

MOBILITY

**Alachua County's
Plan to Effectively Link
Land Use
&
Transportation**

**Multi-Modal
Transportation Mitigation Program
Alternatives**

Staff's Recommendation

Proportionate Share

Phasing Option 1

Phasing Option 2

Additional Revenue Sources

BOCC Alternative

March 1st, 2011

OVERVIEW

The final component of the Mobility Plan is the adoption of a fair and efficient transportation concurrency process that allows for future development to mitigate its transportation impact through a one-time payment to Alachua County, effectively known as the Multi-Modal Transportation Mitigation Program (MMTM). **Any development within the Urban Cluster that does not currently have transportation concurrency approval, otherwise known as a Certificate of Level of Service Compliance (CLSC), or whose CLSC expires shall be required to pay the Multi-Modal Transportation Mitigation.** The MMTM is not to be confused with the existing transportation impact fee. The impact fee primarily funds roadway capacity projects and is assessed only to developments that have received transportation concurrency approval. The MMTM can be used to fund pedestrian, bicycle, transit and roadway projects and is assessed only to developments that have not received transportation concurrency approval or whose concurrency approval has expired. A development that is required to pay the MMTM to meet concurrency will not be required to pay the transportation impact fee.

ALTERNATIVES

The Alachua County Board of County Commissioners (BOCC) has several alternatives to choose from in terms of allowing developments which do not have concurrency approval to mitigate their impact.

Alternative 1: Staff's Recommendation

The first alternative is to adopt the MMTM program as proposed by Staff. This includes the MMTM program ordinance and the subsequent MMTM schedule. The Staff proposed MMTM program will result in a substantial **reduction** in the mitigation (dollars) required for developments within the Urban Cluster that do not currently meet transportation concurrency or whose transportation concurrency expires. Staff's recommendation would result in the BOCC adopting the MMTM schedule in Appendix A. Staff's recommendation is based upon the MMTM methodology more fully described in the MMTM whitepaper.

Alternative 2: Current Proportionate Share Process - No Action Required

The BOCC could elect to not adopt the MMTM program and allow development to continue to mitigate its impact per the currently adopted proportionate share process detailed in the Unified Land Development Code Chapter 407 Article 12 Section 407.125.1. This would require no further action by the BOCC and no amendments to the Unified Land Development Code. Staff would continue to review transportation concurrency applications in the same manner as before the BOCC adopted the Mobility Plan.

The current mitigation option of proportionate share has resulted in developments who do not meet concurrency electing not to build within the Urban Cluster, essentially shutting down any new development, especially retail and office development. In addition, all of the proposed Transit Oriented Developments within the Urban Cluster are unlikely to move forward with development under the proportionate share program. The land use options adopted as part of the Mobility Plan would still be valid; however, given the substantial cost of proportionate share it is highly likely no private entities will take advantage of the land use options. Developments in Alachua County have spoken fairly loudly over the past three years that proportionate share equates to no new development, new jobs or additional tax revenues, other than from those development that have concurrency approval which are predominately single family detached developments. The following proportionate share formula would still apply if the BOCC elects to take no further action on the MMTM program.

$$\textit{Proportionate Fair Share} = \Sigma [(\textit{Development Trips}_i) / (\textit{SV Increase}_i)] \times \textit{Cost}_i]$$

Development Trips i = Total number of trips from the stage or phase of development under review (minus pass-by, internal capture, and multi-modal trips) that are assigned to roadway segment "I" and have triggered a deficiency per the CMS;

SV Increase i = The increase in capacity provided by the improvement to the roadway segment "i" (The FDOT Generalized Tables shall be used to establish the base capacity and future year capacity with improvements);

Cost i = Cost of the additional capacity. Cost shall include all improvements and associated costs, such as design, right-of-way acquisition, planning, engineering, maintenance of traffic, utility relocation, inspection, contingencies, stormwater facilities, turn lanes, traffic control devices, bicycle and pedestrian facilities, and physical development costs directly associated with construction at the anticipated cost in the year it will be incurred.

Alternative 3: MMTM Phased-In Option 1

The BOCC, in recognition of current economic conditions, directed Staff to prepare a phase-in of the MMTM. While the current transportation impact fee and the MMTM are two completely different programs, the direction was to phase-in the MMTM using current impact fees as a base. The BOCC elected to phase-in the last increase in transportation impact fee near the end of 2007. The phase-in occurred over a three year period, starting in 2008. Staff has prepared a similar phase-in schedule for the MMTM program. Staff conducted two options for consideration. The first option was based on the currently adopted impact fee. The currently adopted impact fee was reduced 15% by the BOCC for all land use categories. The methodology used by staff was to take the staff calculated MMTM and subtract it from the current (reduced) impact fee. Then Staff divided the difference between the current (reduced) impact fee and the calculated MMTM by 3 to represent the three year phase-in. The 2011 MMTM values are equal to the current (reduced) impact fee plus 1/3 of the difference. The 2012 MMTM values are equal to the current (reduced) impact fee plus 2/3 of the difference. The 2013 MMTM values are the full MMTM as recommended by Staff in Alternative 1. Option 1 is illustrated in Appendix B.

