

**SUMTER COUNTY BOARD OF COMMISSIONERS  
EXECUTIVE SUMMARY**

**SUBJECT:** **Second Amendment to Impact Fee Agreement with The Villages of Lake-Sumter, Inc. to Update Schedule 1 of the Agreement (Staff recommends approval).**

**REQUESTED ACTION:** Approve Second Amendment to Impact Fee Agreement

Work Session (Report Only)    **DATE OF MEETING:** 11/12/2011  
 Regular Meeting                       Special Meeting

**CONTRACT:**  N/A    Vendor/Entity: The Villages of Lake-Sumter, Inc.  
Effective Date: November 22, 2011                      Termination Date: NA  
Managing Division / Dept: Planning & Development and Public Works

**BUDGET IMPACT:** Results in surplus of road impact fee revenues over outstanding obligations with The Villages.

Annual                      **FUNDING SOURCE:** Road Impact Fees  
 Capital                      **EXPENDITURE ACCOUNT:** \_\_\_\_\_  
 N/A

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**HISTORY/FACTS/ISSUES:**

On February 10, 2009, The Villages of Lake-Sumter, Inc. (Developer) and the Board entered into an Impact Fee Agreement (Original Agreement) for the development of the following transportation improvements:

US 301 – Widen to four (4) lanes from milepost 24.615 on the south to milepost 27.329 on the north.

US 301 – Intersection safety improvement at US 301 and Florida Turnpike.

US 301 – Intersection improvement at C-466.

US 301 – Intersection improvement at SR 44.

Florida Turnpike – New interchange at C-468.

C-466 – New interchange at I-75 and associated widening to four (4) lanes from CR 245 to 7/10ths of one mile east of I-75.

C-466 - Intersection improvement at Morse Boulevard.

On July 12, 2011, the Board approved the First Amendment to the Original Agreement (First Amendment) to remove the proposed new interchange on I-75 @ C-466 and replace it with the widening of C-468 from the Florida Turnpike to SR 44.

The Original Agreement included Schedule 1, which provides for the applicable road impact fee rates within The Villages. Schedule 1 of the Original Agreement was the old District 1 road impact fee rates that were in effect prior to the Board adopting the new road impact fee rates in 2008. Recently, representatives of The Villages contacted staff raising a concern about the great difference in rates for

some commercial uses when comparing Schedule 1 to the County's current road impact fee rates. Staff concurs with this concern and prepared a Second Amendment to the Original Agreement (Second Amendment) to update Schedule 1 of the Original Agreement to implement the road impact fee rates within the County's road impact fee schedule for non-residential development. The residential road impact fee rates are not changing from the current Schedule 1.

Staff completed an analysis to determine if the revenues generated under the proposed updated Schedule 1 are sufficient to cover the outstanding road impact fee reimbursement obligations. The value of the outstanding road impact fee obligations (120% of FDOT costs) is \$39,277,589. The potential road impact fee revenue to be generated within The Villages between November 2011 and build-out, including the existing cash balance within the road impact fee account, is \$66,610,526. The revenues are more than sufficient to cover the outstanding obligations.

Staff recommends the Board approve the Second Amendment.

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# **SECOND AMENDMENT TO IMPACT FEE AGREEMENT**

**THIS SECOND AMENDMENT TO THE IMPACT FEE AGREEMENT** (“Second Amendment”) is made and entered into this 22nd day of November, 2011 (“Effective Date”), by and between **THE VILLAGES OF LAKE-SUMTER, INC.**, a Florida corporation, whose address is 1020 Lake Sumter Landing, The Villages, Florida 32162 (“Developer”), and **SUMTER COUNTY**, a political subdivision of the State of Florida, whose address is 7375 Powell Road, Wildwood, Florida 34785 (“County”).

## **RECITALS**

**WHEREAS**, on February 10, 2009, the Developer and County entered into an Impact Fee Agreement (“Original Agreement”) for the development of the following transportation improvements:

US 301 – Widen to four (4) lanes from milepost 24.615 on the south to milepost 27.329 on the north.

US 301 – Intersection safety improvement at US 301 and Florida Turnpike.

US 301 – Intersection improvement at C-466.

US 301 – Intersection improvement at SR 44.

Florida Turnpike – New interchange at C-468.

C-466 – New interchange at I-75 and associated widening to four (4) lanes from CR 245 to 7/10ths of one mile east of I-75.

C-466 - Intersection improvement at Morse Boulevard.

