

The Board of County Commissioners of Citrus County, Florida, met in special session on the above date at the Lecanto Government Building, Room 166, Lecanto, Florida, for the purpose of considering an amendment to the Impact Fee (County Code, Chapter 54). The Chairman called the meeting to order. Commissioner Fowler led in the Invocation and the Pledge of Allegiance to the U.S. Flag.

Commissioners: Brad Thorpe, Chairman; Roger Batchelor, First Vice Chairman; Jim Fowler, Second Vice Chairman; Gary Bartell and Vicki Phillips
Attorneys: Larry M. Haag and Carl Kern
Administrators: Gary Kuhl
Deputy Clerk: Elicia Kuhl and Theresa Steelfox

IMPACT FEES WORKSHOP

I. STAFF REPORT

The Chairman commented that this was a public workshop and there would be a public hearing in May or June.

Gary Kuhl stated that Chuck Dixon, Director, Community Development Division, would give an overview followed by each department director giving a brief presentation.

Mr. Dixon, stated that impact fees were originally adopted in 1986 and reaffirmed in 1990, that the current ordinance amendment was intended to make the impact fee program current, as well as fair and equitable across the spectrum of land uses, etc.

Mr. Dixon summarized reasons to update the impact fee program as follows:

1. The current impact fee schedule does not provide for assessment of impact fees evenly across the spectrum of land uses.
2. The current impact fee for public educational facilities was low by statewide standards.
3. Houses of worship and related uses that are accessory to churches (schools, day care centers, etc.) are currently exempted from paying impact fees, via a locally adopted administrative regulation.
4. The current impact fee schedule does not provide for many specific project types, which necessitate unnecessary special assessment studies.
5. The current impact fee program does not provide for a clear mechanism to administer and regularly update the fee schedule.

He explained that there were eight impact fee ordinances that had been adopted which included transportation, parks, schools, law enforcement, fire, emergency medical services (EMS), library, and public buildings. The PDRB recommended that law enforcement, fire, and EMS be merged into a single "public safety" impact fee category, lowering the number of fee categories from eight to six.

Staff identified three general options for implementing the new impact fee schedule as follows:

1. Adopt the fees as presented by the report and assess each land use at a rate of 100 percent of its respective impact on infrastructure.
2. Adopt the fees as presented by the report and assess each land use at a rate less than 100 percent of its respective impact on infrastructure, with the understanding that the difference in cost will be born by an alternative funding source, or sources.
3. Adopt the fees as presented by the report and assess each land use at a rate less then 100 percent of its respective impact on infrastructure and gradually bring the rate up to a given target level over a given period of time. This alternative provides for flexibility, but it assumes a subsidy for impact fees until the impact fee rates are brought up to the 100 percent level.

He added that the PDRB discussed these options in general terms, but did not vote to recommend a specific option, that staff recommended the Board consider the differences between the current fees and the maximum proposed fees, that the staff reports from February 2, 2000 and April 12, 2000 be incorporated into the record, etc.

He also noted that the proposed ordinance was not revised to increase the school impact fee as recommended in the update report, but has been revised to allow for phasing in the fee schedule over a three year period. He read the staff's recommendations as follows:

1. Adopt the revised Impact Fee Update Report as support documentation for the proposed Impact Fee Ordinance.
2. Adopt the proposed Impact Fee Ordinance as amended.
3. Adopt the revised Administrative Regulation No. 13.04.

Staff made presentations regarding specific impact fees and provided information on completed and future projects funded, partially or fully, by impact fees.

Director/Impact Fee	Completed Projects	Future Projects
Chris Karr, Engineering Director/Transportation	<ul style="list-style-type: none">  Improved the CR-491/486 intersection.  Widened CR-491 (Grover Cleveland Blvd. to SR-44).  Received Forest Ridge Blvd., most of Turkey Oak Drive, and Crystal Oaks Drive.  Provided funding for constructing Venable Street and Emerald Oaks Drive. 	<ul style="list-style-type: none">  Widening of CR-491 (CR-486 to Forest Ridge Blvd).  Croft Road.  CR-486 (Forest Ridge Blvd to US-41).  Widening the remaining sections of CR-486, CR-491, CR-490, Grover Cleveland Blvd., CR-495, CR-488; CR-581, and Independence Hwy.
Karen Barnett, Parks and Recreation Director/Libraries	<ul style="list-style-type: none">  Central Ridge Library 	<ul style="list-style-type: none">  Debt Service  4,400 books  Homosassa Library
Karen Barnett, Parks and Recreation Director/Parks	<ul style="list-style-type: none">  Fort Island Trail Park  Homosassa Boat Ramp  Lecanto Community Park  Holden Community Park  Central Ridge District Park  Bicentennial Park field expansion and court lighting  Lecanto Community Park restrooms  Floral Park court lighting 	<ul style="list-style-type: none">  Debt Service  Bicentennial Park Court field expansion  Fort Island Gulf Beach fishing pier

