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December 1, 2009

The Honorable Jeff Atwater
President of the Senate
The Capitol
Tallahassee, Florida 32399-1100

The Honorable Larry Cretul
Speaker of the House
The Capitol
Tallahassee, Florida 32399-1300

Dear President Atwater and Speaker Cretul,

Pursuant to the Community Renewal Act, Chapter 2009-96, Laws of Florida, the Florida Department of Community Affairs and Florida Department of Transportation respectfully submit their Joint Report on the Mobility Fee Methodology Study. The report provides background information, principles for a mobility fee, options for legislative action, a plan to implement a mobility fee, an economic analysis, potential costs and benefits, and activities necessary to implement a fee.

The agencies prepared this joint report with the assistance of a Stakeholder working group, technical working groups and the Center for Urban Transportation Research. We commend all participants for their creativity, hard work and ongoing commitment to this effort.

Sincerely,

Handwritten signature of Thomas G. Pelham in blue ink.

Thomas G. Pelham
Secretary

Handwritten signature of Stephanie C. Kopelousos in blue ink.

Stephanie C. Kopelousos
Secretary



JOINT REPORT ON THE MOBILITY FEE METHODOLOGY STUDY

Submitted to the President of the Florida Senate and the Speaker of the Florida House of Representatives, pursuant to Section 13, Chapter 2009-96 Laws of Florida, the Community Renewal Act



Prepared by
Florida Department of Transportation
Florida Department of Community Affairs



December 1, 2009

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EXECUTIVE SUMMARY

Since its inception, the policy objectives of transportation concurrency have been frustrated by its practical application. Originally envisioned as a planning tool to provide for public infrastructure in coordination with new development, transportation concurrency has been increasingly viewed merely as a funding mechanism requiring development to pay for new roads.

The State of Florida has operated under transportation concurrency for nearly a quarter century. A significant benefit has been coordinating the timing of development with the availability of transportation facilities and services. The concurrency system also provides guidance for land use decisions and infrastructure priorities and has allowed private developer contributions to support needed transportation improvements. During this time however, new development and background growth in traffic has consumed and often exceeded available capacity in the system. Public and private investment in transportation has not been sufficient to achieve desired level of service standards.

As our urban centers have become more congested, the cost of mitigating for transportation impacts has escalated. Meanwhile, suburban and rural areas with available roadway capacity have little or no mitigation costs for transportation impacts. When combined with the lower costs of land, concurrency is often seen as a factor in promoting suburban sprawl and discouraging infill, redevelopment and transit supportive communities.

Concurrency has created challenges for local governments and the development community. The system is increasingly complex to administer; mitigation costs have been unpredictable; costs are often perceived as inequitable because of the “last in pays” approach; and the system generally is focused on expanding roadway capacity instead of extending mobility across all modes such as transit.

The Legislature has modified transportation concurrency by authorizing a variety of alternatives including proportionate-share and proportionate fair-share contributions as “pay and go” options for mitigation. Despite these reforms, dissatisfaction with concurrency remains.

The 2009 Legislature enacted Senate Bill 360 as Chapter 2009-96, Laws of Florida, entitled the Community Renewal Act (the Act). The Act eliminated the state mandate for transportation concurrency in qualifying areas within designated Dense Urban Land Areas (DULAs). DULAs are areas with a population density in excess of 1,000 people per square mile. The Act also directs the Department of Community Affairs (DCA) and Florida Department of Transportation (FDOT) to complete their ongoing mobility fee studies and report back to the Legislature by December 1, 2009.

Based on extensive stakeholder input, this report recommends basic principles to be considered when implementing a mobility fee. The report also responds to the statutory requirement to provide “an

economic analysis of implementation of the mobility fee, activities necessary to implement the fee, and potential costs and benefits at the state and local levels and to the private sector.”

This report contains several key recommended principles to support a mobility fee approach. These principles are summarized as follows.

- **Fairness and Funding**: A mobility fee alone cannot address all of Florida’s transportation needs. The approach should ensure all new development provides mitigation for its impacts on the transportation system. Development should not be required to pay for transportation backlogs caused by a shortfall in public investment in transportation infrastructure.
- **Transparency and Predictability**: A mobility fee should be transparent and predictable in its application so that proposed development is no longer required to endure lengthy concurrency reviews and approvals with uncertain and widely varying outcomes.
- **Countywide minimum application**: A mobility fee should be applied countywide with participation of each local government within the county. There should be an option for a regional/multi-county application. Local governments would enter into interlocal agreements to establish the framework for the mobility fee program: establishing funding priorities and methods to ensure equitable distribution of funds. Comprehensive plan amendments would be necessary to establish the mobility fee program, provide for intergovernmental coordination and modify existing transportation concurrency management policies.
- **Multimodal Planning**: A mobility fee should be based on and help fund mobility plans. These plans should incorporate multimodal choices including roadways, transit, bikeways, pedestrian walkways, congestion management strategies and other appropriate facilities and services.
- **Promote Compact, Mixed-use and Energy Efficient Development**: To meet the legislative direction to “promote compact, mixed-use and energy-efficient development” a mobility fee should be sensitive to vehicle or person miles traveled and vary by location and development type. Mobility plans should identify areas where development is desired to reduce auto dependence. A mobility fee would depend on the location of new development to support a growth management policy encouraging urban infill, redevelopment, transit supportive development and design strategies and measures to reduce transportation demand.
- **Local Government Flexibility**: Local governments should have the option to retain the ability to pursue land use and transportation strategies that address the specific needs of their area. Local governments should have the option to retain locally adopted impact fees so long as credits are provided to ensure there is no double charging for impacts.

In addition to these principles, this report offers three options in response to the request for recommended legislation. For each option, the report lists advantages and disadvantages. The recommended options are:

- **Require mobility fees statewide by a date certain:** A mobility fee would be established using a uniform methodology but would vary depending on location and type of development as well as the underlying mobility plan developed for that area.
- **Require mobility fees in “DULA” counties and authorize mobility fees in all other counties:** The eight counties qualifying as DULA counties under the Act would be required to implement a mobility fee approach. All other counties would be able to opt-in and create a mobility fee and mobility plan.
- **Authorize mobility fee pilot counties:** Selected pilot counties would develop a mobility fee with technical assistance from DCA and FDOT. The agencies would report on the pilot counties by a date certain. Non-pilot counties could continue to pursue their own planning and associated fees currently allowed under home rule.

The plan for implementing a mobility fee is dependent on the option chosen. It is envisioned a mobility fee would require local governments to develop mobility plans, interlocal agreements between the county and cities, comprehensive plan amendments and land development regulations. Many larger urban areas are already experimenting with these concepts and have the technical capacity to implement a mobility fee approach. Other smaller and rural communities would likely require technical assistance.

In addition to providing technical assistance to local governments, the agencies would have to undertake implementation activities including: creation of model interlocal agreements, comprehensive plan policies and land development regulations. DCA would have to revise Chapter 9J-5, Florida Administrative Code, to establish requirements for transportation and land use strategies and the agencies would have to evaluate level of service standards for all transportation facilities.

In evaluating the potential costs and benefits of a mobility fee, it is anticipated that there will be some upfront costs to the state agencies required to assist with implementation. Local governments will experience upfront implementation costs as well. At the same time, local governments often expend considerable resources administering their transportation concurrency management systems. Under a mobility fee approach, local governments would be able to redirect resources to planning activities needed to support the system and fewer resources to administer the transportation concurrency management system.

