



HERNANDO SCHOOL DISTRICT

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Proportionate Share Mitigation Amounts for Milk-A-Way Farms and Lake Mirage

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**WHEN
PROPORTIONATE
SHARE EXCEEDS
IMPACT FEE**

When Proportionate Share Exceeds Impact Fee

- Prop share is based on current cost per student station (actual impact)
- Impact fee is 70% of 2022 cost per student station (disproportionate)
- In some cases, the calculated prop share amount will exceed the assessed impact fee:

SAMPLE DEVELOPMENT

ASSESSED IMPACT FEE (107 SFH x \$ 6,135) *

107 single family homes

\$ 656,445 ←

PROP SHARE MITIGATION AMOUNT

\$ 1,071,483 ←

IMPACT FEE PER UNIT

÷ \$ 6,135

NUMBER OF IMPACT FEE CREDITS

174.65 = 174 units = 67 more



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* Hernando County Ordinances – Chapter 23, Article III, Sec. 23-69, School Impact Fee Schedule

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When Proportionate Share Exceeds Impact Fee

OPTION 1 – ACCEPT FULL PROP SHARE AMOUNT

DISADVANTAGES

- Impact fee capped for 67 future D.U. based on current rate
- Unredeemed credits are perpetual
- Use of prop share \$\$ is limited to zoned school – credits can be used anywhere
- Tracking “moving” credits becomes an arduous task (secondary market)
- Potential legal issues – SB1080 prohibits charging an “alternative fee” without a dual rational nexus

ADVANTAGES

- Compensation for actual impact of 107 dwelling units
- Provides \$415,038 more than current impact fee would yield



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When Proportionate Share Exceeds Impact Fee

OPTION 2 – LIMIT PROP SHARE AMOUNT = ASSESSED IMPACT FEE

DISADVANTAGES

- Compensation is \$415,038 less than the cost of the actual impact
- School Board would have to fund the difference

ADVANTAGES

- Eliminates future capacity pressure from 67 additional D.U. credits
- Impact fees collected for 67 future dwelling units at future rate
- Impact fee \$\$ can be used anywhere
- No need to track “moving” credits
- Reduced potential for legal issues



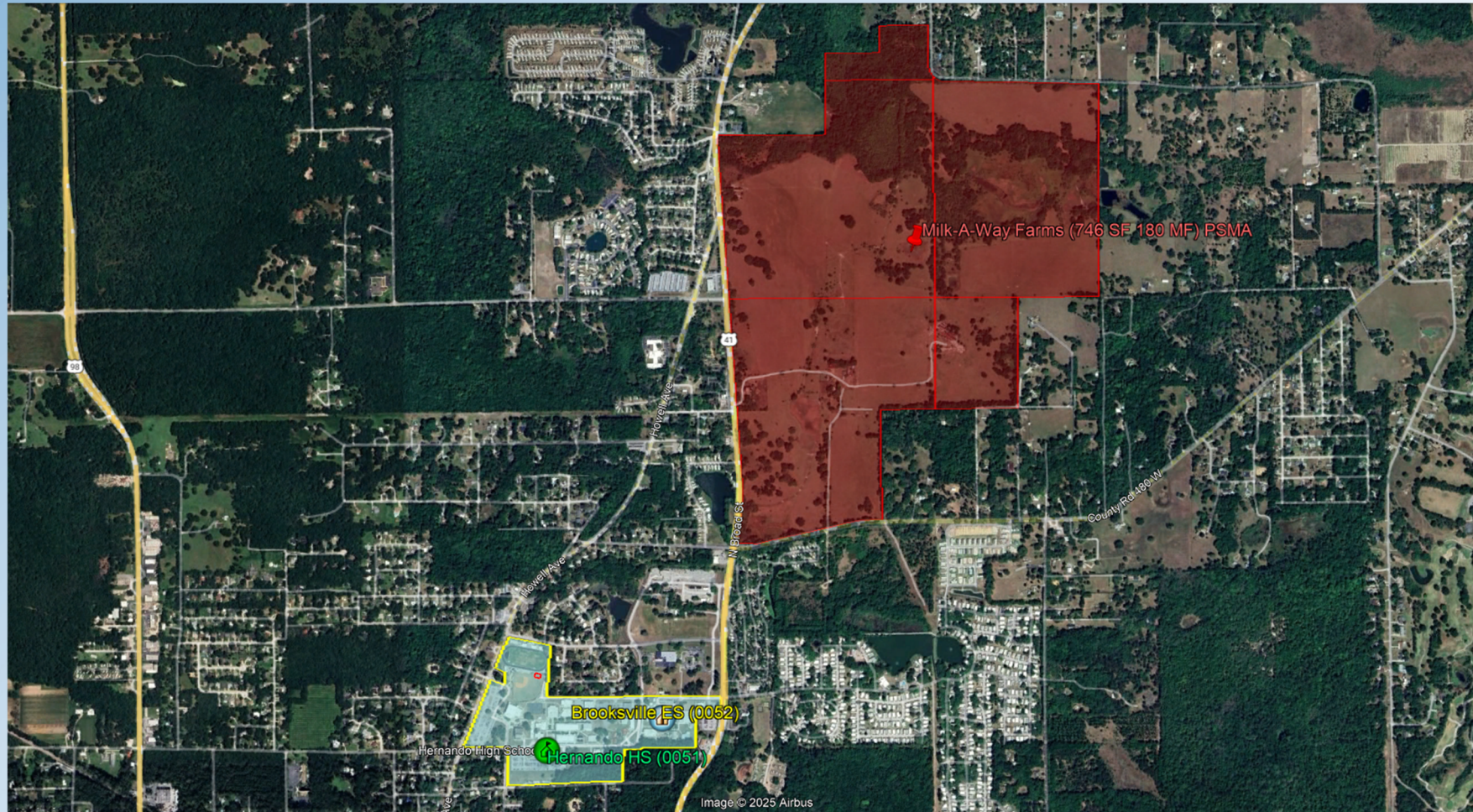
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MILK-A-WAY FARMS

