

CAPITAL IMPROVEMENTS ELEMENT

TABLE OF CONTENTS

	<u>PAGE</u>
LIST OF TABLES.....	14-ii
LIST OF MAPS.....	14-ii
I. INTRODUCTION.....	14-1
A.General	14-1
B.Service Area	14-1
C.Planning Horizon.....	14-1
D.Definitions.....	14-1
II. EXISTING CONDITIONS	14-4
A.Ad Valorem Taxes	14-5
B.Local Options Gas Taxes	14-5
C.Constitutional Gas Taxes	14-6
D.Impact Fees	14-6
E.Funding.....	14-6
F.User Fees and Charges.....	14-9
G.Intergovernmental Revenues.....	14-9
H.Local Option Sales Tax.....	14-9
III. NEEDS ASSESSMENT.....	14-10
A.Overview and Capital Improvements Program Preparation	14-10
B.Fiscal Analysis of Existing Conditions	14-14
IV. IMPLEMENTATION	14-21
V. APPENDICES.....	14-22
14-A A Projection of Broward County’s Current Principal and Interest Payment Obligations for Debt Service Excluding Enterprise Funds.....	14-23
14-B Projected Broward County Operating Revenues and Expenditures Fiscal Year FY 2011 – FY 2015	14-24

CAPITAL IMPROVEMENTS ELEMENT

LIST OF TABLES

NO

14-1	Existing Revenue Sources, Broward County.....	14-5
14-2	Outstanding Long-Term Revenue Bonds, Broward County.....	14-8
14-3	Intergovernmental Revenue per Capita Projects (Historical) FY 2005 through FY 2009, Broward County.....	14-9
14-4	County-wide Ad Valorem Tax Rates (Excluding Debt Service).....	14-15

LIST OF MAPS

NO

14-1	Broward County Health Care Facilities.....	Map Series
14-2	Broward County Major Public Education Facilities.....	Map Series

CAPITAL IMPROVEMENTS ELEMENT

I. INTRODUCTION

A. General. Consistent with Florida Administrative Code (FAC) Section 9J-5.016, the purpose of the Capital Improvements Element (CIE) is to evaluate the need for public facilities as identified in other comprehensive plan elements and as defined in the applicable definitions for each type of public facility, to estimate the cost of improvements for which the County has fiscal responsibility, to analyze the fiscal capacity of the County to finance and construct improvements, to adopt financial policies to guide the funding of improvements in a manner necessary to ensure that capital improvements are provided when required based on needs identified in other comprehensive plan elements. The Element also ensures that an adequate concurrency management system will be implemented by the County pursuant to Rule 9J-5.0055 F.A.C. The CIE brings together the various infrastructure needs identified in other elements of this Comprehensive Plan along with the County's financial plans for meeting those infrastructure needs. The CIE describes various improvements for Transportation, including the Transportation Improvement Program (TIP), Potable Water, Sanitary Sewer, Solid Waste, Drainage, Recreation, Aviation, Port Everglades, Beach Renourishment, Transit, Community Development and Public School Facilities.

The CIE Support Documents are divided into five parts. Part I, the Introduction, identifies the service area, the planning horizons and defines key terms. Part II, Existing Conditions, addresses the data requirements through a description of existing conditions, including current and projected funding sources and expenditures. Part III, Needs Assessment, is an assessment and an analysis of existing conditions along with a discussion of future needs and existing deficiencies. Part IV addresses CIE implementation and Part V is an appendix.

B. Service Area. The CIE service area varies depending on the program and agency under consideration. The regulatory service area is generally confined to the Unincorporated Areas; however, there are many programs that include municipalities. The planning service area is all of Broward County.

C. Planning Horizons. This Element includes a financially feasible five-year capital improvements program which is adopted annually by the Broward County Board of County Commissioners. Capital improvements required beyond this five year program are generally addressed in the various plan elements and will be specifically addressed in the CIE during the required annual updates. Long term planning horizons for this Element therefore correspond with those found in other elements of this Comprehensive Plan.

D. Definitions. Unless otherwise expressly stated, the following terms shall, for the purposes of the Capital Improvements Element, have the meaning indicated below.

CAPITAL IMPROVEMENTS ELEMENT

Ad Valorem Tax. A tax imposed on the value of property.

Appropriation. The legal authorization given by the Broward County Board of County Commissioners to make expenditures and incur obligations using county funds.

Bonds. A certificate of debt issued by a local government guaranteeing payment of a specific amount of borrowed funds plus interest payments on specific dates.

Capital Budget. The first year of the capital program which includes capital project appropriations and the revenues required to support the projects.

Capital Outlay. Expenditures which result in the acquisition of or addition to fixed assets.

Capital Plan. A compilation of all capital and infrastructure needs which are not funded in the capital program.

Capital Program. All capital expenditures planned for the next five years. The program specifies both proposed projects and the resources estimated to be available to fund projected expenditures.

Commercial Paper. Short-term loan from a commercial bank used to fulfill short-term borrowing needs.

Contingency. Cost which may arise as a result of conditions undetermined at a given date.

Debt Service. Payments of principal and interest on obligations resulting from the issuance of bonds.

Dedicated Revenue. A source of funds which is mandated by law or policy to be used for a specific purpose.

Enterprise Fund. A fund which pays for the cost of its operations and capital improvements from user fees and does not generally receive property tax support. County enterprise funds include water and waste water, solid waste, aviation, and Port Everglades.

Financially Feasible Five-Year Capital Improvements Program means that sufficient revenues are currently available or will be available from committed funding sources for the first three (3) years of the schedule, or will be available from committed or planned funding sources for years 4 and 5.

Fiscal Year. The period of time for which funds are appropriated and accounted for. The County's fiscal year begins annually on October 1st and ends on September 30th of the next

CAPITAL IMPROVEMENTS ELEMENT

calendar year.

Flexible Revenue. A source of funds which can be used for a variety of purposes and programs and which can be raised or lowered depending on revenue requirements.

Fund. Monies set aside and accounted for separately in order to ensure that the monies are spent for a specific purpose.

Fund Balance. The amount available within a fund at the close of a fiscal period which can be carried over as a revenue for the upcoming fiscal period.

