LAKE COUNTY IMPACT FEE COMMITTEE
MAY 17, 2007

The Lake County Impact Fee Committee met on Thursday, May 17, 2007, in Room 430 of the Round Administration Building 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
Commr. Jennifer Hill

Members Present:
Bill Benham, Agricultural Industry Representative
Douglas Buskers, Lake County Conservation Council
Nancy Hurlbert, Citizen-at-Large
Jean Kaminski, Home Builders Association of Lake County, Chairman
Jim Miller, Chamber of Commerce, Vice Chairman
Karen LeHeup-Smith, Lake County League of Cities
Ray San Fratello, Industrial Community Representative

Members Not Present:
Bill Calhoun, Citizen-at-Large
Noah Powers, Superintendent of Schools Designee
Ammon Smith, Citizen-at-Large

Staff Present:
Greg Welstead, Deputy County Manager
Carol Stricklin, Director, Department of Growth Management
Regina Frazier, Budget Director
Angi Thompson, Impact Fee Coordinator
Sherie Ross, Public Hearing Coordinator
Michelle Daniels, Impact Fee Technician
Sanford A. Minkoff, County Attorney

Guests
Carol J. MacLeod, CPA

Chairman Kaminski called the meeting to order at 9:30 a.m. She confirmed that the meeting had been properly advertised in the newspaper. Since the County has hired a new impact fee coordinator, Chairman Kaminski asked that the meeting begin with introductions.

MOTION by Jim Miller, SECONDED by Bill Benham to approve the March 15, 2007 Lake County Impact Fee Committee minutes, as submitted.

FOR:	**Benham, Buskers, Hurlbert, Kaminski, Miller, San Fratello**
AGAINST:	**None**
NOT PRESENT:	**Calhoun, LeHeup-Smith, Powers, Smith**
MOTION CARRIED:	**6-0**

Although she had already complimented Sherie Ross on the minutes of March 15, 2007, Chairman Kaminski said she would like to state for the record that the meeting of March 15 was a very long and difficult meeting; and, as usual, Ms. Ross did a stellar job in getting everything down. Mr. Miller added that everything was also correct.

Mr. Minkoff stated that he would be bringing to the Committee the modifications to the Impact Fee Ordinance in pieces. This Committee has already seen the transportation presentation so that ordinance is being drafted and is scheduled to go before the Board of County Commissioners (BCC) on the first Tuesday in June. Mr. Minkoff added that the changes being presented at the meeting today are not substantive changes; they are administrative changes that they are hoping to get approval for from this Committee today so this ordinance can go before the BCC on June 5 as well. Regarding the education impact fee, comments have been made regarding the presentation made by Randy Young. Mr. Young is revising the study, and the County has not received it yet. Therefore, he did not know the time schedule for that impact fee. He said County staff has been working with the consultant on the library and fire impact fees, and revisions are being made. Although he could not give a definite time schedule on those impact fees, he felt it would probably be in the 60- to 90-day range.

Mr. Welstead and Ms. Stricklin came into the meeting.

When Chairman Kaminski asked if the transportation ordinance was available for review, Mr. Minkoff said a draft is available; but it is essentially updating the fee schedule that was part of the presentation to this Committee. There are a few other insignificant changes, and he will get that out to them. It basically implements the fee study that this Committee recommended.

Carol MacLeod came into the meeting.

Mr. Minkoff stated that most of the changes to the ordinance were the result of suggestions made by Wendy Wickwire, the former Impact Fee Coordinator.

Karen LeHeup-Smith came into the meeting.

On page 2, Chairman Kaminski asked about the definition of "active adult community." It refers strictly to single-family detached homes. Although there was no change, she asked if that should include modular and apartment dwellings. Mr. Minkoff said there may be a slight change to this in the transportation section. He had questioned the age limit of 50 so there will be a change there. This section came out of the study that was done of several adult single-family detached communities that felt they were not regular subdivisions since they had significant services inside their developments that reduced the number of trips that the residents take outside the developments. It was determined that in communities with golf courses and significant clubhouses, the actual number of trips was less than in a regular subdivision or regular retirement subdivision. If a multifamily adult development with significant services were proposed, it would need to be studied in order to come up with those rates. In response to Chairman Kaminski, Mr. Minkoff said this section only applies to transportation. There is another adult community definition for the education impact fee section.

Mr. Minkoff presented the changes in the ordinance, page-by-page.

Although time-share property is not counted for the purposes of the educational impact fee, Mr. Minkoff noted that short-term rental property is counted. Regarding Housing for older persons in No. 25 on page 5, Mr. Minkoff said "residential dwelling units" would include any type of residential dwellings.