PROJECT LOCATION



MILK-A-WAY FARMS

PROPORTIONATE SHARE MITIGATION CALCULATION

DWELLING UNITS 746 single family homes + 180 townhouses

STUDENTS $(746 \text{ SFH} \times .300 \text{ SGR}) + (180 \text{ TH} \times .159 \text{ SGR})$ 256 students generated

Elementary @ 46% = 116

Middle @ 23% = 58

High @ 31% = 78

SCHOOL CAPACITY

Available @ Elementary: 38

Available @ Middle: 58

Available @ High: 0

DEFICIT

116 students – 38 stations = 78

58 students – 58 stations = 0

78 students – 0 stations = 78

PROP SHARE MITIGATION AMOUNT *

Deficit x (Cost per Student Station + EDR Cost Adjustment) = Mitigation Amount

78 ES x (\$37,939 + \$3,778.72) = \$3,253,982

78 HS x (\$40,768 + \$4,060.49) = \$ 3,496,622

Total Prop Share Amount = \$ 6,750,604



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* Includes cost adjustment factor published by the Florida Legislature's Office of EDR

MILK-A-WAY FARMS

IMPACT FEE CREDITS

DOLLARS-TO-UNITS CONVERSION

DWELLING UNITS 746 single family + 180 townhouses = 926 D.U.

ASSESSED IMPACT FEES

Single Family (746 units x \$6,135) * = \$ 4,576,710 (89% of total)

Townhouses (180 units x \$3,252) * = \$ 585,360 (11% of total)

Total Assessed Impact Fee = \$ 5,162,070 (100% of total)

IMPACT FEE CREDITS

SF Credit Amount \$ 6,008,038 (89% of total) ÷ \$ 6,135 = 979 D.U.

TH Credit Amount \$ 742,566 (11% of total) ÷ \$ 3,252 = 228 D.U.

Total Credit Amount \$ 6,750,604 (100% of total) = 1,207 D.U.

Excess Single Family = 233 D.U. Excess Townhouse = 48 D.U.