General Fund Balance. Those funds in the general fund which are unexpended at the end of the fiscal year. In most cases, these funds have already been allocated to certain programs, or obligated for specific expenditures.

General Obligation Bonds. Bonds financed with the ad valorem taxes or backed with the “full faith and credit” of the issuing government, which must be approved by a majority of the voters in Broward County.

Grants. Contributions or gifts of cash or other assets from another entity to be used or expended on a specific purpose, activity or facility.

Impact Fees. Funds collected from a developer to fund the improvements required to serve the residents or users of the development. The County currently collects impact fees for roads, parks and school facilities.

Infrastructure. The equipment, facilities and other capital improvements necessary to provide services.

Interest Income. Revenues earned on invested cash.

Intergovernmental Revenue. See **Grants** above.

Less Five Percent. Under state statute, revenues are budgeted at 95 percent of anticipated receipts except for transfers, fund balance and selected grants which are budgeted at 100 percent.

Level of Service. The product or end result of a program with the resources available.

Local Option Sales Tax. Tax on sales which must be approved by the voters to fund infrastructure improvements, transit, transportation or health care.

Operating Budget Impact. The on-going expenses required to operate capital improvements

CAPITAL IMPROVEMENTS ELEMENT

once completed. These expenses normally include facility and equipment maintenance costs, staff and other operating expenses.

Pay-As-You-Go. A term used to describe the financial policy of a government which finances its capital improvements with current resources rather than through borrowing.

Principal. The original amount borrowed through a loan, bond issue or other form of debt.

Reserves. An account used to earmark funds to be expended for a specific purpose in the future.

Revenue Bonds. Bonds financed with charges paid exclusively by the users of the public improvement or with another specific revenue source excluding ad valorem taxes.

Revenues. The taxes, fees, charges, special assessments, grants and other funds collected and received by the County in order to support the services provided.

Special Assessments. A compulsory charge made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Tipping Fees. A charge paid by the users to dispose of solid waste.

Transfers. Transfers of cash or other resources between funds.

Trust Fund. A fund used to account for assets held by a government for individuals, private organizations, other governments and/or other funds.

User Charges. The payment of a fee for direct receipt of a public service by the person or entity benefitting from the service.

Voted Ad Valorem Tax. Property taxes levied to fund the debt service on general obligation bonds, which are approved by the voters of Broward County.

II. EXISTING CONDITIONS.

The County allocates its existing revenue sources for operating expenses, capital (including infrastructure) expenses debt service expenses. The revenues allocated for capital expenses are generally those restricted to capital projects by legislative mandate, revenues of a non-recurring nature and revenues allocated for capital projects based on policy decisions made by the Board of County Commissioners. The following sections focus on the revenue sources and funding mechanisms available for infrastructure and/or capital projects. These sources are depicted in Table 14-1.

CAPITAL IMPROVEMENTS ELEMENT

**Table 14-1
Existing Revenue Sources
Broward County**

Capital/Revenue Resources	Operating/Debt Service
Ad Valorem Taxes	Ad Valorem Taxes
Local Option Gas Taxes	Half Cent Sales Tax
Constitutional Gas Taxes	State Revenue Sharing
Impact Fees, including Parks, and Roads	Regulatory Revenue
Transit Concurrence Fees	User Fees and Charges
Bonds	Grants
Financing/Loan/Commercial Paper	County Gas Tax
User Fees and Charges	Ninth Cent Gas Tax
Grants	Local Option Gas Taxes
Partnership Contributions	Tourist Taxes
Electric Utility Tax	Electric Utility Tax
Electric Franchise Fees	Electric Franchise Fees
Communication Services Taxes	Communication Services Taxes
Tourist Taxes	Non-Ad Valorem Assessments
Fund Balances	Fines and Forfeitures
Interest Income	Licenses and Permits
Reimbursements	Interest Income
Sale of Assets	Fund Balances
Capital Recovery Charges	

Source: Broward County, Office of Management and Budget Services, 2010

A. Ad Valorem Taxes. The County Commission may levy ad valorem taxes up to \$10.00 per thousand of taxable value for County-wide purposes, not including taxes levied for bonds approved by the voters. The County currently levies approximately \$ 5.10 per thousand of taxable value including less than \$. 06 for ongoing capital project needs that cannot be satisfied with other revenue sources.

The inclusion of ad valorem taxes to support the capital program has been done historically to fund certain projects on a pay-as-you-go basis order to avoid longer-term debt and the costs associated with the debt. However, the decline in the County’s property tax base and the need to preserve this revenue source for funding programs and services has resulted in a significant reduction in the amount of taxes allocated for capital needs. The current allocation is allocated primarily for maintenance of existing infrastructure and facilities.

B. Local Option Gas Taxes. In 1982 and 1993, the State Legislature gave counties the

CAPITAL IMPROVEMENTS ELEMENT

ability to increase gas taxes by up to twelve cents for transportation expenditures with a majority plus one vote of the County Commission. As of January 1, 2001, Broward County has levied all twelve cents. Revenues from the gas taxes are shared with various municipalities in accordance with interlocal agreements. Revenues have historically been allocated for road and right-of-way construction and improvement, drainage projects and transit. However, the decline in the County's property tax base has resulted in a reduction in the property tax subsidy for transit services. In order to minimize transit service reductions, local option gas taxes have been reallocated to fund ongoing transit services resulting in a significant reduction in the amount of local option gas taxes allocated for capital needs.

C. Constitutional Gas Taxes. The Constitutional Gas Tax, provided for in Article XII of the State Constitution, is divided into two portions, the 80% portion and the 20% portion. These revenues are allocated for roadway improvement and maintenance projects.

D. Impact Fees. Impact fees must be spent on facilities, improvements and infrastructure benefitting new developments. For example, impact fees cannot be expended for maintenance items, but they can be spent to enhance an existing facility if it can be shown that expenditure of the fees would increase the capacity of the facility.

The County has assessed park impact fees since 1979. Every plat is reviewed and assessed an amount of impact fees according to the number of residents generated by the development for park fees. In some cases, the developer pays the fees and in other cases County staff requests the donation of land to satisfy the park impact fee requirement.

Although assessment of road impact fees also began in 1979, this has been discontinued in most of Broward County, being replaced by a transportation concurrency assessment. In two areas of the County (the Northwest and Southwest concurrency districts), road impact fees are assessed and collected prior to the application for building permits.

