due to changes in data inputs. When this happens, the two separate requirements can make it virtually impossible to raise impact fees at all in the near term, and can even result in less overall impact fee revenue during the initial four-year phase-in. For the County’s current update, fire/EMS fees would need to be decreased in the first year for almost all land uses.

A rough estimate of total annual fire/EMS impact fee revenue can be derived by weighting fees by the current mix of land uses under the following three scenarios: (a) maintain current fees, (b) adopt maximum updated fees without a phase-in (which would require a finding of extraordinary circumstances), or (c) phase-in fee increases as otherwise required by the Florida Impact Fee Act.

These revenue estimates are presented in Table 6. Current fees generate about \$3.5 million annually. Maintaining the proportionality of impact fees to impact for each land use while phasing in fee increases would reduce annual revenue received over the next four years by almost 25%. Adopting the updated maximum impact fees immediately would yield almost 50% more revenue. Cumulatively over the next four years, the County could expect to collect about \$10 million with phasing, versus \$20 million without phasing. It would take another six years of phasing, for a total of ten years, before the updated fees could be assessed at 100% of the updated amounts.

**Table 6. Change in Overall Revenue Potential**

Land Use Type	Unit	Existing Units	Estimated Annual Revenue From:			Change from Current	
			Current Fees	Maximum Fees	Four-Year Phasing	Max. Fees	Four-Year Phasing
Single-Family Det.	Dwelling	72,895	\$1,531,066	\$3,054,300	\$1,610,359	99%	5%
Multi-Family	Dwelling	36,973	\$961,279	\$601,792	\$327,709	-37%	-66%
Hotel/Motel	1,000 sq. ft.	12,454	\$189,997	\$524,499	\$249,873	176%	32%
Retail/Commercial	1,000 sq. ft.	9,613	\$280,400	\$329,974	\$179,188	18%	-36%
Restaurant/Bar	1,000 sq. ft.	811	\$114,272	\$137,013	\$74,453	20%	-35%
Office	1,000 sq. ft.	2,322	\$33,304	\$51,639	\$28,065	55%	-16%
Industrial/Warehouse	1,000 sq. ft.	9,333	\$21,558	\$35,596	\$19,553	65%	-9%
Church	1,000 sq. ft.	1,187	\$30,224	\$27,418	\$14,921	-9%	-51%
School/College	1,000 sq. ft.	6,666	\$121,032	\$111,364	\$60,516	-8%	-50%
Hospital/Clinic	1,000 sq. ft.	2,051	\$119,871	\$59,385	\$32,281	-50%	-73%
Nursing Home	1,000 sq. ft.	1,868	\$47,463	\$120,615	\$58,752	154%	24%
Government/Public	1,000 sq. ft.	2,616	\$28,948	\$31,337	\$17,004	8%	-41%
Agriculture	1,000 sq. ft.	1,766	\$20,586	\$20,681	\$11,194	0%	-46%
<b>Total</b>			<b>\$3,500,000</b>	<b>\$5,105,613</b>	<b>\$2,683,868</b>	<b>46%</b>	<b>-23%</b>

Source: Existing units from Table 18 and Table 19 in Appendix A; total revenue from current fees is actual annual revenue from FY 2022; estimated current annual revenue by land use based on the mix of land uses and current fees from Table 1; estimated maximum fee revenue based on current fee revenue and percent change from current fees in Table 1; estimated revenue over four-year phasing period is the average annual revenue derived from the fees for each year shown in Table 2.

## Summary

To briefly recap, this analysis has identified the following potential extraordinary circumstances related to the need to vary from the restrictions on fire/EMS impact fee increases that would otherwise be required.

Rapid Growth in Demand. Osceola County has been one of the fastest-growing counties in terms of population growth over the last three years, and is projected to be the second-fastest growing in Florida over the next ten years. Reflecting this growth, the County's fire/EMS call volumes increased 32% in the last five years.

Rapid Increases in Improvement Costs. Station construction costs increased an estimated 47% in the last seven years. Land costs per acre increased 33% since the last study seven years ago.

Urgent Need for Improvement Funding. The County has identified almost \$49 million in growth-related fire/EMS improvements that will be needed over the next five years. Projected impact fee revenues at current rates are only expected to be able to pay for about \$18 million, or 37% of the total.

Extensive Revenue Loss due to Phasing. The statutory limitations on impact fee increases and the statutory proportionality requirement combine to make it exceedingly difficult for Osceola County to increase its fire/EMS impact fees. Revenues are estimated to be 23% less than what current fees would generate over a four-year phasing schedule, while adoption of updated fees without phasing would increase revenues by 46%. It would take another six years of phasing, for a total of ten years, to assess the full updated amounts. Cumulatively over the next four years, the County could expect to collect about \$10 million with phasing at current growth rates, versus \$20 million without phasing.

This analysis demonstrates Osceola County is experiencing unusually rapid population growth that is driving increasing demand for fire/EMS service. At the same time, the costs to provide fire/EMS infrastructure have increased significantly since the last impact fee update in 2017. In the absence of relief from the general statutory limitations on fee increases, impact fee revenues would plummet from current inadequate levels, leading to either declining levels of fire/EMS responses or an increasing burden on existing taxpayers to fund growth-related costs.

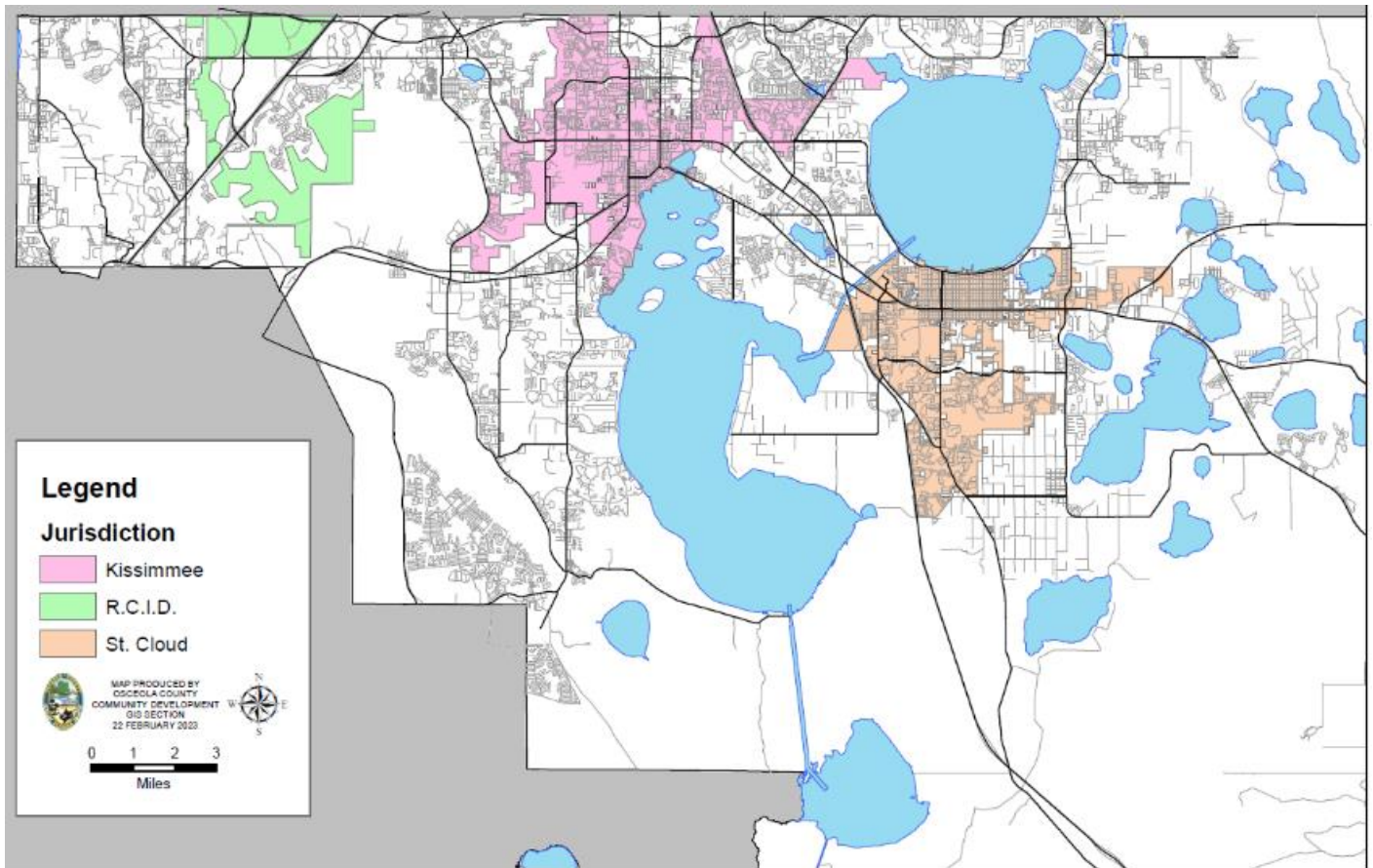
The County could rely on this analysis to vary from the phasing requirements and adopt the updated fire/EMS impact fees immediately. In addition to this written description of the extraordinary circumstances, two public workshops would need to be held on the issue within twelve months prior to ordinance adoption, and adoption would require a two-thirds vote of the governing body.