**WHEREAS**, July 12, 2011, the County and Developer entered into a First Amendment to the Impact Fee Agreement (“First Amendment”) to transfer the obligation of constructing a new interchange at I-75 and C-466W, and its associated widening of C-466W from CR 245 to 7/10ths of one mile east of I-75, to the widening to four lanes on C-468 from the Florida Turnpike to SR 44; and,

**WHEREAS**, the Original Agreement, approved on February 10, 2009, referenced the utilization of Schedule 1 for the imposition of road impact fees within The Villages Development of Regional Impact, attached and incorporated into the aforementioned Original Agreement; and,

**WHEREAS**, the County and Developer concur that the existing Schedule 1 places The Villages Development of Regional Impact in an adverse position related to attracting commercial development due to the higher road impact fee rates within the existing Schedule 1 for certain commercial land uses as compared to the remainder of the county; and,

**WHEREAS**, based upon the above findings, the Developer and County concur that providing a equal rates for commercial development within The Villages Development of Regional Impact and other areas of the county is beneficial to the Developer and the County.

**NOW THEREFORE**, the parties accept the above recitals as true and incorporate them into this Second Amendment to the Original Agreement, *in haec verba*, in consideration of the mutual covenants herein contained, together with other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and agree that the Original Agreement between them is amended hereby, and further that this Second Amendment to the Original Agreement sets forth a new Schedule 1 for the imposition of road impact fees within The Villages Development of Regional Impact. Any conflicts in interpretation or application between this Second Amendment, the Original Agreement, and First Amendment, as they relate to Schedule 1 shall be resolved in favor of this Second Amendment. In furtherance of this Second Amendment, the parties hereby stipulate and agree as follows:

1. Schedule 1 of the Original Agreement is hereby replaced and updated with “Schedule 1 – Amended November 22, 2011 Road Impact Fee Schedule – The Villages” attached hereto as Exhibit “A” and incorporated herein.
2. All other terms and provisions of the Original Agreement and the First Amendment shall remain the same except as specifically set forth in this Second Amendment.

**Clerk of County Court**

**Board of County Commissioners  
of Sumter County, Florida**

\_\_\_\_\_  
**Deputy Clerk**

\_\_\_\_\_  
**Don Burgess, Chairman**

**Witness**

**The Villages of Lake-Sumter, Inc.**

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By \_\_\_\_\_  
**Gary L. Moyer, Vice President**

**Exhibit "A"**  
**Schedule 1 - Amended November 22, 2011**  
**Road Impact Fee Schedule - The Villages**

ITE LUC	Land Use	Unit	Road Impact Fee
RESIDENTIAL:			
210	Single Family (Detached)/Mobile Home	du	\$2,582.08
220	Multi-Family (Apartment)	du	\$1,813.12
230	Residential Condominium/Townhouse	du	\$1,581.09
240	Mobile Home Park	du	\$1,346.35
252	Assisted Living Facility	du	\$569
LODGING:			
310	Hotel	room	\$1,828
320	Motel	room	\$993
RECREATION:			
412	General Recreation/County Park	acre	\$508
416	RV Park	site	\$571
420	Marina	berth	\$817
430	Golf Course	hole	\$9,853
437	Bowling Alley	1,000 sf	\$9,186
444	Movie Theater	screen	\$9,814
492	Health/Fitness Club	1,000 sf	\$10,670
INSTITUTIONS:			
520	Elementary School (Private)	student	\$213
522	Middle School (Private)	student	\$301
530	High School (Private)	student	\$322
540	University /Junior College (7,500 or fewer)	student	\$552
550	University/Junior College (more than 7,500)	student	\$412
560	Church	1,000 sf	\$1,541
565	Day Care Center	1,000 sf	\$5,214
610	Hospital	1,000 sf	\$4,143
620	Nursing Home	bed	\$275
630	Clinic	1,000 sf	\$7,629
N/A	Veterinary Clinic	1,000 sf	\$2,270
OFFICE:			
710	General Office 50,000 sf or less	1,000 sf	\$3,591
710	General Office 50,001 - 100,000 sf	1,000 sf	\$3,269
710	General Office 100,001 - 200,000 sf	1,000 sf	\$2,786
710	General Office 200,001 - 400,000 sf	1,000 sf	\$2,376
710	General Office greater than 400,000 sf	1,000 sf	\$2,025
720	Medical Office	1,000 sf	\$8,612

