

The Board of County Commissioners of Citrus County, Florida, met in regular session on the above date at the Citrus County Courthouse in Inverness.

Present: Vicki Phillips, Chairwoman; Gary Bartell, First Vice-Chairman; Jim Fowler, Second Vice-Chairman; Dennis Damato and Joyce Valentino
Attorney: Robert B. Battista
Administrator: Richard Wm. Wesch
Deputy Clerks: Glenda Brown and Theresa Steelfox

The Chairwoman called the meeting to order, Commissioner Fowler gave the invocation, and Commissioner Bartell led the Pledge of Allegiance to the Flag.

3- **CONSENT AGENDA**

Upon motion by Commissioner Bartell, seconded by Commissioner Fowler, and carried unanimously, the Board pulled item 3-T (Public Hearings), approved the balance of the consent agenda items, and authorized the Chairwoman to execute all related documents:

3-A Minutes of the regular meeting held on February 8, 2005.

3-B Payroll registers dated March 15, 2005, at \$520,523.91 and dated March 17, 2005, at \$30,652.19. Accounts Payable register dated March 18, 2005, at \$4,992,702.95. Emergency registers dated March 21, 2005, at \$1,343.30 and dated March 22, 2005, at \$94,975.96.

3-C Budget Resolutions:

RESOLUTION NO. 2005-058

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF CITRUS COUNTY, FLORIDA, AMENDING THE ROAD IMPACT FEES DISTRICT C BUDGET FOR FISCAL YEAR 2004-05

WHEREAS, the Citrus County Board of County Commissioners has undertaken a road widening project on County Road 486 from Forest Ridge Boulevard to U.S. Highway 41; and

WHEREAS, additional funds need to be appropriated to cover the increased cost of land acquisition; and

WHEREAS, this was not included in the original budget process; therefore, it is necessary for the Board to amend the budget for fiscal year 2004-05; and

WHEREAS, Section 129.06(d), Florida Statutes, provides that the Board may amend its budget by resolution spread upon its minutes to appropriate and expend funds from a source not anticipated in the Board's regular budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Citrus County, Florida as follows:

1. The Board does hereby amend its budget to include the estimated revenues and expenditures listed in Exhibit "A" attached hereto and made a part hereof by reference.
2. The Clerk of the Board is hereby directed to spread this resolution upon the minutes of the meeting held this date.

ADOPTED, in regular session this 22nd day of March 2005, by the Citrus County Board of County Commissioners.

ATTEST:

/s/ Betty Strifler

BETTY STRIFLER, CLERK

BOARD OF COUNTY COMMISSIONERS
OF CITRUS COUNTY, FLORIDA

/s/ Vicki Phillips

VICKI PHILLIPS, CHAIRWOMAN

EXHIBIT "A"			
	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	AMOUNT
Revenues	664-400-200	Cash Carry Forward	\$400,000
Expenditures	664-2833-56361	CR 486 – Forest Ridge to US 41	\$400,000

RESOLUTION NO. 2005-059

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF CITRUS COUNTY, FLORIDA, ADOPTING THE 2004 PRIVATE ROAD CONSTRUCTION PROGRAM BUDGET FOR FISCAL YEAR 2004-05

WHEREAS, on March 8, 2005, the Citrus County Board of County Commissioners approved the financing for the 2004 Private Road Construction Program; and

WHEREAS, funds for the construction need to be appropriated; and

WHEREAS, this was not included in the original budget process; therefore, it is necessary for the Board to amend the budget for fiscal year 2004-05; and

WHEREAS, Section 129.06(d), Florida Statutes, provides that the Board may amend its budget by resolution spread upon its minutes to appropriate and expend funds from a source not anticipated in the Board's regular budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Citrus County, Florida as follows:

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/s/ Betty Strifler

BETTY STRIFLER, CLERK

BOARD OF COUNTY COMMISSIONERS
OF CITRUS COUNTY, FLORIDA

/s/ Vicki Phillips

VICKI PHILLIPS, CHAIRWOMAN

EXHIBIT "A"			
	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	AMOUNT
SOUTH BENNETT			
Revenues	723-384-000	Debt Proceeds	28,300
	723-400-200	Cash Carry Forward	5,085
		Total Revenues	\$33,385
Expenditures	723-7133-53400	Other Contractual Services	33,385
		Total Expenditures	\$33,385

BOW & ARROW			
Revenues	724-384-000	Debt Proceeds	80,500
	724-400-200	Cash Carry Forward	37,529
		Total Revenues	\$118,029
Expenditures	724-7134-53400	Other Contractual Services	118,029
		Total Expenditures	\$118,029
CARAVAN			
Revenues	725-384-000	Debt Proceeds	50,800
	725-400-200	Cash Carry Forward	14,606
		Total Revenues	\$65,406
Expenditures	725-7135-53400	Other Contractual Services	65,406
		Total Expenditures	\$65,406
HARTLEY COURT			
Revenues	727-384-000	Debt Proceeds	20,100
	727-400-200	Cash Carry Forward	39,814
		Total Revenues	\$59,914
Expenditures	727-7137-53400	Other Contractual Services	59,914
		Total Expenditures	\$59,914
HULL TERRACE			
Revenues	728-384-000	Debt Proceeds	15,400
	728-400-200	Cash Carry Forward	4,030
		Total Revenues	\$19,430
Expenditures	728-7138-53400	Other Contractual Services	19,430
		Total Expenditures	\$19,430
KENVERA LOOP			
Revenues	729-384-000	Debt Proceeds	161,900
	729-400-200	Cash Carry Forward	45,526
		Total Revenues	\$207,426
Expenditures	729-7139-53400	Other Contractual Services	207,426
		Total Expenditures	\$207,426

RESOLUTION NO. 2005-060

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF CITRUS COUNTY, FLORIDA, AMENDING THE PARK IMPACT FEES DISTRICT 3 BUDGET FOR FISCAL YEAR 2004-05

WHEREAS, additional funds are needed to complete the improvements at Bicentennial Park; and

WHEREAS, funds are available to be appropriated; and

WHEREAS, this was not included in the original budget process; therefore, it is necessary for the Board to amend the budget for fiscal year 2004-05; and

WHEREAS, Section 129.06(d), Florida Statutes, provides that the Board may amend its budget by resolution spread upon its minutes to appropriate and expend funds from a source not anticipated in the Board's regular budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Citrus County, Florida as follows:

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2. The Clerk of the Board is hereby directed to spread this resolution upon the minutes of the meeting held this date.

ADOPTED, in regular session this 22nd day of March 2005, by the Citrus County Board of County Commissioners.

BOARD OF COUNTY COMMISSIONERS
OF CITRUS COUNTY, FLORIDA

ATTEST:

/s/ Betty Strifler

/s/ Vicki Phillips

BETTY STRIFLER, CLERK

VICKI PHILLIPS, CHAIRWOMAN

EXHIBIT "A"			
	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	AMOUNT
Revenues	638-400-200	Cash Carry Forward	\$37,300
Expenditures	638-2838-56400	Machinery and Equipment	\$37,300

3-D Budget Transfers: **Parks and Recreation/Park Impact Fees:** \$5,000 from #628-2822-56300 to #-56400. **Public Works Administration:** \$250 from #001-2140A-55216 to #-55270. **Utilities Division:** \$4,962 from #450-9000-56400 to #-55270, \$13,000 from #-60080 to #-56100, and \$22,320 from #-60080 to #-52500. **Community Support Services Division (CSSD)/OAA Title III C 2:** \$700 from #182F-5348F-53400, \$300 from #-54004, and \$500 from #-54012 with \$1,000 to #-54603 and \$500 to #-55208. **CSSD/Community Care for the Elderly - Secondary Department:** \$654 from #183E-5338E-53400 and \$2,415 from #-56400 with \$2,169 to #-55270 and \$900 to #-55275. **Library Services Division:** \$150 from #131-6212-53400 to #-55211.

3-E Satisfaction of Judgment for Poppy Holmberg, Case No. 0100994CF.

3-F Connection Charge Installment Lien Agreement by and between the Citrus County Municipal Service Benefit Unit (MSBU) for Water and Wastewater Utility Services and Pam Burke.

3-G Receipt of Citrus County's Comprehensive Annual Financial Report for fiscal year ended September 30, 2004.

3-H The Annual Local Government Financial Report for fiscal year 2003-2004.