## STUDY AREA

The cities of St Cloud and Kissimmee provide fire-rescue within their boundaries, as does the Reedy Creek Improvement District (RCID). There is an enclave of unincorporated Osceola County within the City of Kissimmee that is served by the City of Kissimmee Fire Department. This area receives the same level of service as the rest of the unincorporated County and is included in the County fire rescue assessment.

The service area for fire rescue/EMS impact fees is identical to the fire assessment district (unincorporated area less the Reedy Creek Improvement District). It is illustrated in the jurisdiction map below. This map excludes the sparsely developed eastern and southern parts of the county that are unincorporated and served by the County.

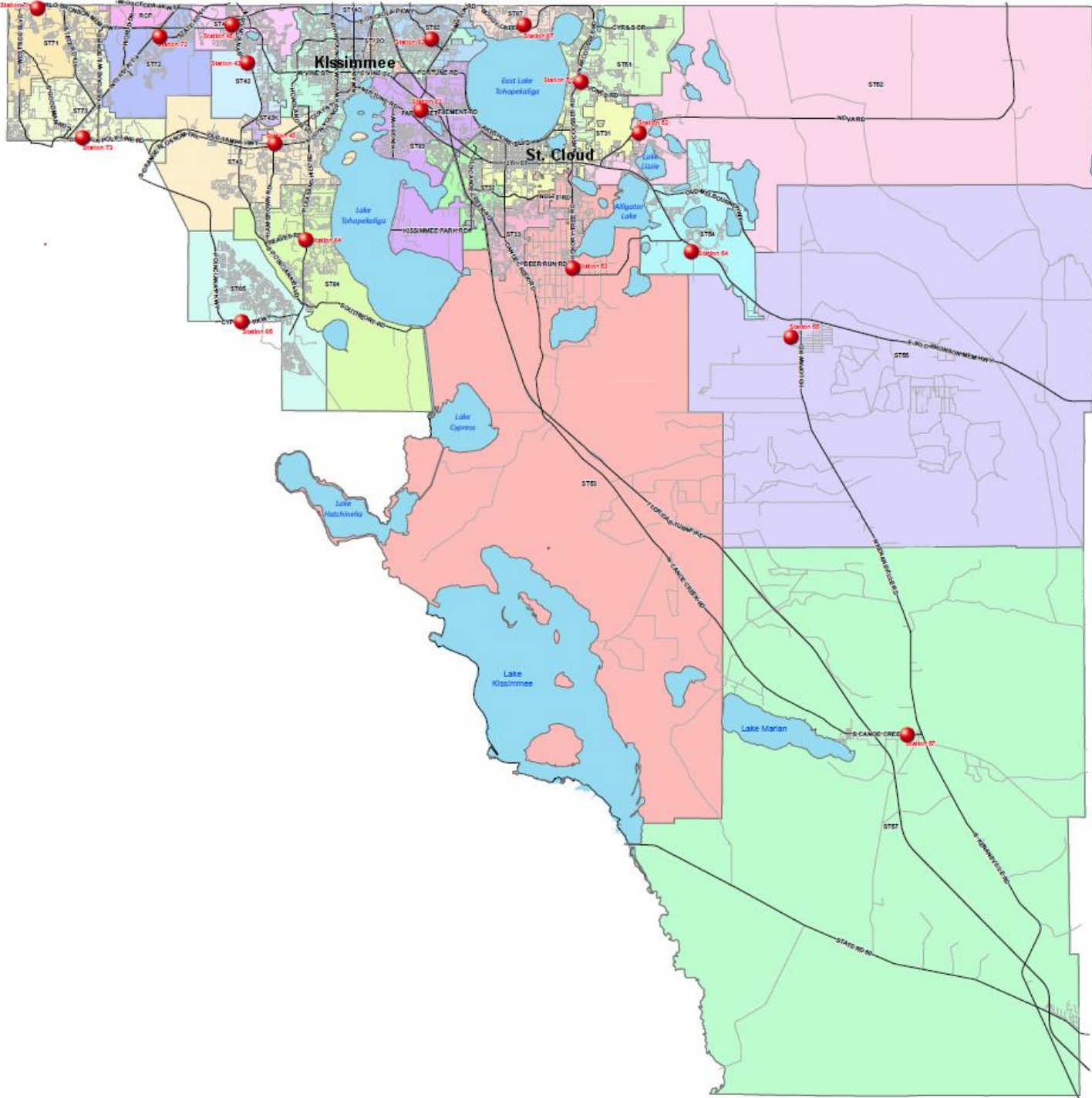
**Figure 1. Jurisdiction Map**



The locations of the County’s fire stations are illustrated in Figure 2 on the following page.



Figure 2. Fire Station Location Map



## LEGAL FRAMEWORK

Impact fees are a way for local governments to require new developments to pay a proportionate share of the infrastructure costs they impose on the community. Unlike traditional “negotiated” developer exactions, impact fees are charges that are assessed on new development using a standard formula based on objective characteristics, such as the number and type of dwelling units constructed. The fees are one-time, up-front charges, with the payment usually made at the time of building permit or certificate of occupancy. Essentially, impact fees require that each new development project pay its pro-rata share of the cost of new capital facilities required to serve that development.

Since impact fees were pioneered in states like Florida that lacked specific enabling legislation, such fees have generally been legally defended as an exercise of local government’s broad home rule “police power” to regulate land development in order to protect the health, safety and welfare of the community. The courts have developed guidelines for constitutionally-valid impact fees, based on “rational nexus” standards. The standards essentially require that (1) the fees must be proportional to the need for additional infrastructure created by the new development, and (2) the fees must be spent in such a way as to provide that same type of infrastructure to benefit new development. A Florida district court of appeals described the dual rational nexus test in 1983 as follows, and this language was quoted and followed by the Florida Supreme Court in its 1991 St. Johns County decision:

*In order to satisfy these requirements, the local government must demonstrate a reasonable connection, or rational nexus, between the need for additional capital facilities and the growth in population generated by the subdivision. 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. In order to satisfy this latter requirement, the ordinance must specifically earmark the funds collected for use in acquiring capital facilities to benefit the new residents.<sup>3</sup>*

### Florida Statutes

The 2006 Florida Legislature enacted 163.31801, Florida Statutes, establishing certain requirements for impact fees in Florida. It was most recently amended by Chapter 2021-63, Laws of Florida, which was signed by the governor and became effective on June 4, 2021. The full text of the act can be found in Appendix E.

Key provisions of the Florida Impact Fee Act include the following requirements:

- (1) Impact fees must be calculated based on the most recent and localized data.
- (2) Administrative charges must not exceed actual costs.
- (3) 90 days’ notice must be provided before a new or increased impact fee goes into effect.
- (4) Financial audits must include certification of compliance with the Act.
- (5) The burden of proof in any impact fee litigation is on the local government.
- (6) Fees cannot be collected prior to the date of issuance of a building permit.

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<sup>3</sup> *Hollywood, Inc. v. Broward County*, 431 So. 2d 606, 611-612 (Fla. 4<sup>th</sup> DCA), review denied, 440 So. 2d 352 (Fla. 1983), quoted and followed in *St. Johns County v. Northeast Florida Builders Ass’n*, 583 So. 2d 635, 637 (Fla. 1991).