RETAIL:			
812	Building Materials and Lumber Store	1,000 sf	\$10,175
813	Discount Superstore	1,000 sf	\$3,987
815	Discount Store, Free-Standing	1,000 sf	\$4,475
816	Hardware/Paint Store	1,000 sf	\$4,102
817	Nursery (Garden Center)	1,000 sf	\$2,886
820	Shopping Center 50,000 sf gla or less	1,000 sf	\$4,020
820	Shopping Center 50,001 - 200,000 sf gla	1,000 sf	\$3,637
820	Shopping Center 200,001 - 400,000 sgla	1,000 sf	\$3,433
820	Shopping Center greater than 400,000 sf gla	1,000 sf	\$3,428
823	Factory Outlet Center	1,000 sf	\$2,128
841	New/Used Auto Sales	1,000 sf	\$5,780
843	Automobile Part Sales	1,000 sf	\$10,866
848	Tire Store	1,000 sf	\$3,113
849	Wholesale Tire Store	1,000 sf	\$2,545
850	Supermarket	1,000 sf	\$5,649
851	Convenience Market - 24 hr	1,000 sf	\$20,723
853	Convenience Store with Gas Pumps	1,000 sf	\$15,151
860	Wholesale Market	1,000 sf	\$538
861	Discount Club	1,000 sf	\$3,344
862	Home Improvement Superstore	1,000 sf	\$2,029
863	Electronics Superstore	1,000 sf	\$3,597
870	Apparel Store	1,000 sf	\$5,307
881	Pharmacy/Drug Store with and without Drive-Thru	1,000 sf	\$2,991
890	Furniture Store	1,000 sf	\$807
911	Bank/Savings Walk-In	1,000 sf	\$8,372
912	Bank/Savings Drive-In	1,000 sf	\$8,528
931	Quality Restaurant	1,000 sf	\$10,537
932	High-Turnover Restaurant	1,000 sf	\$13,617
934	Fast Food Rest. with Drive-Thru	1,000 sf	\$29,136
941	Quick Lube	service bay	\$4,999
942	Automobile Care Center	1,000 sf	\$4,660
944	Gas/Service Station	fuel pos.	\$3,452
945	Gas/Service Station w/Convenience Market	fuel pos.	\$3,338
946	Gas/Service Station w/Conv'ce Mkt & Car Wash	fuel pos.	\$3,130
947	Self Service Car Wash	service bay	\$7,695
INDUSTRY:			
110	Light Industry	1,000 sf	\$1,584
120	Heavy Industry	1,000 sf	\$339
130	Industrial Park	1,000 sf	\$1,581
140	Manufacturing	1,000 sf	\$871
150	Warehouse	1,000 sf	\$1,124
151	Mini - Warehouse	1,000 sf	\$345

Source: Impact Fees for Residential Uses, with exception of Assisted Living Facility, from "Impact Fee Rate Study for Roads Sumter County, Florida" - District I; I Henderson & Young Company, November 5, 2004. All other uses from "Sumter County Transportation Impact Fee Update Study": Tindale-Oliver, Inc., December 18, 2008 (50% of recommended rate). For uses that are not shown on Schedule I, the road impact fee may be calculated using the procedure in Section 20-37, Sumter County Code of Ordinances. An alternative road impact fee calculation may be used following the procedure of Section 20-38, Sumter County Code of Ordinances.

**Road Impact Fee Balance Analysis for Third Amendment to Villages Road Impact Fee Agreement**

<b>Remaining Villages Projects Covered by Impact Fee Agreements</b>		
<b>Projects</b>	<b>100% FDOT Costs</b>	<b>120% FDOT Costs</b>
US 301 Intersections	\$1,392,974	\$1,671,569
Turnpike Interchange @ C-468	\$12,149,200	\$14,579,040
C-468 from Turnpike to SR 44	\$13,250,000	\$15,900,000
CR 462	\$5,939,150	\$7,126,980
<b>Total Obligation</b>	<b>\$31,338,350</b>	<b>\$39,277,589</b>
<b>Surplus Over Potential Revenues</b>	<b>\$35,272,176</b>	<b>\$27,332,937</b>

<b>Potential Road Impact Fee Revenue within The Villages</b>	
Residential	\$33,692,518
Commercial	\$13,933,740
Office	\$1,568,757
Golf	\$1,021,397
Hotel	\$511,840
ALF	\$141,681
Skilled Nursing	\$20,900
Theater	\$78,512
Marina	\$11,260
County Held Balance	\$15,629,921
<b>Total Potential Revenue</b>	<b>\$66,610,526</b>

Analysis based on outstanding development entitlements as of November 2011 through build-out.