

9. CAPITAL IMPROVEMENTS ELEMENT

Purpose

The purpose of this Element is to provide financial policies which will guide the funding of improvements to public facilities and to schedule the funding and construction of such improvements in a manner necessary to ensure that capital improvements are provided when required based on needs identified in the other elements of this Plan.

GOAL 9A: ESTABLISH THE FISCAL PROCEDURES AND CIRCUMSTANCES NECESSARY FOR THE TIMELY AND EFFICIENT PROVISION OF PUBLIC FACILITIES FOR EXISTING AND FUTURE POPULATIONS THROUGH SOUND FISCAL POLICES.

Objective 9.1: Review community needs each year and analyze potential revenue sources to balance the Capital Improvements Plan.

Policy 9.1.1: On an annual basis, the City shall evaluate capital facilities needs relative to: level of service deficiencies; repair and replacement of obsolete or worn-out facilities; and, the need for new facilities to accommodate growth. Costs to accommodate capital improvements shall be funded, or phased for funding, as a distinct capital budget within the overall annual budget.

Policy 9.1.2: When evaluating the need for capital improvements, the City shall use the following criteria, in order of importance:

- (a) Elimination of public health and safety hazards;
- (b) Correction of capacity deficiencies based on adopted levels of service;
- (c) The extent to which costs associated with the capital improvement can be funded from existing revenues;
- (d) The extent to which the capital improvement will meet the goals and objectives of this Plan;
- (e) The extent to which the capital improvement will generate revenues or otherwise produce positive benefits for the City;
- (f) Need for the capital improvement to accommodate new or additional growth;
- (g) Financial feasibility relative to the size and capabilities of the City;
- (h) Availability of State or Federal financial assistance in defraying costs;
- (i) The extent to which the expenditure is necessary to meet the mandates or regulatory requirements of other units of government; and
- (j) Consideration of the plans of state agencies and the Northwest Florida Water Management District with regard to scheduling of projects, cost allocation, consistency of state and local plans, shared costs of capital improvements, and correcting level of service deficiencies.

Policy 9.1.3: The City shall not expend funds for public facilities in the Coastal High Hazard Area, except for:

1. Projects budgeted to maintain or create public access to bays or lakes;
2. Projects budgeted to maintain or create recreational facilities; and
3. Projects consistent with Coastal Management Element Policies 5.6.2 and 5.8.2.

Policy 9.1.4: The City shall utilize level of service standards identified in this Plan and Table 9.1 to evaluate public facilities deficiencies. Level of service deficiencies shall be evaluated on an annual basis as set forth in this Plan.

Policy 9.1.5: The City shall consider the level of service standard deficiencies identified in this Plan as priority needs and shall include funding, or phasing, to correct such deficiencies.

Policy 9.1.6: The City shall charge fees and rates for enterprise activities in sufficient amounts so as to meet applicable bond obligations, and maintain adequate funds for repair and replacement of facilities.

Policy 9.1.7: Enterprise activities shall be defined as those which are primarily funded by user charges or activities. Enterprise funds include, but are not limited to, the marina fund, solid waste fund, and utilities fund.

Objective 9.2: Coordinate land use decisions and fiscal resources with a schedule of capital improvements that maintains adopted level of service standards and meets existing and future facility needs.

Policy 9.2.1: The City shall use a balanced approach of concurrency evaluation and capital improvements programs to ensure availability of public facilities and services. The Land Development Regulations and the Concurrency Management System shall be used to maintain level of service standards and prevent future infrastructure and service deficiencies as a result of growth.

Policy 9.2.2: The City shall evaluate the need for capital improvements on an annual basis consistent with the criteria specified in Policy 9.1.2. Identified capital improvements shall be included in the schedule of capital improvements contained within this element.

Policy 9.2.3: The issuance of a development order is conditioned upon the availability of public facilities to include: roads, sanitary sewer, solid waste, drainage, potable water, and park space that is needed to serve the proposed development. These conditions include those outlined in §163.3180, F.S.

