



IMPACT FEE DEFERRAL PROGRAM

PROGRAM OVERVIEW

Impact Fees are paid to the local government to assist in creating new public infrastructure necessary as the result of a new building. Public infrastructure includes water, sewer, irrigation lines, public parks, and fire safety. The City's Impact Fee Deferral Program defers the payment of some of the impact fees. City Council created the Impact Fee Deferral Program in 1994 to support economic development through the growth of Cape Coral businesses.

DETERMINING THE DEFERRAL

Exhibit "A" shows a chart for two types of businesses: New or Existing. Categories are also given for each business type and are as follows: Category I: Manufacturing, Category II: Service, and Category III: Other (retail). Determine whether the business is new or existing and allowable then whether it is a manufacturing, service or other-type business. Use Exhibit "B" to determine the length of the deferral period.

BASIC IMPACT FEE DEFERRAL

- The basic impact fees that can be deferred under the program are: Road Impact Fees and Utility Capital Expansion Impact Fees.
- Impact fees that cannot be deferred are: Fire Public Safety Facilities Impact Fees and Recreational Park Facilities Impact Fees.
- The maximum deferral period, including any supplemental deferral period is 10 years.

SUPPLEMENTAL IMPACT FEE DEFERRAL

- City Council can also approve a supplemental deferral period of up to one year.
- The business is awarded points, ranging from 1 to 5, based on supplemental criteria shown at the bottom of Exhibit B.
- The net deferral is the sum of the basic deferral plus the supplemental deferral period.

EXTENDED PAYMENT PLAN PROGRAM

Payment of the deferral impact fees is due in a lump sum at the end of the deferral period. However, the recipient of the deferral may apply in writing to the city for an extended payment plan. The extended payment plan sets up a specific payment schedule for the impact fees. It requires approval from City Council and cannot exceed 10 years. Application for the extended payment plan must be made 6 months before the lump sum due date.

SHELL BUILDING DEFERRAL PROGRAM

Shell buildings are defined as structures with finished exteriors without a completed interior. They are generally speculative and are finished by or for the end user. Eligible shell buildings are commercial or industrial properties. Under the Shell Building Deferral Program impact fees can be deferred up to 36 months or until permits for the interior completion have been issued, whichever is less. The Shell Building Impact Fees that can be deferred are: Road Impact Fees, Utility Capital Expansion Impact Fees and Fire Public Safety Impact Fees. The only impact fee that cannot be deferred is the Recreational Parks Facilities Impact Fee.

Other terms, requirements, rules and conditions apply. Complete rules and regulations and application forms are available from the Cape Coral Economic Development Office.

ECONOMIC DEVELOPMENT OFFICE

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EXHIBIT A - IMPACT FEE DEFERRAL PROGRAM

NEW BUSINESS

In order to be eligible to apply for deferral of its impact fee obligation(s), a new business must fall within one of the following categories:

CATEGORY I

A business establishing ten (10) or more new jobs to employ ten (10) full-time employees (or a sufficient number of full-time equivalent employees so as to constitute ten (10) or more full-time employees) in the City, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a single fixed location within the City, and which comprises an industrial or manufacturing plant or facility. No business engaged in retail sales shall be considered to be included in this category.

CATEGORY II

A business establishing twenty-five (25) or more new jobs to employ twenty-five (25) or more full-time employees (or a sufficient number of full-time equivalent employees so as to constitute twenty-five (25) or more full-time employees) in the City, which delivers, performs, offers, or engages in mechanical, personal, professional, or trade services at a single fixed location within the City, and which comprises an industrial, commercial, or professional facility. No business engaged in retail sales shall be considered to be included in this category.

CATEGORY III

Any other business establishing fifty (50) or more new jobs to employ fifty (50) or more full-time employees (or a sufficient number of full-time equivalent employees so as to constitute fifty (50) or more full-time employees) at a single fixed location in the City, and which comprises primarily a commercial facility. Businesses engaged in retail sales shall be included within this category.

EXISTING BUSINESS

In order to be eligible to apply for deferral of its impact fee obligation(s), an existing business must expand its business so as to fall within one of the following categories:

CATEGORY I

A business establishing ten (10) or more additional new jobs to employ ten (10) or more full-time employees (or a sufficient number of full-time equivalent employees so as to constitute ten (10) or more full-time employees) in the City, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a single fixed location within the City, and which comprises an industrial or manufacturing plant or facility. The increase in the operation of the business must be at a site co-located with an industrial, commercial, or a professional operation owned by the same business. No business engaged in retail sales shall be considered to be included in this category.

