

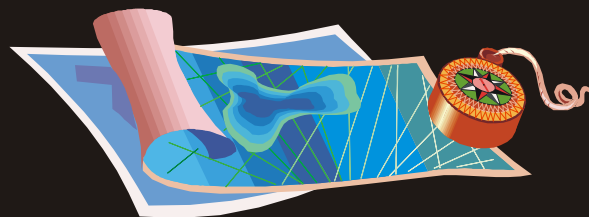
CAPITAL IMPROVEMENTS ELEMENT

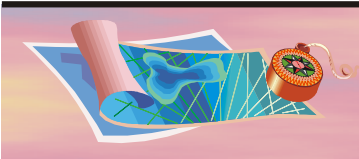
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CAPITAL IMPROVEMENTS

VISION 2020





Vision 2020 Comprehensive Plan Seminole County, Florida

CAPITAL IMPROVEMENTS ELEMENT INTRODUCTION

Overall planning and programming for capital improvements has been formally undertaken by Seminole County dating back to its first Comprehensive Plan (Plan) in 1977. Each subsequent update incorporates refinements to programs and funding strategies which serve as a basis from which Seminole County initiates significant local actions to implement programs and respond to changing conditions. Since 1991, the implementation of a five year Capital Improvements Element (CIE) linked to the financially feasible Countywide budget and five year Capital Improvements Program, has helped to provide for the more accurate long-range planning of growth needs and will serve as a platform from which to address larger issues such as water resources, stormwater management and legislative changes which may occur.

The CIE sets out a five-year capital expenditure program designed to implement the Plan's goals, objectives and policies and ensure adopted level of service standards are met and maintained.

As a required element of the Plan, the CIE must meet the following requirements of Chapter 163, F.S.:

- A Ensure that the Comprehensive Plan is economically feasible and encourage the efficient utilization of public facilities (major capital improvements) by:
 - 1 Considering the need for and location of public facilities;
 - 2 Outlining principles for public facilities which are necessary to implement the plan for construction, extension, or increase in capacity and correcting existing public facility deficiencies;
 - 3 Estimating public facility costs, including identification of when facilities will be needed, general location of facilities, and projected revenue sources to fund the facilities; and
 - 4 Setting standards to ensure the availability of adequate public facilities, including acceptable levels of service.
- B Ensure coordination of the several elements of the Plan by requiring consistency of the Capital Improvements Element with the public facility and future land use elements.
- C Ensure that public facilities needed to support development are available concurrent with the impacts of the development or guaranteed in an enforceable development agreement.

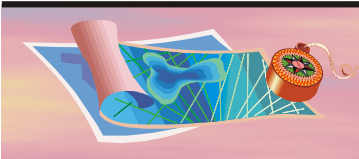
The CIE sets out a capital expenditure program designed to meet the goals of the community as reflected in the policies, standards and programs adopted in the Plan. The CIE program is driven by four factors:

- The community's growth;
- The community's current and planned facility service programs;
- The levels of service desired or required by statute for those programs; and
- The desired quality of life for which the community is willing to pay.



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CAPITAL IMPROVEMENTS ELEMENT ISSUES AND CONCERNS

Issue CIE 1

Consistency With Other Elements

The Capital Improvements Element's (CIE) five-year capital expenditure program is based upon the findings of the other Plan elements as to:

- A How the local government will manage the land development process so that public facility needs created by previously issued development orders or by future development do not exceed the ability of the local government to fund and provide the needed capital improvements.
- B How policies and procedures for approving development in phases operate to ensure that the public facilities and those related services which are deemed necessary by the local government to operate the facilities necessitated by that development are available concurrent with the impacts of the development.
- C Where facilities will be located so that the CIE may show how the local government will use fiscal policies to direct expenditures for capital improvements (e.g., discouraging development by not investing public capital in floodprone areas).
- D The establishment of criteria for prioritization of improvements, to include elimination of safety hazards and deficiencies, so that the CIE may incorporate such criteria for the evaluation of capital expenditures.