	Bluebird Springs Park improvements Beverly Hills Skateboard Park	
Charles Polisenno, Public Safety Director/EMS	Radio system equipment Quick response vehicle	Additional vehicles Expand radio system
Charles Polisenno, Public Safety Director/Fire	Fire vehicles Station expansions Radio system Fire Training Center	Debt Service Station expansions Vehicle purchases Update radio system
Gary Maidhof, Development Services Director/Public Buildings & Schools	Construction and or additions to: Detention Facility Lecanto Government Building Pleasant Grove School Rock Crusher Elementary Withlacoochee Technical Institute Citrus Springs Middle School Inverness Middle School	Debt Service Future improvements and/or new schools

II. CONSULTANT'S REPORT

Jim Duncan, Duncan Associates, presented a slide presentation depicting the impact fee myths, major changes to the study, administrative revisions, ordinance revisions, etc. Outlined below are the proposed changes to the impact fee ordinance:

PROPOSED IMPACT FEE ORDINANCE	
Added capital parks facility definition.	Deleted gasoline service station and elementary/secondary school from fee schedule.
Merged fire, EMS and law into public safety impact fee.	Moved mobile home sales from recreational to retail section of fee schedule.
Removed patrol cars, furniture and manpower equipment from definitions of capital.	Added language indicating an option to phase-in fee increases over three years.
Added at least \$5,000 and five year useful life to definitions of capital public safety and parks facilities.	Shortened review cycle from five to three years.
Added at least \$50,000 to definition of capital roads and public building facilities.	Added intent language that school fee component not new or increased fee, just a consolidation of exiting school impact fee.
Removed sidewalks and bus turnouts from definition of capital road facility.	Added note to fee schedule that public safety would be reduced by 51% in Crystal River and Beverly Hills DRI since they provide their own fire facilities.
Changed grace period from 90 to 365 days and deleted notary requirement.	

Mr. Duncan specifically reviewed the Single-Family (per unit) rates.

IMPACT FEE SUMMARY								
Fees	Single-Family (per unit)	Multi-Family (per unit)	Mobile Home (per unit)	Retail (per 1000 sq. ft.)		(per 1000 sq. ft.)		
				<50K	>250K	Office	Industrial	
Roads	\$893	\$893	\$987	\$1,607	\$2,322	\$1,136	\$978	
Parks	\$180	\$107	\$158	\$0	\$0	\$0	\$0	
Library	\$87	\$49	\$82	\$0	\$0	\$0	\$0	
Law Enforcement	\$36	\$23	\$35	\$29	\$55	\$47	\$20	
Fire	\$76	\$49	\$72	\$61	\$115	\$98	\$43	
EMS	\$6	\$4	\$5	\$5	\$8	\$7	\$3	
Public Building	\$47	\$30	\$45	\$38	\$71	\$60	\$26	

Schools	\$135	\$135	\$135	\$0	\$0	\$0	\$0
Total Existing Fees	\$1,460	\$1,290	\$1,519	\$1,740	\$2,571	\$1,348	\$1,070
Roads	\$1,057	\$530	\$638	\$1,295	\$988	\$1,969	\$1,185
Parks	\$505	\$505	\$498	\$0	\$0	\$0	\$0
Library	\$121	\$100	\$104	\$0	\$0	\$0	\$0
Law Enforcement	\$135	\$112	\$116	\$342	\$403	\$244	\$156
Fire	\$156	\$129	\$134	\$395	\$465	\$282	\$181
EMS	\$15	\$13	\$13	\$38	\$45	\$27	\$18
Public Building	\$177	\$147	\$152	\$449	\$529	\$320	\$205
Schools	\$636	\$165	\$447	\$0	\$0	\$0	\$0
Total Potential Fees	\$2,802	\$1,701	\$2,102	\$2,519	\$2,430	\$2,842	\$1,745
Increase at 100%	\$1,342	\$411	\$583	\$779	(\$141)	\$1,494	\$675
Increase at 85%	\$922	\$156	\$268	\$401	(\$505)	\$1,068	\$413
@100% no school increase	\$841	\$381	\$271	\$779	(\$141)	\$1,494	\$675

Mr. Duncan added that the proposed ordinance consolidated the three original ordinances, combined all eight fee schedules, expanded land use categories, reduced the road districts, applied a demand driven approach, etc.