3-I Donation of canoes, property numbers 10734-5, 10734-11, 10734-22, and 10734-26, to the Pope John Paul II Catholic School and deletion of the items from the County's capital asset list:

3-J Deletion of the following items from the County's capital asset list

Chassahowitzka Campground		
Property Number	Description	Condition
10734-9	canoe	obsolete
Library Services		
Property Number	Description	Condition
8806	display/paperback/wood & plexiglas	non-repairable
9798A	display/paperback/wood & plexiglas	non-repairable
8861 G/172	chair / beige/ cushioned vinyl	non-repairable

8861 G/173	chair / beige / cushioned vinyl	non-repairable
8861 B/174	chair / beige / cushioned vinyl	non-repairable
Fire Services		
Property Number	Description	Condition
6917A	Hurst Power Unit	obsolete
10020	Hurst Power Unit	obsolete

3-K Releases of Liens for special assessments that had been paid in full: Resolution No. 2004-170 for William and Laurie L. Adabody, Alternate Key (AK) No. 1657709 (4H); Resolution No. 2003-139 for James and Kelly Fritzingler, AK No. 3152034 (3A); Resolution No. 2000-135 for James P. and Mary Jane Ford, AK No. 1657288 (OB); and Resolution No. 86-29, reconfirmed by Resolution No. 93-216 for Hector and Isabel Lopez, AK No. 1978360 (H).

3-L Satisfactions of Liens filed by and on behalf of the Citrus County MSBU for Water and Wastewater Utility Services for Henry H. Hill, and Benjamin and Myrtle Cram.

3-M **(1)** A resolution requesting that an easement be granted by the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida for realignment of County Road (CR) 486 near US Highway 41, and **(2)** staff to prepare and submit the necessary easement application. **RESOLUTION NO. 2005-061**

3-N **(1)** Task Authorization No. 12 to Master Agreement for Solid Waste Engineering, Planning, and Environmental Services, dated January 4, 2002, and renewal dated September 23, 2003, with Jones, Edmunds & Associates, Inc., at \$33,200 for the removal of the Crystal River underground fuel storage tanks, and **(2)** the Clerk to remove asset numbers 06071A and 10465, and all related appurtenances at the Crystal River fuel site from the County's capital asset list.

3-O A resolution authorizing the application and execution of a contract for funding of a Rural Capital Assistance Support Grant Application with the Florida Commission for the transportation disadvantaged beginning July 1, 2005, and ending June 30, 2006, in an amount to be determined. **RESOLUTION NO. 2005-062**

3-P A resolution authorizing the application and execution of a contract for funding of a Transportation Disadvantaged Trust Fund Grant Application with the Florida Commission for the transportation disadvantaged beginning July 1, 2005, and ending June 30, 2006, for approximately \$250,283. **RESOLUTION NO. 2005-063**

3-Q A resolution authorizing the application and execution of a contract for funding of a Transportation Disadvantaged Trust Fund Grant Application with the Florida Commission beginning October 1, 2005, and ending September 30, 2006, for \$18,722. **RESOLUTION NO. 2005-064**

3-R Staff's request to negotiate and purchase a portion of Parcel 21200, Section 26, Township 20 South, Range 17 East, from the First Baptist Church of Chassahowitzka for a

lift station site and expansion of the Chassahowitzka Water Quality Project not to exceed \$5,500 plus closing costs not to exceed \$500.

3-S Public hearings set as follows at the Citrus County Courthouse, 110 North Apopka Avenue in Inverness to consider amendments to the Land Development Code (LDC), Ordinance No. 90-14:

Public Hearing	Date and Time	Applications
Workshop	April 26, 2005 at 3:00 P.M.	D-04-01 - (Clark Stillwell, Esquire for Beverly Hills Development)
Hearing	May 10, 2005 at 5:01 P.M.	

3-U Public hearings set as follows at the Citrus County Courthouse, 110 North Apopka Avenue in Inverness to consider amendments to the Comprehensive Plan, Ordinance No. 89-04 as amended, and the LDC Atlas, Ordinance No. 90-14:

Public Hearing	Date and Time	Applications
Adoption Workshop	April 12, 2005 at 3:30 P.M.	CPA/AA-05-05 (Thibado for Bernzott) CPA/AA-05-07 (Radloff) CPA/AA-05-08 (McKean for Collins) CPA/AA-05-09 (Walker for Carnahan)
Adoption Hearing	April 26, 2005 at 5:01 P.M.	

3-V Staff's request to amend the existing service contract with DRMP (Dyer, Riddle, Mills & Precourt, Inc.) at \$48,541 to include a scope of services and fee estimate for a roadway level of service analysis.

3-W Operation Agreement with the Citrus County Mosquito Control Board for use of the Hernando Fish Hatchery facilities, associated equipment, and improvements to operate and maintain the facility for propagating and growing mosquito eating fish, such as Gambusia and other biological control fauna beginning March 22, 2005, and ending March 21, 2008.

3-X Request by the Department of Public Works to advertise RFP No. 041-05, Request for Proposal of Licensed Florida General Contractor Services.

3-Y Florida Department of Environmental Protection Storage Tank Facility Registration Form for storage tank No. 9701028 at the Road Maintenance Area No. 4 Satellite Building, and authorization of the \$25 payment for the annual registration fee.

3-Z Modification to MOA (Memorandum of Agreement) No. 15-03 to the original agreement dated October 29, 2003, with the Florida Department of Transportation for highway landscape maintenance within the right-of-way of SR 45 (US 41) between Watson Street and SR 44 to allow for additional designated landscape areas to be improved or enhanced.

3-AA (1) Waste Disposal Account Agreement with FDS Disposal, Inc., establishing a weekly charge agreement for disposal fees up to \$22,000 and acceptance of cash security, (2) termination of Waste Disposal Account Agreement with FDS Disposal, Inc., dated November 9, 2004, and (3) release of securities, Letter of Credit No. 50011 from First Federal Savings Bank of Lake County for \$13,000, Letter of Credit No. 50014 from First Federal Savings Bank of Lake County for \$22,000, and Letter of Credit No. F701692 from SunTrust for \$48,000.

3-BB (1) Acceptance of Irrevocable Standby Letter of Credit No. 68005229 with Bank of America securing disposal fees up to \$120,000 for the Waste Disposal Account Agreement dated August 10, 2004, with Onyx Waste Services Southeast, Inc., and (2) Bond Release (No. ESD5296756) voiding and terminating any obligation of The Insurance Company of the State of Pennsylvania.

3-CC A proclamation declaring April 2 through 9, 2005, "The Week of the Young Child".

3-DD The Substantially Similar Plat of Faith Church Subdivision (PLT-04-23), and record the plat in the public records.

3-EE Restoration of the Chassahowitzka River Campground Park Manager position in order to comply with the Internal Revenue Service employment status determination.

3-FF (1) A resolution authorizing the Division of Library Services to enter into a Public Library Construction Grant Agreement, and (2) Public Library Construction Grant Application for \$222,000 and all related documents to the Florida Department of State, Division of Library and Information Services for building construction funds for the renovation and addition to the Floral City Public Library. **RESOLUTION NO. 2005-065**

3-GG Appointments of the following individuals to the Aviation Advisory Board:

1. Willard R. Bowsky as a non-voting honorary member
2. Michael A. Richie as a member-at-large for a term that would expire September 30, 2006
3. Richard W. Winkel as the District 5 regular member for a term that would expire September 30, 2005
4. William Stephenson as the District 4 regular member for a term that would expire September 30, 2006
5. Darrell Steinke as the District 3 regular member for a term that would expire September 30, 2006

3-HH Staff's request to submit the State of Florida - Joint Hazard Mitigation Grant Program & Flood Mitigation Assistance Application for placement of hurricane barriers on all window openings and an accordion type closure at the front doors of the Lecanto Government Building for \$180,810.75 with a 25 percent local match of \$60,270.25.

3-II Deletion of the following items from the Clerk of Court's fixed asset list:

Property Number	Description	Condition
90030-000	WideCom Scanner	Obsolete
11084-000	Lanier Copier	Obsolete

3-JJ Staff's request to proceed with the design and construction of the Stonewall Place Drainage Retrofit Project.

3-KK Staff's request to submit the Fiscal Year 2005 Fire Act Grant Program Application electronically to the Federal Emergency Management Agency for the purchase of personal protective equipment, heavy hydraulic vehicle rescue tools, and thermal imaging cameras at \$560,000.

3-LL Change Order No. 5 with R.E. Graham General Contracting, Inc., for installation of the irrigation system for the Extension Services and Environmental Health Building for an additional \$4,651.