Policy 9.2.4: The adopted level of service standards are included in Table 9.1 below.

Table 9.1 Level of Service Standards

Service	Level of Service Standard
Parks and Recreation	Neighborhood Park: 1 acre per 1,000 people Community Park: 2.75 acres per 1,000 people
Transportation	Until such time as the City adopts a mobility plan, the following standards shall apply. Principal Arterials: US 98 (SR 30) Hathaway Bridge to Beck Avenue – maintain and improve. Business 98 (SR 30) Beach Drive Hamilton Avenue – E All other principal arterials – D Minor Arterial – E Collector – E Local - E
Public Schools	See Table 9.4
Solid Waste	4.5 lbs. per capita per day residential, 6.89 lbs. per 1,000 square feet commercial
Potable Water	125 gallons per capita per day residential, 166 gallons per 1,000 square feet commercial
Sanitary Sewer	110 gallons of wastewater per capita per day residential, 166 gallons per 1,000 square feet commercial.
Stormwater (drainage)	25-year critical duration storm event. The peak discharge rate from new development shall be equal to or less than the peak discharge rate that existed prior to development using the Northwest Florida Water Management District's 24-hour, 25-year rainfall maps.

Objective 9.3: The City shall utilize provisions by which developers will bear a proportionate cost of facility improvements necessitated by such development to adequately maintain level of service standards.

Policy 9.3.1: When assessing a pro rata share of costs associated with providing public facilities and services, the City shall use the following guidelines:

1. Developers shall be required to provide adequate potable water, sanitary sewer, drainage, park space, solid waste, school facility, and roadways capacity for all residential, developments. Commercial, institutional, or other development intended for human occupancy must supply adequate potable water, sanitary sewer, drainage, solid waste, and roadway capacity. Such facilities shall be constructed to City standards as specified in the Land Development Regulations or this Plan.

2. Developers of residential subdivisions consisting of over ten (10) residential lots shall provide land area to be dedicated for public or private recreation use in accordance with the requirements of Recreation and Open Space Policies 7.3.7 and 7.3.8
3. Developers of development activities which cause deficiencies in levels of service below minimum adopted standards shall provide funds to correct such deficiencies. The specific amount of such funds shall be based upon the actual cost of correcting level of service deficiencies as determined by the City.
4. Proportionate costs may be based on established impact fees or exactions. Other funding mechanisms such as user fees, special assessments, or taxing districts may be established to help pay for development impacts to existing infrastructure.
5. Proportionate costs for public school facilities shall be determined by the School Board.

Objective 9.4: Manage the land development process and provision of public facilities consistent with the capability of the City to provide, or require provision of, needed capital improvements.

Policy 9.4.1: The City shall not permit, or accept dedication of, any development or public facilities which are considered substandard or which would otherwise create an unnecessary financial hardship or liability for the City.

Policy 9.4.2: The City shall, on an annual basis, evaluate the need for capital improvements with regard to other needs of the City and shall adjust its schedule of capital improvements to reflect priority needs.

Policy 9.4.3: The City shall limit the use of revenue bonds to 80% of total debt consistent with the type, use, and available dedicated revenue sources. Revenue bonds shall not become the entire source of indebtedness for the City.

Policy 9.4.4: The maximum ratio of total debt service to total revenue shall not exceed 30%.

Policy 9.4.5: The City shall use guidelines to assure that the objectives and policies established in this Plan are met or exceeded, and that the Schedule of Capital Improvements set forth in this element is financially feasible based on changing conditions or revenue sources. The following guidelines will specify how adjustments to this Plan shall be undertaken in the event one or more of the revenue sources identified in the Schedule of Capital Improvements is not available to fund a particular project when needed:

1. Undertake a plan amendment that lowers the adopted level of service standard for the facility or service for which funding cannot be obtained.
2. Undertake a plan amendment that would adjust the Schedule of Capital Improvements by removing projects which have the lowest priority.
3. Undertake a plan amendment that would delay projects until funding can be guaranteed.
4. Not issuing development orders that would continue to cause a deficiency based on adopted level of service standards.
5. Transfer funds from the funded but not deficient public facility in order to fund an identified deficient public facility or service.

