

Impact Fee Review Committee (IFRC) Meeting

Minutes Friday, April 1, 2022

9:00 a.m. – 3:30 p.m.

The meeting was called to order at 9:06 a.m. by Llwyd Ecclestone III, Chairman of the Impact Fee Review Committee.

Roll call/Attendance: Llwyd Ecclestone, III, Lawrence Gordon, Laura Danowski, Robert Gottlieb, Darnell Gardener, & Stewart Bosley attended the meeting in person. Committee member Robert Harvey attended the meeting via WebEx.

Ryan Maher, Assistant County Attorney, instructed the Committee that they needed to vote to approve Mr. Harvey's participation and attendance to the meeting via WebEx to satisfy Sunshine law requirements. The criteria is that his circumstances and/or reasons for attending via webex are extraordinary. Mr. Maher instructed the Committee that Mr. Harvey needed to explain to the Committee why he is unable to attend or participate in the meeting in person. Chairman Ecclestone, III asked Mr. Harvey to explain his circumstances. Mr. Harvey informed the committee that he was on a previously scheduled family vacation in Park City, Utah. Mr. Maher asked the Committee again to vote on the motion. Mr. Worley moved the motion to allow Mr. Harvey to attend the meeting via webex and Mr. Lawrence seconded the motion. The motion passed by unanimous vote.

In-Person Attendees: Richard Iavarone, David Ricks, Eric McClellan, Mike Martz, Bob Hamilton, Ryan Maher, Shawna Baker, & Derrek Moore, Morton Rose, Motasem Al-Turk,

Web-ex Attendees: Verdenia Baker, Robert Harvey, Ron Ferris, Scott Reynolds, Sherry Brown, Morton Rose, Kristin Garrison, Ray, Kathleen Farrell, Andrea McCue-Gree, Islami Ayala-Collazo, Leanne Evans, Austin Lee, Rebecca Schnirman, Johnathan Blanco, Kayrn Skyes, Claudia Correa, Ferline Mesidort, Alicia Garrow, Ellen DeLima, Joyell Shaw, Eric Call, John Boehm, Khurshid Mohyuddin, Christine Thrower-Ski, Robyn Lawrence, Blair LittleJohn, Joanne Keller, David Ricks, Motasem Al-Turk, KT Catlin, Jeff, Juan, Ray, Richard Iavarone, and (561)-2**-**00.

Invocation/Moment of Silence: Chairman Ecclestone, III called for a brief moment of silence and thereafter everyone stood and participated in the pledge of allegiance.

Introductions:

Verdenia Baker introduced herself and thanked Mr. Ecclestone, III, Mr. Worley, Robert Gottlieb, and everyone for their hard work with the Impact Fee Review Committee.

Staff introduced themselves and thereafter, all of the Committee members introduced themselves and told a little bit about themselves. Mr. Ryan Maher, County Assistant Attorney, introduced himself. Ms. Nilgun Kamp, Consultant, then followed with her introduction. Mr. Derrek Moore, Impact Fee Manager, finished the introductions by introducing himself and briefly reviewed the purpose and roles of the IFRC.

Mr. Moore briefly introduced Article 2 Chapter 13 of the ULDC that states that we have to complete an Impact Fee Rate study every couple of years. Mr. Moore also stated that Ms. Kamp will share a presentation with the committee regarding the new impact fees. At the end of the presentation, the Committee will be allowed to ask questions and make comments. Following the Committee's questions and concerns the public will then be allowed to ask questions. After, each Department is allowed to come up and ask and answer questions from the committee. Mr. Moore reminds everyone that there are 7 components and informs everyone that Article 13 can be found on the Palm Beach County Impact Fee Page. Mr. Moore states this meeting is to review the methodology and the approach that has been taken to review the study.

Mr. Moore also stated that the meeting is being recorded with audio and video and all updates and information about the impact fee update process will be located on the Impact Fee webpage.

https://discover.pbcgov.org/pzb/administration/Pages/2022_Impact_Fee_Review_Study_Update.aspx

NEW Business:

Mr. Lawrence moved a motion to approve the minutes from the July 29, 2021 meeting and seconded by Mr. Worley. The motion was approved by unanimous vote.