New development will benefit from the timeliness and predictability of a mobility fee. A mobility fee would also have a variable private sector impact for new development depending on the location and type of development. Denser, mixed-use development will pay less than lower density, single use developments further from urban centers.

In preparing this report, the agencies continued working with an existing stakeholder group to recommend a framework for a mobility fee. This report recommends mobility fee principles and legislative options for consideration by the Legislature.

INTRODUCTION

Considerable interest has been expressed in Florida in the concept of a transportation mobility fee. Chapter 2009-96, Laws of Florida, the *Community Renewal Act*, enacted June 2, 2009, calls for the state to evaluate and consider implementation of a mobility fee. The Act states a mobility fee should “provide for mobility needs, ensure that development provides mitigation for its impacts on the transportation system in approximate proportionality to those impacts, fairly distribute the fee among the governmental entities responsible for maintaining the impacted roadways, and promote compact, mixed-use, and energy-efficient development.”

An alternative to transportation concurrency has been discussed in Florida for as long as concurrency has been required. Concurrency is a growth management technique ensuring adequate facilities and services are available concurrent with development impacts. Coordinated land use, infrastructure, capital improvements planning and adequate funding is required to support the concurrency system, consistent with adopted comprehensive plans.

Transportation concurrency has been continually evolving. Since its enactment, the Legislature has provided several concurrency alternatives to better accommodate growth in urban centers where transportation capacity is more constrained. Proportionate-share and proportionate fair-share mechanisms were also added to the concurrency process to enable development to “pay and go” – pay for impacts and proceed to develop. However, the implementation of proportionate-share/proportionate fair-share has been controversial and challenging.

Chapter 2009-96, Laws of Florida, Community Renewal Act

Section 13. (1)(a) *The Legislature finds that the existing transportation concurrency system has not adequately addressed the transportation needs of this state in an effective, predictable, and equitable manner and is not producing a sustainable transportation system for the state. The Legislature finds that the current system is complex, inequitable, lacks uniformity among jurisdictions, is too focused on roadways to the detriment of desired land use patterns and transportation alternatives, and frequently prevents the attainment of important growth management goals.*

(b) *The Legislature determines that the state shall evaluate and consider the implementation of a mobility fee to replace the existing transportation concurrency system. The mobility fee should be designed to provide for mobility needs, ensure that development provides mitigation for its impacts on the transportation system in approximate proportionality to those impacts, fairly distribute the fee among the governmental entities responsible for maintaining the impacted roadways, and promote compact, mixed-use, and energy-efficient development.*

(2) *The state land planning agency and the Department of Transportation shall continue their respective current mobility fee studies and develop and submit to the President of the Senate and the Speaker of the House of Representatives, no later than December 1, 2009, a final joint report on the mobility fee methodology study, complete with recommended legislation and a plan to implement the mobility fee as a replacement for the existing local government adopted and implemented transportation concurrency management systems. The final joint report shall also contain, but is not limited to, an economic analysis of implementation of the mobility fee, activities necessary to implement the fee, and potential costs and benefits at the state and local levels and to the private sector.*

An expressed concern is the inequity of a system that requires payment only after the roadway level of service standard has been exceeded. New development freely consumes available roadway capacity, encouraging development in outlying areas. This places a disproportionate financial responsibility on developers seeking concurrency approval after available capacity has been consumed. These and other unintended consequences, such as the regional transportation impact of local land use decisions, have surfaced over the years regarding the implementation of the existing transportation concurrency regulations in Florida.¹

The Act characterizes the existing transportation concurrency regulations as “complex, inequitable, lacking uniformity among jurisdictions, is too focused on roadways to the detriment of desired land use patterns and transportation alternatives, and frequently prevents the attainment of important growth management goals.” Any change to existing transportation concurrency systems should address these issues, while ensuring that adequate transportation facilities and services are provided to support development.

The agencies were instructed to develop and submit a joint report to the Legislature on the mobility fee methodology study no later than December 1, 2009. In fulfillment of this directive, this joint report includes a mobility fee methodology, recommended legislative options, a plan to implement the mobility fee and an economic analysis of implementation of a mobility fee.

¹ Chapin, “Rethinking the Florida Concurrency Mandate,” 2008.

SETTING THE STAGE

This section addresses coordination of land use and transportation, transportation funding and the role of transportation concurrency in Florida.

Coordination of Land Use and Transportation

Land use and transportation are inextricably linked. Land uses create a demand for transportation facilities and transportation services are catalysts for land development. The location, type, magnitude and timing of land development can open opportunities for multi-modal transportation systems or can create an auto-dependent landscape where transit, walking and biking to satisfy travel demand become impractical.

Comprehensive plans connect land use and transportation at three major levels:

- The long range future land use and transportation elements of comprehensive plans are to be coordinated and consistent such that planned land uses are supported by planned transportation facilities adequate to achieve mobility based on adopted level of service standards;
- Comprehensive plans are to include intergovernmental coordination elements to ensure coordination with the plans of adjacent local governments and transportation agencies;
- Comprehensive plans are to include a five-year schedule of capital improvements to ensure the adopted level of service standards are achieved and maintained during the short range planning period; and
- Comprehensive plans establish concurrency management systems to ensure that development will not be allowed unless adequate transportation facilities are or will be available.

In addition, comprehensive plans are to be coordinated with the transportation plans prepared by metropolitan planning organizations (MPOs). Florida has 26 MPOs each with long range transportation needs and cost feasible plans. Through an ongoing update process each long range transportation plan will be designed to provide for mobility within its area based on demands through the 2035 time period.

At the long range planning time period, future land uses often exceed planned transportation facilities in regard to the location and magnitude of development, development patterns are often dominated by low density residential development separated from places of employment and shopping, and travel patterns include extensive extra-jurisdiction movement. At the short range planning period, both local and state governments have struggled to construct adequate transportation facilities with available revenues. A result has been an inability to consistently achieve and maintain adopted level of service standards, particularly in urban centers.

The Act amended section 163.3164, Florida Statutes, to define Dense Urban Land Areas (DULAs). Eight counties and 238 municipalities qualify as DULAs. Only portions of those eight counties, with the

exception of Miami-Dade and Broward, qualify as transportation concurrency exception areas (TCEAs). The municipalities which qualify as DULAs are identified by the law as TCEAs in their entireties.

Within the state designated TCEAs, the Act removes the state-mandated transportation concurrency requirements. However, because the Act contains a home rule provision and no language preempting the areas of transportation concurrency or prohibiting local governments from adopting regulations that are stricter than state requirements, local governments may continue applying their existing transportation concurrency requirements.

In section 163.3180(5)(a), Florida Statutes, the legislative findings for transportation concurrency were expanded to include:

The Legislature also finds that in urban centers transportation cannot be effectively managed and mobility cannot be improved solely through the expansion of roadway capacity, that the expansion of roadway capacity is not always physically or financially possible, and that a range of transportation alternatives are essential to satisfy mobility needs, reduce congestion, and achieve healthy, vibrant centers.

