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INTRODUCTION

The purpose of the Capital Improvements Element is to demonstrate the fiscal feasibility of Lake County's Comprehensive Plan. This objective is accomplished by estimating costs of improvements, analysis of the County's fiscal capability to finance and construct improvements, and adoption of financial policies to guide funding. The Element must include a five-year schedule of capital improvements, concurrency management program, and Goals, Objectives, and Policies.

The Capital Improvements Plan is proposed to identify public facilities that will be required to accommodate the County's projected population during the next five or more years, including the cost of the facilities, and the sources of revenue that will be used to fund the facilities. The Lake County Capital Improvements Element will be completed when all Elements of the Comprehensive Plan are finalized and consistent.

DEFINITIONS

Capital budget: the portion of each local government's budget which reflects capital improvements scheduled for a fiscal year.

Capital improvement: means physical assets constructed or purchased to provide, improve or replace a public facility and which are large scale and high in cost. The cost of a capital improvement is generally nonrecurring and may require multi-year financing. For the purposes of this rule, physical assets which have been identified as existing or projected needs in the individual comprehensive plan elements shall be considered capital improvements.

Currently available revenue sources: an existing source and amount of revenue presently available to the local government. It does not include a local government's present intent to increase the future level or amount of a revenue source which is contingent on ratification by public referendum.

Public buildings and grounds: structures or lands that are owned, leased, or operated by a government entity, such as civic and community centers, hospitals, libraries, police stations, fire stations, and government administration buildings.

Services: the programs and employees determined necessary by local government to provide adequate operation and maintenance of public facilities and infrastructure as well as those educational, health care, social and other programs necessary to support the programs, public facilities, and infrastructure set out in the local plan or required by local, state, or federal law.

GOAL 1 -- Lake County will ensure that needed public facilities are provided within the County in a manner that protects investments in and maximizes use of existing facilities, maintains adopted level of service standards, and promotes a balanced government budget and sound use of public money.

OBJECTIVE 1.0 PROVIDE PUBLIC FACILITIES

Public facilities shall be provided for the purpose of correcting existing deficiencies, accommodating future growth, and replacing deteriorated or obsolete facilities pursuant to applicable level of service standards adopted within the comprehensive plan for all land use categories and overlay districts designated on the future land use map.

1.1 Define Public Facilities

For the purpose of this Comprehensive Plan, public facilities shall be construed to include the following capital improvements:

- a. Arterial and collector roads;
- b. Mass transit;
- c. Potable water;
- d. Sanitary sewer;
- e. Parks and recreation;
- f. Solid waste disposal;
- g. Stormwater management;
- h. Public buildings accommodating public services provided through the following facilities: courthouse, jail, administrative, health, education, environmental services, fire protection, and law enforcement.

In determining the capital costs of capital improvements, the County shall include the cost of land acquisition, project and site design, permitting, equipment, and construction costs.

1.2 Apply Level of Service Categories to Public Facilities

Lake County shall apply level of service standards to public facilities according to the following categories:

- a. **Category A (Concurrency)** - Public facilities for which a level of service must be established for concurrency determination, as mandated by Chapter 163, FS. These facilities include roadways, mass transit, sanitary sewer, stormwater, potable water, solid waste, and parks and recreation facilities within Lake County's unincorporated jurisdictional area, and in municipal (unincorporated) areas served by certain facilities provided by Lake County. The County shall ensure that potable water and sanitary sewer services provided in unincorporated Lake County by providers other than the County meet the appropriate level of service. All Category A facilities shall be inventoried and analyzed within mandatory elements of the Comprehensive Plan supporting document titled Data Inventory & Analysis.
- b. **Category B (Non-Concurrency)** - Public facilities and services not subject to concurrency under Ch. 163.3180 FS and 9J-5.0055 FAC but which are incorporated into the Comprehensive Plan under a mandatory element. These facilities include aviation and rails.

c. **Category C (Non-Mandatory)** - Public facilities and services not required by Chapter 163 FS, and 9J-5, FAC, to be inventoried and analyzed within an element of the Comprehensive Plan, but whose cost or implementation may affect the financial feasibility of a Category A or B facility. All other County governmental facilities and services not included under Category A or B represent Category C facilities. These facilities include, but are not limited to, fire protection, law enforcement, public buildings, library services, emergency medical service, mosquito control, and jail facilities.

