

**MINUTES OF MEETING  
BOARD OF COUNTY COMMISSIONERS  
ST. JOHNS COUNTY, FLORIDA  
SEPTEMBER 29, 2009  
(9:00 A.M.)**

Proceedings of a special meeting of the Board of County Commissioners of St. Johns County, Florida, held in the auditorium at the County Administration Building, 500 San Sebastian View, St. Augustine, Florida.

Proof of publication of the notice of a special meeting discussing impact fees was received, having been published in *The St. Augustine Record* on September 22, 2009.

Present were:           Cyndi Stevenson, District 1, Chair  
                              Ron Sanchez, District 2, Vice Chair  
                              Mark P. Miner, District 3  
                              Phillip Mays, District 4  
                              Ken Bryan, District 5  
                              Michael D. Wanchick, County Administrator  
                              Patrick McCormack, County Attorney  
                              Lenora Newsome, Deputy Clerk

Also present:           Michael Hunt, Deputy County Attorney

(09/29/09 - 1 - 9:00 a.m.)  
CALL TO ORDER

Stevenson called the meeting to order.

(09/29/09 - 1 - 9:00 a.m.)  
ROLL CALL

Stevenson announced all five commissioners were present.

(09/29/09 - 1 - 9:01 a.m.)  
Bryan gave the Invocation and Mays led the Pledge of Allegiance.

(09/29/09 - 1 - 9:02 a.m.)  
PUBLIC COMMENT

None

(09/29/09 - 1 - 9:03 a.m.)  
ADDITIONS/DELETIONS TO SPECIAL AGENDA

Wanchick requested to add a small amendment to the existing TDC Contract and take official action on the organizational chart.

(09/29/09 - 1 - 9:04 a.m.)  
APPROVAL OF SPECIAL AGENDA

**Motion by Miner, seconded by Bryan, carried 5/0, to approve the Special Agenda as amended.**

(09/29/09 - 1 - 9:04 a.m.)  
1A. TDC CONTRACT

Hunt stated that the Board needed to approve the organizational restructuring of the VCB, and it required an amendment to the contract between the County and the VCB. *He stated that the changes were: to change the fourth whereas clause of the original agreement so it would be clear that the Chief Executive Officer of the VCB would no longer be the executive director of the VCB; the second change, a technical amendment, that would change the notice requirement from Ben Adams to County Administrator; and the third amendment should be, that in the interim, or until the Visitor's Convention Bureau made a determination to who should be, and appointed a Chief Executive Officer, that the County and the VCB agreed on an interim Chief Executive Officer that may or may not be a County employee, and then, there was a severability clause which stated that if there was anything wrong, that the remaining provisions of the agreement would stay in place, remain in full force and affect, and the agreement itself, which was adopted or agreed to and executed in 1996, should be held and remain in full force in affect, except for those amendments that were just made.*

(9:06 a.m.) **Motion by Miner, seconded by Bryan, to adopt the changes that were described by the Assistant County Attorney.** Bryan mentioned that he would like to see something similar to Category II. *McCormack asked if the maker of the motion and the second would consider including authorizing the County Administrator to execute a revision to the contract with those changes. Maker of the motion accepted the changes by McCormack and the second also agreed. Wanchick stated that he raised the organizational chart and Hunt raised the contractual and that he meant to endorse both. He asked if they could make reference to the organization chart as well. Maker of the motion adopted all comments and additions made by Administration and the Legal Office and the second agreed. The motion carried 5/0.* Stevenson asked if there would be a general revision to the contract as well. Wanchick stated that was correct, probably within the next 60 to 90 days.

(09/29/09 - 2 - 9:10 a.m.)

1. IMPACT FEE DEFERRAL DISCUSSION

Wanchick gave an opening comment, stating that the last time they met the Builders Council asked to have a workshop as a follow up.

(9:11 a.m.) Clara Cowan, 244 Patrick Mill Circle, on behalf of the Ponte Vedra Coalition, requested that the Board not make a change in the current impact fee structure.

(9:12 a.m.) Ben Williams, 1096 Oak Vale Road, spoke on not charging impact fees, unit connection fees, or property taxes on commercial, at anywhere near the rates that they were charging. He stated that the builders were 100 percent correct in that they needed to be business friendly and on keeping fees and taxes low for all commercial activity. He stated that he would fully support the removal of commercial. He stated that the problem was that the commercial and residential impact fees were connected.

(9:17 a.m.) Maureen Ortagus, 1445 Masters Drive, spoke on paying for infrastructure and thanked the County for replacing the speed humps on Masters Drive.