Issue CIE 2

The Capital Improvements Element Must Meet Certain Planning And Financing Requirements.

The requirements and corresponding program statements created within the CIE include:

- A How the schedule of capital improvements will maintain adopted level of service standards and meet the existing and future facility needs.

Facility Improvements/Capacity Summaries have been prepared for each component element of the CIE.
- B Local budget impact (i.e., funding and O & M cost effects) for successful delivery of capital projects.

Cost impacts, including operating costs, have been projected for each element. The CIE includes policy statements to ensure adequate operations funding to support capital facilities.
- C The policies and provisions made for the replacement and renewal of capital facilities.

Renewal/Replacement is discussed in the projections for each element. The CIE also includes policies to encourage rehabilitation/reuse of existing facilities as a cost-effective alternative to new construction.



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- D How the County will manage the issuance of debt, including a projection of debt capacity. Specific debt criteria are:
 - 1 The limitation on the use of revenue bonds as a percent of total debt;
 - 2 The maximum ratio of total debt service to total revenue; and
 - 3 The maximum ratio of outstanding capital indebtedness to property tax base.
- E How financial feasibility will be maintained into the future.

A comprehensive management program titled the Capital Improvements Program has been created by the County's Fiscal Services Department which institutionalizes the updating and refinement of multi-year financial projections.
- F Financial feasibility for each succeeding five-year schedule of improvements. The assessment of the County's ability to finance capital improvements must include:
 - 1 Forecasting revenues and expenditures for five years;
 - 2 Projecting debt service obligations for outstanding bond issues;
 - 3 Projecting the ad valorem tax base assessment ratio;
 - 4 Projecting other tax bases and other revenue sources such as impact and user fees; and
 - 5 Projecting operating cost considerations.

Issue CIE 3

Financial Projections

The approach and key assumptions used to make financial projections must be comprehensive in nature to address the requirements identified in CIE Issue 2 and embody sound methodologies. The approach utilized in developing multi-year financial projections by Seminole County is to:

- A Determine the net available resources (surplus or deficit) in each future year, which would result after providing current year baseline services. Debt service requirements for outstanding obligations are considered baseline, and are projected according to the debt service schedule for each bond issue.
- B Identify and project significant multi-year special programs needed to implement Board of County Commissioners' intent expressed during the most recent adopted annual budget.
- C Identify and project future capital and operating costs generated by the requirements of:
 - 1 The CIE;
 - 2 Other Comprehensive Plan policies; and
 - 3 Non-Comprehensive Plan/Basic Growth Needs.



Issue CIE 4

Financial Feasibility

The CIE is required to demonstrate the financial feasibility of a five-year capital improvements schedule, including assessing local budget impact and allowing for renewal/replacement of public facilities. To accomplish this, background (or "base-line") multi-year projections of County revenues and costs for on-going public programs have been made. The projections must support a conclusion of financial feasibility.

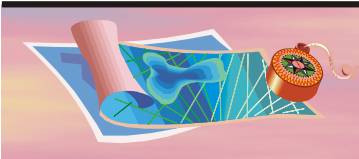
Financial feasibility is annually demonstrated by calculating the amount of revenue capacity of those sources which can be generated by action of the Board of County Commissioners (excluding resort to voter approved revenue sources). The projected revenue is then matched against the proposed five-year capital improvements schedule to identify whether a deficit exists. Where a deficit is identified, action is taken to either reduce the need or seek additional revenue.

To maintain a financial balance between the community's growth, desire for services and willingness to pay, the CIE is updated annually. This allows the Capital Improvements Element to meet the financial feasibility definition for use in a concurrency management system, consistent with Rule 9J-5.0055.