- (7) Developer contributions must be credited at fair market value and transferrable within impact fee zones.
- (8) The value of developer credits must be increased by the same percentage when the applicable type of impact fees for which the credit was given is increased.
- (9) Waivers of impact fees for affordable housing projects, as defined in Sec. 420.9071, do not have to be offset with other government revenues.
- (10) Capital facilities must have a minimum life expectancy of five years (although public safety vehicles are not subject to this restriction).
- (11) Public schools are exempted from the payment of impact fees in Section 1013.371(1)(a).
- (12) Local government must comply with annual impact fee reporting requirements.
- (13) Impact fees cannot be increased by more than 50% over four years and can only be increased once every four years. Increases up to 50% must be phased in over four years and increases of up to 25% must be phased in over two years, in equal annual increments.

### Phasing of Fee Increases

The most significant change made in 2021 was the imposition of restrictions on impact fee increases. Any impact fee increase of no more than 25% of current rates must be phased in over two years, and any increase between 25-50% over four years. No fee can go up more than 50% over four years. Annual increases during phasing must be in equal amounts. Aside from annual phasing of increases required by the statute, fees can only be increased once every four years. This rules out annual adjustments to account for cost inflation between fee updates.

A strict application of the proportionality principle would seem to require that the updated fee for all land uses would have to be phased-in at the same percentage of the updated fees for all land use categories each year. This is not possible if the fee for each land use must be increased by the same dollar amount each year. The best that can be done is to have all the land uses at the same percentage of the updated fees in the final year of a two-year or four-year phase-in.

The statute allows the phase-in limitations to be exceeded, based on an analysis that “expressly demonstrates the extraordinary circumstances” that require exceeding them. In addition to a written description of the extraordinary circumstances, two workshops would need to be held on the issue within twelve months prior to ordinance adoption, and adoption would require a two-thirds vote of the governing body. The act does not define what would constitute extraordinary circumstances, but appears to leave that determination to a super-majority of the governing body.

### General Impact Fee Principles

One of the most fundamental principles of impact fees, rooted in both case law and norms of equity, is that impact fees should not charge new development for a higher level of service than is provided to existing development. While impact fees can be based on a higher level of service than the one existing at the time of the adoption or update of the fees, two things are required if this is done. First, another source of funding other than impact fees must be identified and committed to fund the capacity deficiency created by the higher level of service.

Second, the impact fees must generally be reduced to ensure that new development does not pay twice for the same level of service, once through impact fees and again through general taxes that are used to remedy the capacity deficiency for existing development. To avoid these complications, the general practice is to base the impact fees on the existing level of service.

A corollary principle is that new development should not have to pay more than its proportionate share when multiple sources of payment are considered. As noted above, if impact fees are based on a higher-than-existing level of service, the fees should be reduced by a credit that accounts for the contribution of new development toward remedying the existing deficiencies. A similar situation arises when the cost of providing the existing level of service has not been fully paid. Outstanding debt on existing facilities that are counted in the existing level of service will be retired, in part, by revenues generated from new development. Given that new development will pay impact fees to provide the existing level of service for itself, the fact that new development may also be paying for the facilities that provide that level of service for existing development could amount to paying for more than its proportionate share. Consequently, impact fees should be reduced to account for future revenues that will be generated by new development and used to retire outstanding debt on existing facilities.

Credit is sometimes provided for outside grants for capacity improvements that can reasonably be anticipated in the future. In addition to the argument presented below (i.e., grants raise the level of service and benefit new development as well as existing development), two additional arguments can be made against applying credit for grants. First, occupants and owners of new developments in a community do not directly pay for State and Federal grants in the same way they pay local sales and property taxes. Second, future grant funding is far more uncertain than local revenue streams. On the other hand, local governments have less discretion about whether to spend grant funding on capacity-expanding capital improvements. In this study, credit is provided for anticipated future Federal and State grant funding based on recent grant funding history.

The issue is even less clear-cut when it comes to other types of revenue that have historically been used or are planned to be used in the future to make capacity-expanding capital improvements of the same type being funded by impact fees. There are differences of opinion on whether and to what extent credits against the impact fees are required in such situations. The most conservative approach is to give credit for all non-impact fee revenues that are likely to be used to fund capacity-expanding improvements, either based on historical funding patterns or planned funding based on the current budget or capital improvements plan. This study provides a credit based on the average annual expenditure of non-impact fee revenues in recent years for capacity-expanding fire/EMS improvements.



## FEE CALCULATIONS

This chapter calculates updated fire rescue/EMS impact fees for Osceola County. The chapter includes sections on service area, level of service, service units, cost per service unit, net cost per service unit, and the updated fee schedule. In an attempt to make the calculations easier to follow, numbers in a table that are inputs to another table are highlighted in red.

### Service Area

The service area for fire rescue/EMS facilities is identical to the fire assessment fee district (unincorporated area less the Reedy Creek Improvement District). The cities of Kissimmee and St. Cloud provide their own fire/EMS service, as does the Reedy Creek district. A single service area is appropriate for fire rescue/EMS services due to the system-wide, interrelated nature of emergency response. Equipment is dispatched from more remote stations when the closest equipment is already occupied on an incident response. The result is a unified, system-wide level of service provided to all properties.

### Level of Service

The fire rescue/EMS impact fees are based on the overall existing level of service provided within the service area. The level of service used in developing the impact fees is the ratio of the replacement value of existing facilities and equipment to existing service units in the service area. Existing facilities used in the level of service calculation are limited to County-owned fire stations, land, and equipment.

### Service Units

In impact fee analysis, a service unit is a common unit of measurement that reflects the demand for service generated by various land use types. The proposed service unit for the updated fire rescue/EMS impact fees is annual incidents. An incident occurs when a fire apparatus or rescue vehicle is dispatched. Incidents that are not specific to a land use are allocated based on the distribution of land use-specific incidents. Annual fire and EMS incidents by land use are shown in Table 7 on the following page.

In Table 8 on the following page, annual fire and EMS incidents for each land use type from the previous table are divided by the number of existing dwelling units or nonresidential square feet for each land use type to determine the number of incidents per dwelling unit or per 1,000 square feet of building floor area.

**Table 7. Fire/EMS Incidents, 2018-2022**

Land Use Type	Annual Incidents			Allocated Incidents		
	Fire	EMS	Total	Fire	EMS	Total
Single-Family Detached	3,529	11,625	15,154	4,256	14,307	18,563
Multi-Family	744	1,904	2,648	897	2,344	3,241
Hotel/Motel	614	1,937	2,551	741	2,384	3,125
Retail/Commercial	381	1,255	1,636	460	1,545	2,005
Restaurant/Bar/Lounge	170	427	597	205	526	731
Office	55	239	294	66	294	360
Industrial/Warehouse	50	70	120	60	86	146
Church	38	52	90	46	64	110
School/College	143	312	455	172	384	556
Hospital/Clinic	47	402	449	57	495	552
Nursing Home	119	622	741	144	766	910
Government/Public	22	232	254	27	286	313
Agriculture	32	10	42	39	12	51
Subtotal, Land Use-Specific	5,944	19,087	25,031	7,170	23,493	30,663
Non-Specific	1,226	4,406	5,632	n/a	n/a	n/a
<b>Total</b>	<b>7,170</b>	<b>23,493</b>	<b>30,663</b>	<b>7,170</b>	<b>23,493</b>	<b>30,663</b>

Source: Annual incidents from Table 21 in Appendix B; non-specific incidents are allocated among land use types proportional to percentage of specific incidents.