Finally, section 163.3180(5)(b)4., Florida Statutes, establishes a new planning requirement for local governments within state designated TCEAs:

*A local government that has a transportation concurrency exception area designated pursuant to subparagraph 1., subparagraph 2., or subparagraph 3. shall, **within 2 years after the designated area becomes exempt, adopt into its local comprehensive plan land use and transportation strategies to support and fund mobility within the exception area, including alternative modes of transportation.** Local governments are encouraged to adopt complementary land use and transportation strategies that reflect the region's shared vision for its future (emphasis added).*

To provide guidance to local governments on land use and transportation strategies, DCA has initiated rulemaking to amend Chapter 9J-5, Florida Administrative Code. The land use and transportation strategies will provide a legal basis for the mobility plan and associated mobility fee.

Transportation Funding in Florida

This section provides information on Florida's transportation system as well as state and local transportation finance. Financial information includes the most recent data available on transportation revenues and expenditures, and information on long range unfunded needs.

The State Transportation System

Florida has an extensive transportation system of state highways, local roads and streets, public transit systems and services, rail facilities, seaports, aviation facilities, trails and bikeways. The state – through

Florida's Transportation System	
State Highways	12,093 centerline miles
Local Roads	107,247 centerline miles
Public Transit	28 Fixed-Route Systems
Rail	2,800 Railway Miles
Seaports	14 Seaports
Aviation	128 Airports

FDOT – owns, operates, and maintains the State Highway System and has the primary responsibility for long-distance travel: the movement of goods and people between regions of the state and between Florida and other states and nations. The state shares responsibility for regional and local transportation with owners of the rest of the system (e.g. local governments, private sector).

FDOT carries out its statutory mandate² to focus state resources on implementing the Strategic Intermodal System (SIS). The SIS is a statewide network of high-priority transportation facilities, including the largest and most significant commercial service airports, spaceport, deepwater seaports, freight rail terminals, passenger rail and intercity bus terminals, rail corridors, waterways and highways.

Transportation Needs Verses Revenues

FDOT and Florida's 26 MPOs adopt and periodically update long range transportation plans that are cost feasible. That is, the costs of planned projects are balanced with estimates of revenues reasonably expected to be available over a period of 20 or more years. Projects needed to serve future population and land use, which cannot be built because of insufficient revenues, are referred to as "unfunded needs."

The most recent *2035 SIS Multimodal Unfunded Needs Plan*, adopted by FDOT in 2006, identified \$53.2 billion in unfunded needs (measured in 2006 dollars). The estimate of unfunded needs in Florida's metropolitan areas alone is \$62.5 billion (measured in 2005 dollars).³

Local Government Transportation Funding

The most recent summary data available on transportation expenditures by counties and municipalities was compiled by the Florida Legislative Committee on Intergovernmental Relations for the year 2007. Statewide, local governments spent \$7 billion, about 60 percent of which was spent on roads and streets, the remainder was spent on other transportation infrastructure and services (e.g. airports, transit).⁴ A summary of local transportation expenditures by revenue source is unavailable. .

Local revenue sources include fuel taxes, user fees such as bus fares and airport landing fees, property taxes and transportation impact fees. Forty-one of Florida's 67 counties adopted transportation impact fees as of 2007. Seventy-one of 408 municipalities reported transportation impact fee revenues in 2006.

State fuel taxes collected for local government use include three cents for counties and one cent for municipalities, providing an estimated \$400 million in 2007.⁵ Local governments may exercise local option fuel taxes of up to twelve cents per gallon. Eighteen of the 67 counties have fully exercised their local option fuel taxes. In 2007, local option fuel taxes raised an estimated \$875 million.⁶ In addition to

² Section 339.61, Florida Statutes.

³ Center for Urban Transportation Research, *The 2008 Review of Florida's MPO Long Range Transportation Plans*, October 2008.

the motor fuel taxes, the Legislature has authorized a number of other local option taxes for transportation purposes including sales surtaxes as shown in the following tables.

Table 1: Florida Counties Levying Optional Motor Fuel Taxes

	ELIGIBLE	LEVYING	PURPOSES	ADOPTION
Ninth Cent § 336.021(1)(a), F.S.	67	49	Transportation	Referendum or Extraordinary vote
1 to 6 Cent § 336.025(1)(a), F.S.	67	65	Transportation	Referendum or Majority
1 to 5 Cent § 336.025(1)(b), F.S.	67	18	Transportation Capital	Referendum or Majority plus 1

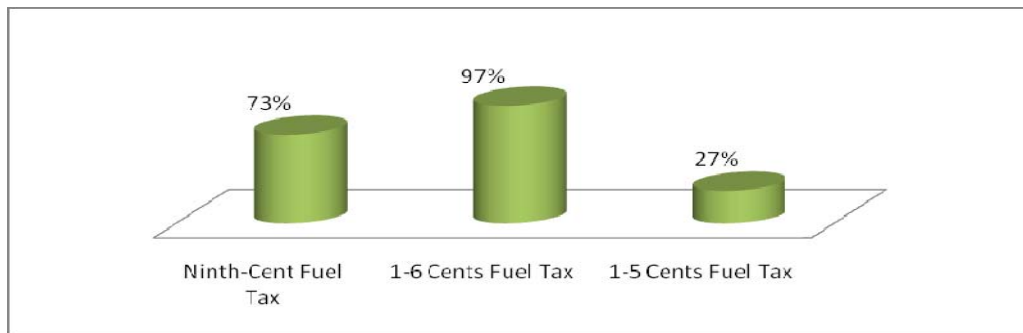


Figure 1: Florida Counties Levying Optional Motor Fuel Taxes.

Table 2: Florida Counties Levying Optional Sales Surtaxes

	ELIGIBLE	LEVYING	PURPOSES	ADOPTION
Charter County Transportation System §212.055(1), F.S.	7	2	Transit/Roads	Referendum
Local Government Infrastructure §212.055(2), F.S.	67	20	Infrastructure	Referendum
Small County (pop. 50,000) §212.055(3), F.S.	31	28	Any	Referendum

⁴ Florida Legislative Committee on Intergovernmental Relations; see <http://www.floridalcir.gov/fiscal.cfm>

⁵ Florida Department of Transportation, *Florida's Transportation Tax Sources, A Primer*, January 2007.

⁶ *Ibid.*

Role of Transportation Concurrency

Transportation concurrency is not just a payment system. Rather it is part of a broader planning system to provide adequate transportation facilities and services.

In Florida, the concept of concurrency was first introduced in 1985 as part of the Local Government Comprehensive Planning and Land Development Regulation Act (Growth Management Act). This growth management tool provides that adequate transportation facilities and services must be available concurrent with the impacts of development. Specifically, section 163.3180(2)(c), Florida Statutes, requires “transportation facilities needed to serve new development shall be in place or under actual construction within 3 years after the local government approves a building permit or its functional equivalent.”

To satisfy the concurrency requirement for transportation facilities, the Legislature has provided alternatives where adequate transportation facilities will not be in place or under actual construction within 3 years, which include:

- Capacity that is available through development agreements;
- Planned capacity in the first 3 years of the five-year schedule of capital improvements; or
- A monetary contribution toward the fair share cost of improving the transportation facility for a project in five-year or long-term schedule of capital improvements or to a beneficial improvement to be added to schedule in the next amendment cycle (proportionate fair-share mitigation applies to development not subject to Development of Regional Impact (DRI) review, while proportionate-share applies to DRI.