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CAPITAL IMPROVEMENTS ELEMENT GOALS, OBJECTIVES, AND POLICIES

GOAL

Implement a capital planning program that provides and maintains in a timely, efficient, and fiscally prudent manner public facilities and services which protect the public health, safety and welfare; adequately serve existing and new development; are consistent with Seminole County's future land use plan; achieve and maintain adopted facility levels of service; maintain the existing infrastructure; and minimize public costs.

OBJECTIVE CIE 1 ADOPTION AND UPDATE OF CAPITAL IMPROVEMENTS ELEMENT

The Capital Improvements Element shall be used to guide the programming and implementation of public facility improvements to correct existing deficiencies, repair and replace worn out or obsolete facilities and to accommodate previously approved and new growth in an efficient, cost effective, and timely manner.

Policy CIE 1.1 County Responsibility for Maintaining Level of Service

The Capital Improvements Element shall include an annual schedule of the capital improvements for which Seminole County has fiscal responsibility to maintain the level of service standards adopted in the public facility elements of the Comprehensive Plan. (See Exhibits CIE: Facility LOS at rear of element).

Policy CIE 1.2 Annual Review and Update

The Capital Improvements Element shall concentrate on the first five years of capital needs, shall be financially feasible and shall be reviewed and updated annually. (See five year capital schedules of improvements for each facility element in the Exhibits Section at the rear of this element).

Policy CIE 1.3 Florida Department of Transportation Capital Projects

The schedule of capital improvements shall recognize as financially feasible the transportation projects within Seminole County included in the first three years of the adopted five-year FDOT work program.

Policy CIE 1.4 Capital Improvements Element Amendments

A Plan amendment shall be required to eliminate, defer or delay construction of any road or mass transit facility or service which is needed to maintain the adopted level of service standard and which is listed in the five-year schedule of improvements.

Policy CIE 1.5 Capital Improvements Element Consistency With Other Elements

The schedule of capital improvements shall be based upon the future land use and public facility elements of the Comprehensive Plan and shall be consistent with all other elements of this Plan.

Policy CIE 1.6 Coordination With Annual Budgets

Adoption of annual budgets shall include a specific capital budget, which shall implement adequate funding sources and be consistent with the Capital Improvements Element.



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Policy CIE 1.7

Provisions to Meet Committed Development Needs

Each major update of the County's socio-economic data, analysis and projections shall include a review of the assumptions, projections and provisions made to serve committed (previously approved) development, including an itemization of existing committed developments. An ongoing update of committed development needs shall be achieved through the use of reports generated by the Concurrency Management System.

Policy CIE 1.8

Criteria for Public Capital Expenditures

Capital projects shall be evaluated for possible addition to the Capital Improvements Element schedule of projects, relative to identified appropriate and legally available revenue sources using as a guide the degree of compliance with the following criteria for programming public capital expenditures:

- The elimination of public health and safety hazards;
- Replacement or rehabilitation of facilities and the elimination of existing capacity deficiencies necessary to maintain level of service standards;
- Necessity for compliance with statutory or regulatory requirements;
- Provision of capacity for redevelopment and new development, based upon projected growth patterns;
- Coordination of improvement programs with State agencies, such as the St. Johns River Water Management District, providing facilities within Seminole County;
- Provision of capacity within the service areas and urban centers established in the facility elements of this Plan;
- Compliance with and support of locational policies established in the Future Land Use, public facilities, and other elements of this Plan;
- Improved efficiency/cost-effectiveness of County operations; and
- Cost impacts to annual operating budgets.

