



MEMORANDUM

TO: Damian Newell, Senior Planner

FROM: Gerard Ripo, Regional Development Director

DATE: 8/18/22

RE: Iorizzo Lock-Up Self Storage Financial Impact

Lock Up Self Storage is seeking approval to develop a self-storage facility on the project known as the Iorizzo Property. As part of the review, a financial impact analysis for the project was requested. Lock Up examined a variety of financial criteria associated with the proposed project to determine the revenues projected to be realized by the Village of Wellington as summarized below.

- **Impact Fees:**

The project would be subjected to a variety of fees based upon the gross square footage of the building. Self-storage is one of the lowest intensive commercial uses generating low daily traffic trips with very little demand for utility capacity or municipal services. Utilizing the "151 Mini-warehouse" use category the Village of Wellington would receive the following impact fees.

Proposed Building 107,988 sf
Square Footage

151 Mini-warehouse	Impact Fee		Total	
Public Buildings	\$	15.86 per 1,000 sf	\$	1,712.69
Fire Rescue	\$	50.00 per 1,000 sf	\$	5,399.40
Road Improvements	\$	546.04 per 1,000 sf	\$	58,965.77
Total Impact Fee			\$	66,077.86

- **Building Permit Fee:**

The building permit fee is based upon the valuation of the building and systems replacement value including Architectural and Design Fees and site development costs. Additional fees collected by the Village of Wellington for the project are a percentage of the building permit fee. Based upon comparable development projects it is anticipated these fees will be based upon a building value of \$7,500,000. The projected fees collected by the Village of Wellington are summarized below.

Building Value = \$7,500,000

Fee	Description	Total
1. Building Permit Fee	1.25% of Building Value	\$ 93,750.00
2. Department of Business & Professional Regulation Surcharge Per F.S. 553.721:	Required fee: 1% of total cost of permit (minimum of \$2)	\$ 937.50
3. Building Code Administrators & Inspectors Fund Surcharge Per F.S. 468.631:	Required fee: 1.5% of total cost of permit (minimum of \$2)	\$ 1,406.25
4. Building Plan Review Fee	Plan Review Fees shall be the greater of 50% of the calculated permit fee or a minimum of \$75.00	\$ 46,875.00

Total Building Permit Fee \$ 142,968.75

- **Utility Capacity Fees:**

The project will be subject to utility capacity fees established by Wellington and based upon the utility demands and corresponding meter sizes serving the project. Despite the large building size, self-storage facilities utilize little potable water. The building are fully sprinkled and serviced by a dedicated fire line. The fees below reflect the project design.

Utility Capacity Charges			
Service	Water	Sewer	Total
1" Commercial Meter	3,700	5,675	\$ 9,375.00
6" Fireline Meter			\$ 74,000.00
Total Utility Capacity Fees			\$ 83,375.00

- **Real Estate Taxes**

The real estate taxes benefitting the Village of Wellington provide an ongoing annual revenue source from the proposed development project. It is anticipated the project will have an assessed value of nine and a half million dollars at completion. The revenues collected by Palm Beach County Tax Collector to the benefit of Wellington are summarized below.

Village of Wellington Millage Summary

Operating Millage	Fire Rescue	Total Milage
Rate	Millage Rate	Rate
2.47	3.4581	5.9281

Assessed Value	\$ 9,500,000.00
Wellington Annual	
Tax Revenue	\$ 56,316.95

Over the years, the subject property for this proposed project has experienced multiple rezoning and land use amendments. The most recent effort provided the site plan approval for 20,000 sf of medical office and a 8,800 sf restaurant. The restaurant component of the project was constructed in 2012 leaving a future development pad behind the restaurant which was site planned and envisioned to be a 2-story 20,000 sf medical office building. Market demand did not materialize for this development pad which has been vacant since the 2012 development. As such, the parcel has not contributed financially to the Village of Wellington.

It is this undeveloped future development pad that the Lock Up Self Storage is to construct the self-storage facility summarized above. The proposed project provides an estimated one time fee revenue to the Village of Wellington in the amount of \$292,421.61 with an ongoing tax benefit projected at \$56,316.95. As Wellington and the surrounding community continues to grow and evolve, more strain and stress will be put on the public services and infrastructure services. Self-storage is a use that serves the proximate community in which it is located with minimal utilization of the public services and infrastructure. As of the 2021 tax year the Village of Wellington received \$19,799.88 from the subject property and high intensity restaurant use. The addition of this proposed self-storage project increases tax revenue from this property by 284%. This revenue increase from a low intense use is a great benefit to the Village.