

**Official Minutes of
MARION COUNTY
BOARD OF COUNTY COMMISSIONERS**

January 29, 2025

CALL TO ORDER:

The Marion County Board of County Commissioners (BCC) met in a workshop session in Commission Chambers at 2:01 p.m. on Wednesday, January 29, 2025 at the Marion County Governmental Complex located in Ocala, Florida.

INTRODUCTION OF WORKSHOP BY CHAIRMAN KATHY BRYANT

Chairman Bryant advised that the workshop was scheduled this afternoon to discuss Impact Fee studies for Fire Rescue and transportation.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance to the Flag of our Country.

ROLL CALL

Upon roll call the following members were present: Chairman Kathy Bryant, District 2; Vice-Chairman Commissioner Carl Zalak, III, District 4; Commissioner Craig Curry, District 1; Commissioner Matthew McClain, District 3; and Commissioner Michelle Stone, District 5. Also present were County Attorney Matthew G. Minter, County Administrator Mounir Bouyounes, Assistant County Administrator (ACA) Tracy Straub and ACA Amanda Tart.

It was noted for the record that the Deputy Clerk was in receipt of a 153 page Agenda packet to follow along with the PowerPoint presentation.

WORKSHOP PRESENTATION

1. Workshop to Discuss Marion County Impact Fees for Fire Rescue and Transportation

ACA Tracy Straub presented the following recommendation:

Description/Background: Benesch Consulting will present the findings of the Impact Fee Studies for Fire Rescue/Emergency Medical Services (EMS) and Transportation. Marion County currently has no impact fees for Fire Rescue/EMS; however, this is an update to the Transportation impact fees.

Recommended Action: For discussion.

ACA Tracy Straub advised that today's presentation relates to impact fees associated with Fire Rescue, Emergency Medical Services (EMS) and transportation. She recognized key staff who worked on the studies. (Transportation Planner Ken Odom, Growth Services; Coordinator Kim Hatcher, Growth Services; Office of the County Engineer (OCE) staff; Chief James Banta, Marion County Fire Rescue(MCFR); MCFR staff and Benesch Consulting).

Nilgun Kamp, Benesch Consulting, advised that Marion County is continuing to experience growth, noting it is 17th out of 67 Florida Counties in terms of projected growth rate and was 15th in residential permitting in 2023. She stated the Transportation Impact Fees (TIF) were last updated in 2015 and that same year the Fire Rescue Impact Fees were repealed. Ms. Kamp advised that the purpose of the Impact Fee study is to update the variables and reflect current information, noting the study also meets the requirements

of burden of proof for the public agencies. She stated an Impact Fees is a one-time capital charge to new development, which cover the cost of new capital facilities and cannot be used for maintenance, operations or renovations. The main purpose is to maintain the level of service (LOS).

Ms. Kamp stated in Florida Impact Fees were governed by case law for a long time, but in 2006 the Impact Fee Act passed. Some of the key requirements include that the fees be based on the most recent and localized data, a minimum of 90-day notice for any fee increases after adoption, if there is any challenge to the fee it is the government's responsibility to show that the fees are correct, etc. She advised that in 2021 House Bill (HB) 337 was passed, which put limits on fee increases. In 2024 HB 479 passed, which required coordination between Cities and Counties if both are charging TIF. It also required the studies be completed within a year if the fees are going to be increased, as well as use data from within the last 4 years. Ms. Kamp stated the City of Ocala is using a consumption based methodology, which is very common in Florida, it charges new growth for the value of the infrastructure that it is consuming. She advised that the way it is calculated ensures that new development is not charged for any existing deficiencies. The technical study calculates the cost of growth, but the Board has the policy option to adopt those at a reduced percentage. Ms. Kamp stated a basic impact fee formula considers the cost to add capacity then subtracts any non impact fee revenue contributed from new development towards the same infrastructure. The net cost gets multiplied by demand, which is measured in terms of travel for transportation and population for Fire Rescue/EMS.

Ms. Kamp advised that there are 32 Fire Rescue/EMS stations, noting approximately 173,500 square foot (sf) is used by Fire Rescue and 94,200 sf is used by EMS. Also there are 68 acres associated with Fire Rescue and 26 acres for EMS. She stated vehicle and equipment values are also calculated. Ms. Kamp advised that the unit cost for buildings is estimated based on reviewing any recent construction by the County and any upcoming project estimates. This is also supplemented by data from other jurisdictions, as well as the insured value of buildings. She stated the land is calculated similar to the buildings, noting any recent purchases, appraisals and estimates by the County, supplemented by vacant land sales throughout the County or Fire Rescue service area. Ms. Kamp advised that the land value is roughly \$65,000.00 per acre and the building values are anywhere from \$240.00 per sf to \$400.00 per sf depending on the type of building.

