

## CHAPTER 14

### CAPITAL IMPROVEMENTS ELEMENT

Section 14.01 Purpose: The purpose of the Capital Improvements Element (CIE) is to evaluate the need for public facilities as identified in the other plan elements of this ordinance and as defined in the applicable definitions for each type of public facility, to estimate the cost of improvements for which the City of Niceville has fiscal responsibility, to analyze the fiscal capability of the City to finance and construct improvements, to adopt financial policies to guide the funding of improvements and to schedule the funding and construction of improvements in a manner necessary to ensure that capital improvements are provided when required based on the public facility needs identified in the other plan elements of this ordinance.

Section 14.02 Amendments: The capital improvements element shall be reviewed on an annual basis and modified as necessary in accordance with 163.3187 F.S.; however, corrections, updates, and modifications concerning costs, revenue sources, acceptance of facilities pursuant to dedications which are consistent with this ordinance, or the date of construction of any facility enumerated in the capital improvements element may be accomplished by ordinance and shall not be deemed to be amendments to the City's Plan.

Section 14.03 Data and Analysis: This element is based upon data and analysis requirements pursuant to Subsection 9J-5.005(2) F.A.C. and Subsection 9J-5.016(1) F.A.C. Reference paragraphs 5.03 and 5.06 of this ordinance and Chapter 11 of the Foundation Documents.

This element is based upon the public facility needs identified in the other Comprehensive Plan Elements and supports the Future Land Use Element. The geographic service area and location of major system components for the Okaloosa County School System and the various health systems within Niceville have been identified in other plan elements.

The existing revenue sources and funding mechanisms available for Capital Improvement financing are identified in Chapter 11 of the Foundation Document. The current budgetary, administrative and policy practices which guide the timing and location of construction or improvements in capacity of public facilities by Niceville have been analyzed. The goals, objectives and policies of this element have been formulated based, where appropriate, on this analysis.

Section 14.04 Goals, Objectives, and Policies: The Goals, Objectives and Policies of this element are as follows:

Goal 14.A - The timely and efficient provision of public facilities through the use of sound fiscal policies.

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Objective 14.A.1 - Use the CIE as a Directory to meet the needs of the City of Niceville for the construction of capital facilities necessary to meet existing deficiencies, to accommodate desired future growth and to replace obsolete or worn-out facilities upon adoption of this Ordinance (reference Section 14.06 of this ordinance). The schedule of capital improvements (Table 14-1) shall be the specific guide (directory) the City will use to determine construction of capital facilities and maintenance of LOS standards.

Policy 14.A.1.1 - The criteria to evaluate capital improvement projects directly related to individual elements of this ordinance are:

- a. The elimination of future public hazards; at present, there are no identified existing public hazards;
- b. The elimination of existing capacity deficits;
- c. The impact on the annual operating budget and Capital Improvements Program by the City of Niceville (see policy 14.A.5.1);
- d. Locational needs based on projected growth patterns (reference Chapter 7 and Figures 7-1, 7-2 and 7-3 of this Ordinance);
- e. The accommodation of new development and redevelopment facility demands;
- f. Financial feasibility; and
- g. Plans of The Northwest Florida Water Management District and state agencies that provide public facilities within the jurisdiction of the City of Niceville.

Note: The above criteria shall be ranked by the committee appointed pursuant to Policy 14.A.3.6 while fulfilling its responsibilities pursuant to Section 14.06 of this Plan. In addition, the criteria may be further ranked (or re-ranked) by the City Council during its annual budget development process. However, re-ranking of criteria shall only be done by the City Council in the event information is brought to the City Council that was unavailable to the committee.

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Policy 14.A.1.2 - The City of Niceville shall manage its debt so that the total amount of general obligation bonds of the City, which may at any time be outstanding, shall be no more than 25% of the assessed valuation of the non-exempt real and personal property within the corporate limits of the City.

In addition, the City will continue to form capital for public improvements or debt service by adjusting utility impact fees or user fees as necessary (reference Policy 10.A.2.3).

Policy 14.A.1.3 - Prioritize Capital Improvements funding (within the annual Capital Improvements program - see Policy 14.A.5.1) in a manner that generally assigns first priority to the renewal and replacement of obsolete or worn-out facilities, that assigns second priority to correcting existing deficiencies in public facilities, and third priority to facilities necessary to accommodate desired future growth. Nothing in this policy shall preclude the City of Niceville from increasing or rearranging the priority of any particular Capital Improvement project so that cost savings may be realized or LOS Standards are met.

Policy 14.A.1.4 - Promote rehabilitation and re-use of existing governmental facilities, structures, and buildings as the preferred alternative to new construction (reference Policies 7.A.2.2, 7.A.6.2, 10.A.1.5, 10.C.1.4, 14.A.1.3 and Section 14.06 of this ordinance).

Policy 14.A.1.5 – In accordance with Section 163.3164, Florida Statutes, projects listed in the first three years of the 5-Year Schedule of Capital Improvements shall be funded through committed revenue sources, which are presently available to the City. Projects listed in years four and five of the schedule may be funded through planned revenue sources, which must be secured by referenda or other actions.