**Table 8. Annual Fire/EMS Incidents per Unit**

Land Use Type	Unit	Allocated Incidents			Existing Units	Annual Incidents/Unit		
		Fire	EMS	Total		Fire	EMS	Total
Single-Family Detached	Dwelling	4,256	14,307	18,563	72,895	0.0584	0.1963	0.2547
Multi-Family	Dwelling	897	2,344	3,241	36,973	0.0243	0.0634	0.0877
Hotel/Motel	1,000 sq. ft.	741	2,384	3,125	12,454	0.0595	0.1914	0.2509
Retail/Commercial	1,000 sq. ft.	460	1,545	2,005	9,613	0.0479	0.1607	0.2086
Restaurant/Bar/Lounge	1,000 sq. ft.	205	526	731	811	0.2528	0.6486	0.9014
Office	1,000 sq. ft.	66	294	360	2,322	0.0284	0.1266	0.1550
Industrial/Warehouse	1,000 sq. ft.	60	86	146	9,333	0.0064	0.0092	0.0156
Church	1,000 sq. ft.	46	64	110	1,187	0.0388	0.0539	0.0927
School/College	1,000 sq. ft.	172	384	556	6,666	0.0258	0.0576	0.0834
Hospital/Clinic	1,000 sq. ft.	57	495	552	2,051	0.0278	0.2413	0.2691
Nursing Home/Group Living	1,000 sq. ft.	144	766	910	1,868	0.0771	0.4101	0.4872
Government/Public	1,000 sq. ft.	27	286	313	2,616	0.0103	0.1093	0.1196
Agriculture	1,000 sq. ft.	39	12	51	1,766	0.0221	0.0068	0.0289
<b>Total</b>		<b>7,170</b>	<b>23,493</b>	<b>30,663</b>				

Source: Allocated incidents from Table 7; existing dwelling units in the service area from Table 18 in Appendix A; existing nonresidential square feet in the service area from Table 19 in Appendix A.

### Cost per Service Unit

The fire rescue/EMS cost per service unit is calculated as the total replacement cost of existing facilities and equipment divided by the number of existing service units served by those capital improvements.

Table 9 summarizes the County’s existing fire rescue/EMS buildings and land. Leased acreage and leased and temporary modular building square feet are excluded. Station 65 is shared with Polk County, which owns the land and building. Because Osceola County paid a portion of the construction cost, the square footage of Station 65 that is occupied by Osceola Fire Rescue is included.

**Table 9. Existing Fire/EMS Facilities**

Building	Address	Owner-ship	Acres	Type of Construction	Year Built	Building Sq. Feet
Station #42 W192	2000 N Poinciana Blvd, Kissimmee	Own	2.49	Cement Brick	1998	12,422
Station #43 Campbell City	1665 Broad St, Kissimmee	Own	1.48	Prefinished Metal	1989	4,000
Station #45 Calypso Cay	4990 Calypso Cay Way, Kissimmee, FL	Own	2.90	Concrete Tilt Wall	2023	12,290
Station #51 Narcoossee	5030 Yukon St, St Cloud	Own	0.30	Prefinished Metal	1994	3,195
Station #52 Pine Grove	1420 Pine Grove Rd, St Cloud	Own	1.00	Prefinished Metal	1998	3,000
Station #53 Deer Run	4070 Hickory Tree Rd, St Cloud	Own	2.49	Prefinished Metal	2005	8,008
Station #54 Harmony	3600 Arthur J Gallagher Blvd, St Cloud	Own	3.02	Prefinished Metal	2009	12,430
Station #55 Holopaw (1)	8807 Community Center Rd, St Cloud	Own	3.00	Prefinished Metal	2008	8,642
Station #57 Kenansville	1130 S Canoe Creek Rd, Kenansville	Own	2.20	Corrugated Metal	2005	9,198
Station #62 BVL	279 Royal Palm Pkwy, Kissimmee	Own	2.02	Concrete Tilt Wall	2018	12,456
Station #63 Shady Lane	1097 Shady Lane, Kissimmee	Own	1.85	Prefinished Metal	1999	6,976
Station #64 Overstreet	3385 Pleasant Hill Rd, Kissimmee	Own	3.50	Precast Concrete	2016	12,456
Station #65 Poinciana (2)	1203 Cypress Parkway, Poinciana	Share	n/a	Cement Brick	2004	5,960
Station #67 Austin Tindall	4150 Boggy Creek Rd, Kissimmee, FL	Own	6.30	Concrete Tilt Wall	2023	12,290
Station #71 Lindfields	8706 W Irlo Bronson Hwy, Kissimmee	Own	1.34	Prefinished Metal	1992	6,008
Station #72 Celebration	595 Celebration Blvd, Celebration	Own	1.17	Concrete Block	1999	7,096
Station #73 Reunion	7855 Osceola Polk Line Rd, Kissimmee	Own	3.71	Concrete Tilt Wall	2018	12,456
Logistics Warehouse	2700 Partin Settlement Rd, Kissimmee	Own	6.50	Metal Warehouse	2022	28,741
Training Center - Burn Bldg.	3186 Pershing Street, Kissimmee	Own	8.33	Prefinished Metal	2018	5,012
Fire Administration (3)	2586 Partin Settlement Rd, Kissimmee	Own	1.03	Precast Concrete	2009	4,650
Subtotal, Masonry			n/a			79,786
Subtotal, Metal			n/a			78,759
Warehouse			n/a			28,741
<b>Total</b>			<b>54.63</b>			<b>187,286</b>

Notes:

(1) Portion of 33.22-acre parcel used for fire station.

(2) Shared station owned by Polk County; Osceola County paid portion of construction; square feet is area occupied by Osceola County.

(3) Portion of Joint Communications Center building (46,803 square-foot building on 10.4 acres) used by Osceola County Fire Rescue administration (land allocated proportionately to building square footage occupied).

Source: Osceola County Fire Rescue, December 14, 2023.

The replacement value of fire rescue/EMS buildings depends on construction type. The County recently completed construction of a permanent station for which final cost data is available for Station 67. This will be the prototype for future stations and offers the most current possible cost per square foot for concrete/block construction. The most recent metal construction was Station 54 built in 2009, and due to the elapsed time the original cost has been adjusted for construction cost inflation. The logistics warehouse was completed last year. Costs per square foot for these construction types based on these recent projects are shown in Table 10 on the following page.

**Table 10. Fire Station Building Cost per Square Foot**

	F.S. 67 (2023) Masonry	F.S. 54 (2009) Metal*	Log. (2022) Warehouse
Total Construction Cost	\$8,893,547	\$4,560,945	4,387,725
÷ Building Square Feet	12,290	12,430	28,741
Construction Cost per Sq. Foot	<b>\$724</b>	<b>\$367</b>	<b>\$153</b>

\* 2009 cost of \$2,899,520 adjusted by the change in the ENR Construction Cost Index from November 2009 to November 2023

Source: Osceola County Fire Rescue, August 2, 2022.

The County has purchased a number of sites for fire/EMS facilities over the last six years. The average cost of land acquired was \$341,825 per acre, as shown in Table 11. This value will be used to determine the replacement value of existing fire rescue/EMS land.

**Table 11. Fire Station Land Cost per Acre**

Year - Station	Cost	Acres	Cost/Acre
2018 - Station 45 Calypso Cay	\$1,746,603	2.90	\$602,277
2019 - Station 75 Funie Steed Rd	\$1,384,493	3.94	\$351,394
2019 - Station 71 Lindfields	\$886,568	7.93	\$111,799
2019 - Station 77 Stoneybrook	\$1,790,788	5.03	\$356,021
2023 - Station 85 Cypress Parkway	\$1,957,812	2.92	\$670,484
Total, Recent Land Purchases	<b>\$7,766,264</b>	<b>22.72</b>	<b>\$341,825</b>

Source: Osceola County Fire Rescue, August 2, 2023

Including existing building, land, vehicle, and equipment costs, the replacement value of existing County-owned fire rescue/EMS facilities and capital equipment is about \$169 million, as shown in Table 12. Building, land, vehicle and equipment costs are allocated between fire rescue and EMS based on relative numbers of personnel. Dividing total fire rescue and EMS replacement costs by annual fire rescue and EMS incidents yields a fire rescue cost of \$16,878 per annual fire incident, and an EMS capital cost of \$2,024 per annual EMS incident.