(9:19 a.m.) Ed Paucek, 970 Irma Way, thanked the Commission for moving in the direction that they had promised in their campaigns. He spoke on charges by Utility and asked for a review. He spoke on funds for Parks and Recreation, suspending capital improvements at that time because of the economy, and the County not having a true incentive program. Paucek stated that they recommended the creation of an economic development incentive program, funding the research by staff for the specific task of obtaining State and Federal grants for business expansion, the establishment of Enterprise Zones and Incentive Areas throughout the County, providing tax discounts for economic activity that created jobs, and questioned the current economic development. He stated that they recommended a reduction in the five year financing on the impact fees to a minimum of \$25,000. (*Exhibit A*)

(9:25 a.m.) Bill Lazar, 525 West King Street, Builders Council, spoke on people not paying their fair share to keep the community going. He spoke on people closing businesses down and laying people off. He stated that there were a lot of people in the community hurting because there was not a lot happening. He stated that they worked with a lot of people, and anything that the Board could look at, in terms of affordable housing, that would help them keep trying to build homes for their work force, would be a great help. He stated that he felt that the impact fee was just one small way to receive tax revenue. He stated that they needed to look at a lot of things and figure out if there were ways to ask everybody else to do a little bit more.

(9:30 a.m.) Gary Silverfield, 1159 Ponte Vedra Blvd., spoke on fighting impact fees, needing jobs in the county and the fact that eliminating impact fees did not make sense. He recommended maintaining the impact fee structure as it was.

(9:32 a.m.) Michael Herzberg, 1 Sleiman Parkway, Jacksonville, spoke in favor of the changes to the impact fees, and stated that any relief, in the way of impact fees, was necessary. He asked for the removal of the ghost trips.

(9:35 a.m.) John Valdes, 1395 US 1 South, encouraged the Commissioners to consider modifying the impact fees. He spoke on maintaining residential impact fees and controlling urban sprawl.

(9:39 a.m.) Michael Davis, 23 Park Terrace Drive, stated that he would like to see impact fees rolled back to what they were in 2004. He stated that it was killing the local growth; Mom and Pop businesses. He stated that they needed to look at the system and how impact fees were being charged to businesses, and at all impact fees and the cost benefit. He added that they needed to protect the School Board in whatever they did. He stated that he would love for them to review each impact fee based on what the cost benefit was to the community.

(9:44 a.m.) Ellen Whitmer, 1178 Natures Hammock Road South, asked the Board to retain the current impact fee structure. She suggested getting out of Cornerstone and stated that she didn't see any benefit of being a member of it.

(9:46 a.m.) Bryan thanked everyone for taking the time to come back out that day. He stated there were good suggestions mentioned, but if eliminated, impact fees would hurt everyone across the board. He mentioned looking at commercial impact fees and deferring over a five year period. He referred to a pie chart indicating where impact fees went. He stated that if they didn't have impact fees to improve roads, they would have to raise taxes. He reviewed what it cost to build a house in 2007 and what it cost today, and that it was about a 40% difference. He stated that the Builders Council should be working with the Chamber of Commerce, but that totally eliminating impact fees was not going to work.

(9:52 a.m.) Miner voiced his concern regarding making the distinction between residential and commercial impact fees. He stated that they needed to examine economic development incentives. He stated that he couldn't support encouraging any residential right now. He mentioned that he would like to see staff explore something similar to a rebate system for commercial projects.

(9:53 a.m.) Mays stated that he agreed that a review was due on the commercial related impact fees. He said that they also wanted to do what they could to let the commercial construction building industry understand and utilize the mechanisms that they currently had in place to help them.

(9:55 a.m.) Sanchez spoke on their obligation regarding development agreements and having bonds connected to it. He spoke on impact fee rebates. James Whitehouse, Senior Assistant Attorney, responded that the impact fee rebate would have to come from the

County's money. Sanchez stated that they would have to pay it out of the General Fund to instigate the agreement. Whitehouse replied that they could investigate it. Stevenson stated that they had been down that road before with the County and explained. Sanchez spoke on 70,000 houses being approved, but not yet permitted, through most of the large developments. He spoke on the utility review, and Parks and Recreation. He mentioned looking to the Chamber of Commerce or Administration concerning Cornerstone. He stated that the general concept, all over the nation, was that the big guys overdeveloped and overbuilt. He spoke on having a big national problem and stated that he wasn't in support of the impact fees to begin with. Discussion followed.