Ms. Kamp advised that for impact fee purposes the LOS is measured in terms of population per station. Each Fire Rescue station is handling approximately 10,000 residents and EMS handles roughly 18,000 residents. She stated the total asset value for Fire Rescue is \$149,000,000.00, that divided by the service area population provides a value of roughly \$510.00 per resident. This measures the investment the community has made up to this point into Fire Rescue infrastructure. The cost per resident for EMS is approximately \$185.00.

Ms. Kamp commented on the credit component, which recognizes any other contributions from new development. The cost minus the credit provides the net cost. She advised that the net cost is approximately \$420.00 per resident for Fire Rescue and \$125.00 per resident for EMS. These costs multiplied by the population per unit of each land use provides the Impact Fee. For example Single Family residential would have a Fire Rescue Impact Fee of \$667.00 and \$202.00 for EMS for a total Impact Fee of \$870.00. Ms. Kamp provided a brief overview of the chart shown on the overhead screens containing Impact Fee comparisons between Marion County and several other surrounding Counties. She

stated if the Impact Fee is adopted at 100 percent (%) they are likely to generate between \$3,500,000.00 to \$4,500,000.00 annually.

Ms. Kamp advised that HB 337 passed in 2021 and affects the TIF, noting it places a limit on fee increases such as: a 25% increase requires 2 annual incremental increases; 25% to 50% increase requires 4 equal installments; fees cannot increase more than once every 4 years.

Mr. Bouyounes advised that before the Board moves onto the TIFs presentation they can discuss the Fire Rescue Impact Fees.

In response to Commissioner Zalak, Ms. Kamp advised that part of the reason Marion County's fee is higher than other Counties is partly due to the LOS and the consideration of the credits.

Chairman Bryant stated Lake County is at \$585.00, but they are fire only.

Ms. Kamp advised that Lake County was capped at 50%; therefore, they could not go all the way to 100%.

Chairman Bryant commented on Pasco County's fees, noting they have not had an update since 2003.

General discussion ensued.

Mr. Bouyounes advised that Marion County is large with a lot of rural areas with low population density, but the County still provides Fire Rescue/EMS Services.

Commissioner Zalak advised that other Counties also have unpopulated areas, such as Volusia County.

Mr. Bouyounes stated the rest of Volusia County is very populated and denser than Marion County.

Commissioner Zalak advised that Marion County's fee is higher than any of the other County's listed.

Fire Chief James Banta, MCFR, advised that not all services provided in each County are the same. He stated there is only one municipality in Marion County that has their own Fire Rescue service, noting a lot of the Counties listed have multiple municipalities and private EMS.

Commissioner Zalak advised that Impact Fees go across jurisdictional boundaries of those Cities in most instances. He stated Impact Fees would still be charged in the City of Ocala for Fire Rescue.

Ms. Kamp clarified that only the EMS portion of the Impact fee is Countywide; therefore, that would be the only portion paid by the City.

In response to Chairman Bryant, Chief Banta advised that the Department does not look at residential permits as triggering for new fire stations. He stated the Department considers how many calls for service the units are running.

Commissioner Zalak commented on the current population per station, which is approximately 12,000 residents or roughly 5,200 homes.

Commissioner Bryant questioned the cost to build a new fire station. Chief Banta advised that the construction of Station 2 is almost complete and it cost \$5,100,000.00. Ocala Central station is a large station and cost a little over \$8,000,000.00. He stated facilities is projecting the cost going forward will be closer to \$8,000,000.00 per station.

In response to Commissioner Stone, Chief Banta advised that the Department is planning on designing a new prototype that would be utilized moving forward. The current prototype is the same station that is in Rolling Greens and Citra. He stated the Department is moving away from that prototype and looking at enhancing the station to meet more

safety needs for cancer prevention. Chief Banta advised that the modular buildings being used were just put in place to bridge the gap until a brick and mortar station could be built. Mr. Bouyounes stated the modular buildings are used in areas that a new station is planned if there is a need prior to the permanent station being constructed.

Commissioner Stone questioned if this is part of what is increasing the cost. Chief Banta stated it would not push the cost up for a new station build, but it would be for the total of the project. He advised that the Department has to balance adding resources swiftly when needed versus building a station that is going to take approximately 3 years to be up and running. Chief Banta stated the modular station was only used to get resources out to the community quickly.

Commissioner Stone questioned if the modular buildings can be moved and reused. Chief Banta advised that the intent is to reuse the modular building. He stated currently the Department only has one, noting the idea is the Department will have 2 or 3 and be able to move them around to the different projects.