3-MM The Substantially Similar Plat of Cassillo Subdivision (PLT-05-01), and record the plat in the public records.

3-NN The Substantially Similar Plat of Durling-Sorel Subdivision (PLT-05-03), and record the plat in the public records.

3-OO Acceptance of the completed Meadowcrest Reclaimed Water Transmission Main Project and release of retainage to Pospiech Contracting, Inc., for \$168,090.54.

3-PP **(1)** Cooperative Funding Agreement (No. 05CON000076) with the Southwest Florida Water Management District (SWFWMD) for Citrus County Storm Water Runoff Project (L334) at \$50,000, and **(2)** Tsala Apopka Chain of Lakes Storm Water Runoff Project, Authorization No. 1 (Project No. 25-506) with Jones, Edmunds & Associates, Inc., for \$50,000.

3-QQ A request by the Floral City Garden Club to use the Old Floral City Fire Station, and waive fees and insurance requirements for the week of April 9, 2005, for a plant sale.

3-RR Receipt of "A Complaint and Demand for Jury Trial" that had been filed in the Circuit Court in the matter styled James Gerlisky and Lori Gerlisky, his wife vs. Board of County Commissioners of Citrus County.

3-SS Temporary closure of the Leslie Heifner Boat Ramp and Park from March 21 through 26, 2005, to allow SWFWMD to perform maintenance activities.

3-TT Staff's ranking of the following firms for engineering consulting services for the Utilities Division Business Plan and Rate Design (RFQ 061-05): **(1)** Hoyle, Tanner & Associates (with GSG and PRMG), **(2)** Camp Dresser & McKee, and **(3)** R. W. Beck (with

Jones, Edmund & Associates), and staff's request to negotiate a contract with the top ranked firm, Hoyle, Tanner & Associates.

3-UU (1) Revisions to the 2004-2005 Citrus County Health Department's annual contract to reflect an increase in federal funding of \$5,125 for the Bio-terrorism Program, an increase of \$20,487 for the WIC Program, an increase of \$1,000 for the Cardiovascular Health Program, and an increase of \$51,186 in general revenue to cover the increase in health insurance premiums, and (2) the explanation of the variances identified on the contract management system.

3-VV Awarded Bid No. 062-05, Maintenance Operations, re-roofing-Road Maintenance Satellite Building No. 5 to Roof USA, FL LLC as the only bidder at the base bid total of \$18,823 plus \$6 per square foot for the metal deck replacement and \$14.60 per square foot for the cap flashing. (1:03 P.M.)


3-T **PUBLIC HEARINGS**


Mr. Wesch explained and requested the Board's approval of public hearing changes to the April 12, 2005, agenda schedule.


Upon motion by Commissioner Bartell, seconded by Commissioner Damato, and carried unanimously, the Board approved staff's recommendation to postpone Application No. OA-05-03 until May 2005, and changed the public hearing time for the Nuisance Ordinance from 4:30 P.M. to 5:30 P.M. and the Noise Ordinance from 5:00 P.M. to 6:00 P.M. on April 12, 2005.

2 **PUBLIC HEARINGS - WORKSHOPS - PERSONS TO APPEAR**

2-A **OPEN TO THE PUBLIC**


 Jim Williams, representing SOS (Save Our Shores), spoke about noise problems, people's rights, un-muffled airboats, enforcement of the airboat noise, and so on.

 Frank Shepard presented two additional signatures on a petition from the residents of Arbor Lakes requesting that the Board adopt the proposed noise ordinance. He commented on the March 10, 2005, public workshop held by staff regarding the noise ordinance and requested that sheriff deputies be present at the April 12, 2005, public hearing due to the misbehavior of the attendees. He mentioned that he had met with the Citrus County Airboat Alliance to discuss compromises to no avail. He stated that the ordinance could be enforced and requested that the Board adopt the noise ordinance.

 Judi McBride, Victim/Witness Coordinator for the State Attorney's Office, presented a proposal for a permanent memorial to honor victims and survivors of crime (filed with the Clerk's agenda). She requested that the monument and accompanying bench be placed on the grounds of the Historic Courthouse and stated that the cost would be below \$2,000 because of a \$100 donation, and that Central Florida Monument was donating \$500, the cost of the lettering, and maintaining the monument forever. She invited the Commissioners to the Time of Remembrance Program on April 11, 2005, in the

Historic Courthouse. She asked the Board to agree to finding a location and funding the monument.

The Chairwoman explained that there was an issue with allowing monuments to be placed on the Historic Courthouse lawn because of the restoration project. Mr. Wesch requested that this item be referred to staff so they could research the issues. Mrs. McBride stated that an alternate location for the monument would be fine, and it was important that she get a commitment from the Board regarding the funding. Sophia Diaz-Fonseca explained that the exterior of the Courthouse was also on the historic register and that it would be inappropriate to place monuments there.

 Mary Dufina, Lyla Keifer, Laura Nash, Mary Torres, Noe Lindo, and Suzanne Gray spoke about the huge building on Pineaire Street in Inverness Highlands. They mentioned compatibility issues (Section 4625 of the County Code), growth in the County, loss of property values, the building being illegal, and the possibility of eminent domain.

Mr. Wesch advised that per Board's direction, staff had approached the owner of the building on a purchase and sale transaction; however, the owner indicated that he was not interested in selling the property. Mr. Wesch added that Mr. Battista had stated at an earlier meeting that there was a lack of a public purpose; therefore, eminent domain was not an option.

Gary Maidhof, Development Services Department Director, stated that there were several large accessory buildings in the County; however, this building was placed in a residential area. He explained that a moratorium ordinance would be addressed later in the meeting, an amendment to the LDC would be proposed in May, and that the LDC did not provide staff with a mechanism to deny this application. The Chairwoman commented that she had driven by the building and was not happy with the location. She explained that the upcoming moratorium ordinance would prevent other buildings of this nature to be placed in a residential area.

2-B REVISED ORDINANCE - OVERSIZED ACCESSORY BUILDINGS

Mr. Wesch read the ordinance preamble into the record and stated that this ordinance was a follow up to the emergency ordinance that was adopted at the last meeting. He advised that this ordinance would be in effect until the May 22, 2005, regular meeting when the permanent revision to the LDC regarding oversized accessory buildings would be presented. He explained that this ordinance would not allow structures in excess of 50 percent of the building footprint of the principal structure (at least 1,200 square feet or larger). He added that this ordinance would not address the building on Pineaire Street; however, it would adopt a moratorium, which would prevent the eight pending applications from being processed.

The Chairwoman opened the public hearing for public comment and asked if anyone wished to speak in favor.

Mr. Wesch replied to Suzanne Gray's question regarding height restrictions by stating that this ordinance had a square footage restriction and that the height issue would be addressed in the permanent amendment on May 22. Mr. Maidhof addressed the permitting of the building located on Pineaire Street by stating the application was in compliance with the current code and that the current LDC did not have a height restriction provision. He added that the LDC was adopted in 1990 and many large accessory structures had been permitted since 1990; however, the owners of those structures placed the buildings in areas where it would not be offensive to adjacent neighbors.

Ms. Gray expressed her concern with the Board not being able to help the residents in the Inverness Highlands and said that the Board should invoke eminent domain.

The Chairwoman then asked if anyone wished to speak in opposition. With no further public input, the Chairwoman closed the public portion of the public hearing.

A motion was made by Commissioner Bartell and seconded by Commissioner Phillips to adopt and authorize the Chairwoman to execute an ordinance establishing a moratorium on accepting or issuing permits for construction/siting of large freestanding accessory structures on small residentially zoned lots.

Chairwoman Phillips requested that staff bring back the amendment with a clear and precise definition of an accessory structure so that what happened on Pineaire Street never happened again.

The Chairwoman called a question on the motion and the motion carried unanimously. **ORDINANCE NO. 2005-02** (1:43 P.M.)

7- **COMMISSIONER VICKI PHILLIPS, CHAIRWOMAN**

7-A **TRANSPORTATION DISADVANTAGED COORDINATING BOARD**

Upon motion by Commissioner Bartell, seconded by Commissioner Damato, and carried unanimously, the Board accepted with regret the resignation of Ward Cady from the Transportation Disadvantaged Coordinating Board, and announced a vacancy for an elder affairs position on the Transportation Disadvantaged Coordinating Board for a term that would expire on September 30, 2005.

7-B **CONSTRUCTION LICENSING AND APPEALS BOARD**

7-B.1 **REGULAR MEMBER POSITION**

Commissioner Fowler nominated Leonard Frishman to fill a regular member position on the Construction Licensing and Appeals Board for a term that would expire on February 1, 2008.