TRANSPORTATION CONCURRENCY CHRONOLOGY	
YEAR	ACTION
1985	The concept of concurrency becomes law with the passage of Florida’s Growth Management Act (Chapter 163, Part II, Florida Statutes).
1992	FDOT adopts Statewide Minimum Level of Service Standards for the State Highway System.
1993	Chapter 163, Part II, Florida Statutes, is amended to authorize transportation concurrency exception areas, transportation concurrency management areas and long-term concurrency management plans.
1999	The Legislature adds multi-modal transportation districts to the local concurrency tool box.
2002	FDOT standards amended to apply to FIHS
2005	The Legislature enacts the first Senate Bill 360, which imposes new financial feasibility requirements for the capital improvement elements of local plans, adopts stricter requirements for the transportation concurrency flexibility options and establishes a developer proportionate fair share payment system for transportation concurrency. It also requires the approval of FDOT for mitigation of impacts on the SIS.
2006	The FDOT Level of Service Standards apply on SIS and FIHS
2009	The Legislature enacts the second Senate Bill 360, which eliminates state-mandated transportation concurrency requirements in approximately 240 cities and the existing urban service areas of six large counties.

Comprehensive planning requirements for the implementation of a transportation concurrency system mandate:

- Adopting level of service standards for measuring adequate facilities;
- Eliminating existing service deficiencies through a financially feasible schedule of improvements; and
- Coordinating land uses with available facilities and services to accommodate new growth anticipated by the comprehensive plan.

In principal, if long range land use and transportation planning are coordinated and a financially feasible schedule of transportation improvements is maintained, adequate roadway capacity at the time of a building permit should be available.

Some of the benefits of transportation concurrency include:

- Coordination of the timing of development with availability of transportation facilities and services included in a financially feasible schedule of improvements;
- Maintenance of adopted level of service standards;
- Ensures that where capacity is not available, based on adopted level of service standards, development must provide mitigation for its impact on level of service;
- Allows for private developer contributions and/or funding of needed transportation improvements; and
- Provides feedback, accountability and guidance for land use decisions, infrastructure priorities and funding.

There has been widespread dissatisfaction with reliance on roadway level of service standards, particularly as this discourages development in urban centers. The focus on achieving and maintaining state roadway levels of service for automobile mobility has promoted multi-lane, free flowing roadways in urban areas to the exclusion of other modes. Many argue the concurrency system has impeded urban redevelopment and infill.

A related problem is the difficulty in meeting established level of service standards on a facility- by-facility basis during the PM peak hour.⁷ This approach to defining adequacy of transportation service has contributed to widespread “backlogs” (facilities on which the adopted level-of-service standard is exceeded) across the state. The cost of providing facilities to maintain adopted standards is well beyond the abilities of existing transportation funding mechanisms.

⁷ The peak hour is the hour during which the greatest amount of travel occurs on a typical weekday. The PM Peak Hour is typically the highest traffic volumes encountered during a weekday from 5:00 to 6:00 PM peak; adapted from **Florida's Mobility Performance Measures Program** <http://www.dot.state.fl.us/planning/statistics/mobilitymeasures/mmbrochure.pdf> .

Another concern is the inequity of a system that requires payment only after the level of service standard has been exceeded. New development freely consumes available road capacity, encouraging development in outlying areas. This places a disproportionate financial responsibility on developers seeking concurrency approval after available capacity has been consumed, resulting in market inequities. These and other unintended consequences, such as the regional transportation impact of local land use decisions, have surfaced over the years regarding the implementation of the existing transportation concurrency regulations in Florida.⁸

Since 1993, exceptions and alternatives from strict adherence to transportation concurrency have been enacted into law to accomplish other important growth management goals. Despite these reforms, there remains support for additional changes to concurrency.

The Act sought to remedy some of the issues with transportation concurrency. The Act eliminated the state mandate for transportation concurrency in qualifying areas within designated DULAs. Local governments have the option of continuing to apply transportation concurrency as a matter of local law. The DRI program, which provides a process for multi-agency review of large developments, was also eliminated in these areas, as was the requirement for local governments to adopt and maintain state level of service standards for the SIS.

In addition, within 2 years of the effective date of establishing a TCEA, local governments are required to adopt into their local comprehensive plan land use and transportation strategies to support and fund mobility within the exception area, including alternative modes of transportation. These plans also must comply with Chapter 2008-191, Laws of Florida, by including strategies to reduce greenhouse gas emissions and promote energy efficient land use patterns.

⁸ Chapin, "Rethinking the Florida Concurrency Mandate," 2008.

THE MOBILITY FEE CONCEPT

What Is a Mobility Fee?

A mobility fee is a charge on all new development to provide mitigation for its impact on the transportation system. However, a mobility fee is not a substitute for site related improvements for safety, access and internal circulation, which may still be required under local land development regulations. These types of improvements are typically identified during site analysis review but would not typically be included in the land use and transportation strategies for mobility (i.e. mobility plans). Some examples include internal roads for new subdivisions, improvements for access to and from the site, and improvements to maintain safety (e.g. traffic signalization, acceleration/deceleration lanes adjacent to the development).

A mobility fee covering the true cost of transportation needs attributable to new development may be higher when compared to current impact fee rates. Studies to date indicate that current transportation impact fees do not cover all costs of transportation needs attributable to new development. A mobility fee applied to all new development may result in an increase in funding available for transportation. However, it is very important to note that revenues from mobility fees would only cover a small portion of Florida's mobility needs.

The following, from CUTR's *Evaluation of Mobility Fee Concept* report, illustrates an example of a mobility fee as compared to an impact fee:

Based on adopted level of service standards, costs per vehicle mile of travel (VMT) had been as high as \$500.⁹ Single family dwelling unit example: Assuming 10 trips per day, an average of 7 VMT per trip: $(10 \times 7)/2 \times \$500 = \$17,500$ per single family home. This amount is usually credited 20-30% to account for other revenues (i.e., motor fuel taxes) that may be attributed to the development over time. Assuming a 25% credit, the transportation costs for a single family home in some areas of Florida may be \$13,125. Since development within a TCEAs is not subject to level of service standards, the cost per vehicle mile may decrease, or be replaced by funding for transit. The state average county transportation impact fee for a single family unit (3 bedroom, 2,000 square feet on 10,000 square foot lot) was \$2,937. Collier County adopted the highest rate at \$8,884 and Monroe County the lowest at \$430.¹⁰

⁹ Discussion with Bill Oliver, Tindale-Oliver & Associates, Inc., August 2009.

¹⁰ Antonio Apap and Dana L. Cicheskie, *Do Impact Fees Pay for The Infrastructure Costs Required by New Developments?* Journal of Business & Economic Research 6.7 (2008), p. 73.

As a charge on new development, the mobility fee has characteristics of an impact fee. Implementation of a mobility fee may involve adherence to the “dual rational nexus test”¹¹ established in Florida case law, unless otherwise provided by the Legislature.

Although a mobility fee is similar to an impact fee in that it is a charge on new development for its impacts on transportation facilities, the mobility fee as proposed in this report would be different from an impact fee in significant ways, including:

- A mobility fee would apply on at least a countywide basis;
- A mobility fee would require a high level of intergovernmental coordination;
- A mobility fee would be sensitive to vehicle or person miles traveled encouraging shorter trips and reduction of total travel thereby promoting compact and mixed-use development;
- A mobility fee would fund multi-modal transportation improvements for roadways, transit, bikeway, pedestrian walkways (including capital projects, system efficiency and congestion management improvements/strategies and transit capital and operating costs);
- A mobility fee could provide a charge for recouping a new development’s share of transit operating costs for a short term period; and
- A mobility fee would be distributed among all the governmental entities responsible for maintaining impacted transportation facilities.

