

**Columbia County Board of County Commissioners**  
**JOINT WORKSHOP**  
March 03, 2009

The Columbia County Board of County Commissioners and the Columbia County School Board met in a scheduled workshop at the School Board Administration Office at 5:00 p.m.

**IN ATTENDANCE:**

**County Commissioners Present:** Chairman Stephen Bailey, Ronald Williams, Jody Dupree, Dewey Weaver and Scarlet Frisina.

**School Board Members Present:** Glenn Hunter, Linard Johnson, Charles Maxwell, and Steve Nelson.

**School Board Member Absent:** Keith Hudson was on a business trip out of town.

**Others in Attendance:**

For the County Commission: County Manager Dale Williams,  
County Attorney Marlin Feagle  
Attorney Crystalyn Carey - Nabors, Giblin & Nickerson, P.A.  
Deputy Clerk Sandy Markham

For the School Board: School Board Attorney Guy Norris  
Superintendent of Schools Mike Millikin  
Purchasing Director Mike Null

The purpose of the meeting was to discuss the possibility of reductions, exemptions, and/or a possible moratorium.

Chairman Bailey gave a brief history on Columbia County's impact fees. The fees became effective on February 01, 2008. The Board was previously asked to place a moratorium on impact fees. The Board voted against the moratorium, but promised to monitor the situation. Since that time, the economy has steadily declined. At the February 19, 2009 Board of County Commissioner's meeting Commissioner Weaver asked that the Board consider a moratorium on impact fees for a specific amount of time.

Chairman Bailey said that the county learned earlier in the day that a legislative bill has been filed in an effort to place a statewide moratorium on impact fees for a period of three (3) years. Should this bill pass, it would override the county's one year moratorium [if approved].

The commissioners shared their opinions and concerns.

Commissioner Williams recalled that when impact fees were originally put into place that there was a steady growth in business and an influx of newcomers into the community who were causing an impact on services offered by the county. He said that he supported implementing impact fees, because it allowed those impacting the services to be able to share in the cost. The impact fees have also been part of managed growth. The commissioner is in favor of a moratorium if it makes a difference in one person being able to build a home and if it gives at least one construction worker a job. The commissioner supports a moratorium with a review in one year.

Commissioner Weaver said that with a large portion of jobs in the community being construction, and many other jobs being related to construction, a moratorium will definitely stimulate the local economy at least a little. He said that a moratorium is a good faith effort to help the local economy "regain its footing." The commissioner will support a one year moratorium with a review at the end of the year. He suggested a yearly review take place each January.

Commissioner Dupree said that being in the construction field, that he personally can see the affect of impact fees. He said that when putting affordable housing models together, that there are times when they could not achieve the needed price point. The commissioner said that when the impact fee was taken out of the model that it was possible to meet the price point for providing affordable housing. He said that there must be parity in the marketplace, especially in the residential markets, but stated, "We don't have that in Columbia County." He said that he believes a moratorium will assist with building consumer confidence. Also the commissioner said that there is a market for affordable housing. Placing a moratorium on impact fees will not only make the homes affordable, but it will build consumer confidence. Commissioner Dupree said that the time is now to stimulate the local economy and to prepare for future economic growth. Commissioner Dupree feels that impact fees has been some of the cause in a low number of building permits being pulled.

Commissioner Frisina offered no input.

The School Board members shared their opinions and concerns.

Member Glenn Hunter recalled that when impact fees when into place that the School Board was in need of the funds due to state funding cuts. At the time impact fees were put into place the economy had been flourishing and it was anticipated that up to 1000 permits per year would be pulled, which would have generated around \$1,000,000 to help build schools. He said currently the School Board has generated approximately \$250,000 from impact fees from approximately 170 permits being pulled. He noted that there is no growth in student population. He said that "it seems like everyone is down and hurting," and that a moratorium may give some hope. He said that the local government has to do something to assist the people and stimulate the economy. He said that he is in agreement with a one year review, or a three year review if that is what the state deems best.

Member Steve Nelson said that with the economic downturn that everyone needs to do whatever they can to stimulate growth in the county. He said for the first time, in the history of Columbia County, the School Board had to borrow money to complete the structure of a new school that was needed due to unprecedented growth that was taking place in the county. This new school is needed to relieve the overcrowding at other schools. Member Nelson said that like other agencies, the Columbia County School Board is now experiencing a "strapped" budget. He said impact fees should have been in place a long time ago and that would have prevented the School Board from being "where there were". He said that while impact fees are a small portion of the School Boards income, it is still income. He said that he conceptually supports impact fees, but currently supports a moratorium. He said that the Board definitely should consider reinstating the impact fees in one year.

Mr. Nelson said the anticipated number of permits that would be pulled was projected from years of growth. He said no one can say with any certainty that the low number of permits pulled for construction was due to impact fees. He said that he expects that impact fees is less than 1% of the problem in the building industry, but agreed that it may be a small reason. He said that when the economy took a downturn that banks were simply not making loans.

Member Charles Maxwell said that more than half of the impact fees received came from mobile homes and did not come from standard construction. He also noted that the School Board borrowed

\$26,000,000 to build the school based on growth and the money impact fees would generate. He asked what data or thesis has been produced that would indicate construction has diminished due to impact fees.