Alternative 4: MMTM Phased-In Option 2

Option 2 is the same as Option 1, except that the base impact fee used for the phase-in analysis was based on the full transportation impact fee. The methodology used by staff was to take the staff calculated MMTM and subtract it from the full impact fee. Then Staff divided the difference between the full impact fee and the calculated MMTM by 3 to represent the three year phase-in. The 2011 MMTM values are equal to the full impact fee plus 1/3 of the difference. The 2012 MMTM values are equal to the full impact fee plus 2/3 of the difference. The 2013 MMTM values are the full MMTM as recommended by Staff in Alternative 1. Option 2 is illustrated in Appendix C.

Additional consideration if choosing a phasing option:

The phasing-in of the MMTM will invariably lead to some confusion over the next three years with the potential misunderstanding of the public that the County is continuing to raise the cost of new development by raising impact fees and the MMTM. This occurred during the phase-in of impact fees and no doubt will occur once again. In addition, the phase-in will result in less revenue for transportation projects that will have to be made up somewhere by another revenue source. The BOCC may also wish to consider not offering a reduction in the MMTM for pre-payment until the full MMTM is in effect.

Alternative 5: Identify Additional Funding Options

The methodologies and formulas for the transportation impact fee and the MMTM are different and the dollar value mitigation numbers do not provided for an apple-to-apple comparison. Impact Fees are only based on roadways; **do not include the cost of bridges,** and are based on maintaining a general level of service. The MMTM is based on roadways, sidewalks, trails, buses, park and rides, dedicated transit lanes, express transit service, **that includes the cost of bridges,** and is based on a specific list of projects consistent with the Capital Improvements Element. Since the MMTM program is based on a specific list of projects, the impact of additional revenues sources is immediate and direct. Additional revenues from any source, **other than from developers themselves,** that goes towards funding the projects in the Capital Improvements Element will result in a reduction in the MMTM. Revenues from the federal or state government via the Metropolitan Transportation Planning Organization (MTPO), general revenues, gas and/or sales tax, University of Florida or Santa Fe College contributions that pay for projects in the Capital Improvements Element will result in a reduction in the MMTM. A full list of infrastructure and capital projects along with transit service and the associated cost utilized to calculate the MMTM are included in Appendix D and Appendix E. The list of projects also includes a note identifying a potential revenue source that could pay for the project.

Transportation Special District Plan

The most immediate alternative funding source would be the Transportation Special District Plan (TSDP). The TSDP is essentially tax increment financing plans; ***they are not new taxes.*** Again, this is not a new tax; it is the general revenue tax that all non-exempt properties in Alachua County pay. The tax increment financing (TIF) plans are essentially mechanisms where by the BOCC pledges a percentage of future general tax revenues towards transportation projects. As part of the Mobility Plan, the BOCC adopted a framework for a TSDP. The TSDP can be as long as desired, but typically would be for a 20 to 25 year period.

The intent of the TSDP is to provide and fund viable mobility options to County residents, visitors and businesses and to promote a public / private partnership between the County and private entities seeking to develop Transit Oriented Developments (TODs). Transit Oriented Developments, due to their mixture of uses, density and compact design generate significantly higher tax revenues compared to single use developments designed in a typical suburban manner. County Transportation Planning Staff has recommended that a portion of the tax revenue generated within an area around future TODs be used to provide enhanced mobility through the funding of frequent transit service, multi-modal capital and infrastructure and providing backstop funding to reimburse the developer of a TOD if the developer constructs infrastructure that exceeds their required mitigation.

County Transportation Planning Staff will be recommending two (2) TSDP plans for adoption by the BOCC. The Southwest Transportation Special District Plan, anchored by the Celebration Pointe Transit Oriented Development, has a generally adopted framework included in the Capital Improvements Element and could be adopted by the end of this spring or earlier. The Northwest Transportation Special District Plan, anchored by the Springhills, Santa Fe Village and Newberry Village TODs, encompasses a significantly larger area and includes much more development. The Northwest District Plan has yet to be adopted but could be completed by year-end once the format and model are set by the Southwest District Plan. Both the Southwest and Northwest Plans will include funding for buses, park and rides, transit maintenance facility, dedicated

transit lanes, and trails, all of which are currently identified in the Capital Improvements Element. Staff will be recommending enhanced transit service be included in the TSDP in order to ensure the regional impacts of these large scale TODs is mitigated. This more frequent service has not been included in the Capital Improvements Element.

