

MALABAR COUNCIL WORKSHOP MEETING
January 27, 2020 7:00 PM

This meeting of the Malabar Town Council was held at the Malabar Town Hall, 2725 Malabar Road, Malabar, Florida.

A. CALL TO ORDER:

The meeting was called to order at 7:00 pm with P&P led by Chair Mayor Reilly.

B. COUNCIL:

COUNCIL CHAIR:	MAYOR PATRICK T. REILLY
VICE-CHAIR:	STEVE RIVET
COUNCIL MEMBERS:	GRANT BALL
	BRIAN VAIL
	DAVID SCARDINO
	DANNY WHITE
MANAGER:	MATT STINNETT
ATTORNEY:	KARL BOHNE
DEPUTY CLERK:	RICHARD KOHLER
CLERK/TREASURER:	DEBBY FRANKLIN, excused

Deputy Clerk said for the record the Fire Chief Mike Foley was also present.

C. WORKSHOP Continuation of Potential of Impact Fees or Special Assessments

Chair turned over to TM.

Question Council asked was what is the cost benefit – cost to do the study compared to anticipated revenue.

Mayor has 2 questions. Why does Malabar need impact fees, and what areas would Malabar benefit from impact fees?

Town Manager gave a brief description on what impact fees are. Malabar already benefits from a County wide transportation impact fee. Impact fees can not be used for maintenance, only to benefit new residents. Stormwater has been proven to be difficult for impact fees.

Council Member Scardino suggests we use an impact fee to upgrade Town Hall.

Council Member White states that a new resident will not receive a direct impact from a new Town Hall. Just because we would like the extra income, does not mean we can impose impact fees. If there were a justifiable impact fee it would be stormwater.

Council Member Scardino suggests an impact fee for lights in front of the Fire Department.

Council Member Rivet states that is on a state road and is out of our jurisdiction.

Council Member Ball suggests an impact fee for roads, each lot that is developed required 50-100 loads of fill delivered by dump trucks, which impacts the road. Goes on to say the fee for a study is greater than anything we will get in return in 4 years.

Council Member Vail asks what is the criteria for a special assessment?

Council Member Rivet says that also must benefit the people paying for it.

Attorney Bohne describes a failed Palm Bay special assessment from the 1990's. Its very hard to pin point who specifically benefits from these.

Council Member Rivet says if we are going to do a special assessment, lets discuss where it could be used.

Town Manager says we are beginning our stormwater master plan, and we will break it up into small sections in the town. Possibly this could be used as a special assessment. Right now, impact fees don't seem like a good fit for Malabar. In the future, we may be able to easily differentiate specific districts that will benefit from a special assessment. We're trying to attract a wide variety of new building (residential and commercial) and extra fees may drive prospective builders away.

Council Member Rivet states residential development does not pay for itself. Do we want to encourage residential building?

Council Member Scardino asks if when people build here, does it cost us money?

Town Manager says big picture, yes.

Council Member Vail brings up Fire Department, parks and Public Works. As the community grows, these organizations must grow with it.

Town Manager says we are way above our required threshold for parks land in Malabar.

Attorney Bohne says some communities require new building to contribute to a park fund or build their own park area.

Council Member White reminds everyone this is talking about developers, not single builders.

Town Manager says in terms of operational costs, we're in good shape, but in the future, we will see some very expensive Capital Improvement projects.

Attorney Bohne says Palm Shores has no Ad Valorem tax. They operate in the green every year on franchise fees only. However, they do not maintain roads.

Council Member Ball states we receive a very large portion of our income from Florida Power & Light franchise fees.

Town Manager says we get about \$175,000 in stormwater assessment funds, and our Public Works budget is about \$700,000. Stormwater takes up approximately \$400,000 of that. Raising the stormwater utility fee would be much easier than doing a new assessment or an impact fee study. You as a Council can raise that with a vote. Our budget covers our current operational needs, but we will need more income in the future. Maybe an extra fund can pay for a municipal bond to help pay for a capital improvement project.

Council Member Vail asks how many homes are built in Malabar per year, Town Manager says about 20, Council Member Vail says let's assume we get \$1000 per home for an impact fee. That's \$20,000 per year. That's not enough to justify this.

Council Member White says we need to be fair to our long-term residents. We can't add extra fees and taxes to people who have paid the same for years. He suggests we should raise the millage instead.

Council Member Vail said we need to sell it to our residents. They must trust us. Raise the millage for a few years to solve a specific issue, then lower it back to what it is now.

Mayor asked the Attorney to go over his research.

Attorney Bohne says the dual nexus test can be met, but the cost of the study is probably too high.

West Melbourne paid \$79,000 for 4 impact fees. Malabar would be about \$40,000 just for the study. At what point do you start to see a return. His opinion is that the impact fees in Malabar would take a very long time to return our money.

Council Member Scardino says a special assessment for stormwater may be the easiest to sell to the residents, as that's the biggest complaint he hears.

Council Member White says that Malabar is on a flat plain, stormwater will always be an issue.

Attorney likes the idea of a special assessment to pay for specific districts of stormwater. We need to identify the specific capital improvements we want to achieve. We need to be careful on how we impose this.

Council Member Scardino asks how many districts do you envision?

Town Manager says that will be answered by our stormwater master plan.

Council Member Vail asks if we can use any Indian River Lagoon funds? We have a few areas that drain into the Indian River Lagoon.

Town Manager says those funds are more about cleaning water and removing nitrogen from the water.

Council Member Scardino says it sounds like the benefit of impact fees aren't here yet.

Council Member White says he doesn't like special assessments.

Council Member Ball says assessments are paid the same by everyone no matter how much their income is or what their property is valued at. We can do fees based on frontage.

Mayor brings up special assessment for the Fire Department. One third of our budget is the Fire Department. We could do a lot more with our money if we open it up.

Town Manager says there are fire assessment fees across the state.

Council Member White says the only way he would support it would be to put it to a vote of the people.

Town Manager reminds that we're taking out of the same pocket. It'll be an extra fee to all residents.

Council Member Vail suggests a stormwater assessment. We should use this process to fix the real problem.

Council Member White asks how much are we looking for? What is the dollar amount?

Town Manager says we don't have that information yet. This meeting is a more informative and educational setting.

Attorney says a town wide special assessment would be illegal. It would need to be district specific.

Council Member Vail asks if we can raise a millage rate over 5 years and then lower it?
Attorney says yes, but it would be very hard to bring it back down. That opens you up for a lawsuit.
Palm Bay had to return millions of dollars from a special assessment gone wrong. Be very careful.
Council Member Rivet, how many impervious square feet do you have? Use that as the basis for an assessment.

Mayor discusses Direct TV class action lawsuit, asks if anyone objects to him putting his name as mayor of Malabar?

None.

Chair Reilly, without objection, adjourned the workshop meeting at 8:06 pm.

BY: original signed
Mayor Patrick T. Reilly, Council Chair

(seal)

ATTEST:

Richard Kohler
Deputy Town Clerk/Treasurer

Approved: 2/3/2020