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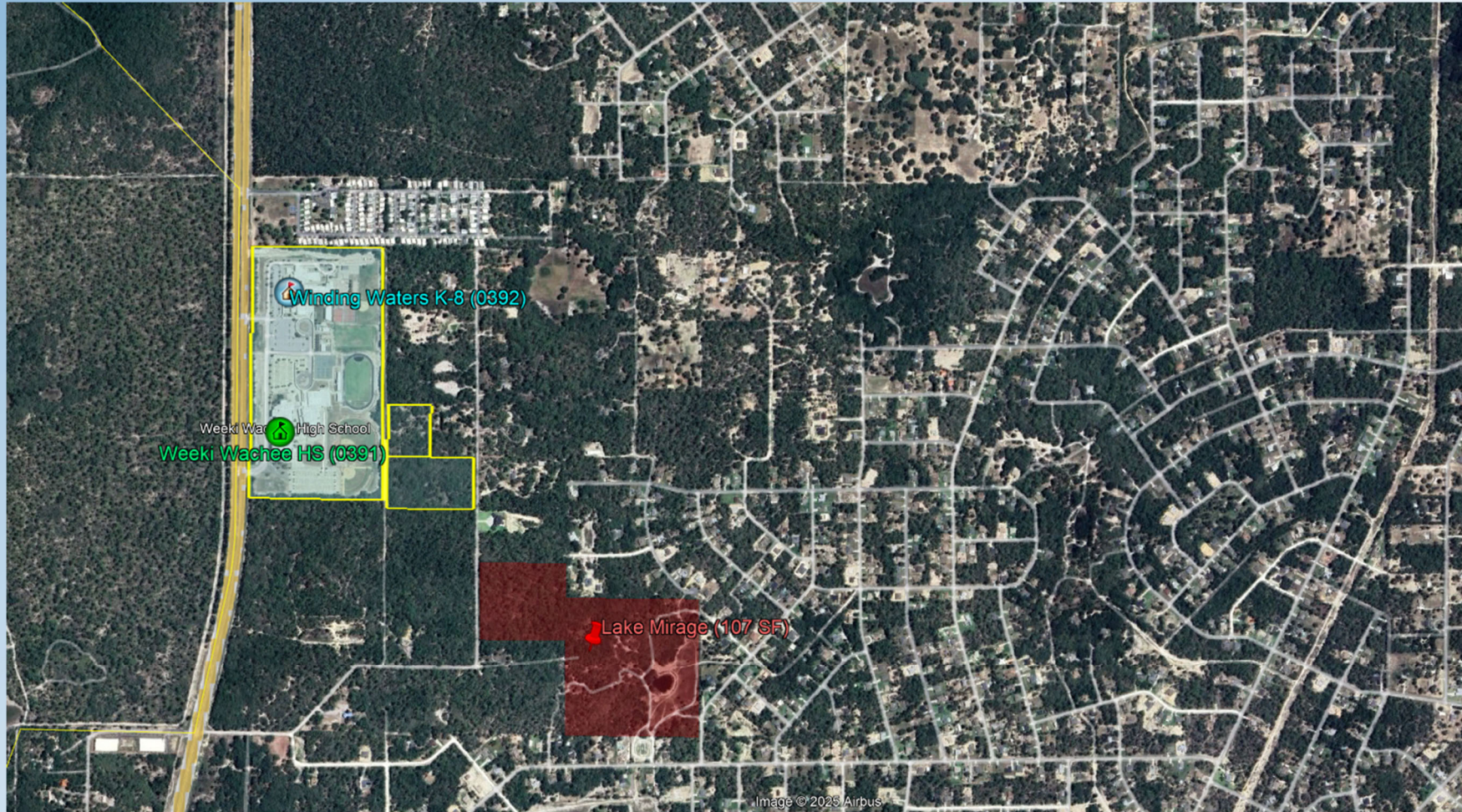
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LAKE MIRAGE

PROJECT LOCATION



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LAKE MIRAGE

PROPORTIONATE SHARE MITIGATION CALCULATION

DWELLING UNITS

107 single family homes

STUDENTS (107 SFH x .300 SGR)

33 students generated

Elementary @ 46% = 15

Middle @ 23% = 8

High @ 31% = 10

SCHOOL CAPACITY

DEFICIT

Available @ Elementary: 0

15 students – 0 stations = 15

Available @ Middle: 8

8 students – 8 stations = 0

Available @ High: 0

10 students – 0 stations = 10

PROP SHARE MITIGATION AMOUNT *

Deficit x (Cost per Student Station + EDR Cost Adjustment) = Mitigation Amount

15 ES x (\$37,939 + \$3,778.72) = \$ 625,766

10 HS x (\$40,768 + \$4,060.49) = \$ 448,285

Total Prop Share Amount = \$ 1,074,051



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LAKE MIRAGE

IMPACT FEE CREDITS

DOLLARS-TO-UNITS CONVERSION

DWELLING UNITS

107 D.U.

ASSESSED IMPACT FEES

Single Family (107 units x \$6,135) * = \$ 656,445

IMPACT FEE CREDITS

SF Credit Amount \$ 1,074,051 ÷ \$ 6,135 = 175 D.U.

Excess Single Family = 68 D.U.



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When Proportionate Share Exceeds Impact Fee

MILK-A-WAY FARMS & LAKE MIRAGE

BOARD'S PREFERRED OPTION ?

1. Accept full prop share amount
2. Limit prop share amount to equal impact fee amount



Choosing different options on a case-by-case basis could result in potential litigation from developers

RECOMMENDATION:

Choose ONE option, consistently applied to all cases



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