If the BOCC were to commit to adopt either a TSDP at a future date for the Southwest and Northwest Districts and agree at a minimum to fund all or a portion of the buses, park and rides, transit maintenance facility, dedicated transit lanes, and trails identified for the Southwest and Northwest Districts, then that projected future revenue could be applied to the MMTM and would result in a reduction in the MMTM rate. A portion of the transit service could also be funded, however, since only express transit service, not enhanced transit service, was used to calculate the MMTM, the funding allocated for enhanced transit service would not reduce the MMTM. If the BOCC agrees to either partially or fully fund these projects in the future Southwest and Northwest District Plans, then Staff would recommend that the future revenues to pay for the projects be included in the MMTM calculation, which would result in a lowering of the MMTM. The funding notes on the list of projects identified in Appendix D & E denote projects that will be recommended for inclusion in the future Southwest and Northwest District Plans. A copy of the draft Southwest District Plan is included in Appendix F. Based on Staff's analysis; roughly \$10,000,000 of the projected general tax revenue in the Southwest District could be applied to the MMTM program as revenue. The Northwest District is roughly 3x as large as the Southwest District and could include between 2x to 3x as much development. Thus, it stands to reason between \$20,000,000 to \$30,000,000 of general tax revenue from the Northwest District could be applied to the MMTM program as revenue.

There has been a legitimate concern raised that the commitment of any future general tax revenue for transportation purposes within a TSDP could possibly result in less revenue in the future to pay for other essential County functions that are funded through general tax revenues. However, County Staff's analysis has shown that Transit Oriented Development designed as high density, compact, mixed-use developments generate a significantly higher rate of tax

revenues and are cheaper to provide with public services and facilities compared with single-use, suburban style developments. The analysis generated for the Southwest District resulted in a projection of \$72 million dollars in general tax revenue by 2035. If development within the Southwest District occurred based on the current land use, excluding the Celebration Pointe TOD, the projected general tax revenue ranged from \$7 million to \$12 million depending on the build out scenario evaluated. Similar analysis conducted in other communities has also supported the findings that compact, mixed-use higher density developments generate significantly higher tax revenues. Even with committing a percentage of future general tax revenue for specific transportation purposes, the areas around and including TODs still are projected to generate substantially higher general tax revenues than single-use, suburban style development; regardless if the use is retail, office or residential. County Transportation Planning Staff would only recommend a TSDP for areas where there is a proposed Transit Oriented Development based on our analysis that demonstrates that high density, compact, mixed-use developments generate a significantly higher rate of tax revenues and are cheaper to provide with public services and facilities compared with single-use, suburban style developments.

MTPO Cost Feasible Plan

The MTPO recently adopted the Long Range Transportation Plan (LRTP) Cost Feasible Plan. Alachua County Staff attempted on several occasions to include the four laning of Archer Road from Tower Road to west of SW 91st, dedicated transit lanes on Archer Road from SW 45th Street to SW 91st streets and the four laning of Williston Road from SW 35th Place to SW 63rd Road. A total of \$500,000 for study, not the \$15 million recommended by County Staff, was included in the Cost Feasible Plan for the three projects. Instead, \$10 million was set aside for as yet to be determined enhancements on NW 13th Street and University Avenue. If the MTPO were to commit to add those projects to the Cost Feasible Plan, an additional \$10 million to \$15 million dollars would be identified as revenue and would reduce the MMTM. Any changes to the Cost Feasible Plan would require the consensus of the City of Gainesville and the BOCC. It should be noted, that it is unlikely that the Florida Department of Transportation (FDOT) will consider funding the four laning of Archer Road from SW 91st to the City of Archer until such time as the portion of Archer Road from Tower road to SW 91st is fully funded in the Cost

Feasible Plan. The portion of Archer Road from west of SW 91st to the City of Archer is outside the MTPO area and additional state funds could be used to widen this roadway. The funding notes on the list of projects identified in Appendix D & E denote projects that could likely be funded in the MTPO Cost Feasible Plan.

Alternative 6: Alternative Ideas

The BOCC could consider an across-the board reduction in the MMTM consistent with the 15% reduction in the current transportation impact fee or an alternative phase-in schedule. The BOCC could also consider combining a phase-in alternative with a commitment to add additional funding sources. Additional funding sources could also be identified as future revenue and applied to the MMTM calculation, thus reducing the MMTM rates. County Staff has provided the BOCC with several viable options for consideration in an effort to facilitate the adoption of the MMTM program, fulfilling the last required piece of the Mobility Plan.

APPENDIX A

MULTI-MODAL TRANSPORTATION MITIGATION SCHEDULE

APPENDIX B
PHASING OPTION 1

APPENDIX C
PHASING OPTION 2

APPENDIX D

INFRASTRUCTURE PROJECTS

APPENDIX E

TRANSIT CAPITAL PROJECTS & TRANSIT SERVICE

APPENDIX F

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SOUTHWEST TRANSPORTATION SPECIAL DISTRICT PLAN