LAKE COUNTY IMPACT FEE COMMITTEE

April 16, 2009

The Lake County Impact Fee Committee met on Thursday, April 16, 2009 in Room 233 of the Lake County Administration Building, 315 W. Main Street in Tavares, Florida. Ordinance 1996-31, effective April 19, 1996, created this Committee to review impact fees adopted by the Board of County Commissioners, evaluate the expenditure of funds collected via impact fees, and make recommendations to the Board of County Commissioners.

Ordinance 2004-26, enacted April 6, 2004, effective April 13, 2004, changed the name of the Impact Fee Evaluation and Review Committee to the Lake County Impact Fee Committee and changed membership from eleven members to ten members. A current commissioner of the Lake County Board of County Commissioners shall serve as liaison in a nonvoting position and shall not be considered a member.

County Commission Liaison
Commissioner Jennifer Hill

Members Present:
James Argento, Citizen at Large – Arrived 9:40 AM
Bill Calhoun, Citizen at Large
Richard Giacobe, Citizen at Large
Peter Glenn, Banking and Finance
Nancy Hurlbert, Citizen at Large, Chairman
Jean Kaminski, Home Builders Association of Lake County
Ray San Fratello, Chamber of Commerce

Members Not Present:
Bill Benham, Agricultural Industry Representative
Carol Macleod, Lake County Schools
Karen LeHeup-Smith, Lake County League of Cities

Staff Present:
Angi Thompson, Development Processing Manager
Ed O'Malley, Impact Fee Specialist
Debbie Parker, Development Processing
Amye King, AICP Growth Management Director
Sandy Minkoff, County Attorney

Chairman Hurlbert called the meeting to order at 9:30 A.M and had all members and guests introduce themselves. She then asked if all members had had an opportunity to review today's agenda and asked if there were any additions or changes. None being offered the Chairman confirmed that the meeting had been properly advertised in the newspaper and noted that the minutes from the January 15, 2009 meeting were available for approval by the Committee.

MOTION made by Jean Kaminski, SECONDED by Bill Calhoun, to approve the January 15, 2009 Lake County Impact Fee Committee minutes.

FOR: **Calhoun, Giacobe, Glenn, Hurlbert, Kaminski, San Fratello**

AGAINST: **None**

NOT PRESENT: **Argento, Benham, Macleod, Leheup-Smith**

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MOTION CARRIED: 7 – 0

Old Business

The Chairman confirmed there was no old business held over for discussion.

New Business

Ordinance Update Discussion

Chairman Hurlbert asked Angi Thompson to open the discussion. Ms. Thompson informed the committee that most of the ordinance updates consists of changes to the library impact fee portion of the ordinance and reminded members that they had discussed and approved these changes at the January 15, 2009 Impact Fee Committee meeting. She further stated that additional changes were administrative in nature and she went on to describe the proposed changes in the impact fee waiver program. These changes, as described, would essentially mean that before a "low income" or "very low income" waiver could be approved, funding would have to be identified to cover the cost of the waiver. Ms. Thompson explained that the ordinance would provide that waivers which met the criteria for approval, but for which funding was unavailable, would be placed on a list and would be honored as funding does become available.

Ms. Kaminski solicited further clarification. She asked if this meant that impact fees which qualified for a waiver but, for which, county funds were unavailable, would be set aside for some period of time and the permit issued. Ms. Thompson clearly indicated that this was not the case. Impact fees would have to be paid at the time the permit was issued. If county funds were unavailable, the applicant would have to pay the fees. The only other possibility would be to delay the permit until county funds became available. Questions then were asked whether refunds would be made to eligible applicants who paid the impact fees and proceeded with projects prior to county funds being identified as available to pay for impact fee waivers. Ms. Thompson indicated that a refund process already exists for impact fees. Mr. Minkoff added that he felt single family homes would not be problem due to funding being available through the Housing and Community Services Department. Mr. Minkoff went on further to state that problems would more likely involve multifamily developments which meet the criteria because these developments incur significant amounts of impact fees. If funding was unavailable from a county source to pay the fees and allow the waiver, the developer would be forced to pay the fees or delay the project. A refund of these fees at a later date would be highly unlikely. It was further clarified that this discussion related to residential development only.

Mr. San Fratello inquired as to what was used to determine eligibility for low or very low income buyers. Mr. Minkoff indicated the county followed state statutes which are updated yearly. Ms. Thompson contributed that eligibility within the county is determined through the Community Services Department. Reference was made to Cagan's Crossings which had come to the committee last year seeking a waiver. Mr. Minkoff and Ms. Thompson indicated that this was an affordable housing waiver request but the applicant did not meet statute requirements in terms of affordable rent.

Further discussion revolved around the additional infrastructure costs which affordable housing placed on public services and whether from a fiscal standpoint why the county would waive fees for anyone. Ms. Thompson answered that fees weren't really waived because they were in fact paid from another source other than the applicant seeking assistance. Mr. Minkoff added that the state law requires that the county provide affordable housing

Grammatical changes to another portion of the amendment were discussed.