**Table 12. Fire/EMS Cost per Service Unit**

	Unit	Amount	Unit Cost	Total Cost	% Fire	Allocated Cost	
						Fire	EMS
Buildings, Concrete/Block	Sq. Feet	79,786	\$724	\$57,765,064	71.79%	\$41,469,539	\$16,295,525
Buildings, Prefinished Metal	Sq. Feet	78,759	\$367	\$28,904,553	71.79%	\$20,750,579	\$8,153,974
Buildings, Warehouse	Sq. Feet	28,741	\$153	\$4,397,373	71.79%	\$3,156,874	\$1,240,499
Building Subtotal	Sq. Feet	187,286	n/a	\$91,066,990	n/a	\$65,376,992	\$25,689,998
Land	Acres	54.63	\$341,825	\$18,673,900	71.79%	\$13,405,993	\$5,267,907
Apparatus and Vehicles	n/a	n/a	n/a	\$34,482,894	71.79%	\$24,755,270	\$9,727,624
Equipment	n/a	n/a	n/a	\$24,346,874	71.79%	\$17,478,621	\$6,868,253
Total Replacement Value				\$168,570,658		\$121,016,876	\$47,553,782
÷ Annual Incidents						7,170	23,493
Cost per Incident						<b>\$16,878</b>	<b>\$2,024</b>

Source: Building square feet and acres of land from Table 9; unit costs from Table 10 for buildings and Table 11 for land; total cost allocated 71.79% fire and 28.21% EMS based on personnel distribution from Government Services Group, *Osceola County, Florida Fire Rescue Assessment Memorandum*, July 2020, p. 7; vehicle and equipment original cost from County fixed asset records provided May 5, 2023, adjusted based on the percentage change in the Consumer Price Index (CPI-U) from October of the year of acquisition to October 2023; annual incidents from Table 7.

### Net Cost per Service Unit

As described in the Legal Framework chapter, impact fees should be reduced to account for future debt service payments attributable to facilities serving existing development that will be partially paid through taxes or other revenue generated by future development. Impact fees will also be reduced to account for anticipated grant funding reasonably attributable to new development that will be available to pay for the same type of improvements. Finally, this study reduces the fees to account for other future non-impact fee funding that might be used to fund growth-related improvements in the future based on historical expenditures.

The County has a number of bond issues, loans, and lease-to-own debt obligations that are attributable to past capacity improvements for fire/EMS, which total \$28.5 million. A straight-forward way to ensure that new development does not pay for existing as well as new facilities is to calculate a credit by dividing the outstanding debt principal by the number of existing service units (annual incidents). This puts new development on equal footing with existing development in terms of the proportion of facility costs funded with debt. The fire and EMS debt credits per incident are \$1,737 for fire rescue and \$208 for EMS, as shown in Table 13.

**Table 13. Fire/EMS Debt Credit per Service Unit**

	Total Outstanding	% New Capacity	% Fire	Allocated Amount	
				Fire	EMS
Sales tax ref. rev. bond, series 2016A (Fire/EMS allocation)	\$4,521,878	100.00%	71.79%	\$3,246,256	\$1,275,622
Public Improvement Revenue Bonds, Series 2016A	\$12,280,000	61.03%	71.79%	\$5,380,290	\$2,114,270
Schedule of Property #2 - Pierce Impel Pumper Truck	\$58,385	0.00%	71.79%	\$0	\$0
Schedule of Property #4 - 3 Pierce Imple Pumper Trucks	\$451,745	0.00%	71.79%	\$0	\$0
Schedule of Property #5 - LifePak Monitors and Defibrillator	\$304,158	0.00%	71.79%	\$0	\$0
Schedule of Property #6 - Engine and HAZ/MAT Rescue	\$392,199	48.66%	71.79%	\$137,007	\$53,856
Schedule of Property #7 - 2 Engines, 1 Aerial 100' Platform	\$1,248,934	0.00%	71.79%	\$0	\$0
Schedule of Property #8 - (2) Engine Pierce Velocity Pumper	\$865,226	0.00%	71.79%	\$0	\$0
Schedule A1 - (2) Sutphen Custom Pumpers	\$766,485	0.00%	71.79%	\$0	\$0
Schedule of Property #12 - Sutphen Custom Pumper	\$412,489	0.00%	71.79%	\$0	\$0
Schedule of Property #16 - 2 Sutphen Custom Pumpers	\$994,530	53.65%	71.79%	\$383,047	\$150,469
Schedule of Property #18 - 5 Engines, 1 Aerial, 1 Rescue	\$6,202,088	74.26%	71.79%	\$3,306,411	\$1,299,159
<b>Total Outstanding Debt Principal as of 10/31/2023</b>	<b>\$28,498,117</b>			<b>\$12,453,011</b>	<b>\$4,893,376</b>
÷ Annual Incidents				7,170	23,493
<b>Debt Credit per Incident</b>				<b>\$1,737</b>	<b>\$208</b>

Source: Outstanding debt principal and percent attributable to capacity improvements from Osceola County, November 16, 2023; station and fire engine costs allocated 71.79% fire and 28.21% EMS based on personnel distribution from Government Services Group, Osceola County, Florida Fire Rescue Assessment Memorandum, July 2020, p. 7; annual incidents from Table 7.

The credit for non-impact fee funding is based on historical funding over the last five years. Expenditures of debt proceeds, for which credits are provided separately, are excluded. As shown in Table 14 on the following page, the County spent about \$19.4 million in non-impact fee/non-debt proceeds funding for capacity-related fire and EMS improvements and acquisitions over the last 4.75 years. Assuming this rate of funding continues over the long term (quantified as 20 years, a period consistent with long-term debt retirement), new development will generate a net present value equivalent of \$5,627 per annual fire incident and \$675 per annual EMS incident in capacity funding, as shown in Table 14 on the following page.

**Table 14. Fire/EMS Funding Credit per Service Unit**

	Total	% Fire	Fire	EMS
Capacity Funding, 10/1/2018-6/30/2023	\$19,385,225	71.79%	\$13,916,653	\$5,468,572
÷ Number of Years			4.75	4.75
Annual Capacity Funding			\$2,929,822	\$1,151,278
÷ Annual Incidents			7,170	23,493
Annual Funding per Incident			\$408.62	\$49.01
x Present Value Factor (20 Years)			13.77	13.77
Funding Credit per Incident			<b>\$5,627</b>	<b>\$675</b>

Source: Total capacity funding, excluding debt and impact fees, from Osceola County, August 24, 2023; total funding allocated 71.79% fire and 28.21% EMS based on personnel distribution from Government Services Group, *Osceola County, Florida Fire Rescue Assessment Memorandum*, July 2020, p. 7; annual incidents from Table 7; present value factor discount rate is 3.85%, which was the average interest rate for 20-year AAA municipal bonds on November 17, 2023 from fmsbonds.com.

Deducting the debt and funding credits from the costs per service unit yields the net costs per service unit of \$9,514 for fire rescue and \$1,141 for EMS, as summarized in Table 15.

**Table 15. Fire/EMS Net Cost per Service Unit**

	Fire	EMS
Cost per Incident	\$16,878	\$2,024
– Debt Credit per Incident	-\$1,737	-\$208
– Funding Credit per Incident	-\$5,627	-\$675
Net Cost per Incident	<b>\$9,514</b>	<b>\$1,141</b>

Source: Cost per incident from Table 12; debt credit from Table 13; funding credit from Table 14.

### Updated Fee Schedule

The maximum impact fees that can be adopted by the County based on this study are derived by multiplying the number of fire rescue/EMS service units (annual incidents) generated by each unit of development by the applicable net cost per service unit, and summing to determine the total fire/EMS impact fees, as shown in Table 16. See Table 1 in the Executive Summary for the comparison with current fees.