1.1 Ensure Concurrency with Impacts of New Development

For Category A facilities, public facilities and services consistent with adopted level of service standards must be available concurrent with the impacts of new development or expansion of service areas, consistent with Chapter 163.3180(2), F.S..

1.2 Establish Solid Waste Level of Service

The County's adopted level of service for its solid waste disposal facilities, as per the Solid Waste sub-element, shall be as follows:

Policy SOL 1.6-6.1 - The base level of service is 2-1-1: two days per week garbage pickup, one day per week recycling pickup, and one day per week yard waste pickup.

Policy SOL 1.6-6.2 - Exceptions to Policy SOL 1.6-6.1 are in the north and northeast part of the County, which are contracted for 1-1-1 due to road conditions and a less dense population.

1.3 Establish Recreation Levels of Service

The level of service standard for recreation per Policy REC 1.4-3 shall be four (4) acres per 1,000 residents.

1.4 Stormwater Levels of Service

As per Policy STORM 1.2-9, Lake County shall maintain a level of service standard, for new and existing development, based on the following stormwater quantity and quality criteria:

- a. Design storm based on 24 hour minimum.

Table 2- Lake County Stormwater Quantity and Quality Criteria

FACILITY	FREQUENCY & DURATION
Bridges (not located on principal arterials or evacuation routes)	50 years, 24 hours
Principal arterial bridges and evacuation routes	100 years, 24 hours
Canals, ditches, swales or culverts for drainage external to the development	25 years, 24 hours
Canals, ditches, swales or culverts for drainage internal to the development	10 years, 24 hours
Detention and retention basins contributory to land-locked areas with no positive outlet	25 years, 96 hours
Detention/retention structures with a positive outlet	25 years, 24 hours Mean Annual Storm

Table 2- Lake County Stormwater Quantity and Quality Criteria

FACILITY	FREQUENCY & DURATION
Houses/Buildings/Garages first floor elevation must be 18 inches or above the 100-year flood elevation	100 years, 24 hours
Storm sewers	10 year storm

b. Pollution abatement shall be accomplished by requiring stormwater management systems to retain or detain with filtration, the first one-half inch of run-off from developed sites, or the run-off generated from the first inch of rainfall on developed sites, whichever is greater.

c. Lake County shall require a retention/detention system that limits peak discharge of a developed site to the discharge from the site in an undeveloped condition during a 24 hour/25 year frequency storm event.

d. Lake County shall require, prior to development approval that projects receive appropriate permits from State agencies to comply with the rules and regulations for stormwater facility design, performance and discharge.

e. Discharged stormwater run-off shall not degrade receiving surface water bodies below the minimum conditions as established by State water quality standards (17-302 and 17-40.420, FAC).

1.5 Establish Transportation Levels of Service

As defined in the Transportation Element, Policy TRA 1.1-1, Rural Areas Minimum Operating Level of Service Standards, and Policy TRA 1.1-2, Urbanized Area Minimum Operating Level of Service Standards, and Policy TRA 1.1-3, Urbanized Areas Minimum Operating Level of Service Standards, the following is provided:

Table 3 POLICY TRA 1.1-1 Rural Areas Minimum Operating Level of Service Standards.

ROAD CLASSIFICATION	PEAK HOUR MINIMUM LEVEL OF SERVICE
Strategic Intermodal System (SIS) / Florida Intrastate Highway System (FIHS)	B
Transportation Regional Incentive Program (TRIP)	Other Multilane
	Two-Lane
County & State Arterials	C
Collectors	C
Constrained/Backlogged Roadways	Maintain

Table 4 POLICY TRA 1.1-2 Transitioning Urbanized Areas Minimum Operating Level of Service Standards.

ROAD CLASSIFICATION	PEAK HOUR MINIMUM LEVEL OF SERVICE
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Strategic Intermodal System (SIS) / Florida Intrastate Highway System (FIHS)		C
Transportation Regional Incentive Program (TRIP)	Other Multilane	C
	Two-Lane Other Multilane	C
County & State Arterials		D
Collectors		D
Constrained/Backlogged Roadways		Maintain

Table 5 POLICY TRA 1.1-3 Urbanized Areas Minimum Operating Level of Service Standards.

