

Impact-Fee Reductions and Their Effect on Elderly Housing

By: Matthew Hazelroth - 11/15/12

Since 1975, Florida has accommodated roughly 10 million new residents, more than doubling the population. This has placed intense pressure on local governments to expand public infrastructure to serve their growing communities. Furthermore, there is widespread agreement that the costs of these expansions are not fully recovered by the additional property tax revenue generated by most residential development. (Downing and Gustely, 1977; Smith and Henderson, 2001; and Dorfman, 2004)

One means of covering this financial weight are impact fees, one-time levies that are placed on property developers. JPH & Associates, Inc. is committed to properly analyzing and assessing all cost activity in reference to these impact fees. Numerous site project usage data has been collected and analyzed over the years and impact-fee adjustments have been made. This research has lead to a pattern of lower usage data for Section 202 elderly projects.

Water and sewer data has demonstrated that elderly property usage fell well below the average rate that municipalities use to calculate impact fees. *Table 1* display notable HUD 202 properties and the compiled recorded data. It was noted that this reduced wage is due to elderly tenants using less water/sewage then the average multi-family apartment unit.

<u>Property</u>	<u>Units</u>	<u>Annual Water Consumption</u>	<u>Per Unit/Day</u>
Casa Santa Marta	78	1680 Kgal= 140 Kgal/mo	59 gallons
Santa Marta II	52	1680 Kgal = 117 Kgal/mo	75 gallons
Bethlehem	60	1101 Kgal = 91.75 Kgal/mo	50 gallons
Catherine Booth Towers	125	3960 Kgal = 330 Kgal/mo	88 gallons

Table 1: *Water Use at Selected HUD 202 Properties*

Source: OUC, Salvation Army, SPM Management Company, and JPH & Associates, Inc.

Transportation data demonstrated that vehicular use was also significantly lower at elderly properties. The data was compiled to analyze the ratio of parking spaces available to those actually occupied by resident drivers, in addition to vehicular ownership. The results are displayed in *Table 2*.

Table 2: Vehicular Ownership and Parking Requirements at Selected HUD 202 Properties

<u>Facility</u>	<u>Units</u>	<u>Parking Spaces</u>	<u>Residents Driving</u>	<u>Parking Ratio</u>	
Salvation Army - Orlando I					
Salvation Army - Orlando II	168	75	50	0.05	to 1
Catholic Housing - St. Elizabeth Gardens - Pompano Beach	125	58	39	0.46	to 1
Catholic Housing - St. Andrew towers - Coral Springs	151	135	74	0.89	to 1
Catholic Housing - Marian Towers - Miami Beach	438	283	145	0.65	to 1
Catholic Housing - Archbishop Carroll Manor - Miami	220	236	58	1.07	to 1
Catholic Housing - St. Dominic Gardens - Miami	236	80	96	0.34	to 1
Catholic Housing - St. Joseph Towers - Lauderdale Lakes	150	104	28	0.69	to 1
Catholic Housing - Stella Maris House - Miami Beach	108	52	41	0.48	to 1
Catholic Housing - Archbishop McCarthy Res. - Opa Locka	137	131	30	0.96	to 1
Catholic Housing - Palmer house - Miami	114	110	42	0.96	to 1
Catholic Housing - Archbishop Hurley Hall - Hallandale	121	73	53	0.60	to 1
Catholic Housing - St. Mary Towers - Miami	121	77	40	0.64	to 1
Diocese of SW FL - St. Giles I	100	48	32	0.48	to 1
San Lorenzo I	106	43	37	0.40	to 1
San Lorenzo II	80	82	44	0.55	to 1
Average	148.5	105.7	52.3	0.58	to 1

Source: SPM Management Company and JPH & Associates, Inc.

JPH & Associates compiled these results and presented them to applicable municipalities. This resulted in a reduction of impact fees in an amount ranging between \$50,000 to \$258,000. *Table 3* lists several elderly properties and the impact fee reductions recovered to each.

Table 3: Impact Fee Reductions at Selected HUD 202 Properties

Project	Municipality	Impact Fee Reduction
Evangeline Booth Garden Apt	Ocala, FL	\$ 50,000
Trinity Apartments	Lakeland, FL	\$200,000
Deerfield Towers III	Deerfield Beach, FL	\$180,000
Transfiguration Maner	Pinellas County, FL	\$258,000
Blessed Sacrament Manor	Tampa, FL	\$200,000
Average		\$177,600

Source: JPH & Associates, Inc.

These impact fees savings were used to enhance components involving both the site and building, which have included but are not limited to landscaping, unit amenities, energy saving features, and improved common areas. By reducing these expenses, JPH & Associates continues to develop affordable, well constructed, and aesthetically pleasing housing complexes for the elderly.