III. **PUBLIC COMMENT/BOARD DISCUSSION**

The Chairman opened the public portion of the public workshop.

Chuck Morgan, Administrator of Seven Rivers Presbyterian Church: Mr. Morgan provided a memo (filed with the Clerk's agenda) and spoke to the issue of collecting impact fees from private schools and church private schools. He asked that the county adopt the same guidelines as the state and federal government regarding private schools. He added that private schools were not part of the problem of future growth, but part of the solution, and asked that all private schools be exempt from impact fees.

Richard S. Fitzpatrick, representing the Citrus County School Board: Mr. Fitzpatrick stated that the school board agreed with the basic premise of the study and wished that the School District be treated the same as all government entities. He requested that the increased school impact fee be placed in the ordinance with language stating that the fee would not be collected or implemented until the state moratorium was released. Short discussion continued regarding the School Board providing a resolution, the School Board's funding for capital improvements, the state moratorium for increased school impact fees in effect until July 1, 2000, etc.

Carl Hansen, Citrus County School Board: Mr. Hansen reiterated that the increased school impact fee should be included with the effective date of July 1, 2000 and the School Board should be treated equally. He made comments regarding the state moratorium, proposals of the legislature, etc.

Judy James, representing the Citrus County Builders Association (CCBA): Ms. James stated that the CCBA did not object to impact fees, however the fees must be fair and equitable, and other revenue sources would be needed to fund the infrastructure. She presented the Board with a handout (filed with the Clerk's agenda), and discussed the

methodology of the impact fees and data that was used. She specifically spoke of the park and law enforcement impact fee increase, the use of peak population rather than functional population, the impact fee structure inconsistencies, etc.

Mr. Duncan responded to Commissioner Phillips stating that using the peak population was a suggestion by the PDRB. He added that all of the factors had to be changed and caused the fees to increase, using the peak population formula, was an option and the Board could choose to go back to the functional population formula or collect data and change formulas during future reviews.

Clark Stillwell: Mr. Stillwell stated that he spoke on behalf of all the developers he represents, he had been involved in the impact fee process since the beginning, THAT impact fees are a needed funding source and should be combined with other funding sources, that impact fees should be proportionately fair, etc. He suggested the ordinance be adopted at 50 - 60 percent and then adjust the fees after an individual needs study was done during the next year.

Commissioner Phillips commented that it was always the Boards intention for the ordinance to be fair, and based on the best methodology and information available. She added that if the ordinance was adopted some of the impact fee money could be used for future studies.

The Chairman and Mr. Kuhl left the workshop at 11:10 P.M.

Discussions continued regarding the school impact fees and Commissioner Fowler reiterated the need for joint use facilities with the school board.

Carl Bertoch: Mr. Bertoch presented a letter (filed with the Clerk's agenda) and stated that he represented the Westwind Village Mobile Home Park and was the Chairman of an Ad Hoc Committee of other developers for age restricted communities. He stated that it was inappropriate to have a school impact fee charged to age restricted communities and another land use category should be created.

Mr. Duncan responded to Commissioner Bartell stating that other counties are using the St. John's decision regarding restricted communities, which states that you can not differentiate, and they are awaiting pending legislature determination.

Mr. Dixon stated that the PDRB discussed age restricted communities with some detail and the developer always has the opportunity to apply for a special assessment. He added that the problem with special categories for exemptions was that impact fees were based on the overall impact on infrastructure and the PDRB recommended against a special category for age restricted communities. (II-B/11:28 A.M.)

The 1st Vice Chairman recessed and reconvened at 1:00 P.M.

Ron Walters, Florida Manufacturing Homes Association, suggested that impact fees for the single-family site-built and manufactured homes could be reduced, and

that park impact fees was an area of concern. He advised that the manufactured home industry focused on retired individuals and young families, and increased impact fees may affect their ability to own a home.