ROAD CLASSIFICATION		PEAK HOUR MINIMUM LEVEL OF SERVICE
Strategic Intermodal System (SIS) / Florida Intrastate Highway System (FIHS)		C
Transportation Regional Incentive Program (TRIP)	Other Multilane	D
	Two-Lane Other Multilane	D
County & State Arterials		D
Collectors		D
Constrained/Backlogged Roadways		Maintain

1.6 Potable Water Levels of Service

The level of service for potable water supplied by a municipality in Lake County to unincorporated Lake County shall be the same as the level of service within the municipality.

The level of service for potable water supplied by a private provider in unincorporated Lake County shall be the minimum design and operating standards as established by the authorized federal, state, regional, water management district, and local regulatory agencies.

1.7 Sanitary Sewer Levels of Service

The level of service for sanitary sewer supplied by a municipality in Lake County to unincorporated Lake County shall be the same as the level of service within the municipality.

The level of service for sanitary sewer supplied by a private provider in unincorporated Lake County shall be the minimum design and operating standards as established by the authorized federal, state, regional, water management district, and local regulatory agencies.

1.8 Conduct Annual Level of Service Review

Lake County shall annually review appropriateness of the adopted level of service standards.

GOAL 2 -- Lake County shall plan for and manage the provisioning of public facilities and services within a balanced budget that reflects the sound use of public funds in a responsible manner to adequately serve existing and new residents while continuing to provide a quality environment for all residents of the County.

OBJECTIVE 2.0 SCHEDULE AND PROVIDE CAPITAL IMPROVEMENTS

Lake County shall schedule and provide capital improvements to meet existing deficiencies, to accommodate desired future growth, and to replace obsolete or worn-out facilities.

2.1 Schedule of Capital Improvements

Lake County shall prepare annually a Five Year Schedule of Capital Improvements for County departments, and those authorities and special districts that depend on funds allocated by the Board of County Commissioners to guide the timing and location of capital expenditures.

2.2 Capital Improvements Defined

Physical improvements to public facilities, including land acquisition, buildings, structures, facilities, equipment, and infrastructure with a unit cost exceeding \$25,000 and a useful life of at least five years shall be considered capital improvements. For purposes of the Schedule of Capital Improvements, public facilities are defined as those facilities that maintain or improve adopted levels of service for traffic circulation, mass transit, potable water, sanitary sewer, solid waste, parks and stormwater management. Consistency in the Schedule of Capital Improvement

The Schedule of Capital Improvements shall be consistent with and act as a means of implementing the County's comprehensive plan. County capital improvements shall be made in accordance with the adopted Schedule of Capital Improvements, including amendments, as outlined in the comprehensive plan.

2.3 Evaluating and Prioritizing the Schedule of Capital Improvement

Projects submitted for inclusion in the Schedule of Capital Improvements will be evaluated annually and prioritized by a committee composed of staff from the appropriate County departments. Projects will be evaluated and prioritized based on the following criteria:

- a. Elimination of a public hazard;
- b. Consistency with the Comprehensive Plan;
- c. Elimination of an existing deficiency;
- d. Required by legislative mandate;
- e. Needed to maintain level of service standard;
- f. Financial feasibility;
- g. Public safety;
- h. Local priorities;
- i. Consistency with plans of surrounding jurisdictions and agencies, state agencies, and the Water Management Districts;

- j. Local budget impacts

2.4 Annual Review and Update

The County shall review the Schedule of Capital Improvements on an annual basis. Future capital improvement expenditures necessitated by changes in population, changes in real estate development, or changes in the economic base will be calculated and included in capital improvements budget projections.

2.5 Future Operating Costs

The County shall coordinate development of the Capital Improvements budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.

2.6 Intergovernmental Assistance

The County shall use intergovernmental assistance to finance only those capital improvements that are consistent with the Capital Improvements Element and County priorities, and whose operating and maintenance costs have been included in operating budget forecasts.

2.7 Adequate Asset Level

The County shall maintain all its assets at a level adequate to protect the County's capital investment, and to minimize future maintenance and replacement costs.

2.8 Maintenance and Replacement Schedule

The County shall project its equipment replacement and maintenance needs for the next several years and will update this projection each year. From this projection, a maintenance and replacement schedule will be developed and followed.

2.9 Funding Sources

The County shall identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.

