

Chairperson Robinson asserted in her experience, littoral zones caused more problems than the good the zones could give, because of the material breaking down and creating more algae blooms and more water quality issues because of the rot.

Mr. Taylor believed it was not the littoral zone being the issue, but the tendency not to maintain them that was the issue, which was outside this Committee's scope to control.

Chairperson Robinson opined the better water quality solution would be the larger permanent pond. She also mentioned eliminating duplicated permitting efforts; having already been permitted by SJRWMD for storm water, would save substantial amounts of time and money.

Mr. Greg Burke, Member-at-Large Representative commented SJRWMD probably did their homework and if their scientists think there was no problem, Indian River County was probably better off that way.

Mr. Murphy communicated he would rather have more rear yard, better properties in this County than any within the State of Florida. He continued a review was necessary and cautioned to make sure every detail was thought through and knowledge of exactly what the end result would be when the decision to eliminate littoral zone requirements.

The motion and the second was amended to recommend to the Board to amend the County's Comprehensive Plan and Land Development Regulations to follow St. John River Water Management District's littoral zone requirements and design criteria.

THE CHAIRMAN CALLED FOR THE QUESTION, and the Motion passed 9-2 (Christopher Murphy and Carter Taylor in opposition).

New Business

a) Consideration of Proposed Development Review Fee Schedule Update

Mr. Boling provided a background, concerning the Development Review Fee Schedule for site plans and subdivisions, etc., as outlined in his Memorandum dated September 7, 2018, a copy is on file in Commission Office. His Memorandum included information on Fee Schedule History, Fee Update Approach, Analysis and Proposed Fees for Public Works Right-of-Way Permit and Stormwater Reviews, Construction Inspections, and Permit Closeout Process.

Mr. John McCoy, Chief, Community Development referred to Attachment 4, entitled "Staff Review Time (Costs) for Updated Fees Major Site Plan and Preliminary PD/Plat Applications", and Attachment 5, entitled "Front Desk Steps: Major Site Plan and Preliminary Plat" and briefly explained the attachments represented basically how costs for applications relate to each staff persons' handling and responsibility.

Chairperson Robinson referred to Page 3 of the Memorandum, and inquired about the current fee (since 2004) for a major site plan, less than 5 acres is \$1,000 and the proposed fee in June 2017 was \$2,640. Mr. McCoy confirmed the proposed fee in 2017 went before the Board and was not approved, but deferred for Committee review.

Mr. Boling explained the 2017 proposed fee change was based upon an average of all types of applications, whether complete or not, etc. He communicated the proposed fee suggested for 2018 was less than what was proposed in 2017 because the 2018 fee was structured for a more standard and streamlined review situation; under the 2018 fee should there be a need for extra reviews and more staff time, re-review fees would apply.

Mr. Blum inquired whether there were additional fees for Planning and Zoning Commission's (PZC) review of preliminary plats. Mr. Boling responded an additional fee was being proposed for any application type requiring PZC review; consequently, staff-level applications would be cheaper.

Mr. Boling continued, now, with this Committee's earlier recommended changes in the code, there were some preliminary plats not requiring PZC review and those applications would have no PZC fee.

Chairperson Robinson commented in the process of streamlining the application, it was unknown how it would impact staff time and questions how it equated to a value. Mr. Boling responded that was the difference between the 2018 and 2017 fees, in that staff was projecting efficiencies in having more complete applications, use of the check lists and the new review structure and discounting 2018 proposed fees accordingly. He shared he thought the efficiencies were working since changes began in May, 2018.

Mr. McCoy confirmed under recent code changes, there were now fewer applications going before PZC and the fee schedule was taking that into account, because it did add \$300 for applications going to PZC. He continued the tasks, costs, and time expended reflect the streamlined process as it currently stands (in effect May, 2018).

Mr. Taylor shared he thought the proposed fee schedule was a significant advance from the fee schedule utilized before because there was activity-based costs and asked if it was revenue neutral. Mr. Boling responded it did not cover all County costs; there was no overhead accounted for and no charges for code officer inspections. The 2018 proposed fee was intended to capture a decent portion of actual County costs.

Mr. Mills stated he had been through a couple projects under the new system and it has been much, much better. He was seeing a significant amount of time savings and turn around on comment letters, making the whole process flow easier.

Mr. Murphy stated the level of details in staff's new fee proposal were good and very, very reasonable.

