

DRAFT

WORKSHOP &
SPECIAL CALLED
MEETING

BOARD OF COUNTY COMMISSIONERS

JANUARY 5, 2021

The Board of Sumter County Commissioners (BOCC/Board) convened in a special called meeting and workshop on Tuesday, January 5, 2021, at The Villages Sumter County Service Center in Wildwood, Florida with the following members present to wit: Gary Search, District No. 1; Doug Gilpin, District No. 2; Craig Estep, Vice Chairman, District No. 3; Garry Breeden, Chairman, District No. 4; and Oren Miller, 2nd Vice Chairman, District No. 5. The following individuals were also present and acting in their respective official capacities: Bradley Arnold, County Administrator; Caroline Alrestimawi, Deputy Clerk; and Jennifer Rey of The Hogan Law Firm, Attorneys for the Board. Commissioner Breeden called the meeting to order at 7:00 p.m. The complete audio recording of this meeting is available by request through the Clerk's Website - www.sumterclerk.com.

1. Public Forum

The following individuals spoke during Public Forum:

(Clerk's Note: The topic and/or topics that each individual spoke on is in parenthesis by their name and address.)

- a. Gilbert Windsor, 2354 Bramble Terrace, The Villages (Resolution 2018-43); and
- b. Reed Panos, 1791 Sunset Ridge Dr, The Villages (Impact Fees).

2. Road Impact Fee (For Direction)

This item was presented by Bradley Arnold, County Administrator. Sumter County only has one impact fee that it imposes on new construction, and it is collected at the time of the building permit issuance. The one impact fee is a road impact fee, and it was created following Florida Statutes and using the consumption-based methodology to determine the maximum rate allowed for consideration. The same attachments are provided as for the 12/1/2020 meeting with the addition of this executive summary, the memorandum from the County Attorney, and an impact analysis provided by Sumter County Economic Development showing the thresholds of competitiveness with surrounding counties. From the information, any change of the impact fee would be through a public hearing modifying the percentage of the maximum rate from the adopted study rather than any specific use. I recommend that any change be considered no later than the end of February 2021 with an effective date of October 1, 2021, to provide six months' notice to the business community of the upcoming change. The direction is requested on the level of change of the percentage of the maximum rate, placement of the agenda item to set the public hearing, the date for the public hearing, and the planned effective date of the change, if any. Commissioner Gilpin spoke regarding the impact that non-competitive impact fees could have. Commissioner Miller's suggestion is to raise impact fees to 100%. Commissioner Breeden commented that if ad valorem was decreased but fees were increased somewhere else, then ultimately there would be a raise in

taxes. Additionally, Commissioner Breeden worries that a young couple trying to build a house would be more negatively affected than some by a raise in road impact fees. Commissioner Search agrees with Commissioner Miller and believes that road impact fees need to be raised to 100%. Commissioner Estep concurs with Commissioner Miller and Commissioner Search in regards to a hearing being set to allow the public to come in and discuss the issue. Direction was provided to Mr. Arnold to put the item on a January 12, 2021 agenda to set the public hearing, determine the level of increase and the implementation date of that increase.