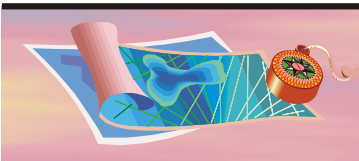
Policy CIE 1.9

Provisions for Renewal/Replacement

Each annual review and update of the Capital Improvements Element shall include a review of the assumptions, projections, needs, and considerations for appropriate and timely renewal and replacement of existing facilities, using as a guide the following criteria:

- Evaluations of actual operating condition and useful life;
- Maintenance or enhancement of the operational capacity of public facilities, including opportunities for deficiency correction;
- Compliance with and support of renewal/replacement policies established in the public facility elements of this Plan;
- Maintenance or improvement of operating cost-effectiveness/efficiency;





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- Maintenance or enhancement of services through opportunities to incorporate improved technology and materials; and
- Opportunities for future fiscal efficiencies through such activities as reuse of existing facilities, renewal/rehabilitation to extend useful life, and spreading major periodic renewal/replacement cost burdens over time.

These provisions for renewal/replacement shall be incorporated in the CIE and implemented through annual budget adoptions.

Policy CIE 1.10

Alternative Funding Sources

To ensure optimum strategies for financial feasibility, the County shall review and evaluate available and potential funding sources to ensure a financial strategy exists to adequately fund the five-year Capital Improvements Element. If alternative funding sources are not successfully adopted and implemented on the schedule identified, Seminole County shall either:

- Increase the rates of current revenue sources or implement other available sources such that the schedule of capital improvements is adequately funded in each year; or
- Amend the Future Land Use, Capital Improvements Element and public facility elements including level of service standards and the schedule of capital improvements, as appropriate and necessary, such that internal consistency of the Comprehensive Plan and financial feasibility are maintained.

Policy CIE 1.11

Funding of Public Transportation Services

The Board of County Commissioners shall, at its discretion and in accordance with law, make use of fuel tax revenues and other legal revenue sources for the purpose of funding public transportation capital, operations and maintenance as identified in the Seminole County Comprehensive Plan Capital Improvements Element (CIE). Such revenues may be expended for the public transportation services identified in the CIE including but not limited to capital facilities, operations and maintenance. These services may be provided directly by the County or may be contracted for through public or private service providers.
(Added: Amendment 02F.TXT02; Ordinance 2002-55, 12/10/2002)



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OBJECTIVE CIE 2 CAPITAL IMPROVEMENTS PROGRAM

The County shall use the Capital Improvements Program (CIP) process for the update and refinement of multi-year projections of fiscal resources such that a financially feasible schedule of capital improvements is maintained.

Policy CIE 2.1 Multi-Year Projections for Financial Feasibility

The Capital Improvements Program shall establish the schedule and process for regular, periodic evaluation and updating of multi-year financial projections and of fiscal policies, practices and strategies for all County programs, services and facilities.

Policy CIE 2.2 Consistency of the Capital Improvements Element with the Capital Improvements Program

The adopted CIE shall be consistent with the CIP and shall be implemented through annual budget adoptions.

Policy CIE 2.3 Multi-Year Fiscal Management

The Capital Improvements Program shall embody and be consistent with the following:

- Maintenance of existing infrastructure, including renewal/replacement of worn-out facilities and rehabilitation/reuse of existing facilities, shall be specifically projected and funding identified;
- Debt obligations shall be specifically identified and projected to ensure compliance with debt covenants, including coverage requirements;
- A debt management strategy and set of criteria which shall be based upon the debt management principles set forth in subsequent policy CIE 2.5.
- Maintenance of levels of budgeted undesignated reserves ("contingency" and "fund balance forward") adequate to serve sound public fiscal management purposes; and
- Equity of the uses of a revenue source relative to the populace generating the revenue.

Policy CIE 2.4 Multi-Year Operating Budgets

Concurrent with the inclusion of a capital improvement in the Capital Improvements Program and the CIE, associated impacts to annual operating budgets shall be projected and funding strategies identified.

Policy CIE 2.5 Debt Management Principles

The County shall continue to manage debt issuance and obligations according to sound public fiscal management principles, including the following:

- All bonds issued by Seminole County be competitively bid;
- The County will use a "pay as you go" approach and utilize internal funding resources;





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- Revenue bonds or special assessment bonds be used to support bonds instead of ad valorem tax;
- Credit enhancement will be utilized when necessary to lower total borrowing costs;
- The County will competitively bid investment of escrow funds for advance refundings if it is expected that bids will result in lower cost and the required securities are available in the market; and
- Debt issuance plans will be included in the County's long term capital plan.