Impact fees are not typically designed to vary by location; the charges are the same across the board based on development type (e.g. single family, multi-family, commercial). Typically, impact fee revenues are allocated toward the capital costs of roadway improvements, with only a small portion of these revenues directed toward transit, bikeway, pedestrian and other system efficiency and congestion management strategies. Finally, impact fees are very rarely distributed to state governmental entities responsible for maintaining the impacted roadways.

While a comparison to impact fees is useful, it is important to consider that a mobility fee is envisioned to replace proportionate-share and proportionate fair-share payments. This is important since payment of an impact fee does not guarantee that a development satisfies concurrency.

When instituted, a mobility fee should be structured to allow identification of the fee based on a simple table varying by location, magnitude and type of development.

The Mobility Fee Approach

A first step to creating a mobility fee is establishing cooperative agreements among local governments and transportation agencies to coordinate land use and transportation mobility planning efforts and

¹¹ This test requires that there be: 1) a reasonable connection between the need for transportation improvements and the growth generated by new development; and 2) a reasonable connection between the expenditure of fees collected and the benefit to the development.

establish improvement priorities. The fee would be applicable to all new development; however, developments that have been approved under the existing transportation concurrency systems may at their option and with local government consent, retain their current approvals or “opt in” under the new mobility fee system.

The mobility fee approach builds on existing comprehensive planning efforts to coordinate land use and transportation facilities and services and to ensure a financially feasible five-year schedule of capital improvements. The goal of this approach is to produce a sustainable transportation system, coordinated with land use, in an effective, predictable and equitable manner. As required by the Act, the approach would advance the following objectives:

- Provide for mobility needs through an interconnected and accessible transportation system that considers all modes of travel;
- Discourage urban sprawl and reduce greenhouse gas emissions by providing incentives to promote compact, mixed-use, and energy efficient development;
- Coordinate the planned transportation system with growth areas defined in the future land use element;
- Ensure that new development provides mitigation for its impacts on the transportation system in approximate proportionality to those impacts; and
- Offer flexibility to target mobility fees to planned transportation facilities and services based upon a prioritized improvement schedule that fairly distributes the fee among the governmental entities responsible for maintaining the impacted system.

The mobility needs of urban centers, such as Hillsborough County or Jacksonville-Duval County, differ greatly from those of rural counties and their municipalities. The approach for establishing a mobility fee is designed to accommodate the diverse needs and planning resources across the state. Each county or multi-county area will have the ability to define its own needs and improvement priorities and its own approach to establishing the fee. For example, if mobility fees were to apply to rural counties, they may choose to enact the fee with technical assistance from DCA, FDOT and/or other governmental partners. Major urban counties may choose to develop the fee through their local government staff, MPO or other existing collaborations.

The mobility fee approach has the potential to be more equitable than proportionate-share and proportionate fair-share mitigation. Under existing transportation concurrency, new development is required to mitigate its impacts on a facility by facility basis only after capacity has been exceeded. Alternatively, a mobility fee would recoup the cost of transportation system demand generated by all new development. Each new development would be charged a mobility fee based upon the transportation service it consumes, in effect, treating transportation as a commodity.

The mobility fee approach would improve the coordination of the local government future land use element with the transportation element. This approach would shift the focus of providing

transportation facilities and services for new development away from permitting for concurrency onto the planning requirements in adopted comprehensive plans and capital improvement schedules.¹²

The mobility fee approach will change how governments measure the quality of service of the transportation system.¹³ Peak hour level of service measures cannot be maintained. Urban areas have and will continue to have congestion during the peak periods.¹⁴ Different measures should be developed that address network performance from a transportation system perspective, regardless of mode. Transportation research¹⁵ currently underway is focused on integrating transportation system-level performance programs to determine network performance. FDOT's Quality/Level of Service Handbook details appropriate alternatives for measuring multimodal transportation level of service. Such measures, other than roadway level of service during peak hours, could be used to monitor transportation system performance.

Further, the flexibility to spend mobility fees on transportation improvement priorities, coupled with land use and transportation strategies that are coordinated among local governments offers potential for improved mobility, reduced congestion and more efficient movement of people, goods and services. Congestion management strategies (e.g. incident management, intersection operations improvements, service patrols, automated signing) can produce significant improvements in transportation system efficiency.

Transportation funding through existing concurrency proportionate-share/proportionate fair-share payments and impact fees only represent a portion of the overall funding solution. Similarly, mobility fees alone will not be adequate to address transportation funding deficiencies and infrastructure needs that exist in Florida today. Funding shortfalls are due to many other factors affecting growth. Even if we apply a mobility fee to all new development, it is only one part of the funding solution for addressing transportation mobility needs.

Other sources of revenue will be needed to adequately fund Florida's mobility needs. These sources, for example, may include use of local option taxes, backlog authorities, municipal services taxing units or a local option utility or user fee. A transportation utility fee or user fee is a recurring source of revenue that could be structured to equitably reflect the average estimated use of transportation facilities and services by all users of the system, and may warrant further review and consideration. Predictable,

¹² In current practice, the ability to meet transportation levels of service (LOS) for concurrency is evaluated and addressed during site plan review and permitting, but not later than building permit.

¹³ LOS standards in local government comprehensive plans establish a minimum performance measure for transportation facilities and services and are currently used to determine whether available transportation capacity is adequate for new development. They are required pursuant to Chapter 163.3180, Florida Statutes, for local facilities and Rule 14-94, Florida Administrative Code, for the Strategic Intermodal System, Florida Intrastate Highway System and roadways funded through the Transportation Regional Incentive Program.

¹⁴ Why Florida's Concurrency Principle For Controlling New Development By Regulating Road Construction Does Not - And Cannot - Work Effectively, Anthony Downs, Published in the Eno Transportation Foundation's Transportation Quarterly Winter 2003, pp. 13-17.

¹⁵ National Cooperative Highway Research Program, Project 08-67.

recurring revenue sources with a broad base of payers are better suited to fund ongoing costs such as transit operations and maintenance.

Governance Structure

To facilitate administration and predictability, mobility fee programs and corresponding rate schedules should be established on a countywide or, at the option of participating local governments, at a multi-county level. Local governments could jointly conduct the countywide fee study. The mobility fee schedule would identify appropriate variations in rate by area type (e.g. urban, suburban fringe, transitional, rural) and development type.

To achieve an equitable mobility fee system, it is important that all local governments within a county participate in a mobility fee program through the execution of an interlocal agreement among all local governments. These interlocal agreements would specify the partners in adopting the fee, which would include the FDOT and other key transportation planning agencies, such as MPOs, and transportation providers, such as transit agencies. Local governments would collect and distribute the mobility fee in accordance with the procedures included in the agreement(s).

The Role of the Mobility Plan

DCA is undertaking rulemaking to guide the development of land use and transportation strategies in TCEAs to support and fund mobility. Should mobility fees be implemented statewide, mobility plans will need to be developed to provide a legal basis for establishing a mobility fee.

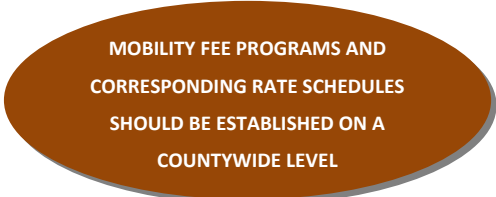
Methodology for Determining the Mobility Fee

The Basic Calculation Approaches

Two basic approaches may be used to calculate the mobility fee: "improvements-based" and "consumption-based." The improvements-based approach charges each new development its portion of the cost of a specific set of improvements necessary to accommodate future growth.