Regarding "d" at the top of page 10, the date of July 1 is too late if the recommendation includes fiscal impact so it was changed to March 1 in order to be able to include those recommendations in the budget.

Chairman Kaminski asked that "home builders association" be capitalized in No. 3 under the Membership section on page 10. In addition, "industrial development authority" should be capitalized in No. 5.

There was discussion regarding terms limits as stated in "b" under Membership on page 10. Mr. Miller said term limits may be good for the citizens-at-large, but he felt the history of a member is valuable. In addition, the organizations determine whom they want to appoint. Chairman Kaminski felt it is a good idea to rotate, but she agreed that history is important. Commr. Hill commented that this provision is not included in any other committees. Chairman Kaminski suggested that a motion be made to strike or modify that language. Ms. Hurlbert agreed.

MOTION by Nancy Hurlbert, SECONDED by Bill Benham to delete the proposed new language in Section 22-6 (3) b. on page 10.

Mr. San Fratello said he did not have an issue with term limits; sometimes they make a lot of sense. However, because of the complexity of this particular Committee, he felt two two-year terms is much too short to become completely familiar with all the issues.

FOR: **Benham, Buskers, Hurlbert, Kaminski, LeHeup-Smith, Miller, San Fratello**

AGAINST: **None**

NOT PRESENT: **Calhoun, Powers, Smith**

MOTION CARRIED: **7-0**

Regarding attendance at meetings, Chairman Kaminski said the Committee has asked for replacements in the past when a member was unable to attend regularly. Mr. Buskers felt the last sentence in "c" under Membership is nebulous. Mr. Minkoff said it is meant to be a strong encouragement to attend the meetings. Chairman Kaminski suggested leaving the language as presented for now; Mr. Miller added that the language could be amended if a quorum becomes an issue.

Mr. Minkoff said the additional language in Section 22-8 (1) is basically codifying the practice that is currently taking place.

Regarding the changed language on waiver deferrals on pages 13 and 14, Mr. Minkoff said most of these changes were suggested by the Affordable Housing Committee or contractors who are building affordable housing.

In reference to Section 22-11 on page 15, Mr. Minkoff said that as directed by the BCC, staff is again including this in the draft. However, this section will probably not take effect until several months after the new impact fee schedule takes effect. There must be at least 90 days notice of a new fee going into effect; it is staff's intent not to have prepayments occur during that 90-day period. When the new ordinance comes forward, this section will probably have an effective date around January 1, 2008. The intent is still to allow someone who is in the process of preparing plans to be able to pay the current fees and not pay an additional fee if it is increased while they are in the process. However, there is now a significant change in that a prepayment is only guaranteed a lock-in rate for 12 months. In response to Chairman Kaminski, Mr. Minkoff said staff's recommendation will be that this not become effective after the new rates come into effect. Other than the 12-month change, the language is very similar to the previous prepayment provision.

Chairman Kaminski stated that she strongly disagreed with the statement in (6) on page 6 regarding the administrative fee. When Mr. Benham asked where the administrative fee goes, Chairman Kaminski said it stays within the County, who is already retaining a percentage. Mr. Miller commented that with the fees becoming so high, that results in the percentage collected being higher. Mr. Minkoff explained that part of the task for Tindale-Oliver & Associates was to examine Lake County fees and generate a proposed fee schedule for each of the fees; that is not yet complete. It is his understanding that the intent is to charge the actual cost of each of the services under the fee schedule and to get away from the three percent fee. As a stop-gap method, he has greatly reduced the three percent fee by putting a cap on it. There is a $500 maximum administrative fee for all fees combined. When the study comes back, it may be less than that.
Mr. Minkoff stated that Section 22-14 has been amended to simplify it and make it easier to understand.

Chairman Kaminski felt that (1) under Section 22-14 was a fair change. However, she felt the six-year language added in (2) would hurt the sale of infill lots. Mr. Minkoff agreed that there may be an occasional case where that happens. Initially, the recommendation was for one year instead of six. After discussion, it was decided that one year was not long enough especially if insurance settlements are delayed. Six years may not be long enough, but he felt a new impact on services is created when there has not been a building on a parcel for 25 to 40 years. In most instances, though, he felt six years would be reasonable to accommodate people's needs. Mr. Buskers said resale of the lot should be a consideration. If it is the same ownership and it is seven years later, there should be no fee. However, if there is a resale on a lot and it is seven years later, an impact fee should be imposed. Mr. Miller felt that statement had some value, but Chairman Kaminski felt it may get complicated. She felt it may be best to leave it as written by Mr. Minkoff. Mr. Minkoff pointed out that most older lots did not pay impact fees at all so a person would not be paying it twice if he/she were required to pay the impact fees. Mr. Miller said he was agreeable to the six-year time frame.