MOTION made by Jean Kaminski, SECONDED by Bill Calhoun, to approve and send to the Board of County Commissioners the ordinance amendment to Chapter 22 with changes.

FOR: Argento, Calhoun, Giacobe, Glenn, Hurlbert, Kaminski, San Fratello

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AGAINST: **None**

NOT PRESENT: **Benham, Macleod, Leheup-Smith**

MOTION CARRIED: **7 – 0**

Committee Member James Argento arrived during the discussion (9:40 AM) and took part in the discussion and vote.

Ms. Thompson indicated that inline with the committee discussion of ordinance updates, Commissioner Hill had some information she wanted to share with the committee which would not require committee action today but would require committee review, discussion and potential action at a later date. Commissioner Hill then introduced for discussion the potential for an ordinance change with respect to commercial and industrial transportation impact fee collections. She indicated that the downturn in the economy has prompted discussion of ways and means of stimulating a recovery. Commissioner Hill indicated that staff discussions had taken place and that various options had been looked into which could involve a number of departments. She wanted Ms. Thompson to highlight these options for the committee by opening a discussion of these options and any others that the committee may feel appropriate. Commissioner Hill pointed out that the Board of County Commissioners (BOCC) would be looking for potential recommendations from the committee in this regard.

Ms. Thompson then introduced the following options:

1. The option to pay commercial transportation impact fees over a three to five year period via an assessment on the property tax bill. Because this would be an assessment it would allow the county to borrow against it and, therefore, the county would be able to continue funding road improvements. Parameters would have to be discussed and determined including the impact on various county departments, setup procedures and definitions, for instance, a tiered approach to pay back based on the amount of the fees and the length of the payback period.

2. A second scenario for discussion revolved around the idea of postponing the payment of commercial transportation impact fees from the issuance of the permit to issuance of a Certificate of Occupancy (CO). There is some thought that this would probably benefit the residential market more than the commercial market.

3. The third option discussed would be a temporary suspension of the assessment of commercial transportation impact fees for some identified period of time, i.e., one year. In those instances where developer's agreements were in place, the developer would be able to maintain the credits and use them within the appropriate road district when the suspension period was over.

4. The fourth option might be a hybrid version of the other ideas and potentially could be a suspension of the collection, not the assessment, of impact fees for a defined period and then allowing a defined number of years to pay off the fees through assessment on the yearly property tax bill.

Commissioner Hill at this point offered a fifth (5th) option which was stated as a flat fifty percent (50%) reduction of commercial transportation impact fees for some predetermined period of time.

Discussion followed relative to the amount of dollars represented by commercial transportation impact fees and also what means are available to ensure that deferred collections could actually be made. Further discussion revolved around the need to stimulate commercial transactions, the ability of individuals and business to borrow money and the need to repair and repave county maintained roads. The committee began some general discussion of the merits and faults of each of the potential options thus far identified. Ms. Thompson emphasized during this discussion that these options were being offered for commercial construction only.

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The discussion continued and became focused on whether reduction or suspension of any impact fee would serve as a stimulus. This was supported by members who feel that the needs with respect to additional or new infrastructure are such that any reduction or suspension would be unsupportable. This position was countered by committee members who agreed that infrastructure requirements in the county are indeed great but these members felt that impact fees alone will not resolve this issue. There was general agreement that if something reasonable could be done to stimulate commercial activity in the county it would be a good thing. At this point the Transportation Alternative Funding Task Force findings were brought up. Commissioner Hill suggested that it wasn't likely these issues would be resolved at this meeting. She suggested that members take the options that had been identified and talk these over with there respective associates, friends, peers and/or constituents. They should feel free to discuss other options or combinations of options and they should come to the next meeting of the impact fee committee prepared to discuss and vote on recommendation(s) for BOCC consideration. Any new options identified by members should be forwarded to Ms. Thompson. Ms. Thompson will provide briefs to each member identifying the options discussed today as well as any future options delivered to her.

Commissioner Hill next discussed time frames. The BOCC was aware that some options were going to be brought before this committee today. Discussion ensued as to how long it would take to implement any recommendation from the committee and final decision from the BOCC. Believing that time is of the essence the members suggested and Commissioner Hill asked if the members could be prepared to meet again in a month at a special meeting to address this issue. Tentatively Ms. Thompson will look at setting up at meeting here in RM 233 on Thursday, May 21, 2009 at 9:30 AM.

Discussion then revolved around what other counties in the state are doing with respect to deferral, suspension, reductions and payment methods of impact fees. Amye King also brought up that the state legislature was also looking into impact fees by way of potential legislation which would most definitely be of interest to the committee. She indicated that staff would have an update on activities in other counties as well as further information on a state wide basis by our next meeting in May.

Ms. Hurlbert asked if there were any other business or issues for discussion. None being identified Chairman Hurlbert adjourned the meeting at 10:16 A.M.

Respectfully submitted,

Ed O'Malley	Nancy Hurlbert
Impact Fee Specialist	Chairman

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