Upon motion by Commissioner Bartell, seconded by Commissioner Damato, and carried unanimously, the Board ceased nominations.

7-B.2 **REGULAR MEMBER POSITION**

Commissioner Fowler nominated James White to fill a regular member position on the Construction Licensing and Appeals Board for a term that would expire on February 1, 2008.

Upon motion by Commissioner Bartell, seconded by Commissioner Valentino, and carried unanimously, the Board ceased nominations. (1:45 P.M.)

7-C **AFFORDABLE HOUSING ADVISORY COMMITTEE**

Upon motion by Commissioner Fowler, seconded by Commissioner Damato, and carried unanimously, the Board accepted with regret the resignation of David Sotrines and Al Jaeger on the Affordable Housing Advisory Committee, and announced vacancies for a building trades position and an at-large position on the Affordable Housing Advisory Committee for terms that would expire on April 25, 2007.

7-D **AFFORDABLE HOUSING ADVISORY COMMITTEE**

The Chairwoman announced expiration of terms for a Building Trades Representative position, a banking representative position, a residential building industry position, and an at-large position on the Affordable Housing Advisory Committee for terms that would expire April 25, 2005.

12- **COUNTY ATTORNEY, ROBERT B. BATTISTA**

12-A **APPROVAL OF MISCELLANEOUS ITEMS RECEIVED AFTER THE CLOSE OF AGENDA DEADLINE**

12-A.1 **RIVERHAVEN VILLAGE PROPERTY OWNERS ASSOCIATION**

Mr. Battista advised that the County recently leased the old wastewater treatment site in Riverhaven Village to the Riverhaven Village Property Owners Association (RVPOA). He stated that the lease required a Notice of Non-responsibility if the RVPOA wished to improve the property, which would notify the contractors and subcontractors that the County was not the responsible party for payment of any construction related activities that might occur on the property.

Upon motion by Commissioner Bartell, seconded by Commissioner Fowler, and carried unanimously, the Board approved and authorized the Chairwoman to execute a Notice of Non-responsibility with regard to the Riverhaven Village Property Owners Association's use of County owned property as a storage area. (1:47 P.M.)

2-C **PROCLAMATION - NATIONAL TELECOMMUNICATIONS WEEK**

Upon motion by Commissioner Bartell, seconded by Commissioner Phillips, and carried unanimously, the Board approved and authorized all Commissioners to execute a proclamation declaring April 10 through 16, 2005, "National Telecommunications Week". (1:50 P.M.)

The Chairwoman presented the proclamation to Sheriff Jeff Dawsy who complimented the staff of the Emergency Operation Center and thanked the Board for the recognition.

Commissioner Fowler praised Sheriff Dawsy and his staff on the way they handled the Jessica Lundsford case. He stated that Citrus County had a great volunteer staff and the best Sheriff's Department. Sheriff Dawsy thanked Commissioner Fowler for the compliments and made brief comments regarding his staff and the case. (1:53 P.M.)

The Chairwoman recessed the meeting and reconvened at 2:12 P.M.

2-D **IMPACT FEE UPDATE - OA-04-04**

Mr. Maidhof stated that this was a public hearing on the impact fee update, and he read the ordinance preamble into the record. He explained that this had been a long process, including a workshop held in February for public input. He advised that the County's consultant Tindale-Oliver & Associates, Inc., (TOA) had analyzed that input as well as contributions of County staff and the School District staff.

Bob Wallace with TOA gave a PowerPoint presentation (filed with the Clerk's agenda) focusing on TOA's response to public comments made at the February 22 workshop, a letter from the CCBA (Citrus County Builders Association) dated March 18, minor changes made to the School Impact Fee, and the ordinance and implementation considerations.

He stated that TOA used industry standard methodologies and local data from County and School Board budgets to develop costs and credits used in the impact fees, and that the results were technically sound and legally defensible. He also stated that TOA was a governmental impact fee consultant, working almost exclusively with governments in developing impact fees across the state with over 40 ordinances implemented.

He advised that the comments and information at the last public workshop dealt again with sources and timing of data issues. He specified that TOA had concluded that no changes should be made to the technical reports or to the Transportation, Public Buildings, and Library Impact Fees. He reported that due to the amount of discussion and confusion about the School Impact Fees, he had questioned County staff and the School Board concerning data provided and used in the impact fee calculation, and if the data was based on the five-year work program. He explained that after a review of the data, TOA made changes in the land value escalation and modified the two-mill credit calculation, which resulted in a downward adjustment to the School Impact Fee.

He discussed his response to a letter from the CCBA's consultant (Kirk Sorenson with Government Solutions) regarding TOA's methodology, data sources, and calculations of the School and Transportation Impact Fees as follows:

School Impact Fee:

- The Student Infrastructure Thrift Award was a standard based cost from the Department of Education (DOE).
- Costs were much higher today than in early 2004.

- Excess capacity was an asset that was being consumed by schools.
- The two-mill credit was appropriate.
- TOA was extremely comfortable using the census data to develop the student generation rates.
- The proposed School Impact Fee was equitable and very conservative.

Transportation Impact Fee:

- The credit calculation was correct, justifiable, and equitable.
- The five percent discount rate was reasonable.
- Capacity was consumed on all roads, not just city and county roadways.
- Local funds had been spent on state roads in the past.

He advised that the proposed School Impact Fee had been adjusted from \$2,040 for a single-family home to \$1,861, based on the increase in the credit calculation. He explained how and why School Impact Fees were so varied in different counties throughout the state. He pointed out that even though the proposed School Impact Fee was increasing dramatically, Citrus County would be in the middle range compared to other counties. He added that the impact fee was based on data from 2003 and early 2004, and because there were no other funding sources, this County was using a larger portion of the two mills for capital expansion than seen in a number of other communities, which created a higher credit and a lower impact fee.

He then discussed the updated ordinance and said it would include tiering of single-family impact fees, an affordable housing category, and grandfathering of existing development with an effective date of April 4, 2005, and that anyone with a signed approved contract would have 180 days to pay under the old fee schedule. He advised that the ordinance did not include indexing, which dealt with building and equipment costs, land cost, and transportation projects. He gave an example of the indexing process and stated that the recommended index factors for the four impact fees ranged from 3 to 3.8 percent in annual adjustments. He recommended applying the index factors April 4, 2006, and April 4, 2007, include the fee schedules in the ordinance, and either implement them now or wait for the next impact fee study. He informed that TOA had provided an indexing addendum, which would give supporting documentation of how the indexing was calculated.

(2:31 P.M.)

Mr. Wallace responded to Commissioner Fowler's questions regarding the methodology used by stating that **(1)** no credit was given to new residents moving into the County who assumed past debts incurred by the County other than a past vacant land credit, which would be utilized for capital facilities; for example, new schools; **(2)** no credit was given to new residents who paid a larger share of taxes in present value terms; **(3)** new residents would not be charged more because people had paid less or no impact fees in the past because this was a consumption based, not a needs based impact fee; and **(4)** the County would use other funding sources, such as gas taxes for need deficiencies.

Commissioner Bartell suggested the following as possible solutions to the perceived or actual problems: **(1)** remove affordable housing from the impact fee study and fund the affordable housing fee through a separate revenue source, which would eliminate tiering of single family fees; **(2)** include indexing as proposed by Mr. Wallace, but review all impact fee categories at one time rather than going through the process every three years; **(3)** the increased impact fee for medical facilities could be a matter for the Economic Development Council (EDC) to review on a case-by-case basis to buy down the cost of impact fees; and **(4)** develop a membership committee to work with staff, the School Board, and the consultant, so a consensus could be established on issues before making recommendations to the Board. He added that although he was a strong proponent of impact fees, he did not have a grasp on the category of schools, and had hoped to have a comfort level prior to this public hearing.

Commissioner Damato shared his views on the uniqueness of Citrus County, and stated that property values had increased dramatically due to the highly desirable, environmental, and economic living conditions, and that those unique features should not be discounted or thrown out of balance. He specified that small businesses were the backbone of this County, there was a limited manufacturing and industrial base, there was a definite need for new and advanced medical facilities and providers, and there was a lack of affordable housing to service the aging population. When determining the impact fee increases, he asked the Board to be mindful of the following things, which would help sustain the level of services residents deserved and demanded from local government: **(1)** new housing was tomorrow's resale housing; **(2)** limiting the potential of local business people to start and expand their small business; **(3)** increasing fuel prices and higher interest rates would affect everyone; **(4)** the Board would review four more impact fees next year; **(5)** increases in sewer fees and water connection rates were on the horizon; **(6)** the possibility of a gas tax increase to upgrade local roads; **(7)** a probable real estate transfer tax paid at the time of closing on the sale of existing vacant property; **(8)** homes and commercial property not tied to the 2003 impact fee level; **(9)** and increased revenues due to higher taxable values of new homes and businesses, as well as the sale of vacant residential and commercial land, existing homes, and commercial buildings.