Patricia Cowen, representing the Citrus County Council, Inc., stated the financial impact of growth on the infrastructure should not be born by ad valorem taxes, that the impact fee analysis was over due (document included in Clerk's packet), encouraged immediate implementation, etc.

The Chairman and Mr. Kuhl entered the meeting at 1:10 P.M.

Mr. Maidhof responded to Commissioner Batchelor regarding impact fees for water and wastewater, stating that those fees are paid through utility connection fees, and that the fees go directly to the specific utility. Commissioner Bartell sparked continued discussion regarding implementation of a water and wastewater impact fee. Mr. Maidhof explained that the first step would be to prepare a stormwater master plan, that a water master plan had been prepared, etc. Commissioner Bartell referenced other counties that had implemented the water/wastewater fee, e.g., Sarasota, Bay, Hillsborough, Lee, Orange, and that the fees would accelerate expansion. Mr. Duncan touched on a few points stating that in other areas the fee was called a capital recovery fee, that impact fees do not have to be county-wide and can be based on a service area, etc. Mr. Haag advised that the existing connection fees would be considered impact fees for water/wastewater, and the funds are placed in escrow to be used to expand the wastewater plants. He stated that connection fees are in two components--the offsite facility and plant capacity charges, that the rates are too low, that utility fees have not been addressed in ten years, etc.

Commissioner Phillips referred to infrastructure cost, questioned the process to determine the impact of houses of worship and accessory uses such as, schools, daycare facilities, etc. Mr. Maidhof explained that houses of worship accessory uses could be calculated by special assessment.

Mr. Duncan congratulated the Board on the County's park structure, stating that the land was already owned and that the County should focus on those lands to prepare for future growth, etc.

Chris Lloyd, Jim McIntosh, Susan Hadley and Avis Craig, obo Villages of Citrus Hills supported the impact fee structure and expressed the following:

- Recommended acceptance of the PDRB changes (Clerk's packet).
- Supported implementing the fee at 100%.
- Supported phasing the fees over a period of time.
- Suggested review of each category separately.
- Concerned for granting exemptions/exclusions.
- Did not support subsidizing infrastructure with ad valorem or gas tax increases.

Morris Harvey, obo N. Citrus Civic Association, **Gaston Hall** (document in Clerk's packet), **and Ray Vick** expressed concern for:

- removal of minor collector roads
- combining the emergency medical services,

- revising the grace period from 90 to 365 days
- phasing the impact fees over a period of time
- fairness to existing tax payers
- fire, and law enforcement into public safety
- credits given for recreational facilities
- impact fee increases affecting young couples
- a transfer fee on real estate sales

(III-A/1:46 P.M.)

Mr. Haag referred to earlier comments stating that impact fees were governed by state law and that public schools were exempt from connection fees. He mentioned that credits or exemptions could be given to private schools for roads or recreational facilities.

Mr. Morgan spoke on the fairness of private schools being required to pay impact fees vs. the non-paying public schools, that private schools meet the needs of a student when the public school system cannot, etc.

Mr. Maidhof relayed that initially houses of worship were exempt from impact fees, that the consultant recommended that impact fees be assessed, that the PDRB recommended continued exemption on houses of worship, but not accessory buildings. He stated a quick fix would be to revert to the previous exemption status. The Chairman desired to give an exemption. Commissioner Phillips agreed with exempting houses of worship and schools, but expressed concern regarding other uses, i.e., bingo, banquets, liquor being provided, etc., and stated that those organizations are competing with the private sector on commercial endeavors. Commissioners Thorpe, Bartell, Fowler, and Batchelor agreed and questioned how to address the issue. Mr. Dixon advised that the PDRB had the same discussion and that was how the non-exempt status for use of the accessory buildings came to fruition. Discussion continued regarding day care centers, curriculum, dual use of facilities, etc. Mr. Maidhof stated he understood the consensus to be exemption for the houses of worship, that an administrative regulation be established to include church related schools, then staff would make independent determinations from the building plans.

(III-B)

No voice recording from this point forward.

Mr. Maidhof stated that the school exemption could drive other non-secular private schools to desire an exemption. Commissioner Bartell recommended applying impact fee credits to any school that provides education. Mr. Dixon stated that as well as the public school system being exempt from impact fees, they were not required to apply for building permits. Discussion continued. Mr. Maidhof understood the direction was to establish an administrative regulation to address this issue.