Impact fee and concurrency fee collections are directly correlated with the amount of development approved within the County. With each year, the number of undeveloped parcels diminishes resulting in reduced impact and concurrency fee collections. However, it is uncertain what effect future redevelopment will have on collections.

E. Bond Funding. The County relies on bonds and other forms of borrowing, like commercial paper, to fund a portion of its infrastructure and facility requirements. By borrowing, the cost of an improvement is spread out over its useful life, which also ensures those using the improvement share in its costs. The County utilizes bond financing when a dedicated revenue source is available to repay the bonds and the project is too costly to fund on a pay-as-

CAPITAL IMPROVEMENTS ELEMENT

you-go basis. A projection of the County's existing debt service obligations is provided in Appendix 14-A. Appendix 14-B depicts a revenue and expenditure forecast which includes debt service obligations. The following sections summarize the types of bonds and financing tools that the County utilizes.

1. **General Obligation Bonds (Property Tax-Supported Bonds).** A ballot question must be approved by a majority of voters in order to issue General Obligation Bonds supported with property taxes. Property taxes levied to support these bonds are not included in the County's ten mill property tax limitation imposed by the Florida Constitution.

Broward County voters have approved five ballot questions authorizing the County to issue general obligation bonds. In 1978, voters approved the issuance of bonds for parks, libraries, jails, roads and other government facilities. In 1987, voters approved bonds for criminal justice and public safety facilities. In 1989, voters approved bonds to acquire and enhance environmentally sensitive land. In 1999, voters approved a \$200 million bond issue for the construction, renovation and acquisition of libraries. Bonds were also approved in 2001 in the amount of \$400 million, for the improvement and construction of park facilities and for additional acquisition of environmentally sensitive land and open space.

2. **Revenue Bonds.** Revenue bonds are those bonds supported with a pledge of user fees, or revenue sources other than property taxes. The County has relied on the issuance of these bonds to fund projects for Aviation, Water and Wastewater, Port Everglades, and for Waste Disposal Facilities and for some general government facilities such as detention and courthouse projects. In an effort to reduce future recurring obligations impacting the County's general fund, non-recurring fund balances have been appropriated for reserves to pay down the following debts: 1998 Certificate of Participation Refunding, 2004 Certificates of Participation Refunding, and portions of the 2002 and 2007 Loan Pools. Table 14-2 lists the outstanding revenue bonds issued by the County.

CAPITAL IMPROVEMENTS ELEMENT

**Table 14-2
Outstanding Long-Term Revenue Bonds
Broward County**

BONDS	REVENUE SOURCE	PROJECTS FINANCED
2006 Civic Arena Refunding Bonds	Professional Sports Franchise Tax, Professional Sports Franchise Sales Tax Rebate, Guaranteed Rent Payment from Arena Operator	Broward County Civic Arena
1998 Certificate of Participation Refunding Bonds	Non-Ad Valorem Revenues	Water supply program; 3 libraries; health center; detention expansion; 2 general government facilities; 1 park
2002 Loan Pool	Non-Ad Valorem Revenues	Voting equipment; completion of Women's correction facility
2004 Certificates of Participation Refunding Bonds	Non-Ad Valorem Revenues	Stirling Road Library; completion of the water supply program; renovation of detention facilities. The County has reserved funds sufficient to cover the remainder of the debt.
2005 Loan Pool	Non-Ad Valorem Revenues	Completion debt for the Broward County Civic Arena
2006 Loan Pool	A transfer from the Fire Fund which is partially supported with ad valorem revenues	Completion of a fire station for West Park/Pembroke Park
2007 Loan Pool	Non-Ad Valorem Revenues	Expansion of corrections facilities; office building for Housing Finance Authority.
Tourist Development Tax Special Revenue 2004	Tourist taxes	Broward County Convention Center
1998 Airport System Revenue and Refunding Bonds	Aviation Revenues	Aviation Facilities
2001 Airport System Revenue and Refunding Bonds	Aviation Revenues	Aviation Facilities
2004 Airport System Revenue Bonds	Aviation Revenues	Aviation Facilities
1998 Passenger Facility Charge/Airport System Revenue Convertible Lien Bonds	Aviation Revenues	Aviation Facilities
2001 Passenger Facility Charge/Airport System Revenue Convertible Lien Bonds	Aviation Revenues	Aviation Facilities
2008 Airport System Revenue Refunding Bonds	Aviation Resources	Aviation Facilities
1998 Port Revenue and Refunding Bonds	Port Revenues	Port Facilities
2008 Port Revenue Refunding Bonds	Port Revenues	Port Facilities
2009 Port Revenue Bonds	Port Revenues	Port Facilities
2003 Solid Waste System Revenue Bonds	Tipping Fees	Solid Waste Facilities
1988 Water and Sewer Revenue Refunding Bonds	Water and Wastewater Revenues	Water and Wastewater Facilities

CAPITAL IMPROVEMENTS ELEMENT

2003 Water and Sewer Revenue Refunding Bonds	Water and Wastewater Revenues	Water and Wastewater Facilities
2005 Water and Sewer Revenue Refunding Bonds	Water and Wastewater Revenues	Water and Wastewater Facilities
2009 Water and Wastewater Revenue Bonds	Water and Wastewater Revenues	Water and Wastewater Facilities
2010 Courthouse Bonds	Non-Ad Valorem Revenues	Courthouse Facilities

Source: Broward County Office of Management and Budget, 2010.

F. User Fees and Charges. User fees and charges are utilized as both pledges for revenue bond issues and as a direct funding source for less costly capital projects and ongoing maintenance and replacement projects on a pay-as-you-go basis. A forecast of user fee revenues can be found in Appendix 14-B.

G. Intergovernmental Revenues. The County continues to receive significant support from the Federal and State Governments for specific capital programs including Aviation, Port Everglades, Beach Renourishment, Transit, Housing and Community Development. An historical view of intergovernmental revenues can be found in Table 14-3.