Policy 14.A.1.6 – In the event that planned revenues do not become available to the City, projects will be reevaluated and alternative funding sources will be sought. If no alternative funding sources are available and the project is not required to ensure concurrency, the project may be moved to future years on the 5-Year Schedule.

Objective 14.A.2 - Limit public expenditures that subsidize development in coastal high hazard areas upon adoption of this Ordinance (reference Section 14.06 of this ordinance).

Policy 14.A.2.1 - Public expenditures in Coastal High Hazard Areas of the City of Niceville shall be limited to the provision, or support, of recreation uses such as parks and walkovers, erosion

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control devices, or to increase public access to the shoreline (reference Objective 11.A.5 and Policy 11.A.5.1).

Objective 14.A.3 - Coordinate land use decisions and available or projected fiscal resources with a schedule of capital improvements which maintains adopted level of service standards and meets the existing and future facility needs upon adoption of this Ordinance. (Reference Table 14-1, and Policies 14.A.3.1 through 14.A.3.6, among others).

Policy 14.A.3.1 - Land-use decisions shall be consistent with the schedule of Capital Improvements (reference Table 14-1).

Policy 14.A.3.2 - Establish level of service standards for public facilities which are within the jurisdiction of the City of Niceville, as provided by Subsection 9J-5.005(3) and Subparagraph 9J-5.015(3)(b)3, F.A.C. These standards shall be those found in the other comprehensive plan elements of this ordinance (reference LOS Summary in Chapter 15 of this ordinance).

Policy 14.A.3.3 - Provide for the availability of public facilities to serve developments for which development orders were issued prior to the adoption of this ordinance. Note: No development permits or orders were issued prior to the adoption of this ordinance for which public facilities or services were not available pursuant to LOS standards.

Policy 14.A.3.4 - The fiscal resources of the City of Niceville will be used, to the extent necessary, to maintain LOS standards and support the schedule of Capital Improvements (reference Table 14-1).

Policy 14.A.3.5 - Provide for the availability of public facilities and services needed to support development concurrent with the impacts of such development subsequent to the adoption of this ordinance (reference Chapter 6. Concurrency Management System and Policy 7.A.1.2).

Policy 14.A.3.6 - There is hereby created a committee to review the development activities within the City of Niceville and to review the level of service conditions for the city. The committee shall be comprised of the City Manager, the City Planner, Public Works Director and the City Clerk. The committee shall maintain information on development activity, level of service conditions and other data necessary to accurately evaluate the implementation of the City's Comprehensive Plan. In addition, the committee will monitor and evaluate the CIE on an annual ba-

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sis (reference Sections 6.01 and 14.06 and Policies 8.A.3.1, 11.A.8.5, 12.A.2.1, 13.A.1.1, 13.A.2.3 and 14.A.1.1 of this ordinance).

Objective 14.A.4 - Future development will bear a proportionate cost of facility improvements necessitated by the development in order to adequately maintain adopted LOS standards. Regulations will be included within the LDC (reference Policy 7.A.1.1) and the regulations will include methods of assessment. The methods will include a series of variables based upon the size, character, type and location of the development and the development's impact upon all City systems as well as the benefits the development is anticipated to receive from such systems.

Policy 14.A.4.1 - Provide for assessing new developments a pro rata share of the costs necessary to finance public facility improvements necessitated by development in order to adequately maintain adopted level of service standards in the Land Development Code (LDC). The pro rata share of cost necessary to finance public facility improvements will be determined based upon the size of the proposed development, the land uses associated with the proposed development, the impact the land uses are projected to have on public facilities and services upon occupancy of the development, the benefits expected to be received by the development, and the maintenance of LOS standards for all facilities impacted by the development.

Policy 14.A.4.2 - Include requirements within the LDC that exact physical improvements to impacted systems (roads, utilities, etc.) by new developments or the redevelopment of existing facilities. This policy will be implemented through the City's permitting and inspection process.

Objective 14.A.5 - The City of Niceville will provide or require provision of the needed improvements identified in the other plan elements in this ordinance and manage the land development process so that public facility needs created by previously issued development orders or future development do not exceed the ability of the City of Niceville to fund and provide or require provision of the needed capital improvements (reference Chapter 6, Section 14.06, Objective 14.A.4, Policies 14.A.4.1 and 14.A.4.2 of this ordinance).

Policy 14.A.5.1 - A capital budget will be adopted by the City Council as a part of the annual budgeting process. The Capital Budget (Capital Improvement Program) will be developed using this element as a directory.

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Policy 14.A.5.2 - Use the City of Niceville's fiscal policies to direct expenditures for capital improvements which insure the implementation of the Goals, Objectives, and Policies of the other plan elements in this ordinance (reference Section 14.06 of this ordinance).

Policy 14.A.5.3 - The City will implement the Concurrency Management System described in this ordinance upon adoption of the LDC (also, see Policies 14.A.3.2 and 14.A.4.2).