He asserted that in addition to a methodology clearly apropos to Citrus County, all future impact fee studies should include social and economic impact statements and their effect on citizens. He added that citizens should be allowed the option to pre-pay their residential impact fees on a specific parcel under their current ownership at the current rates for 180 days. He concluded by stating that the County's advantage as a clean, safe, nature-based community in which people could afford to migrate to, build a family, start and sustain a small business, recreate in abundant nature resources, and enjoy retirement should never be compromised.

Commissioner Valentino declared that the reason the County was facing "sticker shock" today was because impact fees were not increased gradually in the past. She stated that the consultant assured her that the proposed impacts fees were technically sound, equitable, and legally defensible. She agreed with Commissioner Bartell's suggestions concerning affordable housing and tiering, indexing with a review every three

years, scheduling and reviewing all impact fees at the same time, and to consider the ideas about medical facilities and a membership committee.

Chairwoman Phillips also agreed with Commissioner Bartell's recommendation about affordable housing, and stated that the Board should establish a policy to remove affordable housing from the impact fee study and have one tier. She also agreed with indexing as recommended by TOA; however, she wanted to review indexing on a periodic basis due to changes in the economy. She supported grandfathering of existing development based on a signed contract within 120 to 180 days and consolidating the eight impact fee categories. She did not support pre-payments because she did not think it would be beneficial to the County. She stated that she would be willing to consider a membership committee at another time. She added that if the impact fees were adopted today as proposed, the Board could instruct staff to report the affects on the building industry one year from today.

Commissioner Fowler requested more debate on some items, such as Commissioner Damato's idea of pre-payment of residential impact fees, and a consensus on the points raised by Commissioner Bartell. The Chairwoman agreed and conversation proceeded on the following:

Affordable Housing

- Commissioner Fowler agreed with Commissioner Bartell's recommendation regarding affordable housing and using another revenue source to fund that fee.
- Commissioner Damato stated that based on the number of possible affordable housing units per year, he preferred the tiered approach.
- Commissioner Valentino said she would prefer that staff bring back recommendations, but was inclined to agree with Commissioner Bartell's proposal; however, she did not agree with tiering.

Mr. Maidhof responded to Commissioner Fowler's question regarding the amount of subsidy for affordable housing by pointing out that the affordable housing concept applied only to transportation because statistics justified that qualified affordable housing families took fewer trips and trip lengths were smaller. He explained that if the Board adopted transportation at 100 percent with affordable housing tiering, there would be approximately an \$1,800 difference for affordable housing. He detailed the four categories of tiering proposed by TOA, qualified affordable housing at 1,500 square feet or less, 1,500 square feet or less for non-qualifying affordable housing, 1,501 to 2,499 square feet, and 2,500 square feet and higher. He advised that the Board could also adopt one flat fee or adopt a fee for everyone except for those who qualified for affordable housing. He explained the staff's process for an applicant to go through in order to qualify for the affordable housing category. He pointed out that the current impact fee ordinance and the proposed impact fee ordinance must contain a provision for an individual assessment that anyone could utilize, including affordable housing advocates, to demonstrate special characteristics in regard to their development; therefore, regardless of the Board's action today, there was an administrative remedy concerning tiering.

Mr. Wallace added that if there was an affordable housing category, the impact fee would be about \$1,700 and based on 300 qualified permits, that would be approximately \$510,000 per year that the Board would have to subsidize from other funds. He specified that the mid range category would be appropriate for a one category impact fee, which would establish the single-family home at the \$3,480 level and dispense the higher category at the \$3,900 level. He added that a tiered schedule was a more equitable and defensible position; however, about 70 percent of fee schedules for transportation in the state were one-category schedules.

Indexing of Fees Annually

- Commissioners agreed with TOA's recommendation; however, review the eight impact fee categories every five years.

Grandfathering Existing Development

- The Board concurred with grandfathering of existing development with 180 days to make payments under the old fee schedule.

Pre-payment of Fees

- Commissioner Damato stated that this was an equity issue. He remarked that if property was not developed within three years, then the property owner should pay the full impact fee.
- Commissioner Bartell spoke in opposition because it would involve additional staff and tracking.

Mr. Maidhof stated that it would be staff intensive and additional employees would be needed; however, impact fee coordinators could be funded through impact fees. He also explained the accounting and tracking difficulties with pre-payments.

- Commissioner Fowler favored pre-payment.
- Commissioner Valentino was opposed.

Discussion ensued regarding the advantages and disadvantages of pre-payments, impact fees must be expended within a seven-year period, the majority of the Board did not support pre-payment of fees, impact to property did not occur until construction was completed, pre-payments would benefit the developers and not the County, pre-payments would be an accounting nightmare for the Clerk's Office and County staff, and so on.

Membership Committee

- The Chairwoman asked that the Board discuss this idea at another time.

Economic Impact

- The Board agreed that staff should provide information one year from the date of adoption of this ordinance regarding the effects of impact fees on building permits.

Medical Facilities

- Commissioner Bartell stated that this would be an excellent program for the EDC to help lessen the impacts on medical facilities.
- Commissioner Phillips questioned if the EDC would need to develop new criteria because their current standards applied to all businesses.
- Commissioner Fowler recommended that the participation of the EDC be extended to include small businesses.

Further discussion included the following: medical malpractice insurance and other driving forces were prohibiting doctors from locating to Florida, not impact fees; the EDC was appointed to help existing and new businesses; informing the EDC of the Board's discussion about this issue; this was a great incentive to help lessen impacts on the businesses; the contract with the EDC could be amended to change some of the criteria, and so on.

Chairwoman Phillips replied to Commissioner Damato's suggestion of combining the medical office component with the general office category by stating that the impact fee calculated for medical offices was based on data in Citrus County. Mr. Wallace added that it was an issue of equitability and fairness. He explained that medical offices generated more trips per thousand square feet than regular offices, and data demonstrated that impact fees should be higher for medical offices. He recommended that this issue be addressed through the EDC as a targeted industry and suggested that the COMP be amended to include and recognize the need for the industry, which would allow impact fees to be paid from other sources of revenue. Short discussion followed.

Phasing of Rate Increase Over Time

- The Board had no interest in phasing.

The Chairwoman recessed the meeting and reconvened at 3:37 P.M.
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The Chairwoman opened the public portion of the public hearing for public comment.

Frank Shepard questioned the procedure used in determining the different types of businesses as they related to the amount of impact fees charged. Mr. Maidhof explained that staff determined the land use categories for various types of businesses; for example, boat dealerships were classified as retail and veterinary clinics were service type operations. He detailed how square footage was calculated to determine impact fees for businesses and dwelling units. He answered Mr. Shepard's question regarding urban

renewal by stating that the County would provide an impact fee credit for the square footage of a demolished structure at its last use.

Ron Lieberman, vice-chairman of the Affordable Housing Advisory Committee (AHAC), read an e-mail he sent to the Commissioners asking them to remember the increasing difficulty of families trying to attain affordable housing, and that with an increased impact fee of \$20 to \$30, they would not qualify for a mortgage. He referenced a letter sent to the Board by AHAC on September 1, 2004, stating that 90 percent of entry-level County, Sheriff's Department, and School Board employees would not qualify for a newer used single-family house today. He requested that the Board keep in mind that the dream of home ownership in Citrus County for working families might be unattainable without their help

Commissioner Damato asked if Mr. Lieberman would care to make a statement on the approach he thought would help with the funding of impact fees for those who qualified for affordable housing. Mr. Lieberman stated that unless there was some type of assistance for impact fees, thousands of lower income people would be living in apartments, mobile homes, or modular type housing, or would move to other counties where living expenses were lower. He added that he did not want to select a method of assistance; however, he said it was essential that a revenue source was available to fund the difference.

Gus Krayner, president of the Citrus County Council (CCC), favored the recommendation of the consultant and staff at 100 percent adoption of the impact fees. He stated that new growth should pay for itself and that maintenance of new growth would be shared by residents living here now through higher taxes. He questioned how utility costs (water and sewer) incurred by new growth would be dealt with, and requested that a detailed explanation for the protection of resources, environmental cleanup, and the costs of water and sewer be included as part of the impact fee study.