**Table 14-3
Intergovernmental Revenues for Capital Projects (Historical)
FY 2005 through FY 2009
Broward County**

HISTORICAL CAPITAL PROJECT GRANTS	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Aviation	18,965,000	4,677,684	15,558,425	16,281,540	24,648,435
Mass Transit	11,585,636	16,359,737	9,720,767	40,248,125	10,535,954
Beach Renourishment Grants	3,616,177	7,069,927	3,124,867	1,106,667	1,219,196
Community Development	5,249,249	4,432,881	4,073,852	14,692,880	17,001,000
Port Everglades	10,648,957	2,783,627	753,295	4,204,156	10,628,396
TOTAL	50,065,019	35,323,856	33,231,206	76,533,368	64,032,981

Source: Broward County Office of Management and Budget, 2010.

H. Local Option Sales Tax. Counties have the authority to levy an additional one cent sales tax for various purposes including infrastructure needs if a majority of voters approve a ballot question on the levy of the sales tax. The electorate has voted down the levy of a local option sales tax three times: Ballot questions in 1990 for infrastructure; 1995 for school construction; and 2006 for transit services. The levy of a local option sales tax (estimated at \$240 million

CAPITAL IMPROVEMENTS ELEMENT

annually in FY 2010) would satisfy many of the County's capital needs that cannot be satisfied with current dedicated revenue sources. However, the electorate has not yet supported the use of this funding source.

III. NEEDS ASSESSMENT

A. Overview and Capital Improvements Program Preparation. Chapter 20, Part III of the Broward County Administrative Code provides for the annual preparation of a capital program by the Office of Management and Budget for approval by the Broward County Board of County Commissioners. Each year, the Office of Management and Budget, develops a five year Capital Improvements Program (CIP) which includes proposed revenue sources and appropriations for the next five fiscal years. The annual update to the CIP reflects changes in priorities, resource availability, budget impacts, project costs and additions for the fifth program year. The first fiscal year of this five year capital program is the annual capital budget, which is adopted by the County Commission in conjunction with the CIP.

In the past, the County has also undertaken several engineering and planning studies to determine infrastructure needs. Projected levels of population growth, recommended levels of service, financing and financial feasibility are all factors that these various studies and/or plans take into account when recommending various capital needs. Many of these studies and plans require close coordination with or approval by other agencies and governmental entities such as the South Florida Water Management District or the State Department of Environmental Protection. Presented below is a category and/or agency discussion of issues, identifying as appropriate, the studies and plans they utilize in the Capital Improvements Needs Assessment process.

1. **Aviation.** The County Aviation Department has adopted Master Plans for the Fort Lauderdale-Hollywood International Airport and the North Perry Airport. The Master Plan for Fort Lauderdale-Hollywood International Airport was approved by the County Commission in 1994 as a 20 year plan based on how to accommodate passenger projections. In May, 2010, the County Commission approved the Fort Lauderdale-Hollywood International Airport Master Plan Update. This update re-evaluates airport needs for the short term (10 years) and long term (20 years) based on revised FAA aviation forecasts, known as the Terminal Area forecasts. This Plan Update received subsequent FAA approval in September, 2010.

The North Perry Airport (HWO) is devoted to general aviation industry which is private and light business plane activity. The Airport's 1994 Master Plan was updated in 1996. On August 11, 2009 the County Commission approved the latest update to the HWO Master Plan. The plan recommends improvements in infrastructure, airfield lighting and access improvements. The HWO Master Plan provides CIP guidance for short, mid, and

CAPITAL IMPROVEMENTS ELEMENT

long term projects and covers a 20 year horizon. Projects and related issues for the Fort Lauderdale-Hollywood International Airport and the North Perry Airport are generally described in the Transportation Element of the Broward County Comprehensive Plan. Projects at both Airports projects are funded largely through State and Federal grants, airport user fees, and bonds supported with user fees.

2. **Beach Renourishment.** Various engineering studies are undertaken at various times and in different parts of Broward County to determine the need for beach renourishment projects. Consulting engineers are hired by the County to refine renourishment costs, determine the quantities of material needed and estimate construction start dates. The data reported in these various studies are then used to include various projects in the capital program. The current Broward County Beach Management Program is a comprehensive plan to replace beach sand where it has critically eroded, to stabilize them with structures where appropriate, and, by means of inlet sand bypassing, “feed” the beaches which lack adequate sand due to stabilized inlets.–Beach renourishment and beach management projects are funded with Federal, State and Local funds including payments from municipalities and surplus Tourist Taxes.

3. **Transit.** The capital and operating planning of transit services in Broward County are conducted using two transit planning tools: the Transit Development Plan (TDP) and the Comprehensive Operational Analysis (COA). Broward County Transit (BCT) develops the TDP and COA analysis efforts for Broward County.

The TDP is a ten-year strategic plan of all projected capital and operating needs for the Broward County Transit (BCT) family of services, regardless of funding availability. The last major (ten-year) FY 2009-2018 TDP effort was last approved in October 2008. Annual updates are required of BCT for every year between each major TDP. The annual TDP update for FY 2010 was approved in August 2009 while the most recent annual update for FY 2011 was approved in August 2010. BCT will provide an annual TDP update in 2011 (for FY 2012) before embarking on the next major TDP effort) in FY 2013.

The COA is a short-range transit planning methodology conducted by the Broward County Transit. The COA takes a more detailed look at the existing BCT family of services using intensive on-board and origin-destination surveys of every existing transit route and/or BCT-managed service layer. This data is combined with intensive public involvement and is ultimately utilized to recommend route changes designed to improve service efficiency, apply resources where they are most needed, and modernize the route network based upon current and projected conditions within the service area. Future standards for transit services that are part of the Transportation Element will emanate directly from the most recently completed TDP, as well as the COA findings, which are

CAPITAL IMPROVEMENTS ELEMENT

expected to begin in 2010. Although the COA is not a required planning analysis process, BCT staff expects to update this effort every 5-8 years.

The COA and the TDP are prepared within the framework of the Commission goals “to invest in a balanced transportation system...one that places increased reliance on transit service; that promotes transit use and encourages sustainable development with less automobile dependency; that creates a sound fiscal, regulatory and political environment within which a balanced transportation system can be developed; and that encourages new and future generations of transit riders who use and appreciate transit.” Standards for mass transit services are listed in the Transportation Element. Transit capital projects are primarily funded with Federal and State grants.