The consumption-based approach charges each new development based on the value of the increment of a transportation facility or service need generated by that development. The value of each increment is determined based on recent transportation improvements and is typically reflected as an average cost per unit of transportation service consumed (such as a lane mile of roadway or hour of transit service).

Both methods are calculated to be proportionate to the development impact. In both cases, costs are adjusted to account for anticipated funding from other sources, which avoids double-charging. Finally, neither method charges new developments for backlog.



MOBILITY FEE PROGRAMS AND
CORRESPONDING RATE SCHEDULES
SHOULD BE ESTABLISHED ON A
COUNTYWIDE LEVEL

Use of a consumption based calculation ensures that development pays only for the cost of transportation facilities to serve it. Vehicle miles of travel used in calculating the fee can be determined based upon typical average trip lengths in defined planning areas such as urban, suburban fringe, transitional, rural preservation and conservation areas. Higher trip lengths in transitional and rural areas may result in a higher fee for a development located in these areas, as compared to the same development within more densely developed areas.

Currently, the best method to determine average trip length is to use existing large scale travel demand computer models. In Florida, urban areas use the Florida Standard Urban Transportation Model Structure (FSUTMS). Trip lengths or vehicle miles of travel may be obtained by running FSUTMS. These estimates could be updated by actual traveler surveys.

Average trip lengths per land use may be compiled in tables for use in estimating trip length for a proposed development. Trip length tables will simplify administration of the fee by minimizing the need to use complex travel studies for each new development. Trip length tables should be updated using FSUTMS at least every five years. Methods used to determine average trip length have been widely documented in impact fee literature.

In CUTR's "Evaluation of the Mobility Fee Concept" Report,¹⁶ detailed calculations are provided for both roadway and transit consumption-based fees. The calculated fees for roadway consumption may be used for all person or vehicle miles of travel generated by the development and the mobility fee collected may be expended on adopted transportation priorities, regardless of modes.

¹⁶ Center for Urban Transportation Research, *Evaluation of the Mobility Fee Concept*" November 2009

FLORIDA MOBILITY FEE STUDIES

A study was commissioned by DCA with CUTR. Phase 1 of the study explored policy options for a mode neutral revenue source in the form of a mobility fee. It set forth a conceptual method for instituting a mobility fee sensitive to vehicle miles of travel (VMT), or a similar measure of transportation use. Phase 2 of the research, completed in June 2009, involved testing and refinement of the working concept through hypothetical application in Alachua County, Florida. FDOT participated and provided technical expertise in both Phase 1 and 2 of the CUTR study.

The University of Florida (UF), Center for Multimodal Solutions for Congestion Mitigation (CMS), in cooperation with FDOT, developed a study focused on techniques for measuring VMT that are sensitive to community type, location and land use mix. This UF study is a detailed statistical analysis and may take more than a year to provide practical guidance. In the meantime, techniques to determine VMT sensitive to community type, location and land use mix will be developed using existing tools such as large scale transportation models (FSUTMS) and traveler surveys.

As the CUTR/DCA mobility fee study was being completed, the 2009 Community Renewal Act became law, adding new considerations relative to a mobility fee. DCA and FDOT concluded that further research on a mobility fee was needed to address these considerations. FDOT funded Phase 3 of the study with CUTR in July 2009 to continue working with DCA and FDOT on the research needs of the Act.

All of CUTR's reports are available from DCA webpage on mobility planning at <http://www.dca.state.fl.us/fdcp/dcp/MobilityFees/index.cfm>

A technical working group of individuals with expertise in impact fees, concurrency management and transportation impact assessment was assembled to provide input into the study, many of whom participated in the initial CUTR/DCA study and/or the UF/FDOT study. A diverse Stakeholders Working Group that had been formed by DCA and FDOT during the fiscal year 2008-09 study was also continued to obtain feedback on the study concepts. Throughout this research, the mobility fee working concept has continued to evolve taking into consideration the recommendations of the technical working group and in response to the issues raised by Stakeholders throughout the process.

STAKEHOLDER AND TECHNICAL WORKING GROUP INVOLVEMENT

During the development of this mobility fee report, there has been a significant focus on ensuring the opportunity for participation by all interested and affected parties. There has been outreach to both the technical community and representatives of parties involved in and affected by the land development process. The coordination began early in the study process, prior to the Act, and continued throughout the various phases of the study. The following summarize these outreach efforts.

Technical Working Groups

Technical Working Groups were established for both the UF and the CUTR studies. These groups included professional and technical individuals, and state agency staff directly involved in mobility issues. Each group met several times during the course of the individual studies, providing technical guidance to enhance the output of the study.

With the Act and the initiation of Phase 3 of the CUTR study, another Technical Working Group was established to help guide the effort. The group included technical personnel from local governments, consultants representing public and private sectors, regional transportation authorities and state agencies.

The Phase 3 Technical Working Group had more than a dozen meetings between July and November, 2009. The meetings were conducted via teleconference. The information gained from all of these discussions has been extremely valuable in the development of the report and recommendations.

Stakeholder Working Group

As a part of the initial mobility fee effort by CUTR, DCA in coordination with FDOT identified a group of twenty individuals around Florida to participate as Stakeholders. Members had considerable knowledge of growth management and transportation planning, representing groups likely to be impacted by the implementation of a mobility fee. The Stakeholders met in January and June of this year to review the progress of the Mobility Fee Studies being developed by the agencies.

With the Act, the role of the Stakeholders became more critical and time sensitive. A schedule was developed to hold monthly meetings (August 14, September 25, October 9 and November 9) to present information to the Stakeholders and receive comments, concerns and recommendations from them.

The Consistent Message from Stakeholder and Technical Working Groups

Stakeholders and Technical Groups have consistently suggested that the state begin the implementation of a mobility fee through pilot projects. This would allow the state to identify and avoid unintended consequences before statewide application. Additionally, the stakeholders consistently recommended that adequate funding be provided to meet all of Florida's Mobility needs.

More information including meeting summaries of each of the Stakeholders meetings can be found on DCA's webpage on mobility fees at <http://www.dca.state.fl.us/fdcp/dcp/MobilityFees/index.cfm>

RECOMMENDED PRINCIPLES FOR A MOBILITY FEE

A mobility fee is just one of many potential sources of transportation revenues to address the mobility needs of Florida's communities. All new development would be subject to a mobility fee; however, developers who have relied on existing transportation concurrency approvals may, with consent of the local government, retain their current approvals or opt in under the new mobility fee system.

In addition to addressing the transportation impacts of all new development, payment of a mobility fee would replace proportionate-share/proportionate fair-share. Local governments could continue to assess impact fees. Where local governments opt to retain their existing impact fee programs, a credit toward the payment of a mobility fee should be required where the local impact fee would charge development for the same impact addressed by the mobility fee.

Neither mobility fees nor impact fees are based on existing transportation backlogs and deficiencies attributable to existing development. Other funding alternatives such as utility fees or user fees may be authorized in statute to address existing transportation deficiencies and backlogs. A recent example is the provision authorizing backlog authorities enacted in 2007 by the Florida Legislature (section 163.3182, Florida Statutes). A mobility fee combined with a transportation utility fee or user fee would move toward a more complete approach to funding Florida's mobility needs.

