

**ADMINISTRATIVE CODE
BOARD OF COUNTY COMMISSIONERS**

CATEGORY: Development/Planning/Zoning	CODE NUMBER: AC-13-4
TITLE: Administrative Procedures Governing Reimbursement of Lee County School Impact Fees	ADOPTED: 04/22/03
	AMENDED: 08/30/05; 05/02/06; 05/27/08
	ORIGINATING DEPARTMENT: Department of Community Development

PURPOSE/SCOPE:

Provides criteria and procedures for partial reimbursement of Lee County School Impact Fees paid for dwelling units in both unincorporated and incorporated Lee County.

POLICY/PROCEDURE:

The Board of County Commissioners (BOCC) recognizes that while impact fees are necessary in a rapidly growing community, they can have an adverse effect on the provision of housing for workforce, moderate, low and very low income households. In order to lessen this effect, the BOCC has established a fund to provide for partial reimbursement of School Impact Fees paid by government, non-profit affordable housing providers recognized by the IRS, and for-profit affordable housing developers whose projects meet the criteria listed below.

Section 1.

Entities Eligible for Reimbursements: Partial reimbursement is available to government, charitable, not-for-profit entities and for-profit entities that construct single family or multiple family style affordable housing for eligible households.

Eligible Household means a household that is comprised of one or more natural persons determined by the county to be of very low, low, moderate, or workforce income according to HUD's households income limits adjusted for household size. The HUD Handbook is used to determine whether an individual will qualify as a household member. Whenever the handbook indicates that an individual is a household member, the individual's full income must be included in annual income calculations.

Very Low Income means a person or household whose annual (gross) income does not exceed 50 percent of the area median income, as determined by HUD.

Low Income means a person or household whose annual (gross) income does not exceed 80 percent of the area median income, as determined by HUD.

Moderate Income means a person or household whose annual (gross) income does not exceed 120 percent of the area median income, as determined by HUD.

Workforce Income means a person or household whose annual (gross) income does not exceed 140 percent of the area median income, as determined by HUD.

- A. In order to qualify as a not-for-profit candidate for reimbursement, the entity must comply with one of the following criteria:

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1. The entity is recognized under subsection 501(C)(3) of Chapter 26 of the United States Internal Revenue Code as a corporation, a community chest, a fund, or a foundation, organized and operated exclusively for charitable purposes, or for prevention of cruelty to children, and is then exempt from taxes under Section 501(a) therein; or
 2. The entity is recognized under Subsections 501(C)(4)(A) and (B) of Chapter 26 of the United States Internal Revenue Code as either a Civic League or an organization not organized for-profit, is operated exclusively for the promotion of social welfare, and is exempt from taxes under Section 501(a), therein; or
 3. The entity is recognized under subsection 501(C)(20) of Chapter 26 of the United States Internal Revenue Code as an organization or trust, the exclusive function of which is to form part of a qualified group legal services plan or plans within the meaning of Section 120 as referenced therein.
- B. Reimbursements are available to for-profit entities on a case by case basis upon demonstration that the housing is affordable to eligible households of Lee County and one or more of the following criteria:
1. The units are in close proximity to established mass transit routes;
 2. The units are located in an area that can be considered "urban infill;"
 3. The project's traffic will not travel through areas with significantly lower densities before reaching the nearest collector or arterial road;
 4. The project is integrated into the surrounding neighborhood; and,
 5. The Director of Community Development finds that the affordable housing project furthers the goals and objectives of the County's Local Housing Assistance Plan.

Section 2.

Scope of Reimbursements Available: A qualified applicant may request partial reimbursement of School Impact Fees paid in connection with the new construction of affordable residential single family or multiple family style homes for eligible households. Reimbursement requests can be up to 50 percent of the total school impact fee charged for the structure. In no case will a government or not-for-profit applicant be granted more than \$100,000 in total reimbursement per project per County fiscal year. For-profit applicants are limited to \$50,000 per project per County fiscal year. Reimbursements may not exceed the total amount budgeted for this program.

Maximum Purchase price of the unit may not exceed that of the maximum purchase price established under the Lee County SHIP Program for moderate income households.

Section 3.

Funding:

- A. Pursuant to an interlocal agreement with the Lee County School District executed on May 2, 2006, the program is funded with 80 percent of the interest earned on school impact fees collected each quarter

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- B. If, at any time, the unused funds in the subsidy account exceed \$400,000.00, no additional interest will be diverted into the subsidy account until the account balance falls below \$400,000.00.
- C. Eligibility to participate in this program will be retroactive to October 1, 2005.

Section 4.

Applications for Reimbursements:

- A. The applicant must file a Lee County Impact Fee Reimbursement application with the Department of Community Development. The application must establish that the entity is eligible for partial reimbursement, based on the criteria set forth in Section 1, and provide proof that the school impact fee has been paid. The staff may request additional information deemed appropriate to confirm the applicant's eligibility for the requested reimbursements, including criteria noted in Section 196.195 and 196.196, Florida Statutes.
- B. The staff will review each application to determine eligibility for partial reimbursements based on the criteria set forth in Section 1. Within thirty (30) days after receipt of the application, the staff will inform the applicant in writing whether the application is complete. The County will also inform the applicant that in order to afford time for the construction of the unit and for the placement of an income qualified household in the unit:
 - 1. the applicant will have 365 days or a calendar year after school impact fee payment to submit the following documentation: a) proof of certificate of occupancy, b) proof of the household's income eligibility, and c) proof of occupancy. Failure to meet this deadline will void the applicant's eligibility for partial reimbursements unless an extension is granted for good cause at the Director's discretion.
 - 2. the applicant may request that the County issue a commitment for reimbursement on the condition that the applicant will provide all the necessary documentation within a specific 45-day time period that falls within the 365 days or calendar year from payment of the impact fee. (The purpose of this commitment is to allow the reimbursement funds to be factored in at time of closing. If documentation is not provided within that 45-day time period, the County's commitment will expire unless extended by the County in writing.)
- C. Applications will be processed in the order they are found sufficient for review.

Section 5.

Application Process:

- A. Once an application is found to be sufficient, the staff will make a determination as to the eligibility of the applicant for participation in the program and will inform the applicant, in writing, about the determination.
- B. If the applicant is found eligible, the staff will forward a copy of the decision to the appropriate Fiscal Officer for processing of the partial reimbursement.
- C. The Fiscal Officer will issue a check for the applicant in the proper amount and send it to the applicant with a copy of the check sent to staff.

Section 6.

Record keeping:

- A. County staff will maintain records of all recipients of subsidies for the payment of school impact fees, and will provide the School Board with an annual report of monetary disbursements under the program.