4. **Water and Wastewater.** Ongoing planning efforts are completed to accommodate future growth and regulatory requirements. Comprehensive planning efforts were first initiated in 1988. The plan is updated regularly with the latest revision completed in 2004 which addressed the need for services and facilities based upon anticipated build-out conditions of the service area in the year 2025.

Current planning efforts include the completion of an Alternative Water Supply Master Plan and an Effluent Disposal and Reclaimed Water Master Plan. The County expects to complete these studies in late fall 2010. Subsequent to the 2010 US Decennial Census, the Comprehensive Master Plan will then be updated to incorporate the results.

Based upon the master plans and the levels of service defined therein, the County develops its capital improvements program recognizing costs associated with future growth and regulatory requirements. The program forms the basis for the capital budget which will be primarily funded through issuance of water wastewater revenue bonds and cash provided from user fees.

5. **Parks and Recreation.** In 2000, the electorate approved a \$400 million bond issue to preserve as much of remaining open spaces as possible as the County becomes built-out and to renovate and improve the County’s park facilities \$200 of the \$400 million was allocated to acquire open space and environmentally sensitive lands and \$200 million was allocated to upgrade and improve the existing County Park System. The bond program is in the final stages of implementation. Impact fees are programmed for new facilities when available. Ad valorem taxes are utilized to fund an ongoing maintenance program.

6. **Port Everglades.** Port Everglades utilizes a five year Master Plan and ten and twenty-year Vision Plans which were last updated in 2007 with another update almost complete. The Port Master/Vision Plans guides the capital planning and Needs Analysis process at Port Everglades. The Port is proposing to expand its facilities in advance of

CAPITAL IMPROVEMENTS ELEMENT

projected cargo and cruise volume increases. The Port Master/Vision Plan stresses the need for additional berthing capacity which includes new berths as well as longer berths to increase passenger and cargo capacity through 2029. The Port Everglades projects are generally described in the Deepwater Port Component of the Coastal Management Element. A majority of the projects at Port Everglades are funded with user fees, grants and bonds supported with user fees.

7. **Waste and Recycling Services.** The Resource Recovery and Solid Waste Management Plan Update, (1988) has been guiding the Needs Assessment Process. Development of a new Solid Waste Master Plan is currently under discussion by the Resource Recovery Board and its Technical Advisory Committee. Among the projects in the current Capital Improvements Program are: cell expansion at the Broward Interim Contingency/Southwest Regional Landfill, which will provide sufficient contingency capacity for the long-term planning horizon; construction of an on-site leachate treatment facility at the landfill; and, household hazardous waste (HHW) facilities both at the landfill and at a central county site. However, the Resource Recovery Board requested at its September 16, 2010 meeting, that the County not proceed with fiscal year 2011 capital projects until they have provided further review after January 1, 2011.

8. **Transportation.** New transportation projects are selected from the Long Range Transportation Plan (LRTP) Update which is adopted by the Broward Metropolitan Planning Organization (MPO) and which data from is incorporated into the Transportation Element of the Comprehensive Plan. A Transportation Construction Program Committee, made up of staff from the Broward Metropolitan Planning Organization, Public Works Department, the Environmental Protection and Growth Management Department, and the Office of Management and Budget, convenes and evaluates the priority and need for selected projects from the LRTP, for potential inclusion into the five-year capital program.

The Transportation Construction Program Committee evaluates the highest priority projects from the LRTP in coordination with the plans of all outside agencies, such as the Florida Department of Transportation, and based on the impact each project will have on the County-wide transportation system. Funding for transportation projects comes from a variety of sources, including Federal, State, local and private funding sources.

9. **Community Development.** Projects listed in the Community Development portion of the CIE are generally selected from the Consolidated Plan priorities of the County and the various municipalities in Broward County. These Consolidated Plan priorities identify various housing and other public facilities needs throughout the County. The Plans priorities are awarded various grant funds from the Federal Government such as the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and the Emergency Shelter Grant (ESG) Programs.

CAPITAL IMPROVEMENTS ELEMENT

These grants are awarded on a formula basis to participating Cities and are competitive for private non-profit and private non-profit entities through a Request for Proposals (RFP) process.

Projects that do not have dedicated funding sources are included in the CIP through the Capital Improvements Needs Assessment process. The process varies slightly for each category of infrastructure, depending on the funding source and the existence of an approved master plan.

There are various programs in the County that do not have adopted plans to guide their capital planning decisions. For programs without master plans, the Office of Management and Budget recommends projects for placement in the five-year capital program based on the following criteria:

- Preservation of health and safety of the public by eliminating public hazards,
- Promotion of efficient development and prevent urban sprawl,
- Level of impact on operating budget,
- Protection of existing infrastructure,
- Consistency with County plans and the plans of other agencies,
- Elimination of existing deficiencies,
- Maintenance of adopted levels of service,
- Availability of funds,
- Implementation of County Commission adopted goals.

Once all recommendations and input are received from other agencies, the Office of Management and Budget develops the Recommended Five-Year Capital Program, which includes projected revenues and proposed appropriations. The draft program is presented to the County Administrator for review. Once the County Administrator's feedback has been incorporated, the recommended program is then given to the County Commission for review and adoption.

B. Fiscal Analysis of Existing Conditions. This section describes the fiscal implications of providing the public facilities and infrastructure required to meet the proposed levels of service for both future and existing developments. This section also discusses the future needs and existing deficiencies of each of the program categories listed in the previous section. All needs and expenditures comply with the various goals, policies and objectives found in various elements of the Broward County Comprehensive Plan.

1. **Broward County's Fiscal Condition.** The general financial condition of the County can be described as sound despite the declining property tax roll, state-mandated

CAPITAL IMPROVEMENTS ELEMENT

reductions in property taxes collections and revenue reductions resulting from the economic downturn.

During FY2007, the County implemented a Zero-Based Outcome Budgeting process to place further emphasis on program results and performance data in budget decision-making. Through this process, the County implemented the reductions necessary to maintain the same non-voted County-wide property tax rate (4.8889 mills) for three years despite the declining tax base and non-property tax revenues, and while attempting to minimize the impact on services to the public.

The County's current non-voted property tax rate is slightly more than 50% of the statutory cap of 10 mills. By largely reserving ad valorem tax capacity for operation facilities and programs without other dedicated revenue sources, the remaining property tax capacity is sufficient to satisfy those needs for the duration of the planning period depending on the tax policy set by County Commission tax policy each year. An historical view of ad valorem tax rates is portrayed below in Table 14-4.