In response to Chairman Bryant, Chief Banta stated the modular building has only been used once and it was more expensive and took longer than originally planned. He stated staff has worked out the issues and going forward it will be a more streamlined process.

Chairman Bryant advised that the Board has not approved more than one modular building, noting that discussion has not taken place.

Chief Banta advised that the use of modular buildings going forward was included in the growth plan presented to the Board, but it has not been approved.

Chairman Bryant clarified that just because something is in a plan does not mean it is in set in stone, noting it is just a wish list until the Board has approved the plan.

In response to Commissioner Curry, Chief Banta provided a brief overview of Insurance Services Office (ISO) ratings and how they are awarded, noting the ISO has a significant impact on homeowners insurance.

Ms. Kamp advised that there are some studies that measure the impact of the ISO rating, for example if the rating goes from class 10 to 5 there is approximately 35 percent (%) savings in insurance. She stated some residents are unable to get insurance because Fire services are not available.

Chief Banta advised that it is extremely difficult for some residents who are outside of the 5 mile radius to obtain insurance.

Commissioner Zalak commented the fire prevention infrastructure required in commercial buildings and questioned if there is any opportunity to provide a credit or waiver to those who have fire suppression systems in the building. Chief Banta advised that MCFR has to provide a resource to that building regardless of the protection systems. He stated the commercial response have actually increased compared to residential response.

Ms. Kamp advised that more than 80% of the incidents are medically related.

In response to Commissioner Curry, Chief Banta stated the need for a sprinkler system in a building is triggered by the square footage of the building, number of occupants, how long it will be occupied, etc.

Fire Marshal Ken McCann, MCFR, provided a brief overview of different types of commercial uses and which ones trigger the need for a sprinkler system. He advised that Marion County utilizes National Fire Protection Association (NFPA) 101, Life Safety Code, which is the national standard and was adopted by the State. This Code outlines what protection is required for each type of building.

Commissioner Zalak requested staff bring back more information relating to the number of commercial buildings staff has responded to with sprinklers.

Commissioner Curry addressed the different funding options to fund growth over the next 20 years.

Chief Banta referred to the Department's Growth Plan, which shows the resources needed over a certain period of time. He stated in 5 years 5 stations can be constructed and equipped for approximately \$35,000,000.00 to \$40,000,000.00 to be funded out of the Impact Fee, noting the revenue projections so far do not match this. Staff will review and make cuts, while also balancing projected Sales Tax revenues. Chief Banta advised that even with the revenue from Impact Fees and Sales Tax the Department does not meet the financial need to meet 100% of the Growth Plan.

Chairman Bryant advised that Impact Fees are just another tool in the toolbox to be able to provide the level of service (LOS) citizens expect. She stated Impact Fees were originally suspended to try to encourage something to happen in the economy because it was a time nothing was happening. The Board did everything they could to spur some economic growth. Chairman Bryant advised that based on data provided over the last few years the Board should have implemented Impact Fees sooner, but no one saw the growth coming as fast as it did. She expressed support for the Impact Fees, noting what needs to be decided is at what level the fees will be implemented. A conversation will also need to take place with the municipality regarding EMS fees.

Mr. Bouyounes advised that he had preliminary conversations with the City of Ocala Manager Peter Lee where he shared the study and reports. He stated it will take more than one meeting and discussion at a Board level to determine.

Chairman Bryant stated EMS is provided Countywide and is the largest cost.

Mr. Bouyounes advised of a joint workshop with the City of Ocala in March, noting this can be on the Agenda for discussion.

It was general consensus of the Board to move forward with Fire Rescue/EMS Impact Fees.

Chairman Bryant directed staff to bring the matter back at the joint workshop with the City of Ocala in March. She stated she is unsure if the Board can discuss what level to implement the fees without first having the conversation with the City.

Mr. Bouyounes advised that the Board can discuss what level the Board is considering implementing the fees. He stated the conversation is needed with the City to get them on Board to collect the EMS fees. Mr. Bouyounes advised that Fire Rescue can be done as a separate Ordinance and put it in place because it is not associated with the City.

Commissioner Stone questioned the amount of the Impact Fee before it was suspended.

Ms. Kamp stated a single family unit was \$290.00.

Ms. Kamp clarified that Volusia County has 3 County owned stations dedicated to EMS, noting there could also be leased stations or using portions of a fire station.

In response to Commissioner Stone, Ms. Kamp advised that the Impact Fee study showing the \$290.00 is from 2005.

Chairman Bryant questioned when the County moved to completely professional Fire Rescue services. Chief Banta stated the County went professional in the late 1980s.