Discussion continued on school impact fees being incorporated into the proposed ordinance, using a separate process, the proposed rate, implementation on July 1, elimination of fees and identify a new funding source, etc. Mr. Fowler reiterated joint use of School Board and County facilities, i.e. parks and libraries.

Mr. Maidhof advised that it was anticipated a final public hearing would be scheduled within 30 days to allow the CCBA to consider the Board's decisions, that depending upon the legislature the school impact fees may change.

Commissioner Fowler felt that another workshop was needed and after discussion it was determined that the consultant would not be needed prior to the final public hearing.

Commissioner Phillips expressed concern in combining law enforcement, emergency medical services, and fire into a public safety designation. Discussion.

Mr. Maidhof explained that the minor collector roads were removed, but could be replaced on the Functional Classification Map and revised with the Florida State Urban Transportation Modeling Software (FSUTMS), that the PDRB discussed an additional gas tax, user fees, etc. He referred to a master plan for parks that could be incorporated in the Comprehensive Plan, and recommended that a master plan be prepared for fire protection improvements, in order to identify benefits for the community.

Commissioner Phillips suggested that another public workshop was not needed, that the impact fees could be adopted at 100% or less, then over time each category reviewed individually, and leave hotels where they were prior to the PDRB workshops.

The Chairman expressed that 181% was too much of an increase for parks. Mr. Maidhof stated that the updated impact fee report was a sound document and referred to the business community's desire for the grace period to be 365 days rather than 90, and that the phasing of the impact fee increases would allow a specific analysis and the true numbers be identified.

Commissioner Phillips disagreed with phasing and understood the grace period extension. Mr. Maidhof explained that he wanted to avoid any type of legal challenge, referred to phasing, adoption of less than 100% of the suggested impact fee, etc.

Commissioner Batchelor supported phasing of the impact fees.

Commissioner Bartell expressed trepidation with the park impact fees, but felt the effective date should be 90 days.

Mr. Maidhof discussed the percentage for administrative fees, that an Impact Fee Coordinator could be funded through impact fees, etc. Commissioner Phillips did not support an Impact Fee Coordinator, but suggested the administrative fee percentage should remain at 3% and Commissioner Bartell supported 3%.

Commissioner Fowler desired minor collector roads be placed back in the ordinance and review obvious inadequacies as discussed by Clark Stillwell, supported a gas tax increase, and stated further discussion was necessary and was not convinced that an increase was needed.

The Chairman declared that a target number was necessary, and those figures could be adjusted after individual review, etc. Commissioner Bartell agreed and felt parks should be reviewed first.

Mr. Maidhof responded to Commissioner Fowler referring to sources used to consider the new impact fees being land uses, the LDC Atlas and Comprehensive Plan, traffic data collected, population dynamics, the transportation model, etc. and summarized the following:

- ✓ FSUTMS would be used to determine the minor collector roads.
- ✓ Hotel, motel, and recreational vehicle categories would be removed from the park impact fees.
- ✓ Existing impact fees would not be lowered due to existing debt service.
- ✓ Libraries would be another category to analyze.
- ✓ Public safety category was based on a functional population analysis and tracking on actual visits would take approximately one year.
- ✓ Public buildings were based on replacement and a site specific study.
- ✓ Sharing of parks, libraries, etc. with the public school system would take approximately two years to analyze.

Mr. Kuhl stated that due to the complexity of these issues, an overview of today's discussion could be presented at the May 9th Board meeting, then decide if another workshop would be necessary.

Mr. Mahidof summarized other issues for discussion:

- ✓ Request an explanation from CCBA regarding their need for a 365 day grace period.
- ✓ The school impact fee to remain at status quo until the legislature was finished or after July 1.
- ✓ The School Board to provide figures in order to determine a specific fee.

Mr. Haag responded to Commissioner Bartell stating that the problem with assessments for impact fees would be in the collection, and that an additional bureaucracy would be created. He responded to Commissioner Fowler stating the County could not create taxes, but could adopt special assessments or impact fees, and that a transfer tax was more equitable, but must be passed by the legislature. Short discussion.

The Chairman advised that the impact fee issue would be considered on May 9 and with no further business adjourned the meeting. (3:44 P.M.)

ATTEST: _____, Clerk _____, Chairman