A number of guiding principles have been identified and vetted by the agencies, stakeholders and other interested parties in evaluating the mobility fee approach. Should the Legislature adopt a mobility fee approach in Florida, the following principles would provide a guiding framework.

Principles for the Mobility Fee Approach

- Ensure all new development provides mitigation for its impacts on the transportation system in approximate proportionality to those impacts, and new development should not be required to pay for existing system backlogs and deficiencies;
- Be transparent and predictable in its application;
- Be structured and implemented on at least a countywide basis and may be extended to include multi-county areas;
- Be designed to provide for mobility needs including at a minimum roadways, transit, bikeways, pedestrian walkways, and where applicable other transportation facilities;
- Be able to fund multi-modal transportation improvements, including capital projects, system efficiency and congestion management strategies and transit operating costs that support the provision of transit service for new development;
- Fairly distribute the mobility fee among the governmental entities responsible for maintaining the impacted roadways and other transportation facilities necessary to provide for mobility;
- In order to promote compact, mixed-use and energy efficient development a mobility fee should:

- Be sensitive to vehicle or person miles traveled and vary by location and development type;
- Have a fee structure that encourages shorter trips and reduction of total travel (as well as reduction of greenhouse gas emissions); and
- Have a fee structure that charges more per trip in areas where long distance travel is unavoidable.
- Allow for some level of local/regional flexibility in the implementation of mobility fees:
 - The land use and transportation strategies, multi-modal improvement priorities, methodologies and intergovernmental procedures for mobility fees may vary from county to county;
 - Allow the continuation of current, alternative approaches for implementation of mobility fees; and
 - Should be authorized in the comprehensive plan of each local government within the county.

Principles for Governance Structure

In establishing a mobility fee, it is important to clearly define relationships between the governmental and transportation entities. At a minimum, each local government within a county should participate in the mobility fee.

- The “Building Blocks” for creating this system are:
 - Enter into memorandum of agreement to identify partners (e.g. each local government in the county and agencies providing transportation services) and formulate an interlocal agreement that establishes the process to prepare the mobility fee;
 - Develop land use and transportation strategies to support and fund mobility (i.e. mobility plans);
 - Develop methodology for calculation/distribution of mobility fees;
 - Coordinate with transportation plans of partners;
 - Execute interlocal agreement;
 - Each local government adopts comprehensive plan amendments to establish the land use and transportation strategies to fund mobility; and
 - Adopt land development regulation to establish the mobility fee.
- Principles for the interlocal agreement:
 - Coordination is required through the execution of an interlocal agreement – parties to agreement include the county, all cities within the county and transportation agencies providing service within the county, and may include other state/regional agencies;
 - A single interlocal agreement for each county-wide area is recommended; and
 - The interlocal agreement may be executed by resolution, ordinance or other official action of the parties and contents should include:
 - Parties to the agreement and an effective date;
 - Procedures for coordinating and updating the agreement;
 - Procedures for coordinating land use and transportation strategies among partners ;
 - Identification of performance measures for evaluating mobility;

- Identification of planning areas and/or service areas for applying the fee and establishing project priorities;
- Procedures for establishing project priorities for funding among the partners;
- Method for determining the fee and distribution of funds among the partners;
- Process to resolve disputes; and
- Provisions for adopting, updating and amending the land use and transportation strategies as local comprehensive plan amendments.

Principles for Land Use and Transportation Strategies (i.e. Mobility Plans)

The land use and transportation strategies to support mobility provide the basis for determining the mobility fee. In developing the mobility plan, the following principles should apply:

- The land use and transportation strategies should be coordinated countywide and include land use strategies that support and address multi-modal transportation (i.e. roads, transit, bike and pedestrian facilities and other transportation facilities where applicable) to ensure mobility;
- Focus planning efforts on achieving an efficient multi-modal transportation system within and across jurisdictions in a county and may include a multi-county area;
- Identify transportation priorities for mobility, anticipated revenues available to fund priorities, including the revenues anticipated from mobility fees and other sources;
- Provide a cost basis for establishing the mobility fee;
- Amend comprehensive plan elements for land use, transportation, capital improvements and intergovernmental coordination;
- Coordinate with existing transportation plans.

Principles for Methodology

In developing a mobility fee, the following principles would apply to the calculation, distribution and collection of these fees:

- ***Basic Calculation Approaches***
 - In developing mobility fees, either consumption or improvements-based methods are acceptable, a combination of these methods or some other approved professionally acceptable methods may be utilized.
- ***Mobility Fees Collection/Distribution***
 - Collected through development permitting, as is the case with current impact fees or proportionate fair-share/proportionate-share mitigation;
 - Expended for countywide and local improvements identified in the land use and transportation strategies; and
 - Fairly distributed among partners responsible for transportation improvements, such as by 1) proportionally distributing collected fee to agencies responsible for maintaining the facilities based on amount of travel demand anticipated – then spent on plan priorities, or 2) within service areas in order of mutually agreed-upon priorities.

- ***Other Considerations***

- Where local governments opt to retain their existing impact fee programs, a credit toward the payment of a mobility fee should be required where the local impact fee would charge development for the same impact addressed by the mobility fee (i.e. development does not pay twice for the same impacts); and
- Site related improvements for safety, access and internal circulation, which are required under state permits or local land development regulations, should not be included in the mobility fee calculation.

LEGISLATION OPTIONS

The following options are provided for consideration. The options were evaluated with the help of the stakeholders and interested parties and some advantages and disadvantages are identified below. The agencies stand ready to assist with drafting specific legislation.

Options	Advantages	Disadvantages
<p>1. Mobility Fees Required Statewide</p> <p>Each local government must enact a mobility fee by a date certain.</p> <p>Although this is a statewide option, it does not mean the state will mandate a uniform fee schedule. Rather, the fees will be determined and implemented by individual or multiple counties based on the principles recommended in this report.</p>	<ul style="list-style-type: none"> • Statewide application resulting in a consistent statewide framework. • Less complex and more transparent than the current transportation concurrency review process. • Addresses equity issue – all development pays for impacts. • Strengthens requirement for intergovernmental coordination for land use and transportation planning. • Encourages compact, mixed-use and energy efficient development, while discouraging “leapfrog” development and urban sprawl. 	<ul style="list-style-type: none"> • Administratively challenging, especially for smaller/rural local governments. • No ability to identify or prevent unintended consequences. • Implementation before demonstrating the mobility fee system will achieve desired results.
<p>2. Mobility Fees Required only in Dense Urban Land Area (DULA) Counties and Conditionally Authorized Statewide as a Local Option</p> <p>DULA <i>Counties</i> and the cities therein must enact a mobility fee by date certain.</p> <p>All other opt in counties and their participating cities may adopt a mobility fee.</p> <p>Mobility fees are part of the funding for the mobility plans required in</p>	<ul style="list-style-type: none"> • Focuses implementation on areas where most of the congestion exists and concurrency has proven to be problematic. • Focuses implementation on urban areas, which have more planning resources and staff. • Local flexibility for all other counties to implement mobility fees. 	<ul style="list-style-type: none"> • Could encourage additional sprawl development in non-mobility fee areas. • Non-mobility fee areas not required to focus on mobility planning.