(10:06 a.m.) Stevenson stated that she had definitely heard some important things they could do. She stated that one of the things that they were due to undertake was an update of the impact fee ordinance. She spoke on not having an appropriate way to fund infrastructure for local governments, being a high growth county, looking at the way it affected commercial and economic opportunities, over building, and house costs going up. She also spoke on incentive programs.

(10:13 a.m.) Bryan commented that ideas needed to be explored to see if there were things that could be done. He said he would not support eliminating residential impact fees that they needed to look at a plan for commercial incentives and that they needed to look at creative ideas for those projects and see what they could do.

(10:15 a.m.) Sanchez said a lot of things that they would like to do were controlled by State and Federal law and there were a lot of restraints placed on them. He said the overdevelopment had caused a massive amount of infrastructure delays. He cited examples of projects that were supposed to have been done by developers, but was inherited by the County with State & Federal grants. He said that until the State came up with another way for funding to substitute the Impact Fees, the County had a problem. He said they needed to put pressure on the State to bring about change. He said the unemployment rate was high, but until the people with money got their confidence back, they were not going to spend that money. He said until that confidence level was back, they were not going to solve the problem.

(10:19 a.m.) Stevenson asked if there was funding to update the Impact Fee study. Wanchick said no, and it would cost about \$20,000. Stevenson said she would support that.

(10:20 a.m.) Sanchez said that Dr. Nicholson, from Gainesville, invented the impact fee structure. He told the Board that it was inadequate, it was a bad program, and there was no way that it would continue working. He stated that the State had never made changes to allow counties to do anything else. He said that same man was hired to come to the County and tell them how much they should raise the Impact Fee. He mentioned that he had a problem with that avenue and if they were going to look it over, they needed to look at other options. Stevenson mentioned that they would have to go outside to get an expert to do the updates. She said there were some communities that had their structure much different than St. Johns County's. She asked if it was not time to do that.

(10:23 a.m.) Wanchick said it was a very technical process.

(10:23 a.m.) Mays said the evaluating was a good idea, but they should definitely use a different consultant to do it.

(10:23 a.m.) Miner agreed that they should have someone else come in and asked if they wanted to do a study on impact fees. Bryan asked what it was they were going to study, and what they would have asked a consultant to look at. Mays said they needed to look at whether it was structured properly.

(10:24 a.m.) Wanchick commented on some of the things they would look at concerning impact fees. He said no one liked impact fees. He read from a document about the State Senate Panel Special Task Force, which said they needed impact fees to fund infrastructure. He stated that concurrency would have a major impact on impact fees. He said they had to be sure their program was fair and that everyone was treated in an equitable manner. He said he didn't buy into the competition with the law. He noted the fundamentals in St. Johns County were good. He stated that the economy was off, and it was not our fault, and there was not much the County could do about it. He said giving up impact fees would not get them towards the long term goals of the County. He also mentioned that they needed to strengthen their program for economic development. But, eliminating impact fees was not one of them.

(10:28 a.m.) Bryan said he would like to see something of more substance relating to the commercial component, and that it should be included in the study, along with incentives. Mays said they were talking about looking at the structure. Wanchick said they could choose which developments they wanted to give incentives and which one they didn't.

(10:30 a.m.) *Stevenson said there was consensus for an update on Impact Fee Study.* Wanchick said they would have to transfer funds in order to do the study to the tune of \$20,000/\$25,000. Bryan asked if the time frame would be six to eight months, and Locklear responded it would be within that time frame. Sanchez said that he would not support waiving the fees, but would support study of the structure. He said Administration and legal could move forward without Board action.

(10:31 a.m.) Wanchick stated that Sanchez made an important clarification; that it was not a study to do away with impact fees, but to study the structure, to ensure that it was fair to everyone. He said he understood the builders' position and felt like they were caught in the middle. He said they were always willing to work with them, and that they valued their relationship with the builders.

(10:33 a.m.) Bryan asked Paucek if he agreed with a committee type program that they were suggesting; working with staff and a few individuals from his community.

(10:34 a.m.) Paucek said he appreciated their comments and the challenge that they made in reference to them providing more of an input to the Chamber of Commerce and the TDC. He said they would be happy to meet with a committee. He said it appeared that they were adversarial in public form, but it was only because of the process of airing the problems. He said they appreciated the process, they were in it together, and would certainly be willing to work together. He said he appreciated their fairness and their caring and offered thanks from the Builder's Council.

(10:36 a.m.) Stevenson said that it was an important point to make that redevelopment was not subject to impact fees, so that was an encouragement for infill. She said there wasn't adequate funding, especially for a growth county like St. Johns. She commented on doc stamps, and said that people were proposing that legislation again as a funding mechanism for infrastructure. She said she had also heard about the timing of payment for all impact fees over a certain threshold. Wanchick said they were working on it.

