



## **FACT SHEET:**

### **DEVELOPMENT APPROVAL PROCESS & SCHOOL IMPACT FEES**

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Increasingly, the District 1 Office receives inquiries regarding why development is being approved when it appears that adequate school capacity is not in place to support the students that would be generated from that new development. The purpose of this fact sheet is to provide a general overview of the development process, outline the roles played by Orange County (the “County”) and Orange County Public Schools (“OCPS”) in that process, and explain generally how school impact fees are collected and used as a source for building new schools.

The development approval process is explained in more detail in the attached flowchart. With regard to the funding of schools, OCPS receives multiple sources of funding, but one of the main sources for new school construction projects is from school impact fees.

School impact fees are required to be paid by all developers of residential projects. In some cases, school impact fees are prepaid; however, most school impact fees are paid at the time a building permit is pulled. Therefore, until development begins, adequate funding may not be in place to move forward on school construction.

As the discussion around schools is one of the hottest topics in our District currently, below are several key facts regarding how school impact fees are collected and distributed:

1. All residential construction for which a building permit is issued shall pay a school impact fee.
2. The current school impact fee schedule is as follows:

<b>Land Use Type</b>	<b>Impact Fee*</b>
Single-family detached	\$6,525 per unit
Multifamily	\$3,921 per unit
Mobile home	\$4,345 per unit

\* These fees are current for permits pulled after May 13, 2011, but are required to be reviewed every 4 years

3. The County collects the school impact fees on behalf of OCPS and transfers them to OCPS at least quarterly. School impact fees are collected prior to the issuance of a building permit for multifamily residential construction; for single-family homes or duplexes, the developer may elect to pay the fee no later than prior to the certificate of occupancy.



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4. Upon receipt by OCPS, school impact fees are deposited into a “school impact fee trust fund” and may be *used solely for the purpose providing growth-necessitated capital projects* and may not be used for any expenditure classified as maintenance or repair. In other words, they must be used for expenses related to construction of schools necessitated by growth (i.e. land, design, construction, permitting, etc.).
5. In order to plan accordingly, any new proposed development is presumed to generate the maximum number of students by the most intensive residential use permitted under applicable land-use regulations.

School capacity is a core element in the development process. The County **does not approve** any new future land use map amendments or residential rezonings unless OCPS has either confirmed that school capacity is available or has negotiated a Capacity Enhancement Agreement (CEA) with the developer in order to provide such capacity.<sup>i</sup> Additionally, under statutory school concurrency requirements, the County works with OCPS at the preliminary subdivision phase of development to ensure that school capacity is still available. If it is not, an applicant is required to enter into a Capacity Mitigation Agreement (CMA) with the County and OCPS to mitigate for any capacity deficiencies that may still exist as a result of that development.<sup>ii</sup> The development and school capacity process is outlined in the “Development and School Review Process” flowchart.

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<sup>i</sup> The capacity review/CEA process is required pursuant to Section 704B.2. of the Orange County Charter which was originally approved by voters in 2004 and reapproved in 2012, as well as the Martinez Doctrine which has been in place since March of 2000.

<sup>ii</sup> This is required pursuant to section 163.3180(6), F.S. and the First Amended and Restated Interlocal Agreement for Public School Facility Planning and Implementation of Concurrency entered into by and among the County, OCPS, and the various municipalities within the County and effective for the County on April 5, 2011.