2.10 Adoption by BCC

The Board of County Commissioners concurrent with approval of the annual budget shall adopt the Lake County Five Year Schedule of Capital Improvements. The Capital Improvements budget will be adopted and incorporated into the annual Lake County budget. Deviations from the adopted Capital Improvements budget or Schedule of Capital Improvements will require approval by the Board of County Commissioners. Also, deviations involving concurrency related projects, with the exceptions noted in Section 163.3177(4) (b), FS, shall require a comp plan amendment based on the BCC approval.

2.11 Service Commitments

Public facility and service commitments established in development agreements shall be annually incorporated into the Schedule of Capital Improvements.

OBJECTIVE 3.0 MAINTAIN DEBT MANAGEMENT STRATEGY

Lake County shall maintain a comprehensive and viable debt management strategy, which recognizes the capital improvements needs of the County as well as the taxpayer's or ratepayer's ability to pay, accounting for existing legal, economic, financial and debt market considerations.

3.1 Cost of Financing

The County shall identify and pursue the least costly financing method for all new projects.

3.2 Financing Enterprise Fund Operations

Capital improvements related to enterprise funds operations (e.g., refuse disposal systems, etc.) shall be financed solely by debt to be repaid from user fees and charges generated from the respective enterprise funds operation, when practicable.

3.3 Financing Non-enterprise Fund Operations

Capital improvements not related to enterprise funds operations (e.g., roads, parks, public buildings, etc.) may be financed by debt to be repaid from available revenue sources (including ad valorem taxes) pledgeable for same, when practical.

3.4 Use of Cash Surpluses

Cash surpluses, to the extent available and appropriate, shall be considered to finance scheduled capital improvements.

3.5 Issuance of Debt

The County shall issue debt only for the purposes of constructing or acquiring capital improvements (more specifically, the approved schedule of capital improvements) and for making major renovations to existing capital improvements. The only exception to the above would involve entering into long-term leases for the acquisition of major equipment when it is cost justifiable to do so.

3.6 Duration of Financing

All capital improvements financed through the issuance of debt shall be financed for a period not to exceed the useful life of the improvements, but in no event to exceed thirty years.

3.7 Funding Prerequisite

The County shall not construct or acquire a public facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility.

3.8 Credit Rating

The County shall at all times manage its debt and sustain its financial position in order to seek and maintain the highest credit rating possible.

3.9 Checks and Balances

The County shall ensure that an adequate system of internal control exists (e.g., audits, etc.) to provide reasonable assurance as to compliance with appropriate laws, rules, regulations and covenants associated with outstanding debt.

3.10 Pledging of Revenue Streams

Revenue sources shall only be pledged for debt when legally available and, in those situations where they have previously been used for operation and maintenance expenses/general operating expenditures, they will only be pledged for debt when other sufficient revenue sources are available to replace same to meet operation and maintenance expenses/general operating expenditures.

3.11 Marketing of Debt

The County shall market its debt through the use of competitive bid whenever deemed feasible, cost effective and advantageous to do so. However, it is recognized that, in some situations, certain complexities and intricacies of a particular debt issue are such that it may be advantageous to market the debt via negotiated sale.

3.12 Early Debt Retirement

The County shall continually monitor its outstanding debt in relation to existing conditions in the debt market and will retire any outstanding debt when sufficient cost savings can be realized.

3.13 Usage of Credit Enhancements

Credit enhancements (insurance, letters of credit, etc.) shall be used only in those instances where the anticipated present value savings in terms of reduced interest expense equals or exceeds the cost of the credit enhancement.

3.14 Stabilize Debt Service Payments

In order to maintain a stable debt service burden, the County will attempt to issue debt that carries a fixed interest rate. However, it is recognized that certain circumstances may warrant the issuances of variable rate debt. In those instances, the County should attempt to stabilize debt service payments through the use of an appropriate stabilization arrangement.

OBJECTIVE 4.0 REVENUE SOURCES

Lake County shall investigate and identify new sources of revenue and promote the adoption of non-ad valorem based revenue sources.

4.1 Impact Fees

Lake County shall impose impact fees as a means of establishing and paying for future development's proportional cost of capital improvements.

4.2 User Pay Public Improvements

To the maximum extent feasible, the "user pays" philosophy shall be incorporated into the revenue structure of all major public improvements and infrastructure systems that do not provide substantially equal benefit to all County residents on a countywide basis.

4.3 Fee Structure

The fee structure of all County enterprise funded infrastructure systems shall be set equal to the financial requirements for the operation, maintenance, capital improvements programs and debt service of the respective system.