Regarding housing for older persons, the County is planning to look into such housing that has been exempted from the education impact fee to ensure that no children are living there. The County does not feel there has been a big abuse of this exemption. In response to Mr. Benham, Mr. Minkoff said that according to the Code, if there has been a violation, it would be necessary to pay an impact fee on all the lots at current rates, which could result in a substantial penalty.

Regarding Section 22-16, Mr. Miller asked that "for all fees" be added to ensure that $500 would be the maximum total for all fees. Mr. Minkoff said that could be done as that was the intent. He reiterated that when the study is complete, the intent is to revisit this section; and it will probably be changed to read "a fee in accordance with the resolution adopted by the Board" which will reflect that study. Chairman Kaminski said she is very much against an administrative fee. She did not have a problem with limiting the amount of the administration fee; she did have a problem with the administrative fee being added to the impact fee rather than being part of the amount paid. When the County instructed the consultants to do the studies, they did not include the cost of collecting the fees in their study. The alternative would be to increase the fee schedules by the amount of the administrative fee. Collecting it separately allows the payer to know the amount of the administrative fee. Mr. Miller said he would like to limit the maximum amount paid to $300 per transaction. Mr. Minkoff said the intent is to reduce that once the study is completed.

Mr. Minkoff said it is proposed that the entire ordinance would take effect 90 days from June. The only sections being considered for delay are the prepayment sections.

MOTION by Jim Miller, SECONDED by Douglas Buskers to change (1) in Section 22-16 on page 23 to read "$300 per transaction."

FOR: **Benham, Buskers, Hurlbert, LeHeup-Smith, Miller, San Fratello**

AGAINST: **Kaminski**

NOT PRESENT: **Calhoun, Powers, Smith**

MOTION CARRIED: **6-1**

In Section 22-17, Mr. Minkoff pointed out that the change in this section makes the County Manager's decision a final decision for purposes of refunds or appeals. If a person has a problem with the County Manager's decision, a judicial relief would still be available.

Mr. Minkoff said Section 22-25 on page 31 would require an accounting of the monies received from the education impact fee as well as an accounting of the interest earned. He added that the title of Section 22-38 was changed to reflect what is contained in the section. In Section 22-39 on page 45, words that had been left out were added.

In response to Mr. Benham, Mr. Minkoff explained that land donated for a park would be included in the

assets of the County, but it would not reduce the impact fee collected for parks very much. When Mr. Benham asked about schools, Mr. Minkoff said the County is not aware, as far as impact fees, when Lake County Schools receive gifts. Schools are not consumption based. The school study is strictly based on how much it costs to provide a seat for a student and how many students each home generates. What is given to the School Board would not have any impact on school impact fees other than reducing the cost of land purchases. That would be factored into the study.

MOTION by Jim Miller, SECONDED by Nancy Hurlbert to recommend approval of Chapter 22, Impact Fees, as amended and to forward it to the Board of County Commissioners.

Mr. Benham was informed by Mr. Minkoff that if the prepayment certificate is not used within twelve months, the prepayment is not refunded, but credit for the amount paid would be given when the owner of the prepayment certificate comes in for a development order. The difference in the impact fees of when the prepayment certificate was issued and the current impact fee would be due as well as two administrative fees since there were two transactions.

Chairman Kaminski stated that she does not agree with every portion of this ordinance, but she will vote to move it forward.

FOR: **Benham, Buskers, Hurlbert, Kaminski, LeHeup-Smith, Miller, San Fratello**

AGAINST: **None**

NOT PRESENT: **Calhoun, Powers, Smith**

MOTION CARRIED: **7-0**

Ms. Thompson stated that a presentation on the park, library, and fire studies is planned for the August 16, 2007 Impact Fee Committee meeting. There was discussion regarding the meetings during the summer. Ms. Hurlbert said she could not attend in July. Chairman Kaminski said these studies are very extensive. She felt reviewing three studies in one day is too much. She felt the Committee rushed too much with the transportation and school studies done in March and did not take the time to get all its questions answered. It may be necessary to have meetings in both July and August.

Commr. Hill said the Lake-Sumter Metropolitan Planning Organization did meet and approve the transportation impact fee with indexing; that impact fee will now go before the BCC.

There being no further business, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

Sherie Ross Public Hearing Coordinator	Jean Kaminski Chairman