Chairwoman Phillips responded to Chuck Carr's question about state sales tax by stating that the County received approximately two percent of the state sales tax. Mr. Carr expressed concern with the School Impact Fee and indicated that most people who built in this County did not have children and that working people would be living elsewhere in the future. He spoke in opposition to business (commercial) impact fees because they were regressive taxes, prevented good paying jobs from locating to the County, hindered affordable housing, and so on. He added that he was in favor of everyone paying a sales tax.

Paul Pergo stated that impact fees would rise and fall due to fluctuations in the real estate market, and urged the Board to find other sources of revenue that would be more stable than impact fees. He spoke against the School Impact Fee due to the high population of retirees moving into the County.

Sophia Diaz Fonseca stated that the demographics were changing and many young families were moving to the County, that companies such as Wal-Mart did not raise

the economic level of the people they employed, and that impact fees for low-income persons should be separate and reviewed on a case-by-case basis.

Bob Burke complimented Mr. Wallace on the superior presentation. He stated that the progress of impact fees should be monitored annually. He remarked that growth could not be stopped in Florida; for example, Broward County in South Florida. He urged the Board to move forward with the adoption of the proposed impact fees.

Richard Fitzpatrick, School Board Attorney, advised that the School Board had met with staff and Mr. Wallace, had provided additional information, and had clarified information presented by others. He stated that the projection information from the DOE was appropriate and was used statewide in impact fees. He advised that it was unconstitutional in Florida that retirees not pay a School Impact Fee. He discussed the Supreme Court's ruling in a St. Johns County case regarding the method used for deriving the student generation rate. He talked about the Beverly Hills area, once inhabited by all retirees, now populated by many young people and students, which was driving the student population rate. He stated that the experts in this County had decided that for every 100 units built, 24 students would require an education in public schools, that the price of the total impact on the school district for a new student was \$17,900, which was low due to data based on the 2003 construction costs. He also stated that Mr. Wallace was suggesting an impact fee of \$1,861 on each new unit, which was substantially down from the first number he proposed. He mentioned that construction costs in the next five years would be \$7.5 million for the Renaissance Center and \$12 million for a new elementary school, but did not include a new student station or a new bus, all of which could be paid for by impact fees. He mentioned that the proposal was less than Lake, Orange, and Pasco Counties; that Hillsborough County was expanding north, and that the occupancy of residency had changed. He asked the Board to listen to the consultant and do what was right for Citrus County.

Pat Deutschman, Citrus County School Board Chairwoman, stated that there had been confusion about the student generation numbers and the schools needs, and she hoped the School Board had not been the source of that confusion. She explained that the information offered to the TOA was based on the DOE projections, numbers that must be used in documentation for future school needs. She reported that in addition to building needs, expansions, renovations, and remodeling was necessary at many of the schools. She mentioned that she had discussed the rising student population and growth with school board members around the state, and stated that Hernando County's schools were in a crisis due to the new student growth rate at 1,000 new students each year for the last two years. She emphasized that there would be an increase in student enrollment in Citrus County, and that she believed in public education and in doing what was best for the children. She added that part of the Board's responsibility was to work with the School Board as colleagues to improve the quality of life for everyone in the County.

Attorney Clark Stillwell indicated that he had represented the CCBA on every legislative issue affecting impact fees since 1986, and that the builders believed that impact fees was one of the financing mechanisms to achieve the necessary infrastructure

and ability to deal with growth. He also stated that the CCBA's professional consultant identified an increase in impact fees, but not to the extent proposed by TOA, and that the CCBA did not want to be at a competitive disadvantage. He remarked that the information regarding impact fees in other counties was incomplete because 43 counties were excluded. He discussed impact fees of other counties with decreased building activity and growth reduction. He requested that the Board be fair and equitable because the CCBA represented 40 percent of the employment and labor force. He mentioned that the minutes of 2001 reflected that the Board voted approval of impact fees at approximately \$4,000, and that the CCBA had agreed with that figure at 85 percent.

He stated that the CCBA was in favor of a membership committee and agreed with indexing every five years; however, he questioned if the index rate was calculated annually or compounded. Mr. Wallace informed that the index rate was compounded.

Mr. Stillwell remarked that the Building Division would be bombarded with people if the proposed grandfather clause with a six-month limitation were adopted, and there could be potential delays due to overworked staff. He suggested that the Board use the grandfather clause adopted in 1986 and 2001, a six month limitation for nonresidential and one year for residential development. He said it was good public policy to fund affordable housing through the EDC or another source, and agreed with Commissioner Bartell regarding the medical office facilities because of the critical need for doctors and specialists. He recommended a one-time, one-year phasing for smaller nonresidential development.

He then addressed the School Impact Fee issue and stated that through research he had discovered that there were 179 new students in 2004 and 2005, not 300 as reported, and there was an 11 percent decrease in the student generation rate in 2001 and 2003. He gave detailed calculations for arriving at \$140,000 per net student in impact fees that would be generated using information provided by the School Board and the proposed rates of TOA. He said that TOA used a consumption-based model designed to generate fees; however, school stations were not consumed in Citrus County the same as in other counties. He advised that the slide presentation shown by Avis Craig at the workshop, which included all new permits less students, was correct and the 2003 University of Florida statistical research was an accurate document, which showed the average age going up, not down. He said there was a flaw in the conversion factor, that the conversion of retired persons to younger people in Beverly Hills did not happen in five years, but in 25 years. He informed that out of 750 single-family residential permits issued last year, 72 of those applicants had families. He added that one builder with 62 permits in Citrus Springs generated 50 permits with families, which was consistent with TOA's report indicating that mobile homes had a higher student generation rate. He explained that the builders spoke about demographics at the workshop specifying that multifamily housing and mobile homes had significantly increased, and that single-family housing had decreased in the student generation rates. He advised that over the next five years the impact fees recommended by the CCBA would pay for the Renaissance Center and the new elementary school. He added that the class size amendment was driving the need for

new student stations; however, new schools constructed due to the class size amendment would not be paid by impact fees.

He spoke briefly about the Road Impact Fee and said that it was the best use for the money. He mentioned that the CCBA had been professional in their approach to impact fees and requested that the Board review the economic consequences. He stated that based on the building industry, impact fees should be reviewed every two years rather than every year, and suggested that the Board use the County's established grandfather policy. He added that he was concerned about the welfare of an industry that employed 40 percent of the employees of the County. (4:42 P.M.)

Mr. Wallace verified Chairwoman Phillips' statement that the class size amendment was not factored into this impact fee update. The Chairwoman expressed concern that the six-month limitation on grandfathering of existing developments would cause complications. Mr. Maidhof agreed and stated that an adjustment would be made in the language to reflect the County's established policy.

Mr. Wallace explained to Commissioner Fowler that the School Impact Fee was a consumption-based fee, that if the number of permits issued were higher, there would be more revenue, more demands, and more construction of classrooms, and if the number of permits were lower, there would be less revenue and less student stations built. He added that the method reflected the consumption of the cost of student stations less the revenue credits provided for the profits that new student stations generated from development.

Kirk Sorenson with Government Solutions, representing the CCBA, noted that impact fees must be proportional to the level of impact created by new development. He advised that a detailed letter indicating issues discussed at the last public workshop had been delivered to TOA at the beginning of March. He addressed issues of the TOA impact fee update relative to School, Transportation, and Public Building Impact Fees as follows:

School Impact Fee

- TOA presented a consumptive model in which the costs credits were generally spread throughout the population to arrive at a net cost per unit of demand, in this case student stations; whereas, an improvement driven model applied the cost of new infrastructure to only new development.
- TOA referred to the impact fees as being both consumptive and improvement driven, and there must be consistency within and throughout the studies.
- TOA used the maximum recommended student station cost as generated by the DOE as opposed to local data generated by the School Board indicating past cost history and projected cost of schools as predicted in their five-year plan, which accounted to approximately \$1,500 in escalated student station cost.
- The use of a utilization rate was not adequately addressed and TOA used a utilization rate to increase school costs artificially, which should not be used in a consumptive model.
- Future capacity did not warrant this level of increase in fees.

- The percentage of students not attending public schools was not addressed and there was no discount for the number of students attending charter or private schools.
- There was a deficiency built into the numbers, which reduced the revenue credit by not starting with an actual two-mill revenue source.
- The fee was overstated by 60 percent.
- Government Solutions recommended a \$1,100 impact fee.