4.4 Examine Fee Structure

Lake County periodically shall examine existing fee structures to determine the adequacy of the fees to offset capital and administrative impacts associated with the various land development activities.

4.5 Federal and State Funding

Lake County shall aggressively seek Federal and State funding for appropriate improvements and activities to reduce reliance on the County's ad valorem tax base.

4.6 Funding for Transportation Improvements

Lake County will strongly lobby for the inclusion of appropriate projects on the Metropolitan Planning Organization Road Improvements List and the Florida Department of Transportation Work Program to ensure that the appropriate and equitable amount of money is expended on State road projects within the County. The County also shall pursue additional funding sources for transportation improvements consistent with Transportation Policy 4.1.1.

4.7 Investigate New Sources of Revenue

When and if new revenue sources are needed, Lake County shall investigate the feasibility of adopting new sources of revenue. These sources may include, but are not limited to, franchise fees, special taxing and benefit units, user fees, and other taxes and fees, as appropriate, to ensure the financial feasibility of the Comprehensive Policy Plan and the maintenance of adopted levels of service over the planning horizon.

4.8 Monitor Revenue and Expenditures

Lake County shall monitor the relationship of revenues and expenditures in an effort to identify and rectify possible fiscal problems. A status report shall periodically be provided to the BCC.

4.9 Community Development Districts

On a project by project basis, Lake County shall consider the feasibility and suitability of Community Development Districts (Chapter 190, FS) to serve as an alternative financing technique for the provision of infrastructure and public services. To be considered for approval, any proposed Community Development District (CDD) for residential development in Lake County must, at a minimum, provide for the financing of public recreation facilities and public schools. A CDD shall not be considered for approval if it provides for the funding of infrastructure that would otherwise be funded through traditional land development regulations (e.g., subdivision regulations).

OBJECTIVE 5.0 SCHEDULE OF CAPITAL IMPROVEMENTS

Lake County shall coordinate the approval of new development with the Schedule of Capital Improvements. The schedule shall include the maintenance of adopted level of service standards and shall include the existing and future facility needs of Lake County.

5.1 Capital Improvement Consistency

Capital improvements proposed in the Capital Improvements Element shall include those required due to concurrency requirements in the Comprehensive Plan. Capital improvements not required due to concurrency shall be included in the Capital Improvements Element at the discretion of the County.

5.2 Public Facility Consistency

The Capital Improvements Element shall be consistent with public facility needs demanded by new development resulting from amendments to the Comprehensive Plan. The County shall evaluate the Capital Improvements Element simultaneously with the adoption of a plan amendment.

5.3 Development Order Stipulations

Development orders shall not be approved if funding sources are not identified for the scheduled financing of capital improvements, or where necessary facilities are not guaranteed by the developer in an enforceable development agreement pursuant to Section 163.3220, FS, or to Chapter 380, FS. The agreement must guarantee that the necessary facilities and services will be in place when the impacts of the development occur. This policy shall apply to all Category A public facilities..

5.4 Availability of Public Facilities

Consistent with the Future Land Use Element, Lake County shall prioritize the availability of service capacities for concurrency facilities within the urban future land use series. The provision of central water or sewer within the rural future land use series is prohibited except when is it clearly and convincingly demonstrated by the proponents of the system expansion that a health problem exists in a built but underserved area for which there is no other feasible solution (see Land Use Policy 15.3) At such time Lake County has sufficient information and studies to document rural type development demands for public facilities and services, different levels of service shall be established for the rural areas of the County.

OBJECTIVE 6.0 FAIR SHARE COSTS

Future development shall bear its fair share cost for facility improvements necessary to provide services demanded by new growth and development. The term "fair share" is defined as new growth paying the incremental capital costs for all facilities and services, as defined by documentation for existing and future impact fees and other funding mechanisms, necessary to accommodate the impacts created by new growth in order to maintain the adopted level of service. Fair share costs shall be assessed through the use of impact fees.

6.1 New Development

Lake County shall assess impact fees on new development to cover a fair share of the capital cost to provide those services to new growth.

6.2 Capital Facility Needs

Impact fees shall be used to fund capital facility needs resulting from new development and shall not be used to fund existing deficiencies.

6.3 Public Facility Needs

Impact fees shall be maintained for as many public facilities as feasible, but with consideration to the economic impact on affordable housing and the local construction industry.