Table 14-4
County-wide Ad Valorem Tax Rates (Excluding Debt Service)

Fiscal Year	Rate
2002	6.6677
2003	6.6685
2004	6.6065
2005	6.4831
2006	6.2942
2007	5.6433
2008	4.8889
2009	4.8889
2010	4.8889
2011	5.1021

Source: Broward County Office of Management and Budget, 2010.

2. **Future Needs and Existing Deficiencies.** The County has and is allocating significant resources for maintaining infrastructure and facilities while facing pressure to provide additional facilities. This balancing of maintenance needs, with funding required to maintain the County's current service levels presents an annual challenge when

CAPITAL IMPROVEMENTS ELEMENT

developing the five year capital program. The capital program may also impact the operating and debt service budgets because in addition to providing the one-time capital funding for new facilities, funds must also be identified to operate and maintain the new facilities and to pay for debt service if that is the source of the funding for the project.

Ongoing challenges also include the current economic downturn and the continued threat of Federal and State funding reductions. At the current FY2011 millage rate, property tax funding for capital projects will primarily be limited to maintenance of existing infrastructure. Annual property tax funding for capital projects has declined from \$41 million to \$8 million since FY2006. For those capital programs supported with fees, projects must be prioritized and phased based on the availability of funds and the ability to adjust fees to meet all needs including ongoing operations, maintenance and debt service.

The five-year program is reevaluated and refined each year to address these challenges. Difficult choices will continue to be made on reprioritizing projects and/or raising the revenue necessary to support the highest priority projects.

- a. *Aviation.* Proposed aviation projects and projected revenues are provided in Volume 2, Table 14-A within the Capital Improvements Element Goals, Objectives and Policies Section.

To further the Commission's goal to support economic development and improve multi-modal mobility, the fiscal year 2011-2015 aviation capital program includes approximately \$1.1 billion in funding for renewal and replacement, improvements, and airport expansion projects. Funds are programmed in all years of the capital program for the extension of 9R/27L. Additionally proposed is the redevelopment of Terminal 4 (T4) to provide more efficient international terminal and concourse. Further proposed is the renovation and modernization of the remaining terminal facilities (T1, T2 and T3), to improve and optimize concessions, processing elements and other support facilities. These improvements also accommodate future growth as indicated in the FAA Terminal Area Forecasts to balance the airfield with the terminal area. A final component of improvement will be to the ground transportation facilities which provide support and balance with the Terminal and Airfield elements. These improvements are consistent with the Airport Master Plan(s). This capital program is funded with grants, airport fees and charges and bonds supported with airport revenues.

- b. *Beach Renourishment.* Proposed beach renourishment projects and projected revenues are provided in Table 14-B within the Capital Improvements Element Goals, Objectives and Policies Section found in Volume 2.

CAPITAL IMPROVEMENTS ELEMENT

Broward County's Beach Renourishment project is an ongoing effort to mitigate the natural erosion of beaches to protect residential and commercial beachfront property, as well as maintain the vitality of the county's tourism industry.

Funding for beach renourishment is provided from federal, state, municipal and county government. The Segment III stretching from Halladale Beach to Dania Pier along the northernmost mile of John U. Lloyd Beach State Park was completed in March 2006. Construction of Segment II can begin following 18 months of monitoring the impact of Segment III. Funding is also provided for the Port Everglades Sand Bypassing Project to infuse 50,000 to 80,000 cubic yards of sand annually to the beaches of John U. Lloyd Park, Dania, Hollywood, and Hallandale thereby increasing the sustainability of the beaches south of the Port Inlet. Surplus tourist taxes levied for the Arena are used to free up funds to pay for the portion of beach renourishment projects that are not funded by federal, state, and city governments.

c. *Transit & Transportation Concurrency.* Proposed transit and transit concurrency projects and their projected revenues are provided in Tables 14-C and 14-K within the Capital Improvements Element Goals, Objectives and Policies Section found in Volume 2.

The five year capital federally funded Transit capital program continues to emphasize replacement and maintenance of buses and other equipment as well as replacement and maintenance programs for transit facilities. Funds are also provided for bus stop improvements in each year of the five year capital program. Information technology-related projects are also programmed to increase the efficiency of the operation and the service to the public. The adopted transit concurrency program ensures that new developments pay a fair share contribution towards the costs of transit system improvements. Concurrency fees partially fund capital projects in the fiscal year 2011-2015 program including bus stop improvements and to provide the match for grant-funded new buses.

d. *Water and Wastewater and Unincorporated Capital Projects.* Water and Wastewater Services (WWS) is the County agency responsible for implementing the Unincorporated Neighborhood Improvement Projects and water and wastewater capital programs. Proposed Unincorporated Neighborhood Improvement Projects, and water and wastewater projects and projected revenues are provided in Tables 14-D and 14-E respectively within the Capital Improvements Element Goals, Objectives and Policies Section found in Volume 2.

CAPITAL IMPROVEMENTS ELEMENT

The improvement of unincorporated area neighborhoods continues to be a high priority of the County Commission. The County has allocated more than \$ 750 million for neighborhood infrastructure improvements intended to increase the economic viability and quality of life within unincorporated neighborhoods and to provide incentives for municipalities to annex. The County provided funding for many neighborhood improvement projects including drainage improvements necessary to alleviate chronic flooding, sidewalk installation, landscaping, roadway and utility improvements.

As of October, 2010, most unincorporated areas have been annexed by neighboring municipalities due partly to these major infrastructure investments by the County. Outstanding projects will continue after annexation until completion in accordance with interlocal agreements with the annexing Cities.

The Neighborhood Improvement Program (NIP) encompasses an area the size of a medium city with 9223 acres, 92,000 people, and 28,382 homes. The planned improvements include 292 miles of roadways, 422 miles of sidewalk, and 617 miles of pipeline which will enable the elimination of 10,434 septic tanks. Construction started in 1996 and is currently scheduled to be completed in 2013. Of the 65 planned bid packages, 59 are under construction or have been completed.