CATEGORY II

A business establishing twenty-five (25) or more additional new jobs to employ twenty-five (25) or more full-time employees (or a sufficient number of full-time equivalent employees so as to constitute twenty-five (25) or more full-time employees) in the City, which delivers, performs, offers, or engages in mechanical, personal, professional, or trade services at a single fixed location within the City, and which comprises an industrial, commercial, or professional facility. The increase in the operation of the business must be at a site co-located with an industrial, a commercial or a professional operation owned by the same business. No business engaged in retail sales shall be considered to be included in this category.

CATEGORY III

Any other business establishing fifty (50) or more additional new jobs to employ fifty (50) or more full-time employees (or sufficient number of full-time equivalent employees so as to constitute fifty (50) or more full-time employees) at a single fixed location in the City, and which comprises a commercial facility. The increase in the operation of the business must be at a site co-located with an industrial, a commercial, or a professional operation owned by the same business. Business engaged in retail sales shall be considered to be included in this category.

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EXHIBIT B - IMPACT FEE DEFERRAL CHARTS

CATEGORY I - MANUFACTURING

NUMBER OF EMPLOYEES WORKING IN THE CAPE CORAL FACILITY	STANDARD DEFERRAL PERIOD	IF 75% TO 89% OF THE EMPLOYEES RESIDE IN CAPE CORAL	IF 90% TO 100% OF THE EMPLOYEES RESIDE IN CAPE CORAL
10 to 24	1 year	2 years	3 years
25 to 49	2 years	3 years	4 years
50 to 99	3 years	4 years	5 years
100 to 199	4 years	5 years	6 years
200 plus	At the discretion of the Cape Coral City Council		

CATEGORY II - SERVICE

NUMBER OF EMPLOYEES WORKING IN THE CAPE CORAL FACILITY	STANDARD DEFERRAL PERIOD	IF 75% TO 89% OF THE EMPLOYEES RESIDE IN CAPE CORAL	IF 90% TO 100% OF THE EMPLOYEES RESIDE IN CAPE CORAL
10 to 24	zero	zero	zero
25 to 49	1 year	2 years	3 years
50 to 99	2 years	3 years	4 years
100 to 199	3 years	4 years	5 years
200 plus	At the discretion of the Cape Coral City Council		

CATEGORY III - OTHER BUSINESSES

NUMBER OF EMPLOYEES WORKING IN THE CAPE CORAL PLANT	STANDARD DEFERRAL PERIOD	IF 75% TO 89% OF THE EMPLOYEES RESIDE IN CAPE CORAL	IF 90% TO 100% OF THE EMPLOYEES RESIDE IN CAPE CORAL
10 to 24	zero	zero	zero
25 to 49	zero	zero	zero
50 to 99	1 year	2 years	3 years
100 to 199	2 years	3 years	4 years
200 plus	At the discretion of the Cape Coral City Council		

SUPPLEMENTARY IMPACT FEE DEFERRAL - POINT ASSIGNMENTS

POINTS ASSIGNED 1 = Lowest to 5 = Highest	SUPPLEMENTARY IMPACT FEE CATEGORIES (for which points are assigned)
	A. THE ADDED VALUE TO THE CITY CREATED BY THE BUSINESS
	B. THE STABILITY OF THE BUSINESS IN TERMS OF SEASONALITY AND OTHER BUSINESS PATTERNS
	C. THE TYPE AND PAY SCALE OF THE NEWLY CREATED JOBS
	D. THE NUMBER OF SUPPLEMENTARY OR SUPPORT JOBS INDIRECTLY CREATED BY THE BUSINESS
	E. THE FINANCIAL STABILITY OF THE BUSINESS
	F. THE ANTICIPATED CONTRIBUTION OF THE BUSINESS TO THE CITY'S AD VALOREM TAX BASE
	TOTAL POINTS

SUPPLEMENTAL IMPACT FEE DEFERRAL - CALCULATION

1 TO 15 POINTS = ZERO SUPPLEMENTARY PERIOD	16 TO 24 POINTS = 6 MONTHS SUPPLEMENTARY PERIOD	25 TO 30 POINTS = ONE YEAR SUPPLEMENTARY PERIOD
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