The meeting recessed at 10:39 a.m. and reconvened at 10:52 a.m.

(09/29/09 - 5 - 10:52 a.m.)  
COMMISSIONERS' REPORTS

Commissioner Mays:

Mays stated that through efforts with FDOT, TPO, and Tallahassee that 9B had been funded from the termination of the 9A point over to US 1, which brought them a step closer to

getting the St. Johns County portion done from US 1 to 95. Stevenson spoke on road improvements. Mays responded.

(10:53 a.m.) Commissioner Bryan:

No report.

(10:54 a.m.) Commissioner Sanchez:

No report.

(10:54 a.m.) Commissioner Miner:

Miner thanked everyone for the discussion this day and that he thought it was very productive. He said he had a lot of people wanting to participate on the committee suggested by Bryan.

(10:54 a.m.) Commissioner Stevenson:

Stevenson stated that she was going to distribute tentative policies suggested by the FAC Energy Independent Work Group, and asked the Board to mark what they were willing to support.

Stevenson spoke on the Juvenile Justice, Juvenile Center.

Stevenson stated that it had been a good discussion on impact fees and how they pay for infrastructure. She stated that they were looking for partnerships and solutions. She stated that the County had done a lot of investments to enable affordable lots in the West Augustine area through the CRA and through road and drainage improvements in cooperation with the Federal funding.

(10:57 a.m.) Miner stated that he was asked by the public why they didn't do this type of discussion in a smaller setting or around a table like they used to. He stated that they had taken a lot of criticism for doing it that way, so that was why they don't do it anymore. Stevenson stated that she was under the impression that in that facility that they would be able to meet down on the floor.

(10:58 a.m.) Bryan said that relative to that, in the future, what may help to generate a little better atmosphere, was to have a flip chart or have someone from staff write up the ideas as they generated them. Stevenson said maybe they could sit at a folding table. Wanchick replied that there would be problems with broadcasting because the cameras were not set up and moveable. McCormack suggested having a facilitator with notes that could go up on the overhead. Bryan stated he thought it would help to get ideas out there and to brainstorm. Wanchick said that they did it upstairs in their other room when they had workshops. Stevenson mentioned that they used to have an un-fixed camera they could use. Wanchick stated that if it was the Commissions pleasure, next time they had a workshop, they would make a judgment, prior to the meeting whether to have it down there or upstairs like they used to, if he thought it was going to be a small enough crowd. He said if they gave him that direction, he would make that call. Wanchick stated that they would look at it for the next time, when it was appropriate.

(09/29/09 - 6 - 11:02 a.m.)

COUNTY ADMINISTRATOR'S REPORT

Wanchick spoke on the committee meeting with the Builders Council and related parties.

Wanchick stated that he assumed that he had the authorization from the Commission to make the necessary budget transfers to fund the study of impact fees that they discussed.

(09/29/09 - 7 - 11:03 a.m.)

COUNTY ATTORNEY'S REPORT

McCormack spoke on having committees as working groups. He mentioned having Wanchick and Paucek form a very informal working group, not Board appointed, and that there might be a little more flexibility that way. He recommended having Wanchick and Paucek discuss that to see what would be the most advantageous arrangement.

McCormack echoed the comment by Sanchez regarding the State and Federal regulations.

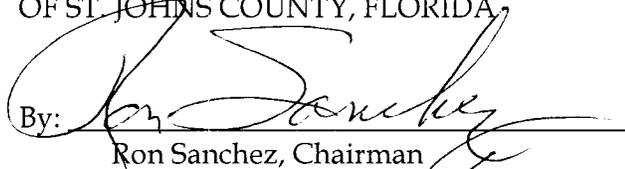
(09/29/09 - 7 - 11:05 a.m.)

CLERK OF COURT'S REPORT

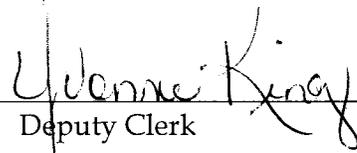
**Motion by Sanchez, seconded by Bryan, carried 5/0, to adjourn the meeting.** With there being no further business to come before the Board, the meeting adjourned at 11:06 a.m.

Approved \_\_\_\_\_ November 3 \_\_\_\_\_, 2009

BOARD OF COUNTY COMMISSIONERS  
OF ST. JOHNS COUNTY, FLORIDA

By:   
Ron Sanchez, Chairman

ATTEST: CHERYL STRICKLAND, CLERK

By:   
Deputy Clerk