The fiscal year 2011 – 2015 capital improvements program for the Water/Wastewater utility continues to fund the rehabilitation of existing water and sewer systems throughout the utility service area. This includes funds programmed for water and wastewater facilities in the comprehensive neighborhood improvement projects. Significant funding is also provided for improvements to the water and wastewater treatment plants and transmission lines. Water and wastewater projects are primarily funded with utility user fees and bonds to be repaid from user fees.

e. *Parks and Recreation.* Proposed Parks and Recreation projects and projected revenues are provided in Table 14-F within the Capital Improvements Element Goals, Objectives and Policies Section found in Volume 2.

The five year program continues to focus funding for recurring maintenance and capital replacement projects to protect the County's infrastructure investments.

f. *Port Everglades.* Proposed Port Everglades projects and projected revenues are provided in Table 14-G within the Capital Improvements Element Goals, Objectives and Policies Section found in Volume 2.

CAPITAL IMPROVEMENTS ELEMENT

The fiscal year 2011-2015 Port Everglades capital program continues to enhance economic opportunity in accordance with Commission goals. The Port capital program is funded with balances remaining from prior years, State and Federal Grants, bond financing, private investments and Port fees and charges. The FY2011-2015 program is based on the Master/Vision Plan adopted by the Board during FY 2008. The Southport Turning Notch expansion will significantly increase cargo capacity by creating a minimum of four additional berths. The Intermodal Container Transfer Facility project will reduce container drayage (freight cost) in Southport and increase the capacity for containers. The Aggregate Facility project is expected to generate additional revenue for the Port by providing infrastructure needed to support the importation of crushed rock aggregate that will be dispersed statewide via rail. Over the five year program, funds are allocated for the expansion of Cruise Terminals 2, 4, 19, 21, 26 and 29 to accommodate larger cruise ships. The five year program also includes new parking garages in Northport and Midport to accommodate additional cruise passengers as well as repairs to the Customs House and improvement to Port-owned buildings.

- g. *Solid Waste.* Proposed solid waste projects and projected revenues are provided in Table 14-E within the Capital Improvements Element Goals, Objectives, and Policies found in Volume 2. The fiscal year 2011-2015 Waste and Recycling Services capital program is funded with Resource Recovery Fund revenues. Funding is programmed in fiscal year 2011 for the following: (1) inspection of previously funded site improvements at the Southwest Regional Landfill; (2) a full-service household hazardous waste (HHW) facility at a central county site (including property acquisition for the complex), which includes materials drop-off, on-site processing, warehouse and office components as well as locations for paint distributions and ancillary HHW and electronic recycling services; and (3) a leachate collection system project at the ash monofill, which involves clearing partially blocked leachate collection pipes in order to operate the system as designed and maximize leachate flow.

Funding is programmed in fiscal year 2012 for construction of an on-site leachate treatment facility at the Broward Interim Contingency/Southwest Regional Landfill, which will eliminate the need to send leachate offsite for processing. Funding is programmed in fiscal years 2012 and 2013 for the replacement/upgrade of the facility's emergency generator, which is approximately 20 years old and is near the end of its expected life. As a critical component of the Resource Recovery System, the landfill serves as a contingency backup disposal site for the south waste-to-energy plant. It is necessary for this facility to function under power loss conditions. Landfill gas

CAPITAL IMPROVEMENTS ELEMENT

and leachate collection systems must operate continuously in order to stay in compliance with state regulations and current permits.

Funding is programmed in fiscal years 2011 through 2014 for the installation of intermediate cover at the Ash Monofill. Intermediate cover, which is a layer of compacted earth applied to the landfill, minimizes leachate generation by allowing stormwater to be shed to retention areas and is consistent with the leachate control design of the landfill and in conformance with state regulations.

Funding is programmed in fiscal years 2013 and 2014 for a 15-acre cell expansion at the Southwest Regional Landfill. As part of the Resource Recovery System, the landfill accepts nonprocessable waste in accordance with the Broward Solid Waste Disposal District's Plan of Operations, and acts as a contingency backup facility for municipal solid waste in the event that the south waste-to-energy plant is unable to accept/process waste as a result of emergency conditions. The expansion area has already been prepared and is ready for future expansion activities.

The Resource Recovery Board (a governing board with county and multiple-city participation) sets the rates for disposal fees, which cover operating, capital, and debt costs associated with disposal facilities.

- h. *Transportation.* Proposed transportation projects and projected revenues are provided in Table 14-H within the Capital Improvements Element Goals, Objectives and Policies Section found in Volume 2.

The five year program includes funding for County major road improvement projects and contributions to projects managed by other government agencies.

Road expansion projects are chosen for inclusion in the five-year program when existing or projected traffic on the road exceeds the adopted Comprehensive Plan standard, if the project relieves an overcrowded segment, or if the segment is a link in the completion of the regional road network. The Federal Government, State and County has provided funding for Signalization Engineering Improvement (SEI) projects in the eastern portion of the County, which supports the County Commission goal of improving multi-modal mobility. The FY 2011-2015 capital program provides the funding needed to continue the county SEI project. In FY2012 and FY2013, SEI is partially funded with transportation concurrency fees. This project includes improvements such as the deployment of fiber optic cable, network equipment, traffic controllers and cabinets, video cameras and dynamic message signs to improve traffic flow and reduce congestion. Ongoing funding to maintain County roads and rights of way is also

CAPITAL IMPROVEMENTS ELEMENT

provided to ensure the County's investments in transportation infrastructure are adequately maintained.

Housing and Community Development. Proposed housing and community development projects are listed in Tables 14-I and 14-J within the Capital Improvements Element, Goals, Objectives and Policies Section found in Volume 2.

Incremental decreases are expected over the next five years in the Federal grants for Community Development and Housing. These funds are allocated for rehabilitation and construction of housing within targeted areas, and for construction and rehabilitation of public facilities and infrastructure.

3. **Schools and Hospitals.** Public schools and hospitals are depicted on Maps 14-1 and 14-2. Infrastructure required to support public schools and hospitals is provided in a similar manner to infrastructure required to support private development. Both public schools and hospitals operate under their own independent taxing districts, and thus fund their own infrastructure needs. Other hospitals are privately owned. Impact fees are waived for these projects if they are constructed by public agencies.