He advised that in 2008 the County took over EMS.

General discussion ensued comparing MCFR services to surrounding Counties.

Commissioner McClain commented on other fees and Sales Tax recently approved.

Commissioner Stone requested after all the workshops are done, a final workshop be scheduled to review all the proposed changes in one document.

Mr. Bouyounes advised that all the capital projects are being removed from the assessment, noting if the County does not have the Impact Fees and some of the stations

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are not funded by the Sales Tax they will have to be added into the equation for assessment. He stated the assessment is being utilized purely for operation. Mr. Bouyounes advised that a workshop can be scheduled to address all the information at once.

Chairman Bryant opined that the Board should be focused on the needs of the community when it comes to Impact Fees and growth, noting this is an Impact Fee for new growth and is not an assessment that tax payers are paying. This is to assist with funding the capacity needed for the Department to continue to provide the LOS that citizens expect. Chief Banta addressed revenue projections and potential credits, noting more details will be needed for the Board to make a decision on rates.

Ms. Kamp provided a brief overview of how proposed fee calculations were determined. She stated projections can be brought back on different revenue possibilities and projects. In response to Commissioner Stone, Chief Banta advised that there are no districts and funds are not restricted to certain areas.

General discussion ensued.

Chairman Bryant opined that the projected amount needed is not accurate based on the increased building costs.

In response to Commissioner Zalak, Ms. Kamp advised that projections contained the estimates that were available at the time of the study, but if there is new data it can be considered.

Chairman Bryant questioned how long it would take to provide updated data. Ms. Kamp stated if it is just building costs being considered it can be provided in a couple of weeks. Commissioner Curry advised that he is not opposed to the Impact Fee, but he would like a list on one page of all the charges being discussed relating to the different assessments, fees and taxes.

Chairman Bryant opined that the Board needs to move forward with the Impact Fee. She stated seeing everything on one page will not change her mind, noting the assessment is a completely different conversation and for a different purpose. The Impact Fee is for new growth and new development.

General discussion ensued.

Chairman Bryant directed staff bring back calculations based on the actual current cost of constructing a new fire station and scenarios of what it will cost at different levels. She stated her preference would be not to go lower than 50%.

In response to Chairman Bryant, Mr. Bouyounes advised that this matter can be brought back at a regular Board meeting.

Commissioner McClain questioned if any conversations have taken place with the business community relating to these fees. He expressed concern with all the proposed assessments, fees and taxes this year and how it will impact the community.

Mr. Bouyounes advised that the business community is aware and there will be public comment during the public hearing.

Commissioner Stone stated she had some conversation with a few people who were in support of the Impact Fees, but amounts were not discussed.

Commissioner McClain clarified that he is not opposed to the Impact fees he just wants to ensure everyone is aware of all the other assessments, taxes and fees being discussed.

Commissioner Stone expressed support for having a document containing all the proposed assessments, fees and taxes being considered.

Chairman Bryant requested the updated calculations for Fire Rescue be brought back before the Board at the Tuesday, February 18, 2025 regular BCC meeting.

Commissioner Zalak out at 3:05 p.m.

Ms. Kamp addressed the Technical Study for Transportation, noting HB 337 approved in 2021 limits on how much the fees can be increased, unless the County can demonstrate extraordinary circumstances, holds two public workshops discussing those circumstances and the increase is approved by 2/3rd of the governing body. She stated the fees cannot be increased more than 50%. If there is a 25% increase it has to be done in 2 annual increments.

Commissioner Zalak returned at 3:06 p.m.

Ms. Kamp provided a brief overview of how TIFs are calculated. She stated in addition to construction cost, the cost associated with design, right-of-way (ROW), construction engineering and inspection are estimated, noting the overall cost for County roads is approximately \$4,300,000.00 per mile. The estimated cost per lane mile for State roads is roughly \$5,200,000.00. Ms. Kamp advised that all revenue sources are considered in the credit component that are utilized for capacity projects only. There is approximately \$54,000,000.00 per year being spent from other sources and a big chunk is coming from the County and from the Sales Tax. She stated transportation has a dedicated revenue source that is Fuel Taxes, but it is inefficient because it is on a per gallon basis. Local pennies are not allowed to be indexed when it comes to the Fuel Tax, but State pennies can.

Ms. Kamp advised that the calculated Impact Fee for a single family home is approximately \$5,300.00, noting the current fee is roughly \$1,400.00. A 50% increase would be \$2,100.00 and would have to be phased over 4 installments. She referred to the charts on the overhead screens showing the fee comparison between Marion County and surrounding Counties and provided a brief overview.