Transportation Impact Fee:

- TOA's analysis was based on data provided by the state, whereas the data used by Government Solutions was based on the Capital Improvement Program (CIP) generated by the County, which reflected a 45 percent application of gas tax revenue sources to new capacities.
- The recommended index of 3.8 percent by TOA was confusing considering the cost over the last three years for transportation projects had increased 231 percent.
- Commercial impact would be dramatic, small businesses would be eliminated, and only the big business chains could afford the fee.

Public Building Impact Fee

- TOA calculations were based on a 24-hour day, not an 11-hour day as previously indicated for the functional population analysis.

He concluded by stating that Government Solutions believed that the fees recommended by TOA were overstated, and that the fees presented by Government Solutions were also legally defensible, fair, and equitable. He suggested that because there was so much doubt and uncertainty and so many revisions, the Board could accept the update as written and adopt 75 percent of the fees to ensure that new development was not being overcharged, which should be the first and primary objective. He agreed that there should be an advisory board to establish future methodologies to ensure that fees developed in the future adhered to a certain criteria. (4:56 P.M.)

Ms. Craig, development director of the Villages of Citrus Hills, stated that her organization had consistently supported the imposition of impact fees and did support some increase. She addressed the Board regarding the School Impact Fee and requested that her prior remarks, her presentation made on February 22, and a letter dated March 18 be entered into the record. She discussed the issue of consumptive-based versus improvement-based methodologies. She advised that the elementary school population was flat in this County, and in the past ten years, the theory that growth would generate many new students did not correlate. She distributed a chart of the "Citrus County Schools - Student Numbers" dating from 1994 to 2004 (filed with Clerk's agenda), and stated that those numbers did not show a demand for a great number of facilities. She reported that although new homes had grown aggressively, the student numbers had not.

She commented that consumptive-based methods might work in more urban settings, but this method was not appropriate for this County.

She stated that the dollars being generated by this new impact fee structure were underestimated by at least \$1.5 million a year because of the condition of the permit numbers that were used to drive those projections. She asked the Board to use common sense because there was still a great debate on the methodology being used, and some were not convinced that this applied to Citrus County's situation. She stated that although Mr. Wallace specified that the class size amendment was not factored into the study, representatives of the school system previously indicated that the new elementary school was being driven by a class size initiative, and if Mr. Stillwell's numbers were correct, over \$25 million would be generated. She advised that the fees proposed by the builder's consultant were not a revenue-generating scheme, but one designed to meet the needs of the school and students of Citrus County. She implored the Board to recognize the effort, time, and expense that had gone into providing a defensible, alternative methodology upon which to base the School Impact Fee at the level of \$1,084. (5:06 P.M.)

George Rusaw expressed disappointment with the County's consultant and felt that the intent was to acquire the greatest amount of fees that could be construed through math. He also stated that he was embarrassed that more weight was not given to the reports by the CCBA's consultant. He remarked that the attempt to be deceived at a cost of \$150,000 to \$200,000 of taxpayers' money was unconscionable. He spoke about major increases in property values; for example, one subdivision had increased by 1,000 percent, Sugarmill Woods was over 250 percent, and Pine Ridge was over 300 percent. He requested that the Board adopt indexing and the five year overall review of all eight impact fees; however, in order to be just and fair, the Board should authorize an administrative order, a mechanism that would recognize increases in ad valorem taxes derived from new construction as well as the vacant lot credit, and then index the costs.

John Harrison, Senior Vice President with Bank of America Consumer Real Estate, stated that Citrus County was part of a large market area, that the overwhelming majority of new construction clients were retirees, and that the voluminous growth experienced over the last year was propelled by 40 years of historically low interest rates. He reported that retirees shopped between counties, that Citrus County's location was at net disadvantage proximity wise, that builders must compete with larger developments in multiple counties, and retirees would go elsewhere for a \$10 to \$30 difference a month. He mentioned that oil prices had spiked, mortgage rates were increasing again, and the economic reality was that there would be a drop off in building activity. He said the Board should consider not putting the builders at a net disadvantage via a disparate effect of impact fees because Citrus County was on the far side of the greater market area and the market could deteriorate.

Commissioner Bartell questioned if Mr. Harrison was recommending that the County pull back on their infrastructure focus concerning growth, and questioned if the Board was being too aggressive in building roads, and water and sewer projects. Mr. Harrison replied that his perspective was from the market dynamics in the greater areas

where builders were competing, not the analysis the builders had provided; for example, The Villages, which had moved from development in Lake County to 99.9 percent in Sumter County today. He added that it was an issue of economics and if impact fees were at an unequal level buyers would reside somewhere else.

He responded to Commissioner Phillips' remark that shoppers would not look only at the cost of the home, but also the price of maintenance, by stating that the majority of people were only interested in the final figure on the contract.

CCBA President Dan Galbreath stated that Citrus Hills, Terra Vista in particular, could be compared to The Villages, which would suffer if the impact fee pricing were not competitive. He pointed out that he represented 40 percent of the people in this County, and that CCBA were not asking for a reduction of the current fees, but only that the new fees be fair and equitable. He stressed that the Board could not expect people who were building new homes, either those already living here or those moving into the County, to fund all the growth factors, and that other alternatives, such as gas taxes and sales taxes could help with road construction and growth matters. He mentioned that the term legally defensible would give the County a false sense of security, that anything was defensible in court until proven wrong, citing several examples of Florida case laws regarding impact fees. He requested that the Board make a fair and equitable decision and work with the CCBA and other qualified persons in the County rather than spending almost \$300,000 of public money and seeking outside counsel to settle this issue.

Mr. Maidhof responded to Randy Clark's question concerning the effects of impact fees within a year or two by stating that the numbers of permits were tracked by staff monthly and could be provided to the Board at any time. Commissioner Phillips commented that there were many ways to gather information regarding the effect of impact fees on the County's economy, such as gas prices.

Mr. Clark had further questions about the return of impact fees and comments regarding the County having a report on the distribution of impact fees each year. Mr. Maidhof explained that no impact fees had been returned because the Board continually allocated impact fees through the CIP for eligible infrastructure each year. Commissioner Phillips explained that impact fees were in a separate account, and that the data was available through their office and through the budget process. Mr. Maidhof added that most of the data was available on the County's Office of Management and Budget web page.

C.J. Dixon requested that the Board consider eliminating the impact fee for low-income homebuyers. He also spoke in opposition to impact fees due to the negative influence on the growth trend.

George Borchers stated that the Board should move slowly with implementing the impact fees because he was not sure that the statistical information showing only 600 new schoolchildren in the next five years could be corroborated. He detailed the building growth in Sugarmill Woods since 2001, and said there were no indications that growth

would decline, that with the projected building percentage rate of eight percent, Sugarmill Woods would produce 250 or half of the school age children in five years. He asked that the Board examine the statistics again.

John Marqua stated that the proposed impact fees would most likely prohibit him from developing a new business in this County, that the only new businesses that could afford the fees would be large chain corporations, such as Wal-Mart, that were here only to make money and would not care about the community. He added that it was important to him to be able to build a business here; however, in tripling the impact fees, many people who cared and wanted to improve the community would be eliminated from business opportunities.

Eric Abel, counsel for Citrus Hills and Hampton Hills, stated that bona fide contracts in existence at time of adoption must be recognized as vested and not interfered with by government. He objected to **(1)** the adoption of the fee tiering methodology, specifically, Section 54.1 (d) of the proposed Impact Fee Ordinance, and **(2)** the fee tiering methodology set forth in "appendix e" of the Transportation Impact Fee Update Study prepared by TOA. He explained that TOA's theory that household income increased with unit size, travel increased with household income, and unit size and vehicular miles of travel and income were correlative, was legally questionable and was in essence the imposition of a land use regulation based on income. He reminded the Board of their public duties as representatives of the citizens and asked them to balance recommendations made by both consultants for the County and the CCBA, and to use legal discretion and authority.

Thellie Simmons spoke in favor of impact fees, especially for schools, and agreed with the recommendations proposed by TOA.

Mr. Wallace addressed some of the comments made during the public portion of the meeting as follows:

- TOA was hired by the County because they performed governmental impact fee studies.
- None of the studies or adopted ordinances had been challenged successfully in court.
- TOA worked with economists, engineers, and attorneys in developing impact fees.
- The impact fees were not overstated and were defensible.
- The consumptive-based impact fee methodology used was correct.
- The more building permits issued, the greater the need for schools.
- There was a latent demand for school student stations throughout the state and the number of student station needs would exceed within the next five years.
- Changes and revisions to the Building and School Impact Fees were made because TOA responded to multiple consultants and reviewers, new data was received, and TOA listened to comments from citizens.

