

File



CITY OF ORLANDO COUNCIL AGENDA ITEM

CITY CLERK'S
USE ONLY:

LLL

- CONSENT AGENDA
- NEW BUSINESS
- _____

FOR MEETING OF: JULY 22, 1996
 FROM: CHIEF ADMINISTRATIVE OFFICER
 SIGNATURE: *[Signature]*
 EXHIBITS: POLICY

SUBJECT:

NOT-FOR-PROFIT IMPACT FEE ASSISTANCE

SUMMARY:

CITY COUNCIL DIRECTED STAFF TO DEVELOP A POLICY REGARDING IMPACT FEE ASSISTANCE FOR NOT-FOR-PROFIT AGENCIES. OFTEN, THESE AGENCIES HAVE LIMITED FUNDING SOURCES, AND THE FUNDS WHICH ARE AVAILABLE FOR A CONSTRUCTION PROJECT ARE OBTAINED FROM OTHER PUBLIC AGENCIES.

THE ATTACHED POLICY ESTABLISHES AN EXEMPTION FOR AGENCIES PROVIDING SOCIAL AND HUMAN SERVICES WHICH: ARE CLASSIFIED AS 501(C)(3) ENTITIES BY THE IRS; HAVE BEEN IN OPERATION FOR 3 OR MORE YEARS; DEMONSTRATE FINANCIAL HARDSHIP; AND HAVE CITY RESIDENTS AS AT LEAST 25% OF THEIR CLIENTELE. IMPACT FEE ASSISTANCE WOULD BE LIMITED TO \$50,000 PER PROJECT AND WOULD COME TO CITY COUNCIL FOR APPROVAL.

THE POLICY WOULD BE IMPLEMENTED BY ESTABLISHING A FUNDING ACCOUNT FROM WHICH IMPACT FEES WOULD BE PAID FOR ELIGIBLE AGENCIES.

City Council Meeting: 7-22-96
Item 3-LLL Documentary: _____

FISCAL DATA:

[As applicable, cite funding source; original approval date and contract amount, Documentary Number, cumulative change orders, recurring costs (e.g., operating & maintenance); allocation of any generated revenues; etc.]

\$250,000 FROM THE GENERAL FUND WILL BE APPROPRIATED TO IMPLEMENT THE POLICY. GRANTS WILL BE LIMITED TO \$50,000 PER PROJECT.

RECOMMENDED ACTION:

APPROVE THE POLICY.

NOTE: ALL AGENDA ITEMS MUST BE IN THE CITY CLERK'S OFFICE BY NOON WEDNESDAY PRIOR TO THE REGULAR MONDAY CITY COUNCIL MEETING.

DISTRIBUTION:

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Proposed City of Orlando Impact Fee Exemption Policy

The City of Orlando, through a variety of means, provides economic and in-kind support for a number of community based, not-for-profit organizations. Many of these organizations provide services to clientele that can be classified as human and social services. Traditionally these services are funded by private foundations and either state or county sources. In recent years the City has been proactive in supporting certain human and social service agencies providing services to residents of the City.

A number of these agencies and organizations have recently been expanding their facilities. As with all construction projects, certain impact fees are assessed for sanitary sewer and transportation. Several of these agencies have sought assistance from the City in the payment of these fees due to limited funding from other sources. In the past the City has attempted to assist these organizations whenever practical and feasible. However, the number of requests which have been received by the City is increasing, while available dollars from state and county sources have been decreasing.

In keeping with the City's long-standing principle of fairness and equity, it is proposed that a policy be adopted that would provide standards for assistance of not-for-profit human and social service agencies seeking assistance in the payment of transportation and sewer impact fees. The City of Orlando's population is approximately 25% of the total population of Orange County. Therefore, the maximum assistance that could be sought in the payment of fees would be no greater than 25% of the total fees assessed on the project. This will ensure that City of Orlando residents contribute no more than their "fair share" of the fees associated with the project.

Not-for-Profit Agency Eligibility

Eligible Organizations

Human/Social Service Agencies

Ineligible Organizations

Hospitals
Churches and Religious Institutions
Day Care Centers
Museums
Civic Clubs
United Arts Agencies

Standards for Eligibility

1. All agencies must be a 501(C)(3) agency as authorized by the United States Internal Revenue Service.
2. All agencies must have been in existence for three years and have proven success in the human and social service field.
3. The agency must demonstrate financial hardship or the lack of adequate funding from outside sources for capital projects.
4. There shall be a maximum cap of \$50,000 for any individual project.
5. Agencies shall be eligible for one grant only associated with a capital project, even if the expansion is a phased project.
6. The agency must demonstrate that a minimum of 25% of the clientele are residents of the City of Orlando.
7. The agencies would still be eligible to enter into impact fee payment agreements already authorized by the various impact fee ordinances.

It is proposed that a fund be established for which there would be an annual appropriation made by the City Council. It is recommended that an initial appropriation of \$250,000 be established to allow for up to ten grants on an average of \$25,000 each. Unused funds in any given budget year would be carried over and made available for projects in subsequent years. Appropriations would be recommended to maintain the \$250,000 balance in the fund at the beginning of each budget. Grants would be made on a first come, first served basis.

The program will be administered by the Office of Management and Budget. The Office of Legal Affairs will draft a form agreement which will be forwarded to City Council for approval of each grant.