**Table 16. Fire/EMS Net Cost Schedule**

Land Use Type	Unit	Incidents/Unit		Net Cost/Incident		Net Cost/Unit		
		Fire	EMS	Fire	EMS	Fire	EMS	Total
Single-Family Detached	Dwelling	0.0584	0.1963	\$9,514	\$1,141	\$556	\$224	<b>\$780</b>
Multi-Family	Dwelling	0.0243	0.0634	\$9,514	\$1,141	\$231	\$72	<b>\$303</b>
Hotel/Motel	1,000 sq. ft.	0.0595	0.1914	\$9,514	\$1,141	\$566	\$218	<b>\$784</b>
Retail/Commercial	1,000 sq. ft.	0.0479	0.1607	\$9,514	\$1,141	\$456	\$183	<b>\$639</b>
Restaurant/Bar	1,000 sq. ft.	0.2528	0.6486	\$9,514	\$1,141	\$2,405	\$740	<b>\$3,145</b>
Office	1,000 sq. ft.	0.0284	0.1266	\$9,514	\$1,141	\$270	\$144	<b>\$414</b>
Industrial/Warehouse	1,000 sq. ft.	0.0064	0.0092	\$9,514	\$1,141	\$61	\$10	<b>\$71</b>
Church	1,000 sq. ft.	0.0388	0.0539	\$9,514	\$1,141	\$369	\$61	<b>\$430</b>
School/College	1,000 sq. ft.	0.0258	0.0576	\$9,514	\$1,141	\$245	\$66	<b>\$311</b>
Hospital/Clinic	1,000 sq. ft.	0.0278	0.2413	\$9,514	\$1,141	\$264	\$275	<b>\$539</b>
Nursing Home	1,000 sq. ft.	0.0771	0.4101	\$9,514	\$1,141	\$734	\$468	<b>\$1,202</b>
Government/Public	1,000 sq. ft.	0.0103	0.1093	\$9,514	\$1,141	\$98	\$125	<b>\$223</b>
Agriculture	1,000 sq. ft.	0.0221	0.0068	\$9,514	\$1,141	\$210	\$8	<b>\$218</b>

Source: Incidents per unit from Table 8; net cost per incident from Table 15.



## APPENDIX A: LAND USE DATA

For impact fee analysis, it is important to know the existing amount of residential and nonresidential development in the service area. Determining the amount of existing development is the purpose of this appendix.

### Residential

The fire rescue/EMS service area is unincorporated Osceola County, excluding the Reedy Creek Improvement District (RCID). The consultant analyzed U.S. Census block data for the RCID and determined that there are no dwelling units within the district. Consequently, the unincorporated area is consistent with the service area for the purpose of estimating residential development.

Information on the distribution of existing dwelling units in unincorporated Osceola County by housing type is available from Census Bureau 5% sample data. As shown in Table 17, 69% of all housing units in the unincorporated area are single-family detached or mobile home, while the rest are multi-family.

**Table 17. Housing Distribution by Type**

Housing Type	County				Unincorp. Distribution
	Total	Kissimmee	St. Cloud	Unincorp.	
Single-Family Detached*	99,836	13,772	15,225	70,839	69.4%
Multi-Family	50,512	14,676	4,611	31,225	30.6%
<b>Total</b>	<b>150,348</b>	<b>28,448</b>	<b>19,836</b>	<b>102,064</b>	<b>100.0%</b>

\* includes mobile homes

Source: Estimated housing units based on 5% American Community Survey sample data collected in 2017-2021 from U.S. Census Bureau.

The 2020 U.S. Census provides a 100% enumeration of the number of housing units in the unincorporated area. The number of dwelling units by type in 2020 is estimated based on the housing distribution from the previous table. Adding the number of units by type permitted by the County in the last three years provides a reasonable estimate of 2023 units by housing type, as shown in Table 18.

**Table 18. Existing Dwelling Units by Type**

Housing Type	Share of Housing	Est. 2020 Units by Type	2020-22 Permits	Est. 2023 Units
Single-Family Detached*	69.4%	71,456	1,439	72,895
Multi-Family	30.6%	31,507	5,466	36,973
<b>Total</b>	<b>100.0%</b>	<b>102,963</b>	<b>6,905</b>	<b>109,868</b>

\* includes mobile homes

Source: Share of housing from Table 17; total 2020 units in unincorporated Osceola County from 2020 U.S. Census 100% count; 2020 units by type are product of total units and housing share; 2020-2022 permits from Osceola County, July 26, 2023.

## Nonresidential

Data on existing nonresidential development in the service area (unincorporated area less Reedy Creek Improvement District) was compiled from Osceola County Property Appraiser 2023 tax parcel records, as summarized in Table 19.

**Table 19. Nonresidential Building Square Feet**

Land Use Type	(1,000s)
Hotel/Motel	12,454
Retail/Commercial	9,613
Restaurant/Bar/Lounge	811
Office	2,322
Industrial/Warehouse	9,333
Church	1,187
School/College	6,666
Hospital/Clinic	2,051
Nursing Home	1,868
Government/Public	2,616
Agriculture	1,766
<b>Total, Nonresidential</b>	<b>50,687</b>

Source: Table 20.

Details on how Florida Department of Revenue (DOR) property use codes were categorized into the impact fee land use types are provided in Table 20.

**Table 20. Detailed Nonresidential Uses**

Code	Property Type	Bldg. Sq. Ft.
<b>Hotel/Motel</b>		
3911	Hotels & Motels-Imp	11,224,597
3941	Hotel/Motl Condo-Imp	1,101,268
3942	Hotel/Motl Condo Common Elements - I	127,746
<b>Subtotal, Hotel/Motel</b>		<b>12,453,611</b>
<b>Retail/Commercial</b>		
1027	Veh Sale/Repair-Vac	1,108
1111	Retail Free Standing 1 Story	643,159
1112	Retail Strip Center - Multi Tenant	2,469,051
1121	Retail Pharmacy	288,006
1241	Stor/Ofc/Res/Condo-I	197,424
1311	Dept. Stores-Imp	1,583,677
1411	Supermarket-Imp	131,805
1611	Community Shopping Centers	2,828,343
2511	Repair Service (Not Auto) Laundromat	16,560
2611	Service Station - Full or Self Service	12,482
2711	Auto Dealership-Sales & Service (RV)	164,728
2712	Used Auto Dealer	77,097
2713	Tire/Auto Service Facilities	76,585
2714	General Auto Repair	260,596
2715	Auto Rental	10,241
2716	Car Wash	77,565

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**Table 20. Detailed Nonresidential Uses (continued)**

<b>Code</b>	<b>Property Type</b>	<b>Bldg. Sq. Ft.</b>
3011	Florist/Greenhs-Imp	2,400
3211	Theater/Enclosed Auditorium	7,534
3411	Bowling/Skating/Enclosed Arenas	42,658
3511	Tourist Attraction/Entertainment Fac	106,595
3611	RV Parks & Campgrounds	265,378
3811	Golf Courses	298,144
7611	Mortuary/Cemetery-Imp	51,708
<b>Subtotal, Retail/Commercial</b>		<b>9,612,844</b>
<b>Restaurant/Bar</b>		
2111	Restaurant/Cafe-Imp	531,032
2211	Drive-In Rest-Imp	266,672
3311	Nightclub/Bars	13,435
<b>Subtotal, Restaurant/Bar</b>		<b>811,139</b>
<b>Office</b>		
1711	Single Story Office Bldg	522,583
1712	Converted Residence Single Story Off	6,872
1811	Multi-Story Office Building	1,335,226
1941	Prof Ofc Condo-Imp	361,627
2311	Financial Bldg-Imp	93,421
2411	Insurance Co-Imp	2,106
<b>Subtotal, Office</b>		<b>2,321,835</b>
<b>Industrial/Warehouse</b>		
2911	Wholesale Outlet-Imp	393,396
4111	Light Mfg-Imp	1,194,051
4211	Heavy Mfg-Imp	86,088
4311	Lumber Yard-Imp	13,700
4511	Canneries/Bottle-Imp	408,710
4611	Other Food Proc-Imp	162,257
4811	Warehouse Storage	521,821
4812	Warehouse General	148,596
4813	Warehouse Distribution	2,546,123
4821	Warehouse Flex	1,451,612
4831	Self Storage/Mini Warehouse	2,236,600
4841	Warehouse Condo	152,109
4912	Auto Salvage & Wrecking	17,463
<b>Subtotal, Industrial/Warehouse</b>		<b>9,332,526</b>
<b>Church</b>		
7111	Churches-Imp	1,187,427
<b>Subtotal, Church</b>		<b>1,187,427</b>
<b>School/College</b>		
7211	Private Schools-Imp	203,516
7221	Priv.Sch.Daycare-Imp	128,557
8311	Public Sch-Imp	6,074,308
8411	Colleges-Imp	259,440
<b>Subtotal, School/College</b>		<b>6,665,821</b>
<b>Hospital</b>		
7311	Private Hosp-Imp	2,051,433
<b>Subtotal, Hospital</b>		<b>2,051,433</b>

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**Table 20. Detailed Nonresidential Uses (continued)**