Ms. Kamp advised that the estimated revenue projection is between \$24,000,000.00 to \$29,000,000.00 annually.

Chairman Bryant clarified that the most the County could do without claiming extraordinary circumstances is \$2,095.00 for a single family unit.

Commissioner Curry questioned how difficult it would be to declare extraordinary circumstances. Ms. Straub advised that the Board would have to hold 2 workshops where public comment is allowed. She stated the study conducted shows what the need is and that would be the County's declaration.

In response to Commissioner Curry, Ms. Straub addressed the calculated fee for car washes, which is \$100,000.00. She advised that the County Ordinance does allow a business to provide their own study. She stated some car washes are all by themselves with nothing around them and are the reason someone is traveling there. Other car washes are located next to shopping center and could be used by pass through traffic.

Chairman Bryant questioned if an extraordinary circumstance is determined does the BCC get to determine at what percentage they want to implement that new \$5,000.00 fee. Ms. Kamp advised that it would remove the cap and phasing requirements, but the Board can still adopt the fee at less than 100% of the \$5,000.00 and have a phased approach.

General discussion ensued.

Chairman Bryant stated the Board has to determine if they have the appetite to declare extraordinary circumstance so that the rate can be set where they want or are they comfortable with \$2,100.00, which is an increase of 50% from the current rate.

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Commissioner Stone questioned if the passing of the Sales Tax hinders declaring extraordinary circumstance. Mr. Bouyounes advised that the County will have to demonstrate the needs over the next 20 years, how much is funded, what is the gap and what level is needed to cover those needs.

Commissioner Stone advised that the Impact Fee dollars are less due to the Sales Tax, which would be factored into the extraordinary circumstance declaration.

Ms. Straub stated when staff was preparing the project list prior to the approval of the Sales Tax they were using an average rate collection of Impact Fees.

General discussion ensued relating to carwash Impact Fees.

Commissioner Curry advised that he is not ready to make a decision on how to move forward today.

Commissioner McClain expressed opposition to declaring extraordinary circumstances.

Commissioner Zalak requested staff run a report showing how much of the current Impact fee is actually being collected for legacy subdivisions.

Ms. Straub advised that approximately 25% of Impact Fees are credited back to the developer on new developments. She stated there are no Impact Fee credits for Marion Oaks and Silver Springs Shores developments. Ms. Straub commented on the different types of infrastructure that qualifies for Impact Fee credits.

Ms. Kamp advised that when the Impact Fees increase so do the credits at the same amount.

In response to Chairman Bryant, Ms. Straub advised that the Impact Fee for a single family resident in 2006 was initiated at \$2,200.00; in mid 2006 it was increased to \$3,678.00; in 2007 it was increased to \$5,462.00; in 2008 it increased to \$6,100.00; and in May of 2008 it was reduced to \$2,015.00.

Kim Hatcher, Growth Services, advised that the fees had reached over \$6,000.00 prior to being suspended.

In response to Chairman Bryant, Ms. Hatcher stated in 2009 the County had Transportation, Fire Rescue, and Education Impact fees in the total amount of \$10,353.00.

Chairman Bryant advised that the Impact Fees were suspended because of the crash in the economy.

In response to Chairman Bryant, Ms. Hatcher advised that the School Board's Impact Fee for a residential unit is \$4,307.00 regardless of the size. The TIF for a mid-range square footage is a fee of \$1,397.00.

General discussion ensued.

Chairman Bryant stated if the proposed Impact Fees are implemented at 100% it would total \$10,494.00, which is only \$150.00 more than it was in 2009. She requested the Board consider the growth within the County and the impact on Departments in order to provide services, as well as the additional infrastructure needed to accommodate those moving to Marion County.

Commissioner Stone commented on the benefits of having the Sales Tax, which helps drive down some of these costs.

Ms. Kamp advised that the School Impact Fee was adopted at 40% of the full rate.

Commissioner Curry reiterated he would like a one page comprehensive list of fees and the net effect, and how far out it will take the County. He requested a one-on-one to review the material and then discuss it in a meeting with the Board.

General discussion ensued.

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It was the general consensus of the Board to bring this matter back for discussion at the Tuesday, February 18, 2025 Regular BCC meeting under County Administrator Items. Mr. Minter presented a 12 page handout containing information from both the City of Sunrise and City of Fort Myers relating to General Obligations bonds, which was previously requested by the Board at the Strategic Planning workshop.

BOARD DISCUSSION AND CLOSING COMMENTS

There being no further business to come before the Board, the meeting thereupon adjourned at 3:39 p.m.

Kathy Bryant, Chairman

Attest:

Gregory C. Harrell, Clerk

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