- Homebuilders did not comment when utilization rates above 100 percent reduced School Impact Fee numbers, such as those in Volusia County.
- TOA was convinced that construction costs affected the School Impact Fee far greater than the amount proposed today.
- The Transportation Impact Fee had increased 231 percent in the last three years because changes occurred in how funds were spent in terms of credit calculations, and the cost used in the study three years ago were not reflective of the true cost to build roads.
- Additional information regarding School Impact Fees across the state was provided due to a request from staff.
- The study was technically sound, there was no intention to make the fees higher than they should be, and TOA had recommended not using impact fees in the past.
- The impact fees were based on local data used to build public infrastructure in the four areas of the County.
- The proposed fees were fair and equitable at 100 percent and would be fair and equitable if the Board made a decision to implement the fees at a lower rate.
- Every impact fee met the dual rational nexus test in terms of reasonable connection between proof of benefit to the fee payer and the expenditure of funds.

In conclusion, he stated that several policy issues had been discussed and should be considered in the process of implementing impact fees in terms of indexing, grandfathering existing development, and affordable housing issues; however, his task was only to perform the study. (6:09 P.M.)

The Chairwoman recessed the meeting and reconvened at 6:34 P.M.

After a brief discussion, the Board concurred on the following:

- Fund the affordable housing impact fee from a separate revenue source.
- Include indexing as recommended by TOA with a five-year review.
- Consolidate all impact fee categories and incorporate indexing in 2006.
- Mr. Maidhof's suggestion to amend the ordinance regarding grandfathering of existing development as follows: *"complete building permit applications received not more than 180 days after the effective date shall be assessed in accordance with the prior impact fee schedule if it meets the following conditions"*. All conditions would remain as written.
- Staff would perform an economic review in one year for Board discussion and modifications if necessary, and then review every two years.

Upon motion by Commissioner Bartell, seconded by Commissioner Phillips, and carried unanimously, the Board adopted the Citrus County Library Impact Fee as proposed by the consultant Tindale-Oliver & Associates, Inc.

Upon motion by Commissioner Bartell, seconded by Commissioner Damato, and carried unanimously, the Board adopted the Citrus County Public Buildings Impact Fee as proposed by the consultant Tindale-Oliver & Associates, Inc.

A motion was made by Commissioner Bartell and seconded by Commissioner Phillips, to adopt the Citrus County Transportation Impact Fee as proposed by the consultant Tindale-Oliver & Associates, Inc.

The Board clarified for Mr. Wallace that the affordable housing category would be included and there would be one impact fee for the remainder of transportation.

Commissioner Fowler stated that he thought the Board spoke in opposition to phasing of the transportation. Commissioner Bartell commented that he was not willing to negotiate on the transportation issue because the \$100 million bond the County might receive from the state would pay for only two roads, and other roads needed to be addressed from a level of service standpoint.

The Chairwoman called a question on the motion and the motion carried unanimously.

Commissioners Bartell and Fowler requested that a representative of the school system provide a response to the comments made regarding the School Impact Fee.

Mrs. Deutschman responded to Commissioner Fowler's question regarding a comment she made about renovations in relationship to impact fees by stating that the money the School Board required from the capital outlay was also needed for renovations, expansions, and remodeling of the existing schools in addition to providing new classroom space. She advised that the impact fee would allow the school to provide new classroom space so that other money could be freed up to improve existing facilities, and the school did not have enough money to do both.

Mr. Wallace explained to Commissioner Bartell that the School Impact Fee did not reflect the class size reduction. Mr. Fitzpatrick added that the DOE at this time did not allow the school district to build based upon the class size amendment.

Commissioner Fowler said he would prefer a School Impact Fee at the 50 percent rate, but would be willing to double the current fee.

Mr. Fitzpatrick replied to Commissioner Bartell regarding impending school projects by stating that he identified only two of the high profile projects (new elementary school and Renaissance Center); however, a list of projects in their five-year plan eligible to be funded by impact fees was provided to the County every year. He stated that accurate information was given and that the school district would stand by whatever the Board decided.

Commissioner Fowler stated that the School District had \$20 million with \$1.5 million in the impact fee fund, and if fees were implemented at the 50 percent rate, there would be enough funds to complete the projects within five years. Mr. Fitzpatrick explained that their fund balance of capital outlay at the end of four years would be \$339,000 not \$20 million. He replied to Commissioner Damato that the \$7.5 million Renaissance Center would be funded out of the two-mill capital outlay. He further stated that school funding depended totally upon the number of new houses built and that part of the school district's funding was provided by impact fees.

Chairwoman Phillips stated that she appreciated the involvement of all the consultants; however, the Board hired TOA to do this study, that adjustments had been made when merited, and she felt the Board should adopt the fees as recommended by Mr. Wallace.

A motion was made by Commissioner Damato and seconded by Commissioner Fowler, to raise the Citrus County School Board Impact Fee from \$636 to \$1,145.

Commissioner Damato explained that he chose that number based on 2,000 permits issued a year, which would provide a good funding source for the schools, and if more permits were issued, there would be a windfall.

Mr. Wallace clarified that if the Board chose a different School Impact Fee from that recommended by TOA, the percentage change would need to be applied to single-family, multifamily, and mobile homes equally and a policy direction would need to be documented into the ordinance stating that the Board adopted a certain percentage of recommended fees. He explained that if the Board adopted the fee at a lower percentage, they could be facing the same problem as in previous years because the fee was not raised to the justifiable level of today.

Mr. Maidhof stated that the Board should adopt the updated report, and they could revisit the fee schedule at any time through a public hearing process. Mr. Wallace added that when the other impact fee study was done and a consolidated ordinance was developed, the Board could make another policy decision to adopt the fee up or down based on new data supplied, as long as the percentage of fees was applied to all land uses equally.

Mr. Wallace added to Chairwoman Phillips' comment that the Board would be facing "sticker shock" again if the School Impact Fee were not adopted at 100 percent by stating that \$1,681 was a very conservative impact fee, and if not adopted at 100 percent, the difference in construction costs would be greater the next time around.

Mr. Fitzpatrick emphasized that a new high school must be built in this County, which would cost \$40 to \$50 million and there were no funds available.

Mr. Stillwell remarked that funds were already available for the Renaissance Center and the impact fee stated in the motion would generate \$2.5 million a year (\$12.7 million in five years), which would pay for the new elementary school. He further stated that impact fees paid today would never be used for the new high school because the fees must be used within seven years, and the motion addressed the school needs for the five-year planning period.

Chairwoman Phillips disagreed and said it would not be fair to adopt the School Impact Fee at less than the amount they should be.

Mr. Fitzpatrick answered Commissioner Bartell's question about other uses for the School Impact Fee by stating that the money would be used within the next seven years for new student stations that would be needed at middle and high schools and other capital expenditures. Mr. Wallace pointed out that all impact fees were consumptive-based and that staff determined and prioritized how to expend impact fees for the best benefit of the County. He explained that the School Board had a responsibility to plan and spend monies on new student stations regardless of whether they were new additions, new schools, or purchase of land in advance of new schools.

He then calculated the School Impact Fee as stated in the motion (\$1,145) to be 62 percent of the recommended fee.

The Chairwoman called a question on the motion. Motion failed. Voting aye: Commissioners Damato and Fowler. Voting nay: Commissioners Bartell, Phillips, and Valentino.

Commissioner Bartell explained that he did not think there was justification to mitigate the cost; therefore, he based his decision on the data provided.

Upon motion by Commissioner Phillips, seconded by Commissioner Valentino, the Board adopted the Citrus County School Impact Fee at 100 percent as recommended by the consultant Tindale-Oliver & Associates, Inc. Motion carried. Voting aye: Commissioners Bartell, Phillips, and Valentino. Voting nay: Commissioners Damato and Fowler.

Clerk's Note: Adoption of the recommended impact fees included an ordinance amending Chapter 54 of the Citrus County Code to update the Citrus County Impact Fee Ordinance No. 2001-A06 for roads, schools, libraries, and public buildings.

ORDINANCE NO 2005-A07

There being no other business to come before the Board, the Chairwoman adjourned the meeting. (7:08 P.M.)

ATTEST: _____, Clerk _____, Chairwoman