Commissioner Williams replied that data is not really needed to back up what is being said. He told Mr. Maxwell that nobody believes that this is a cure-all or that the economy will start to boom again if a moratorium is placed on impact fees. However, he was certain that there are situations out there where the impact fee is the obstacle that has stood in the way of a person getting a home. He said that it's not that anyone believes that the suffering of the construction industry is a direct cause from impact fees, but he does believe that a moratorium is a tool that may spur a minimum amount of new construction.

Chairman Bailey said that county staff sent out a survey to all 67 counties in the state of Florida regarding recent action taken relating to impact fees. Eleven (11) counties responded. Of the eleven, two (2) of the counties did not have impact fees. Out of the nine counties who reported having impact fees, seven of them have taken some sort of action in an effort to give citizens some sort of confidence and spur at least some growth. Chairman Bailey said that none of the responding counties had any data that would prove their action had been a benefit as each county is in the very beginning processes of their action.

Member Charles Maxwell replied to the Chairman that at least three of the eleven counties mentioned have experienced a decline in school population over the past three plus years, which had little or nothing at all to do with construction. He advised that there are also several other counties that have been experiencing a decline that did not respond. Mr. Maxwell said that has not been the case with Columbia County Schools. He said regarding the data that it is important and worth discussing.

Member Linard Johnson said that he believes that there were loans denied simply because the applicant was \$3,000-\$4,000 over what the banking institution was willing to loan. He said that people moving to this part of Florida may have to consider our neighboring counties since none of them have impact fees except for Baker County. He said the tax dollars are needed in this county. He said that citizen's budgets are extremely tight and as community leaders they must give people every opportunity to build a home. He said that it is the suffering housing industry that is causing much of the suffering and everyone must do what they can to get the housing industry back on it's feet.

The Chairman said it appeared that the majority of those present were in agreement. He asked Attorney Carey to discuss the Board's options and the legalities for implementing a moratorium.

Commissioner Williams said that he would personally like to see the moratorium rolled back to January 1, 2009. The commissioner said that the amount that would have to be reimbursed would not be that much money. Commissioner Weaver said that he would like the rolled back to be January 01, 2009 for residential and that the moratorium apply to commercial on the effective date of the moratorium ordinance. Attorney Carey said that she would research the question(s), but was fairly certain that the property types would need to be treated equally across the board.

Attorney Carey said since this moratorium would have to be approved by ordinance, there would be a requirement to advertise for 10 days prior to the meeting. The Board has the option of suspending impact fees until the Board adopts the ordinance or they can be paid and subject to refund once the ordinance is adopted.

The Board wants to ensure that a provision is in place to ensure that the actual homeowner is reimbursed the impact fee.

Member Charles Maxwell said that it is not only the building industry that is having difficult times, that it's everyone. He reminded the Board that action to place a moratorium on impact fees is going to significantly impact the school system and the children in the schools. He asked about the possibility of

reducing the impact fee, instead of a total moratorium. Commissioner Williams said it would be up to the School Board whether or not they do anything with their impact fees, but for the Board of County Commissioners, they are interested in placing a full moratorium on their portion. Member Maxwell said it is his understanding that the Board of County Commissioners will be the Board that decides the outcome for both sets of impact fees. Commissioner Weaver replied to Member Maxwell that his understanding is correct and that the Board will have the responsibility of making the final decision on both sets of impact fees.

Attorney Carey said the amendment to the ordinance will have to be advertised for ten days. The ordinance will then be voted on at a public hearing. She suggested that there be a built in time period for getting reports on the status of the economy so everyone will know in advance whether the moratorium can be re-implemented in one year. She said a one year moratorium should be no problem for the county, but cautioned the Board that if the moratorium goes on for a very long period of time that when they are finally ready to re-implement the impact fee that they will likely have to pay for a new set of studies as the capital costs and projects that were taken into account when the studies were done may no longer exist. Therefore, the originally calculated fees may not be legally accurate anymore. As a result, the impact fees studies may need revising before re-imposing the impact fees. She asked the Board to keep in mind that at the end of the one year that there will still be another 90 days before the fee could be re-implemented. She said the Board would have the option of doing the 90 day notice at the 9 month mark.

Member Linard Johnson asked that the moratorium not be made retroactive as it would cause a hardship on the school system. He explained the monies from the impact fees have already been considered in the budget. He said this is money that has already been spent or allocated in the budget.

Answering Commissioner Williams' question, County Manager Williams said that impact fees are distributed bi-weekly. All but \$16,500 has been distributed to the School System.

Member Charles Maxwell reminded everyone that because the school system has no boundaries that there is a duplicate impact ordinance that was put into place by the City of Lake City. It is very likely the City will take the same action. Attorney Carey said that she would look into the ordinance Mr. Maxwell was referring to.

The Board asked Attorney Carey, based on a general consensus, to assume they will adopt a moratorium on March 19th. She was asked to proceed with advertising and drafting of the ordinance according to discussions. Attorney Carey will address whether or not the moratorium on impact fees can be rolled back to January 01, 2009 at that meeting.

The commissioners agreed the issue will be readdressed in January 2010.

There being no further business, the meeting adjourned at 6:00 p.m.

ATTEST:

\_\_\_\_\_  
Clerk of Circuit Court  
P. DeWitt Cason

\_\_\_\_\_  
Board of County Commissioners