Ms. Kamp re-introduced herself and began her presentation of the impact fee rate study update. (The recording of the presentation and meeting can be reviewed in their entirety at the above link).

Mr. Moore & Chairman Ecclestone, III reiterated the role of the Committee and the duty to ensure the methodology is appropriate and consistent. Mr. Worley mentioned that he had several questions and he began the question and answer process by Department. He further mentioned and reiterated the role of the Impact Fee Review Committee. Mr. Worley requested a summary report be added back into the report. Ms. Danowski requested the powerpoint presentation be added to the webpage and Chairman Ecclestone, III requested that the changes to the numbers in the report also be added to the webpage.

Mr. Worley informed that the statute states that impact fees should be done every 2 years and Ms. Kamp informed the committee the statute has changed to every 4 years, now. Mr. Worley brought up the legal standard and purpose of the committee and how to correctly obtain methodology and meets the dual rational nexus test and/or standard. Mr. Worley also brought up the litigation regarding the nexus of the reports. Mr. Worley mentioned HB 207 and explained his knowledge regarding debt services. The use of impact fees to cover debt service was discussed and the clarified. Mr. Worley also discussed House Bill 337 (HB 337) and whether the County anticipated extraordinary circumstances. Ms. Kamp explained to Mr. Worley that extraordinary circumstances could be due to the functions of the project, what needs to be built and available funding. Mrs. Kamp stated that it is entirely up to the BCC. Mr. Maher agreed with Ms. Kamp's assessment and explanation of HB 337 and with the vast population growth due to industry movement. Whether extraordinary circumstances exist is a localized decision based upon several factors. This will ultimately be a decision for the BCC. It is not a function of the report or consultant's decision.

Mr. Worley also discussed the level of service and how the level of service naturally goes down as you get closer to build out. Ms. Kamp explained that the true level of service is on the dollar amount per person of investment. Ms. Kamp also mentioned that the inventory itself never stays in the same combinations. Mr. Worley explained that legally, we need to meet the dual rational nexus test and that we are consistent with what new development is paying.

Public Buildings – FDO:

Eric McClellan introduced himself to the committee as the Director of Strategic Planning for the County's Facility Development Operations. Mr. McClellan brings up a proven demonstration need for additional space (approx. 300k sq. ft.) to serve judicial functions in Palm Beach County (somewhere between 2025 & 2040). There was some discussion about the six years required to encumber impact fees collected and nine years to expend those impact fees. There was also discussion about whether our methodology is need based. This concept was also discussed in relation to the concept of level of services. Mr. McClellan references back to Ms. Kamp's powerpoint presentation and how PBSO needs building expansion for their shooting range estimated to cost \$9.5 million dollars. Mr. McClellan also addresses how there is a Countywide need for additional office space ranging to an estimate of \$68 million. Mr. McClellan also states there is a holding that will be a civic site that will be 159,000 square foot office building with an estimate of \$68 million and an industrial civic site for an additional \$10 million of cost is expected and courthouse facilities at an estimate of upwards of \$200 million cost. From 2017-2023, our use of impact fees, as a percent of ad valorem investment, is only about 8% of our total capital budget and use for capital projects. Mr. Worley addresses this information in relation to build out and asked about the amount of vacant property. Impact fees are a very small contributor to capital development and their overall budget. Mr. McClellan informs Mr. Worley that the County is holding vacant land due to knowledge of future program need and mentioned the County holds quite a bit of land for future development projects.

Jail expansion was also briefly discussed. Mr. Worley suggested reviewing the categories on Schedule D-1. Review math on Table II-3. Mr. McClellan thanked the Committee for their wealth and knowledge.