<b>Code</b>	<b>Property Type</b>	<b>Bldg. Sq. Ft.</b>
<b>Nursing Home</b>		
7411	Homes For The Aged	1,005,412
7412	Assisted Living Facilities (Alf)	772,347
7811	Nursing Homes/Re-Hab Centers	90,606
Subtotal, Nursing Home		<b>1,868,365</b>
<b>Government/Public</b>		
7511	Non-Profit Serv-Imp	300,749
7711	Club/Lodge/Hall-Imp	87,709
8211	Forest/Park/Rec-Imp	16,836
8611	County-Imp	1,799,058
8711	State-Imp	94,640
8811	Federal-Imp	61,305
8911	Municipal-Imp	199,831
9112	Gas Pipelines	22,458
9113	Communications - Cell Tower/Radio/Tv	1,170
9611	Wasteland/Dump-Imp	14,876
9711	Rec/Park Land-Imp	16,958
Subtotal, Government/Public		<b>2,615,590</b>
<b>Agriculture</b>		
5011	Improved Ag-Imp	853
5111	Cropland Class 1-Imp	214,081
5211	Cropland Class 2-Imp	1,152
5411	Timberland 90+ Imp	5,953
5611	Timberland 70-79-Imp	9,026
5911	Timberland Unclas-Imp	2,684
6011	Pastureland 1-Imp	1,493,545
6046	Commercial Sod	17,452
6111	Pastureland 2-Imp	7,570
9911	No Ag Acreage-Imp	13,702
Subtotal, Agriculture		<b>1,766,018</b>
<b>Total</b>		
Total, All Nonresidential		<b>50,686,609</b>

Source: Data for unincorporated area excluding Reedy Creek Improvement District from Osceola County Property Assessor, March 21, 2023.

## APPENDIX B: FIRE/EMS INCIDENT DATA

**Table 21. Fire/EMS Incidents by Detailed Land Use**

FPU Code	FPU Description	Annual Incidents	
		Fire	EMS
<b>Single-Family</b>			
400	Residential Other	20	123
419	One- and Two-Family Dwelling	3,509	11,502
Subtotal, Single-Family		<b>3,529</b>	<b>11,625</b>
<b>Multi-Family</b>			
429	Multi-Family Dwellings	744	1,904
<b>Hotel/Motel</b>			
449	Hotels, Motels, Inns, Lodges	614	1,937
<b>Retail/Commercial</b>			
129	Amusement Center Indoor/Outdoor	7	50
110	Fixed Use Recreation, Other	8	29
113	Amusement Center	1	2
114	Ice Rink	2	7
116	Swimming Facility	7	43
120	Variable Use Amusement/Recreation	8	41
121	Ballroom, Gymnasium	0	5
122	Exhibition Hall	11	21
123	Arena/Stadium	15	44
134	Funeral Parlor/Chapel	0	2
140	Clubs, Other	2	6
141	Athletic Club/YMCA	3	9
142	Club House	23	28
180	Theater, Studio Other	0	1
181	Performance Theater	0	1
500	Mercantile Properties Other	32	67
511	Convenience Store	30	125
519	Food, Beverage Sales, Grocery Store	64	221
529	Textile, Wearing Apparel Sales	7	17
539	Household Goods Sales, Repairs	13	41
549	Specialty Shops	15	40
557	Barber, Beauty Shop, Personal Services	0	14
559	Recreational, Hobby, Home Sales, Pet Store	0	6
564	Self-Service Laundry/Dry Cleaning	0	2
569	Professional Supplies	3	6
571	Service Station	74	233
579	Motor Vehicle, Boat Sales/Service/Repairs	5	9
580	General Item Stores, Other	19	52
581	Department Store	19	79
592	Bank w/First Story Banking Facility	4	12
596	Post Office or Mailing Forms	0	2
935	Campsite With Utilities	9	40
Subtotal, Retail/Commercial		<b>381</b>	<b>1,255</b>
<b>Restaurant/Bar</b>			
160	Eating/Drinking Places	4	11
161	Restaurant	159	381
162	Nightclub	7	35
Subtotal, Restaurant/Bar		<b>170</b>	<b>427</b>

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**Table 21. Fire/EMS Incidents by Detailed Land Use( continued)**

FPU Code	FPU Description	Annual Incidents	
		Fire	EMS
<b>Office</b>			
342	Doctor/Dentist/Surgeons Office	11	124
343	Hemodialysis Unit	0	44
639	Communications Center	0	4
599	Business Offices	44	67
Subtotal, Office		<b>55</b>	<b>239</b>
<b>Industrial/Warehouse</b>			
610	Energy Production, Other	1	0
615	Electric Generating Plant	1	0
640	Utility, Energy Distribution Center, Other	1	0
644	Gas Distribution System, Pipeline	0	0
647	Water Utility	3	0
648	Sanitary Service	1	0
700	Manufacturing Property, Processing	13	16
800	Storage Property Other	2	0
807	Outside Material Storage Area	2	2
880	Vehicle Storage; Other	0	1
891	General Warehouse	17	44
899	Residential or Self Storage Units	9	6
984	Industrial Plant Yard	0	1
Subtotal, Industrial/Warehouse		<b>50</b>	<b>70</b>
<b>Church</b>			
130	Places of Worship, Church, Funeral Parlor	0	1
131	Church/Chapel	38	51
Subtotal, Church		<b>38</b>	<b>52</b>
<b>School/College</b>			
200	Educational Property Other	1	4
210	Schools Non-Adult Other	4	10
211	Pre-School	6	4
213	Elementary School	53	105
215	High School/Jr High/Middle School	61	165
241	College/University	8	17
254	Day Care - In Commercial Property	9	7
255	Day Care - In Residence-Licensed	1	0
Subtotal, School/College		<b>143</b>	<b>312</b>
<b>Hospital/Clinic</b>			
300	Healthcare/Detention Other	2	13
321	Mental Retardation/Dev't Disability Facility	0	7
322	Alcohol/Substance Abuse Recovery Center	0	5
331	Hospital-Medical/Psychiatric	28	43
340	Clinics, Other	8	174
341	Clinic, Clinic-Type Infirmary	9	160
Subtotal, Hospital/Clinic		<b>47</b>	<b>402</b>
<b>Nursing Home</b>			
311	Care Of The Aged/Nursing Staff	95	559
459	Residential Board And Care	24	63
Subtotal, Nursing Home		<b>119</b>	<b>622</b>

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**Table 21. Fire/EMS Incidents by Detailed Land Use (continued)**

FPU Code	FPU Description	Annual Incidents	
		Fire	EMS
<b>Government/Public</b>			
124	Playground	6	24
150	Public, Gov't, Other	3	8
151	Library	1	5
170	Terminals Other	0	1
173	Bus Terminal	0	15
361	Jail/Prison - Not Juvenile	9	164
363	Reformatory, Juvenile Detention Center	0	6
365	Police Station	2	9
464	Military Barracks/Dormitory	1	0
Subtotal, Government/Public		<b>22</b>	<b>232</b>
<b>Agriculture</b>			
655	Crops, Orchards	1	0
659	Livestock Production	0	0
669	Forest, Timberland	17	4
819	Livestock, Poultry Storage	0	1
938	Graded And Cared For Plots Of Land	14	5
Subtotal, Agriculture		<b>32</b>	<b>10</b>
<b>Non-Specific</b>			
000	Fixed Prop Use Undetermined	5	0
100	Unknown Other	8	13
439	Rooming, Boarding, Residential Hotels	33	178
808	Shed	5	1
881	Residential Parking Storage	1	0
882	General Vehicle Parking Garage	10	21
900	Outside, Special Properties; Other	37	50
919	Dump Sanitary Landfill	3	7
921	Bridge, Trestle	1	0
926	Outbuilding, Excluding Garage	2	0
931	Open Land, Field	136	71
936	Vacant Lot	65	41
940	Water Areas, Other	3	6
946	Lake/River/Stream	2	6
951	Railroad Right Of Way	0	3
960	Street, Other	157	883
961	Divided Highway, Highway	441	1,933
962	Paved Public Street, Residential	152	542
963	Paved Private Street, Commercial	45	275
965	Uncovered Parking Area	101	361
981	Construction Site	10	14
983	Pipeline, Power Line Right Of Way	2	1
NNN	None	4	0
UUU	Undetermined	3	0
Subtotal, Non-Specific		<b>1,226</b>	<b>4,406</b>
<b>Total</b>			
Total Annual Average Incidents, All Use Types		<b>7,170</b>	<b>23,493</b>

Source: Average annual incidents for 2018-2022 calendar years from Osceola County Fire Rescue, March 20, 2023.