All of the following restrictions shall apply to paragraphs 1 through 5 above:

- (a) Projects cannot be removed, delayed, or deferred from the Schedule of Capital Improvements unless level of service standards will continue to be maintained;
- (b) Projects other than roads and mass transit cannot be eliminated, deferred, or delayed once relied upon for purposes of maintaining level of service standards; and
- (c) Development orders or permits that will result in a reduction in the level of service below the adopted standard for any public facility or service shall not be issued.

Policy 9.4.6: The City shall, on an annual basis, issue a development and level of service monitoring report that summarizes land development and land use decisions, fiscal resources, capital facilities, and growth. The monitoring report shall identify capital improvements needed to maintain level of service standards for public facilities and to meet future growth needs.

Table 9.2 Capital Improvements Table

PROJECT	FISCAL YEAR 2011	FISCAL YEAR 2012	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015
Capital Improvements Schedule					
Parks and Recreation					
Splash Parks		\$300,000			
Daffin Park Lighting			\$100,000		
Land Acquisition at Woods Field			\$250,000		
Oakland Terrace Park Lighting			\$360,000		
Oak Grove Park Expansion and Improvements	\$200,000				
Panama City Regional Park	\$2,000,000				
Cove Lane Park		\$75,000			
Harry Edwards Park		\$75,000			
Additional Community Parks	Five Acres*		\$150,000	\$150,000	
Transportation Facilities					
Improve N-S collector road	\$450,000	\$1,633,333	\$1,633,333	\$1,633,333	
Sidewalks in Glenwood and St. Andrews areas	\$50,000	\$50,000			
Florida Avenue curb and gutter with sidewalk	\$150,000				
Northside Dr. sidewalk 19 th to school	\$50,000				
Tram Road Improvement				\$250,000**	
Huckelberry Creek Parkway			\$250,000**	\$2,500,000**	
Balboa Multi-use path from 15 th to 19 th	\$125,000				
Drainage Facilities					
Replace storm drain lines under 19 th street		\$350,000			
Drainage Harmon and 12 th Street	\$515,000				
Kristianna Dr. Roadway flooding	\$60,000				

PROJECT	FISCAL YEAR 2011	FISCAL YEAR 2012	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015
Venetian Villa Baffle Boxes	\$176,000				
TOTAL:	\$3,776,000	\$2,483,333	\$2,743,333	\$4,533,333	\$0

Source: City of Panama City 2011 Budget

*Developer Contribution

**may be subsidized by developer contributions

Policy 9.4.7: The City Manager and the City Commission shall be responsible for implementation of this element.

Policy 9.4.8: Programs or procedures that shall be used to ensure that the goals, objectives, and policies of this element are met or exceeded are as follows.

1. The City shall evaluate needs and priorities for capital improvements, based on levels of service, on an annual basis. The guidelines described in the City's Land Development Regulations shall be used as a basis of evaluation. Such evaluation shall be undertaken prior to adoption of the annual budget. At a minimum, the following criteria shall also be considered:
 - (a) Changes in anticipated costs and/or revenue sources;
 - (b) Changes in priorities for projects;
 - (c) The extent to which identified project needs have been completed to correct existing deficiencies;
 - (d) Changes, or the need for changes, to anticipated project completion dates;
 - (e) Changes to level of service standards;
 - (f) Availability of, or applications for, grant funds;
 - (g) Any emergency improvements which occurred during the year;
 - (h) Major development projects, or potential projects, which would have significant impact on public facilities; and
 - (i) Availability of funds for completing projects identified for implementation during the coming budget year.
2. The City shall require that adequate public facility capacity be available for proposed development prior to issuing development permits.