Fire Rescue:

Mike Martz introduced himself to the Committee as the Finance Director of Palm Beach County Fire Rescue Department. Mr. Martz informed the Committee that he will retrieve the data regarding building size increases within the report. Everyone acknowledged that the training center should not be included in the calculations. Mr. Worley pointed out the increases within Fire Rescue's equipment and vehicle quantity. Leased buildings and vehicles are not included in calculations (more operational). Mr. Martz informed the Committee due to increased cost associated with purchasing vehicles, replacement of old fleet, accidents in canals causing demand for boats. Incidents are down because of the pandemic, but it is now going back up. People were afraid to call in for ambulance and related services. Table III-5 will reflect a reduction in cost because of the elimination of the training facility from the calculation. Update call information to 2021 numbers. Chairman Ecclestone, III and Committee member Lawrence inquired about billing and collections for transportation. Mr. Martz explained that billing and collections have increased dramatically with their retention of a collection company. The Committee thanked Mr. Martz for attending and stated that they are eager to hear his updates for the next meeting.

Chairman Ecclestone, III informed everyone at 12:00 p.m. that there will be an hour break/recess for lunch. Chairman Ecclestone, III called for everyone to return at 1:15p.m.

The meeting resumed at 1:15p.m.

Chairman Ecclestone, III asked Mr. Moore to provide an updated year-to-date sheet regarding the Impact Fee Aging Analysis and the updated Revenue Summary to show how the revenue is being used. Mr. Moore agreed he would present that information to the Committee in the next scheduled meeting.

Libraries:

Ms. Alicia Garrow attended the meeting via webex as a representative for Libraries. Mr. Moore asked Ms. Garrow if she has any observations. Ms. Garrow informed the Committee their most recent project in their schedule is their Canyon project. Ms. Danoswski asked Ms. Garrow if she would be able to provide the demographics of who uses the library. Ms. Danoswski asked if the report can state the age and if possible by location. Ms. Garrow informs Ms. Danoswski that she will retrieve said information. Mr. Gottlieb thanked Ms. Garrow for the library bus that services the Glades and other areas. Chairman Ecclestone, III thanked Ms. Garrow for attending the meeting. Chairman Ecclestone III inquired about the level of service and whether the pandemic has skewed the results of the data. Chairman Ecclestone III, asked Ms. Garrow to email Mr. Moore the information that has been requested.

Parks and Recreations:

Mr. Bob Hamilton introduced himself to the Committee as the Director of Parks Development for Parks & Recreation. Ms. Rebecca Schnirman, Finance Director also attended the meeting via webex. Mr. Worley & Chairman Ecclestone, III inquired about why land was included in the study and was not included in the last study. Mr. Hamilton explained that it was a BCC directive to include the land calculation and the present deficiency in impact fee funding to fund projects. Mr. Hamilton informed the Committee of development of the Milani parcel in the next two to three years, and the Karen Marcus property in Jupiter will be developed in the next decade. Mr. Worley asked Mr. Hamilton what percentage of park land is purchased versus acquired through gift or dedication. Mr. Hamilton informed Mr. Worley that he will present this information in the next scheduled meeting. Mr. Hamilton informed the Committee that the level of service is in the comprehensive plan. Mr. Worley continued his concern and question of including land cost in the calculation. Mr. Worley asked when the level of service was determined and mentioned that the ULDC was done in 1973, which

caused some changes, and it was updated in 1993. These items changed how things were done across Palm Beach County. Regional, district, and private parks were also discussed. Open spaces were also discussed. Ag Reserve is within the calculation. Committee member Danowski asked Mr. Hamilton to define active lands and he explained the term and further expounded on the concept and passive lands. Committee members Ecclestone, III and Worley continued to express their concern regarding including land in the calculation. Mr. Hamilton concluded by emphasizing that there will be a need to purchase additional land. Mr. Moore also brought up the requested change in zones from three zones to two zones for district parks. Mr. Moore also informed the Committee that for regional parks, they are requesting to go to one zone and to two zones for district zones. The Committee thanked Mr. Hamilton for attending the meeting.

Law Enforcement – PBSO:

No one appeared as a representative for PBSO. The decision was made to review this component during the next meeting.