1-5-21-2

3. Other Impact Fees Than Road Impact Fees (For Direction)

Sumter County only has one impact fee that it imposes on new construction, and it is collected at the time of the building permit issuance. The one impact fee is a road impact fee, and it was created following Florida Statutes and using the consumption-based methodology to determine the maximum rate allowed for consideration. For the implementation of any other impact fee, the same statutory and study process would be required as was for the road impact fee. The starting point for considering additional impact fees is who is providing the service that would need additional capital support since the funds can only be used for capital capacity purposes and not for on-going operational purposes. Another point of consideration is how the additional fee would place Sumter County in the total impact fees compared to its surrounding competing counties. A fire impact fee that was a project-based fee was in place until all of the identified projects were completed for fire stations and equipment both in and out of The Villages® development. Fire service is a consolidated service between the cities and Sumter County, with Sumter County as the provider countywide. Sumter County contracts the service provision in The Villages® development with the Villages Center Community Development District (VCCDD). For the non-Villages® development area, the current demand for new fire stations and equipment for capacity needs will be up to date with the opening of Station 33 on SR 44. For The Villages® development, plans would need to be prepared, in conjunction with the developer, for a build-out plan for locating future fire stations as a basis for a project-based fee to be considered. This is an area that could be considered. South of SR 44, one station is leased to the VCCDD near the intersection of US 301 and Warm Springs Avenue by Sumter County, and one new station is occupied by the VCCDD on Morse Boulevard via a lease between the VCCDD and the developer. A law enforcement impact fee may not be appropriate for Sumter County since the majority of the growth that is projected is in the City of Wildwood, and they have imposed a police impact fee for their needs. The public safety radio system was over a \$12M capital expenditure for its initial deployment and is related to growth and could be considered for future capital capacity justification via a consumption-based methodology. This service is a consolidated service provided by Sumter County via the interlocal service boundary agreements with the cities. A future large capital capacity needs for the jail was prepared. The jail and courts will have a need over the next ten years; however, the correlation between new development and criminal activity requiring the use of the court or jail is suspect. A study may not be able to justify the application to

new development using the dual rational nexus test. Likewise, the demand for more shelter space for animal services may not be connected with new development but associated with the level of responsible pet ownership. The jail and court services are consolidated services for the county as defined by Florida Statutes rather than by an interlocal service boundary agreement. Animal services is a consolidated service provided by Sumter County via interlocal service boundary agreement with the cities. A recreation impact fee may not be appropriate due to the interlocal service boundary agreements where active recreation is to be provided by the cities, and passive recreation is provided by Sumter County until the park is adjacent on three sides to a city then the park will transition to the city for ownership and maintenance. Other than Lake Okahumpka and Lake Panasoffkee parks, all of the other Sumter County parks are limited in size for passive recreation purposes such as boat ramps, picnic areas, and playground equipment. The City of Wildwood imposes a recreation impact fee for its jurisdiction. With the continued use of library services growing in clouded-based services, and the co-location with existing buildings such as The Villages Sumter County Service Center, the projected capital for a building may be limited. This service is provided by Sumter County countywide via the interlocal service boundary agreement with the cities. Commissioner Miller recommends that the County brings in a consultant to determine what types of other impact fees might be appropriate. The Board provided consensus to put that recommendation on an agenda for a vote.

1-5-21-3

4. Other Revenues (For Direction)

Two revenue sources that counties pursue are municipal service taxing units (MSTU) and municipal service benefit units (MSBU). MSTUs are typically used to emphasize a specific impact on the Ad Valorem taxes, such as a law enforcement MSTU or a medical MSTU. The emphasis is political rather than practical since it is just another levy of Ad Valorem taxes that could remain as part of the General Fund Ad Valorem tax levy process. MSBUs are non-Ad Valorem assessments that are typically placed on the annual property tax bill but is a flat rate and not based on the fluctuations of property values. Sumter County does not have an MSTU in the strictest sense; however, it does have a simulated MSTU when it created the North Sumter County Utility Dependent District (NSCUDD). In the creation of NSCUDD, Sumter County provided it with significant autonomy while remaining dependent on the Sumter County Board of County Commissioners. One of the abilities of NSCUDD is to impose up to 0.5 mills in Ad Valorem taxes. If the Board approved a submitted NSCUDD budget with an Ad Valorem tax, then it would be counted towards the Board's maximum levy of 10 mills. The dependent portion of NSCUDD is filling any vacancy that arises as well as either accepting in full or rejecting in full NSCUDD's submitted annual budget. If rejected, the NSCUDD would be required to adjust and resubmit until the Board approved the budget. Sumter County does have one MSBU; however, both in Chapter X of the Sumter County Code of Ordinances (Attached) and in the interlocal service boundary agreements with the cities, there is the contemplation of the potential for more and the process to pursue them. The one MSBU in place presently is the countywide fire non-ad Valorem