IV. IMPLEMENTATION

Tables 14-A through 14-P, which are found with the Goals, Objectives and Policies of the Capital Improvements Element located in Volume 2 of the Broward County Comprehensive Plan, list the improvements and revenue required to attain the goal of providing sufficient infrastructure to meet proposed levels of service for new development and to satisfy existing deficiencies. These tables are reviewed, revised and updated annually to reflect project completions, funding changes and shifting concerns. The basis for these needs and cost estimates can also be found within the individual elements of the Broward County Comprehensive Plan.

CAPITAL IMPROVEMENTS ELEMENT

V. APPENDICES

CAPITAL IMPROVEMENTS ELEMENT

Appendix 14-A A Projection of Broward County's Current Principal and Interest Payment Obligations for Debt Service Excluding Enterprise Funds

Bond Issue	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
1998 Gas Tax Refunding Bonds	5,614,828	5,609,663	5,616,263	5,615,088	-	-	-	-	-	-	-
1998 Certificates of Participation Refunding	2,888,618	2,889,050	2,893,206	2,896,735	2,898,000	-	-	-	-	-	-
1999 Loan Pool	1,589,608	1,588,608	1,591,208	1,590,989	-	-	-	-	-	-	-
2000 Loan Pool	1,571,700	1,571,200	163,200	162,000	-	-	-	-	-	-	-
Libraries General Obligation Bonds	-	12,243,866	11,962,269	11,959,669	11,960,969	11,960,860	11,949,000	11,947,675	11,947,050	11,944,650	11,944,500
Parks/Land Preservation General Obligation Bonds	5,725,028	25,812,752	31,825,369	36,755,832	24,918,632	24,918,532	24,920,432	24,921,557	24,918,107	24,921,032	24,200,157
2001B General Obligation Refunding Bonds	26,224,375	21,376,000	19,123,750	19,090,875	19,066,000	7,795,125	-	-	-	-	-
2002 Loan Pool	4,684,653	4,686,340	2,152,140	2,156,005	2,151,343	2,150,503	274,263	271,613	273,519	274,732	274,250
2003A General Obligation Refunding Bonds	8,442,482	8,323,125	7,336,925	5,509,375	-	-	-	-	-	-	-
2004 Certificates of Participation Refunding	3,828,763	3,831,763	3,825,513	3,832,325	3,826,825	3,828,213	3,830,650	-	-	-	-
2004 Convention Center Refunding	2,505,525	2,504,925	2,507,825	2,508,775	2,502,775	2,503,675	2,504,700	-	-	-	-
2005 Loan Pool	458,925	460,530	456,893	458,255	619,375	622,370	624,370	620,620	621,228	620,928	624,233
2006 Civic Arena Bonds	4,314,702	13,927,441	13,927,359	13,925,520	13,997,348	13,988,349	13,998,586	13,993,299	13,992,226	13,995,525	13,997,883
2006 Loan Pool	412,623	414,520	412,305	414,876	417,036	413,762	415,076	415,761	415,797	415,213	414,044
2007 Loan Pool	59,966	926,725	926,325	924,925	922,525	934,125	924,125	923,325	926,625	778,313	780,000
2010 Courthouse Bonds					2,808,174	12,720,028	14,228,828	15,347,203	15,523,303	15,811,903	15,813,653
TOTAL	68,321,796	106,166,508	104,720,550	107,801,244	86,089,002	81,835,542	73,670,030	68,441,053	68,617,855	68,762,296	68,048,720

Source: Broward County Office of Management and Budget, 2010

CAPITAL IMPROVEMENTS ELEMENT

**Appendix 14-B
Projected Broward County Operating Revenues and Expenditures Fiscal Year FY2011 – FY2015***

	2011	2012	2013	2014	2015	TOTAL
Ad Valorem Taxes	662,491,040	662,491,040	662,491,040	669,115,950	675,807,110	3,332,396,180
Intergovernmental Revenues	360,500,464	367,710,473	375,064,683	382,565,976	390,217,296	1,876,058,892
Internal Charges/Transfers	324,503,110	327,748,141	331,025,623	334,335,879	337,679,238	1,655,291,990
Fees and Charges	465,948,160	477,081,152	483,020,815	492,351,997	507,007,941	2,425,410,065
Misc. Revenues	97,453,292	99,402,358	101,390,405	103,418,213	105,486,577	507,150,845
Less Five Percent	(73,184,560)	(96,721,658)	(97,649,628)	(99,089,401)	(100,809,908)	(467,455,155)
Fund Balance Forward	472,651,240	472,651,240	472,651,240	472,651,240	472,651,240	2,363,256,200
Total Operating Budget Revenues	2,310,362,746	2,310,362,746	2,327,994,177	2,355,349,855	2,388,039,494	11,692,109,017
Personal Services	945,339,870	945,339,870	954,793,269	973,889,134	998,236,362	4,817,598,505
Operating Expenses	817,803,236	817,803,236	825,981,268	834,241,081	842,583,492	4,138,412,313
Operating Capital Expenses	20,761,300	20,761,300	20,761,300	20,761,300	20,761,300	103,806,500
Operating Reserves/Transfers	526,458,340	526,458,340	526,458,340	526,458,340	526,458,340	2,632,291,700
Total Operating Budget	2,310,362,746	2,310,362,746	2,327,994,177	2,355,349,855	2,388,039,494	11,692,109,018
Property Tax-Supported Capital and Debt Service						
General Capital Projects	20,669,950	17,324,110	16,029,490	12,487,900	14,290,960	80,802,410
General Obligation Debt	55,945,601	44,675,517	36,869,432	36,869,232	36,865,157	211,224,939
Total Property Tax-Supported Capital and Debt Service	76,615,551	61,999,627	52,898,922	49,357,132	51,156,117	292,027,349
Forecast of Other Revenue Sources						
Gas Taxes	74,667,990	75,414,670	76,168,830	76,930,520	77,699,820	380,881,830
Impact/Concurrency Fees	3,000,000	3,412,000	3,412,000	-	-	9,824,000
Tipping Fees	94,882,600	96,780,252	98,715,857	100,690,174	102,703,978	493,772,861
* All rates and appropriations are determined annually based on County Commission policy.						
Source: Broward County Office of Management and Budget, 2010						

CAPITAL IMPROVEMENTS ELEMENT

THIS PAGE INTENTIONALLY LEFT BLANK