County bond issues are separated into three categories:

- General Obligation Debt - Bonds secured by the ad valorem taxing power of the County. Bonds may be limited as detailed in the voter referendum required prior to issuance of all general obligation bonds.
- Special Obligation Debt - Bonds secured by a pledge of special revenue such as Sales Tax or Local Option Gas Tax and are not backed by the ad valorem taxing power of the County.
- Enterprise Fund Debt - Bonds secured by a pledge of revenue in the Water and Sewer or Solid Waste Enterprise Funds.



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OBJECTIVE CIE 3 LOS AND DEVELOPMENT APPROVALS

By adoption and implementation of the Seminole County Comprehensive Plan, land use decisions shall require maintenance of adopted level of service standards and shall be coordinated with the Capital Improvements Element and public facility elements including the adopted schedule of capital improvements.

Policy CIE 3.1 Adopted Level of Service Standards and Schedules of Capital Improvements

Exhibit CIE: Facility LOS - All Facilities shall identify the adopted level of service standards for each public facility. *Exhibits CIE: Facility Program* for individual elements or *Exhibits CIE: Schedule of Improvements* for multiple facility programs shall detail the annually adopted five-year financially feasible capital expenditure program supporting the goals, objectives and policies of the Plan.

Policy CIE 3.2 Application to New Development

For the purposes of approving new development subsequent to adoption of this Comprehensive Plan, all adopted public facility level of service standards and schedules of capital improvements, except for Public Safety and Libraries, shall be applied and evaluated in any new development reviews and approvals consistent with policies of the Implementation Element. A final development order shall be issued only if this evaluation finds that the needed public facilities that meet the adopted level of service standards are available or are assured to be available concurrent with the impacts of the development. Preliminary development orders shall only be issued with the condition that no rights to obtain final development orders or development permits, nor any other rights to develop the subject property are granted or implied by the County's approval of the preliminary development order.

Policy CIE 3.3 Five-Year LOS and Impact Assessment

To guide provision of adequate public facilities concurrent with the impacts of development, the schedule of capital improvements for each public facility type shall be accompanied by a summary evaluation of capacity needs and availability for at least the five-year period.

Policy CIE 3.4 Concurrency Management

Seminole County shall continue to operate a concurrency management system pursuant to the Implementation Element which, in conjunction with Policy 3.2 and the other policies of this Capital Improvements Element, will ensure that development orders and permits are issued in a manner that will assure that the necessary public facilities and services will be available at adopted level of service standards concurrent with the impacts of that development.



Policy CIE 3.5

LOS Monitoring

Seminole County shall adopt a monitoring system which enables the County to determine whether it is adhering to the adopted level of service standards and the schedule of capital improvements. Findings and determinations from the monitoring system shall be used in each annual review and update of this Capital Improvements Element.



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OBJECTIVE CIE 4 USER PAYS PRINCIPLE

Development shall bear a proportionate cost of needed facility improvements through equitable and legally available means.

Policy CIE 4.1 Developments' Proportionate Share

Development will bear an equitable and proportionate share of the cost of providing new or expanded public facilities required to maintain adopted levels of service through mechanisms such as impact fees, capacity fees, developer dedications, developer contributions pursuant to land development regulations and special benefit assessment/taxing districts.

Policy CIE 4.2 Fee Assessments

The County shall regularly evaluate whether present fee levies are adequate to address impacts of inflation, whether the County needs to appropriate new impact fees, and whether capacity fees, user charges, special benefit assessment/ taxing districts and other mechanisms are adequately and fairly meeting the fiscal demands placed on the County by new development.