## APPENDIX C: FLORIDA IMPACT FEE ACT

The 2006 Florida Legislature passed Senate Bill 1194, which established certain requirements for impact fees in Florida. It was most recently amended by House Bill 337, which was signed by the governor and became effective on June 4, 2021. The current Florida Impact Fee Act reads as follows (substantive changes made by HB 337 are indicated by underline/strike-out):

### 163.31801 Impact fees; short title; intent; minimum requirements, audits; challenges. --

- (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) For purposes of this section, the term:
  - (a) "Infrastructure" means a fixed capital expenditure or fixed capital outlay, excluding the cost of repairs or maintenance, associated with the construction, reconstruction, or improvement of public facilities that have a life expectancy of at least 5 years; related land acquisition, land improvement, design, engineering, and permitting costs; and other related construction costs required to bring the public facility into service. The term also includes a fire department vehicle, an emergency medical service vehicle, a sheriff's office vehicle, a police department vehicle, a school bus as defined in s. 1006.25, and the equipment necessary to outfit the vehicle or bus for its official use. For independent special fire control districts, the term includes new facilities as defined in s. 191.009(4).<sup>4</sup>
  - (b) "Public facilities" has the same meaning as in s. 163.3164 and includes emergency medical, fire, and law enforcement facilities.<sup>5</sup>
- (4) At a minimum, each local government that adopts and collects an impact fee by ordinance and each special district that adopts, collects, and administers an impact fee by resolution must:
  - (a) Ensure that the calculation of the impact fee is based on the most recent and localized data.
  - (b) Provide for accounting and reporting of impact fee collections and expenditures and 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) Provide notice at least 90 days before the effective date of an ordinance or resolution imposing a new or increased impact fee. A local government is not required to wait 90 days to decrease, suspend, or eliminate an impact fee. Unless the result is to reduce the total mitigation costs or impact fees imposed on an applicant, new or increased impact fees may not apply to current or pending permit applications submitted before the effective date of a new or increased impact fee.

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<sup>4</sup> 191.009(4) ... As used in this subsection, "new facilities" means land, buildings, and capital equipment, including, but not limited to, fire and emergency vehicles, radiotelemetry equipment, and other firefighting or rescue equipment. ...

<sup>5</sup> 163.3164(39) ... "Public facilities" means major capital improvements, including transportation, sanitary sewer, solid waste, drainage, potable water, educational, parks and recreational facilities. ...

- (e) Ensure that collection of the impact fee may not be required to occur earlier than the date of issuance of the building permit for the property that is subject to the fee.
  - (f) Ensure that the impact fee is proportional and reasonably connected to, or has a rational nexus with, the need for additional capital facilities and the increased impact generated by the new residential or commercial construction.
  - (g) Ensure that the impact fee is proportional and reasonably connected to, or has a rational nexus with, the expenditures of the funds collected and the benefits accruing to the new residential or nonresidential construction.
  - (h) Specifically earmark funds collected under the impact fee for use in acquiring, constructing, or improving capital facilities to benefit new users.
  - (i) Ensure that revenues generated by the impact fee are not used, in whole or in part, to pay existing debt or for previously approved projects unless the expenditure is reasonably connected to, or has a rational nexus with, the increased impact generated by the new residential or commercial construction.
- (5) (a) Notwithstanding any charter provision, comprehensive plan policy, ordinance, development order, development permit, or resolution, the local government or special district must credit against the collection of the impact fee any contribution, whether identified in a proportionate share agreement or other form of exaction, related to public ~~education~~ facilities, including land dedication, site planning and design, or construction. Any contribution must be applied on a dollar-for-dollar basis at fair market value to reduce any ~~education-based~~ impact fee collected for the general category or class of public facilities or infrastructure for which the contribution was made.
- (b) If a local government or special district does not charge and collect an impact fee for the general category or class of public facilities or infrastructure contributed, a credit may not be applied under paragraph (a).
- (6) A local government, school district, or special district may increase an impact fee only as provided in this subsection.
- (a) An impact fee may be increased only pursuant to a plan for the imposition, collection, and use of the increased impact fees which complies with this section.
  - (b) An increase to a current impact fee rate of not more than 25 percent of the current rate must be implemented in two equal annual increments beginning with the date on which the increased fee is adopted.
  - (c) An increase to a current impact fee rate which exceeds 25 percent but is not more than 50 percent of the current rate must be implemented in four equal installments beginning with the date the increased fee is adopted.
  - (d) An impact fee increase may not exceed 50 percent of the current impact fee rate.
  - (e) An impact fee may not be increased more than once every 4 years.
  - (f) An impact fee may not be increased retroactively for a previous or current fiscal or calendar year.
  - (g) A local government, school district, or special district may increase an impact fee rate beyond the phase-in limitations established under paragraph (b), paragraph (c), paragraph (d), or paragraph (e) by establishing the need for such increase in full compliance with the requirements of subsection (4), provided the following criteria are met:
    1. A demonstrated need study justifying any increase in excess of those authorized in paragraph (b), paragraph (c), paragraph (d), or paragraph (e) has been completed within the 12 months before the adoption of the impact fee increase and expressly demonstrates the extraordinary circumstances necessitating the need to exceed the phase-in limitations.

2. The local government jurisdiction has held not less than two publicly noticed workshops dedicated to the extraordinary circumstances necessitating the need to exceed the phase-in limitations set forth in paragraph (b), paragraph (c), paragraph (d), or paragraph (e).

3. The impact fee increase ordinance is approved by at least a two-thirds vote of the governing body.

(h) This subsection operates retroactively to January 1, 2021.

(7) If an impact fee is increased, the holder of any impact fee credits, whether such credits are granted under s. 163.3180, s. 380.06, or otherwise, which were in existence before the increase, is entitled to the full benefit of the intensity or density prepaid by the credit balance as of the date it was first established. ~~This subsection shall operate prospectively and not retrospectively.~~

(8) A local government, school district, or special district must submit with its annual financial report required under s. 218.32 or its financial audit report required under s. 218.39 a separate affidavit signed by its chief financial officer or, if there is no chief financial officer, its executive officer attesting, to the best of his or her knowledge, that all impact fees were collected and expended by the local government, school district, or special district, or were collected and expended on its behalf, in full compliance with the spending period provision in the local ordinance or resolution, and that funds expended from each impact fee account were used only to acquire, construct, or improve specific infrastructure needs.

(9) In any action challenging an impact fee or the government's failure to provide required dollar-for-dollar credits for the payment of impact fees as provided in s. 163.3180(6)(h)2.b., the government has the burden of proving by a preponderance of the evidence that the imposition or amount of the fee or credit meets the requirements of state legal precedent and this section. The court may not use a deferential standard for the benefit of the government.

(10) Impact fee credits are assignable and transferable at any time after establishment from one development or parcel to any other that is within the same impact fee zone or impact fee district or that is within an adjoining impact fee zone or impact fee district within the same local government jurisdiction and which receives benefits from the improvement or contribution that generated the credits. This subsection applies to all impact fee credits regardless of whether the credits were established before or after the effective date of this act.

(11) A county, municipality, or special district may provide an exception or waiver for an impact fee for the development or construction of housing that is affordable, as defined in s. 420.9071. If a county, municipality, or special district provides such an exception or waiver, it is not required to use any revenues to offset the impact.

(12) This section does not apply to water and sewer connection fees.

(13) In addition to the items that must be reported in the annual financial reports under s. 218.32, a local government, school district, or special district must report all of the following information on all impact fees charged:

- (a) The specific purpose of the impact fee, including the specific infrastructure needs to be met, including, but not limited to, transportation, parks, water, sewer, and schools.
- (b) The impact fee schedule policy describing the method of calculating impact fees, such as flat fees, tiered scales based on number of bedrooms, or tiered scales based on square footage.
- (c) The amount assessed for each purpose and for each type of dwelling.
- (d) The total amount of impact fees charged by type of dwelling.
- (e) Each exception and waiver provided for construction or development of housing that is affordable.