Palm Beach County School District:

Ms. Leanne Evans attended the meeting via webex as the Treasurer for the Palm Beach County School District. Ms. Kristin Garrison also joined the meeting via webex in for the School District. Committee member Danowski asked about drop-off & pickup and Ms. Evans responded to the questions. Ms. Kamp explained what is included in the school calculation. Ms. Evans reported on the list of schools that are currently set for construction. Committee member Lawrence asked Ms. Evans for the approximate square footage regarding elementary, middle, and high schools. Ms. Garrison informed the Committee that high schools average size is 275,000 sq. ft., elementary schools run around 100,000 sq. ft. and middle schools are around 120,000 to 150,000 sq. ft. Ms. Evans also discussed the debt/bonds and related use of impact fees to pay for the debt used to build the schools. Ms. Evans also responded to and discussed the use of the sales tax revenues (ends Dec. 2026 or possibly 2025). It is not self-renewing. Committee member Worley asked about Table VII-2 and the State legislative caps associated with the costs. Mr. Worley asked about the impact of charter schools and Ms. Kristin Garrison stated that charter high schools hover around 10 or 11% of our schools. She went on to provide additional information about charter schools and answered a few other questions about charter schools. Mrs. Kamp mentioned the legislative inclusion of Affordable Housing for exemption, at the County's discretion. Affordable housing is defined as up to 120% of median income; however, there are other possible definitions. The Committee thanked Ms. Evans and Ms. Garrison for their input and attending the meeting.

Roads – Engineering:

Mr. David Ricks, Mr. Morton Rose, and Mr. Motasem Al-Turk attended the meeting via webex and introduced themselves to the Committee. Ms. Kamp states the method used to calculate road impact fees is what will be built and what kind of additional capacity it will cost per lane miles. This has not changed since the last study. Chairman Ecclestone, III asked what roads is planning to due regarding the expanding traffic and people. Committee member Lawrence inquired about the building expansion going on downtown. Mr. Al-Turk informs Chairman Ecclestone, III that downtown West Palm Beach is a TCA area and they look to meet their TPS requirements and do not have to submit a detailed traffic Impact study or pay for any roadway improvements before getting approved. The Committee thanked Mr. Rose, Mr. Ricks, and Mr. Al-Turk for attending the meeting.

There was no public comment.

Mr. Moore confirmed with the Committee that he will be collecting the Impact Fee Summary and updating the Impact Fee Page. Changes in the numbers for Fire Rescue are needed. Mr. Moore also informed the Committee that he will be sending an invite to industry, Builders, Developers, and other stakeholders regarding the next meeting. Mr. Worley asked Mr. Moore to reach out to Gold Coast Builders Association, AGC (Associated General Contractors), and ABC (Associated Builder Contractors) so they are aware of the next meeting.

The Committee discussed dates and times for a follow-up meeting. Mr. Moore brought up the next meeting will give the community another opportunity to voice their opinions. The Committee agreed to meet on April 22, 2022 from 9:00 a.m. – 3:00 p.m.

County Attorney's Report/Comments:

Mr. Maher reported that the injunction/litigation with Palm Beach Gardens regarding the collection and remittance of road impact fees has been decided in the County's favor. Mr. Maher's stated that the County had their temporary injunction awarded. Mr. Maher informed the Committee that Palm Beach Gardens has 60 days to collect and receive payment of impact fees. Committee member Danowski asked why Palm Beach Gardens was using different methodology. Ms. Kamp stated it was due to them developing their own mobility fee and stopped collecting County road impact fees. There was also discussion about the Cities' ability to implement a mobility fee/charge, while continuing to collect the County's road impact fees. Mrs. Kamp also stated that they must also avoid double charging.

Impact Fee Manager's Report/Comments:

Mr. Moore pointed out the County's Impact Fee web link is presented on the agenda and that all information for this process is located on that webpage. Mr. Moore reminds the committee that in the next meeting there will be a photographer present to take their pictures of the Committee members to be included on the Impact Fee webpage.

There was no public comments.

Chairman Ecclestone, III called for a motion to adjourn the meeting and Committee member Danowski moved the motion to adjourn and Committee member Gottlieb seconded the motion. All Committee members agreed and the meeting was adjourned at 3:26 p.m.