

CHAPTER 14 (9J-5.016)

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 Valparaiso has fiscal responsibility, to analyze the fiscal capability of the city to finance and construct, acquire or develop 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 modification 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 amendments to this ordinance may be accomplished by the City when necessary. All public facilities shall be consistent with the capital improvements element.

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)(2) 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 Valparaiso have been identified in other plan elements.

The existing revenue sources and funding mechanisms available for Capital Improvement financing are identified in Table 14.1. The current budgetary, administrative and policy practices which guide (1) the timing and location of construction of public facilities and/or (2) the timing and location of improvements in capacity of public facilities, 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.

Objective 14.A.1 Use the CIE as a Directory to meet the needs of The City of Valparaiso for the construction, acquisition or development 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 five-year 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 Valparaiso (see policy 14.A.5.1);
- d. Locational needs based on projected growth patterns (reference Chapter 7 and Figure 7-1 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 Valparaiso.

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 Commission during its annual budget development process. However, re-ranking of criteria shall only be done by the City Commission in the event that information is brought to the City Commission that was unavailable to the Committee.

Policy 14.A.1.2 The City of Valparaiso shall continue to utilize its "pay-as-you-go" technique for capital formation. Specifically, the City Commission shall allocate revenue to its Renewal and Replacement Fund as its primary method of forming capital for general government improvement projects. The allocation shall occur during the annual budgeting process. Thus, general government debt service requirements shall be no greater than the available balance within the Renewal and Replacement Fund on an annual basis (reference Policy 10.A.2.3).

Capital formation for improvements to the City's enterprise facilities shall continue to be provided through the use of user fees and impact fees established within the enterprise operations. The maximum ratio of total enterprise debt service to total enterprise revenue shall be .5:1.

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 Valparaiso from increasing or rearranging the priority of any particular Capital Improvement project so that cost savings may be realized or LOS Standards are met. The Valparaiso City Commission also may consider other internal prioritization criteria in establishing priorities for Capital Improvements (reference Policy 7.A.6.1).

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.6.2, 14.A.1.3 and Section 14.06 of this ordinance.)

Objective 14.A.2 Limit public expenditures that subsidize development in coastal high hazard areas upon adoption of this Ordinance (reference Section 14.06 and Policies 11.A.5.1, 11.A.5.2, 11.A.5.3 and 11.A.6.1 among others).

Policy 14.A.2.1 Public expenditures in Coastal High Hazard Areas of the City shall be limited to the provision or support of recreation. Uses such as parks and bathing areas, erosion 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 (Table 14-1) which maintains adopted LOS standards and meets the existing and future facility needs by implementing Policies 14.A.3.1 through 14.A.3.6, among others, upon adoption of this ordinance.

Policy 14.A.3.1 Land use decisions shall be consistent with the five year schedule of Capital Improvements (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 Valparaiso 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 in Chapter 15, Section 15.02).

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 (reference Chapter 6). Note: No permits have been issued for any development absent adequate levels of public facilities (infrastructure) to serve that development prior to the adoption of this ordinance.

Policy 14.A.3.4 The fiscal resources of the City of Valparaiso will be used, to the extent necessary, to maintain LOS standards and support the five year schedule of Capital Improvements.

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 14.A.5.3).

Policy 14.A.3.6 There is hereby created a committee to review the development activities within the City of Valparaiso and to review the level of service conditions for the city. The committee shall be comprised of the Administrative Assistant, Superintendent of Public Works, the Municipal Planning Board Chairman and others as the City Commission, from time to time, deem necessary or appropriate. 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 basis (reference Section 14.06 and Policies 8.A.3.3, 9.A.7.3, 11.A.8.4, 12.A.2.1, 13.A.1.1f 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 developments 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 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 Valparaiso will provide, or require provision of, needed improvements identified in the other chapters of this ordinance and will 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 to fund And provide or require provision of the needed improvements upon adoption of the LDC (reference Policy 7.A.1.1).

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.

Policy 14.A.5.2 Use the City of Valparaiso'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 (also, see Policies 14.A.3.2 and 14.A.4.2) upon adoption of the LDC (reference Policy 7.A.1.1).

Section 14.05 **Implementation:**

(1) The schedule of capital improvements, (Table 14-1) for which The City of Valparaiso has responsibility, have been selected for the first five fiscal years, 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 five year period.
- (3) Table 14-1 shall be implemented pursuant to Policy 14.A.5.1 and within the annual budget of the City of Valparaiso.
- (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 are met and meet the LOS standards established for facilities and services concurrent with impacts of development. Table 11-8 indicates revenue sources by project categories and illustrates the economic 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 Valparaiso City Commission on the status of implementation activities as well as level of service conditions within the city. During the annual budgeting process, the Valparaiso City Commission shall consider any adjustments to the CIE necessary to insure the implementation of the Capital Improvements Element and the Comprehensive Plan. Any adjustments made to the CIE or the Capital Improvement program (reference Policy 14.A.4.1) shall include consideration of the maintenance of LOS standards delineated in this ordinance. Also, see Policies 8.A.3.3, 9.A.7.3, 11.A.8.5, 12.A.2.1, 13.A.1.1, 13.A.2.3 14.A.1.1 and Sections 5.12 and 6.01 for other monitoring, review and evaluation responsibilities of the committee.

Table 14-1

Footnotes

- 1/ GF = General Fund
WCE = Working Capital (bond proceeds, users fees, etc.)
COE = U. S. Army Corps of Engineers
SF = Surplus Funds
RRF = Renewal and Replacement Fund

- 2/ IF = Infrastructure
REC = Recreation
H = Housing
CON = Conservation
COA = Coastal

- 3/ RED = Reduce Existing Deficiency
RAR = Remain Abreast of Replacements
MFD = Meet Future Demand

- 4/ Project includes the reconstruction or resurfacing of various streets located throughout the City of Valparaiso. Drainage improvements will be accomplished simultaneously with the street reconstruction or resurfacing projects. Also, see Policy B.A.2.3.

- 5/ Project will upgrade lines from Tom's Bayou Bridge to the Eglin East Gate. (Reference Objective 10.A.1 of this ordinance)

- 6/ Reference Policy 12.A.1.5 of this ordinance

- 7/ Reference Policies 12.A.2.2 and 12.A.2.3 of this ordinance

- 8/ Joint project with U.S. Army Corps of Engineers. Funding is 75% federal and 25% local. Valparaiso's share is shown in parenthesis. Cost estimates are from U.S. C.O.E. Reference Policy 14.A.2.1 of this ordinance.