assessment MSBU. The current rate is \$124.00 per improved parcel, and based on the study establishing it, and the maximum rate was set at \$125.00 per improved parcel. The methodology is still sound for use, as verified with the County Attorney and the original consultant; however, the application of the methodology was applied against the budget of The Villages Public Safety Department and the Sumter County Fire & EMS when they were new creations with low budgetary costs and substantially lower service delivery capabilities. The Board approved the elimination of The Villages Fire Assessment District, so there is only one Sumter County Fire Assessment District for the county as a whole. Due to the continued rise in costs for the operational portion of both fire operations, and this non-Ad Valorem assessment is another General Fund revenue, it is recommended to update the application of the methodology and communicate the new maximum rate (please see the fire assessment analysis document prepared by Mrs. Rex, Budget Analyst). The use of MSBUs requires a study as well as a designation of a geographic boundary for the service planned to use the revenue. Two such contemplations have occurred with the Board but never pursued over the last 15 years. One is for subdivision street lighting. The MSBU would have been a non-Ad Valorem assessment on each parcel in the subdivision as a shared cost for street lighting. Sumter County would collect the revenue and pay the power company. Another is to accelerate the work on the county's non-regional road network or for bringing in non-regional private roads into the county's system. Similar to the street lighting, the neighborhood would share the cost for the improvement of the road to county standards or a defined frequency of maintenance/resurfacing. This tool would be the fastest way to address non-regional roads to accelerate and sustain their upkeep. Each defined MSBU area would provide their input related to service and frequency to that of the annual non-Ad Valorem assessment paid. The institution of the MSBU as a guaranteed revenue source would also allow for revenue bonds to advance proceed for the work to commence sooner than waiting for the collections to reach the financial threshold to begin the work. Ms. Rey made the Board aware that the notification process depends on any increase taking place. The maximum rate calculated is \$359.57. Commissioner Estep is not a big supporter of MSTUs but would be in favor of increasing the Fire MSBU to the suggested \$359.57. Commissioner Miller agreed with Commissioner Estep on increasing the Fire MSBU. The Board provided direction to Mr. Arnold to place the Fire MSBU increase on an agenda for a vote.

1-5-21-4

Commissioner Search commented on the Reverse One Sumter item, which was on the previous regular meeting agenda. At that point, there was no second on the motion to place Reverse One Sumter on the ballot so the motion did not carry through. At that time Commissioner Search expressed his belief that if the public wants something on the ballot, they should take the steps to have it placed on the ballot. However since that time, Commissioner Search has discussed the issue with various individuals involved with it. Now, Commissioner Search recognizes that there may be some issues involved with the petitions and the financial obligations of putting the item on the ballot. If the petitions are handed in and there are incorrect petitions or not enough, all petitions become null and void. If almost 11,000 petitions have been signed and it is no cost to the taxpayer, Mr. Search believes that it should be placed on the ballot. Commissioner Search

would like to revisit this item at the next meeting to see if this Board would be willing to approve placing the item on the ballot. Direction was given to Mr. Arnold to place the Reverse One Sumter issue back on the next agenda for a vote.

Commissioner Miller proposed a topic for a future workshop meeting regarding if there is a way and/or the cost to videotape BOCC meetings and place them on a webpage so the public could see them. Mr. Arnold clarified that minutes, audio, video, etc. is the responsibility of the Clerk of Court. Mr. Arnold will reach out to Gloria Hayward, Clerk of Court, and determine her availability so that she can attend a workshop to discuss this item with the Board.

5. State of Emergency Declaration Extension (Staff Recommends Approval)

Commissioner Estep would like to look into the idea of a public information office to consolidate issues so the public is not as frustrated as they are now, given the COVID-19 vaccination inquiries. Mr. Arnold will come up with different options on what a public information office may look like with budgetary figures and this can be introduced with the budget process. Mr. Arnold will have this information to the Board by February.

1-5-21-5

Commissioner Miller moved, with a second by Commissioner Search, to approve the Local State of Emergency Declaration Extension. The motion carried 5 - 0.
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6. Adjourn

The meeting adjourned at 8:13 p.m.