Mr. Mechling voiced it seemed the proposed Public Works inspection fees were doubling, tripling, quadrupling; a huge financial jump.

Chairperson Robinson said she would like to have this discussion come back to the Committee next month to provide members time to study, as it would have a big impact on this process from the developer's side of the table. She requested each member review the proposed fee schedule and do the math and consider what the impact would be.

Mr. Boling offered to apply what was prepared for this month's meeting, showing preliminary plat and major site plan and prepare a full chart indicating all the fees for all the development application types.

Chairperson Robinson shared her concern regarding the wait time for permits was taking months to obtain before, implying it took a huge amount of staff time; however, currently permits have become streamlined and happening much more quickly, implies less staff time. She continued the time factor did not take into account how many more projects were being submitted at the same time.

Mr. Boling also noted in addition to the recent changes, the County Administrator and the Board agreed to the hiring of additional staff so having staff had helped the process immensely. In fact, the County "front-loaded" staff hiring expenses ahead of the review fee changes.

Mr. Jason Brown, County Administrator added the process had been streamlined, making it easier for both sides of the equation; however, the work had not completely gone away; there continued to be a significant amount of work needed. He continued before this Committee was formed, the proposed fees in 2017 were earmarked to fund some of the new staff positions; however, the proposed fees in 2017 did not happen but the hiring moved forward to help with the review workload.

Mr. Brown stated the current budget for the Planning Department, as an example, was a little under \$1.4 Million, with permit fees generating \$442,000, reflecting the County recovering 17.4 percent of the cost of the department. He added there were other things beside development review being provided, such as the general planning duties, comprehensive planning, which was clearly a distinctly different model than the Building Department, where the Building Department permit fees pay for the Building Department 100 percent. He continued neither the current fee, nor the proposed fee covered the full cost of everything and he did not believe there was any "overshooting".

Mr. Brown reminded the Committee County staff was open to working collaboratively to arrive at a new fee arrangement for the success of both sides.

Mr. Burke asked for justification for the proposed Public Works inspection fee being the 1 percent of the construction cost. Mr. Rich Szyrka, Director, Public Works explained it began with step criteria, which was 2 percent for the first 500,000 and 1.5 percent for the second 500,000 and 1 percent for anything over a million. He continued based upon the Committee's input and review of timesheets of inspectors, not including any overhead such as trucks and computers, beginning in January, 2015 to determine actual inspection hours. He further explained other areas were reviewed and numbers were evaluated, showing 1 percent was a simple and justifiable figure.

Mr. Szpyrka stated County costs were not covered and was not trying to break even, but help catch up on the budget. He said he was open to run numbers, reminding the Committee at the current time Public Works did not charge any fees but a flat fee of \$450 for inspections.

Mr. Taylor asked for clarification of what percentage of the direct costs (i.e., trucks and equipment, salary benefits, etc.) of this service yield revenue from the proposed rate schedule actually covered.

Mr. Boling explained the development review fees was only the cost of staff time; how many hours at what cost; no overhead, in terms of development review fees. He mentioned there were other inputs into the process such as Code Enforcement, which cost was not included.

Mr. Taylor asked if direct and indirect overhead costs were incorporated as some percentage of that was attributable to fee activity, what factor would be applied to the base labor number. Mr. Brown responded the County's general overhead indirect costs was about 11 percent, covering buildings, payroll, etc., however, it did not cover the equipment, i.e. vehicles.

Mr. Taylor inquired what percentage of the department's budget was not labor directly related to payroll. Mr. Brown said the vast majority of expenses in the planning department were salaries and benefits, with the facilities costs were accounted for within the facilities management budget. He continued the total cost included an overhead calculation charged across the whole fund; however, did not show up in individual departmental budgets.

Mr. Taylor asked why the full costs were not incorporated into the fees. Mr. Mechling responded if developers were to pay overhead for departments, which cost would pass to the consumer (homeowner), making costs too high to live in this County.

Discussion ensued regarding the County's economic activities.

Mr. Brown reminded the Committee, the direction for staff was to shorten the review times with already limited resources and with the approaching constitutional amendment ballot questions related to additional homestead exemptions, the County could lose over three million dollars a year in property taxes to pay what was not funded by these fees to provide services for new development.

Chairperson Robinson reiterated the need for the Committee's review of the material provided herein; having staff to provide a final chart of all the fees and continue discussion at next month's meeting.

Other Matters

- a) Building Permit Plan Review Process Observations