<p>transportation concurrency exception areas (TCEAs).</p>		
<p>3. Mobility Fees Authorized in Pilot Counties, Report Back to Legislature for Further Action</p> <p>Non-pilot counties and their participating cities may pursue mobility planning and associated fees.</p> <p>DCA and FDOT provide technical assistance to pilot counties.</p> <p>Report to the Florida Legislature.</p>	<ul style="list-style-type: none"> • Stakeholder support • Allows identification of unintended consequences before statewide implementation. • Allows focused technical assistance, collaboration with local governments and time to evaluate multiple approaches for mobility plans and fee methodologies. 	<ul style="list-style-type: none"> • Delays use of a mobility fee outside of pilot counties. • Inequity of existing transportation concurrency system not immediately addressed • A period of uncertainty for local governments and developers.

IMPLEMENTATION PLAN

In developing a strategy for implementing a mobility fee in Florida, regardless of the option chosen the agencies and local governments will need to, at a minimum, undertake the following activities.

Local Government Activities:

- The participating county and cities within the county enter an interlocal agreement to establish the framework for a mobility fee program.
- The local government implementing a mobility fee must amend its comprehensive plan to include:
 - A mobility plan identifying land use and transportation strategies as well as funding sources for implementation;
 - Intergovernmental coordination;
 - Multi-modal improvements priorities;
 - Preparing the mobility fee program (e.g. supporting studies, fee methodology calculation); and
 - Modification of transportation concurrency management policies.
- The local governments adopt land development regulations to implement the mobility fee, including establishing the amount of the fee.

State Agency Activities (DCA and/or FDOT):

- Prepare model interlocal agreements;
- Revise Chapter 9J-5, Florida Administrative Code, to establish requirements for transportation and land use strategies to support mobility planning and fee program;
- Evaluate alternative performance measures for mobility, including an analysis of changes to level of service standards and initiate rulemaking, as necessary; and
- Provide technical assistance to local governments.

If Option 3 is chosen (Pilot Counties), the following additional state agency implementation activities will be necessary:

- Monitor and evaluate pilot counties.
- Develop specific recommendations for phased implementation, including best practices for:
 - Calculating the fee;
 - Interlocal agreements; and
 - Mobility plans, including multi-modal mobility planning strategies.
- Establish a schedule for phased implementation, including a timeframe for each local government to adopt a mobility fee.

ECONOMIC CONSIDERATIONS

The Act states: “The final joint report shall also contain, but is not limited to, an economic analysis of implementation of the mobility fee, activities necessary to implement the fee, and potential costs and benefits at the state and local levels and to the private sector.” The following are many of the expected economic effects of a mobility fee.

It is anticipated the mobility fee approach will replace proportionate fair-share mitigation (sub-DRI) and proportionate-share mitigation (DRI). Local transportation impact fees could be a component of the mobility fee. If impact fees are folded into the mobility fee, this would avoid double-charging. Mobility fees will only mitigate transportation infrastructure impacts from new development. As noted on page 22, other sources of revenue will have to be used to fund other transportation needs. However, this report makes recommendations only with regard to mobility fees.

Unless the fees outside urban centers accurately reflect the long distance travel required, coupled with strong comprehensive planning elements encouraging dense activity urban centers, cheaper land and public works improvements (e.g. sewer, water, roads) will outweigh the incentives for desired growth patterns and sprawl would continue.

Because a fee on new development will fluctuate with economic cycles, it may be difficult to rely on consistent revenue streams from a mobility fee.

Local government will still experience funding shortfalls particularly for operation and maintenance of a multi-modal public transportation system. Mobility needs in Florida go beyond what is demanded by new development. Compact, mixed-use development is dependent on alternatives to the single-occupancy vehicle. The flexibility to spend mobility fees on transportation improvement priorities, coupled with coordinated land use and transportation strategies, offers greater potential for improved mobility, reduced congestion and more efficient movement of people and goods. Congestion management strategies (e.g. incident management, intersection operations improvements, service patrols, automated signing) can produce significant improvements in transportation system efficiency.

The ability of mobility fees to support ongoing transit operating costs is limited, as these costs are large, recurring, and funded primarily by other sources (e.g. federal and state grants). Therefore, local governments may need other mechanisms for funding these mobility needs. The Legislature has already authorized a number of local option taxes for transportation purposes including motor fuels taxes and sales surtaxes, which can be used for this purpose.

Potential Costs and Benefits

As with all new programs, one must look at the potential benefits as well as the costs. Mobility fees would have a mix of benefits and costs. Some of the important economic questions raised during the study are:

State Government Costs and Benefits

Potential state costs to implement a mobility fee include:

- Developing implementation processes and procedures;
- Providing technical assistance to local governments;
- Performing mobility plan review and comprehensive plan reviews;
- Preparing best practices for interlocal agreements and transportation and land use strategies;
- Developing processes and procedures for monitoring mobility planning effort;
- Coordinating plan horizons of local governments and various transportation planning agencies; and
- Re-assessing state transportation measures of effectiveness (such as level of service (LOS) standards) will result in staff time and money spent.

Potential state benefits of implementing a mobility fee include:

- Mitigation funding would be more predictable;
- A portion of the increase in mitigation funding would be spent on or toward relieving impacts to the state system; and
- Coordination on transportation planning between state and local governments.

Local Government Costs and Benefits

While local governments may incur increased administrative costs during the initial implementation of a mobility fee, long term administrative costs should be less than current costs for managing their transportation concurrency management system. The existing regulations require many individual traffic studies on the front end and once a development is approved, local governments spend considerable resources to maintain large spreadsheets for tracking trips on all roadway links of the jurisdiction, by year and by development.

To establish a mobility fee system, extensive inter-governmental review and coordination will be necessary. Under the mobility fee system, the large scale transportation studies will be done in advance. Mitigation costs will then be determined by the size, type and location of the proposed development. The developer can determine the mitigation cost by a simple look up table. This system negates the need for intricate tracking of trips by development. This will produce another reduction in costs.

This coordination is needed to achieve agreement on fee rates, distribution and the necessary processes. However, when systems are in place, costs will decrease and ease of administration will increase.

Potential local government costs to implement a mobility fee include:

- Preparing a mobility fee plan coordinating and establishing countywide mobility planning, including cost of developing plan amendments, land development regulations and interlocal agreements;
- Implementing interlocal agreements, including processes and procedures;
- Amending comprehensive plans to coordinate countywide land use and transportation planning;
- Coordinating activities with local governments, and other planning and transportation agencies;
- Preparing the mobility fee program (e.g. supporting studies, fee methodology calculation); and
- Performing updates on a regular basis.

Potential local government benefits to implementing a mobility fee include:

- Common countywide or larger area fee structures may reduce need for individual fee studies and updates; and
- Decreased need for review of transportation studies and proportionate-share mitigation agreements associated with transportation concurrency management.

Private Sector Costs and Benefits

The mobility fee approach favors development that locates in accordance with local government comprehensive plans. This should result in expedited local development approval within desired urban center locations.

Potential costs to the private sector include:

- Just like for governments, there will be an “adjustment cost” associated with transitioning to a new process; and
- A mobility fee would be assessed to all new development, and would probably increase mitigation fees paid to develop in certain areas outside of urban centers.

Potential benefits to the private sector include:

- Increased equity of required mitigation (i.e. all new development is required to contribute its fair share rather than only when triggering a transportation system deficiency);
- Increased predictability of mitigation costs; and
- Decreased time associated with development approval when located within planned growth areas.