3. The City shall require developers of property to provide public facilities such as street, water and sewer lines, and drainage. These facilities shall be designed and constructed according to City standards.
4. The City shall periodically evaluate its fees, assessments, and exactions to promote an equitable balance between capital improvements needs and revenue sources.
5. The City shall evaluate, on an annual basis, its capability to provide facilities and services for the types and densities of land use shown on the Future Land Use Map.

This element shall be specifically reviewed on an annual basis as part of the annual budget preparation process.

Objective 9.5: Manage the timing of residential subdivision approvals, site plans, and their functional equivalent to ensure adequate school capacity is available consistent with adopted level of service standards for public school concurrency.

Policy 9.5.1: Consistent with the Interlocal Agreement, the School Board and the City agree to the following standards for school concurrency in Bay County:

Table 9.3	
Student Generation Rates by Dwelling Unit Type	
Single-Family Homes	0.3047
Multi-Family Homes / Apartments	0.2706
Multi-Family Homes / Condominiums	0.0106
Mobile Homes	0.5053

Table 9.4	
Level of Service Standards	
Type of School	Level of Service
Elementary	100% of permanent FISH capacity
Middle	100% of permanent FISH capacity
High	100% of permanent FISH capacity

FISH - Florida Inventory of School Houses

Policy 9.5.2: The City shall ensure that future development pays its proportionate share of the costs of capital facility capacity needed to accommodate new development and to assist in maintaining adopted level of service standards, via legally available and appropriate fee methods in development conditions.

Policy 9.5.3: The City hereby incorporates by reference the 2010/2011 Bay County School District Tentative Facilities Work Program that includes school capacity sufficient to meet anticipated student demands projected by the County and municipalities, in consultation with the School Board's projections of student enrollment, based on the adopted level of service standards for public schools. This schedule will be updated each year, as part of the annual update to the five-year capital improvements program.

As provided in the Interlocal Agreement for Public School Facility Planning and Concurrency, incorporation of the School Board's Facilities Work Plan does not obligate the City to fund the improvements included in said Facilities Work Plan. The City, in coordination with the School Board, shall annually update the Capital Improvements Element by adopting by reference the School Board's financially feasible Work Program, to ensure maintenance of a financially feasible capital improvements program and to ensure level of service standards shall continue to be achieved and maintained during the five-year planning period.

Policy 9.5.4: The 5-year schedule of capital improvements ensures the level of service standards for public schools are achieved and maintained within the period covered by the 5-year schedule. After the first 5-year schedule of capital improvements, annual updates to the schedule shall ensure levels of service standards are achieved and maintained within each year of subsequent 5-year schedule of capital improvements.

Policy 9.5.5: The City shall update its capital improvements schedule on an annual basis by December 1st, to incorporate the upcoming five years of the School Board's Capital Improvement Program. As provided in the Interlocal Agreement for Public School Facility Planning and Concurrency, incorporation of the School Board's 5-Year Capital Improvements Program does not obligate the City to fund the improvements included therein. The City and the School Board shall coordinate during updates or amendments to the Plan and updates or amendments for long-range plans for School Board facilities.

Policy 9.5.6: The City shall ensure maintenance of the financially feasible capital improvements program, and shall ensure level of service standards shall continue to be achieved and maintained within each year of the subsequent 5-year schedule of capital improvements.

Policy 9.5.7: The City's strategy, in coordination with the School Board, for correcting existing deficiencies and addressing future needs includes:

1. Implementation of a financially feasible 5-year schedule of capital improvements to ensure level of service standards are achieved and maintained;
2. Identification of adequate sites for funded and planned schools; and
3. Establishment of a Proportionate Fair Share ordinance in order to generate additional revenue to help fund school improvements.