Policy 14.A.5.4- The City shall include in its annual update of the City's five (5) year capital improvements project listing the first five (5) years of the ten (10) year Water Supply Facilities Work Plan to ensure consistency between the Infrastructure Element and the Capital Improvement Element. Annual updates to the CIP projects listing will continue to include projects listed in the work plan beyond the initial 5-year time frame.

Goal 14.B - The City shall ensure that future needs are addressed consistent with the adopted level of service standards for public schools.

Objective 14.B.1- Manage the timing of residential subdivision plat approvals, site plans or their functional equivalent to ensure adequate school capacity is available consistent with adopted level of service standards for public school concurrency.

Policy 14.B.1.1 - Consistent with the Interlocal Agreement, the School Board and City agree to the following standards for school concurrency in the City of Niceville:

TYPE OF SCHOOL	LEVEL OF SERVICE
Elementary	100% of permanent FISH capacity
Middle	100% of permanent FISH capacity
High	100% of permanent FISH capacity
Special purpose	100% of permanent FISH capacity

Policy 14.B.1.2 - The City shall ensure that future development pays a 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 methods for school facilities.

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Policy 14.B.1.3 - The City hereby incorporates by reference the *Okaloosa County School District 2008-2009 Five Year Work Plan*, prepared by the Okaloosa County School District and dated September 8, 2008, 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. Level of Service standards shall be applied district-wide to all schools of the same type.

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 will continue to be achieved and maintained during the five-year planning period.

Policy 14.B.1.4 - The 5-year schedule of 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 schedules of capital improvements and to address any deficiencies and to meet future needs.

Policy 14.B.1.5 - The City of Niceville will update its Capital Improvements Schedule on an annual basis by December 1<sup>st</sup>, to incorporate the upcoming five years of the School Board's Capital Improvement Program. The City of Niceville and the School Board will coordinate during updates or amendments to the City of Niceville's Comprehensive Plan and updates or amendments for long-range plans for School Board facilities.

Policy 14.B.1.6 - The City shall ensure maintenance of the financially feasible capital improvements program and level of service standards will continue to be achieved and maintained within each year of the subsequent 5-year schedule of capital improvements.

Policy 14.B.1.7 - 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.

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2. Identification of adequate sites for funded and planned schools.
3. The establishment of an impact fee ordinance in order to generate additional revenue to help fund school improvements.
4. Consideration of potential amendments to the level of service standards at least annually at the staff working group meeting to take place no later than April 15th of each year. If the School Board proposes an amendment, it shall be accomplished by the execution of an amendment to the Interlocal Agreement by all parties and the adoption of amendments to the comprehensive plans. Impact to adjacent communities shall be considered in the recommendations of the working group. The amended level of service shall not be effective until all plan amendments are effective and the amended Interlocal Agreement is fully executed. No level of service shall be amended without a showing that the amended level of service is financially feasible, supported by adequate data and analysis, and can be achieved and maintained within the period covered by the first five-years of the Capital Facilities Plan. After the first 5-year schedule of capital improvements, capacity shall be maintained within each year of subsequent 5-year schedules of capital improvements.

Section 14.05 Implementation:

(1) The schedule of capital improvements, (Table 14-1) for which the City of Niceville has responsibility, has been selected by year, after the adoption of this ordinance, and reflects the need to reduce identified existing deficiencies, remain abreast of replacements and to meet future demands and includes:

- (a) Project description and general location; and
- (b) A determination of consistency with the other elements of this ordinance.

(2) Table 14-1 lists projected costs and funding source by type of public facility for the period.

(3) Table 14-1 shall be implemented pursuant to Policy 14.A.5.1 and within the annual budget of the City of Niceville.

(4) Chapter 11 of the Foundation Documents includes historical and projected revenues which can be used to insure that the goals, objectives and policies of the Capital Improvements Element

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are met and meet the LOS standards established for facilities and services concurrent with impacts of development. Table 11 indicates revenue sources by project categories and illustrates the financial feasibility of the Capital Improvements Element and the Comprehensive Plan.

Section 14.06 Monitoring and Evaluation: The CIE shall be reviewed on an annual basis, reference paragraph 5.12 of this ordinance. The committee created pursuant to policy 14.A.3.6 shall annually evaluate the implementation of the Capital Improvements Element. By May 1st of each year the committee shall report to the Niceville Planning Commission (LPA) on the status of implementation activities as well as level of service conditions within the city. By June 1st of each year, the Niceville Planning Commission shall report to the City Council its evaluation of the implementation of the Capital Improvements Element and the Comprehensive Plan. Contained within the report shall be any recommendations the Planning Commission may promulgate in order to maintain level of service standards and any adjustments necessary to the CIE and the City's annual Capital Improvement Program (reference Policy 14.A.5.1). The City Council shall consider the report of the commission upon receipt and during its deliberations on the annual budget and Capital Improvements Program. Any adjustments made to the CIE or the Capital Improvements Program shall include consideration of the maintenance of LOS standards delineated in this Ordinance. Also, see Policies 8.A.3.1, 11.A.8.5, 12.A.2.1, 13.A.1.1 13.A.2.3 and 14.A.1.1 and Sections 5.12 and 6.01 of this Ordinance for other monitoring, review and evaluation responsibilities of the committee.

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