



Roundtable of Volusia County Elected Officials MEETING MINUTES June 11, 2018

CALL TO ORDER – Noon

The Dennis R. McGee Room of Daytona Beach International Airport (DBIA), 700 Catalina Drive, Daytona Beach, Florida.

Those attending included the following Roundtable members: Roundtable Chair and DeLand Mayor Bob Apgar; Daytona Beach Shores Mayor Harry Jennings; DeBary Vice Mayor Lita Handy-Peters; Deltona Mayor John Masiarczyk; Edgewater Mayor Michael Ignasiak; Holly Hill Mayor John Penny; Lake Helen Mayor Daisy Raisler; New Smyrna Beach Mayor James Hathaway; Oak Hill Mayor Douglas Gibson; Orange City Mayor Gary Blair; Ormond Beach Mayor Bill Partington; Pierson Mayor James Sowell; Ponce Inlet City Council Member Lois Paritsky; Port Orange Mayor Don Burnette; South Daytona Mayor Bill Hall; Volusia County Council Chair Ed Kelley; and Volusia County School District Board Chair Linda Cuthbert.

Others attending included Ron McLemore, DeBary City Manager; Jane Shang, Deltona City Manager; Tracey Barlow, Edgewater City Manager; Joe Forte, Holly Hill City Manager; Jason Yarborough, Lake Helen City Administrator; Pam Brangaccio, New Smyrna Beach City Manager; Dale Arrington, City Manager, Orange City; Joyce Shanahan; Ormond Beach City Manager; Jeaneen Witt, Ponce Inlet Town Manager; Jake Johansson, Port Orange City Manager; Joe Yarbrough, South Daytona City Manager; James Dinneen, County Manager, Volusia County; George Recktenwald, Deputy County Manager, Volusia County; John Booker, Volusia County Government Affairs; Billie Wheeler, Volusia County Council Member, District 2; Heather Post, Volusia County Council Member, District 4; Lisa Lewis, Volusia County Supervisor of Elections; Jan Cornelius, Chief Deputy Property Appraiser; Daytona Beach Shores Council Member Richard Bryan; Keith Norden, President and CEO, Team Volusia; Abby Johnson, Intergovernmental Coordinator, St. Johns River Water Management District; Jim Cameron, Senior Vice President of Government Relations, Daytona Regional Chamber of Commerce; Betty Holness, County Council Liaison; and Jeff Crumbley and Gary Daniels, Volusia County Community Information. Taking minutes was Debbie Kelley with the County Manager's Office.

WELCOME

Roundtable Chairman Bob Apgar welcomed those attending. He introduced Billie Wheeler, Volusia County Council Member, District 2; Heather Post, Volusia County Council Member, District 4; and Lisa Lewis, Volusia County Supervisor of Elections. After standing for the Pledge of Allegiance, all members introduced themselves.

Mayor Apgar said Bill Partington, Ormond Beach Mayor, is a candidate for second vice president of the Florida League of Cities. Amendment One was discussed at the recent Florida League of Cities board meeting. At the meeting, he was happy to tell everyone the Volusia

County Property Appraiser had done some analysis that could be useful in the campaign or discussion of Amendment One. Larry Bartlett, Volusia County Property Appraiser, is attending a Property Appraiser's conference and could not be in attendance today.

DISCUSSION OF COUNTY/CITY/SCHOOL TAX ISSUES

Jan Cornelius, Chief Deputy Property Appraiser, provided a PowerPoint presentation and discussed the growth, building and increased property values that are currently happening in Volusia County. New construction is steadily going up, but is nowhere near where it was in 2007, at the height of the market, which was 1.4 billion in new construction. In 2017, new construction consisted of 67.9% residential, 23% commercial, 0.3% industrial, and 8.8% governmental/institutional. In comparison, at the height of the market in 2007, new construction consisted of 80% residential, 12% commercial, 2% industrial, and 6% government/institutional.

The number of *Certificates of Title* has steadily decreased over the past five years. In 2014, *Certificates of Title* were at 18%. Historically, this number should be 1-2%. In 2017, it had dropped to 4%. Hopefully, in 2018, it will be at 2% or lower. The *Just Value Comparison* was \$62.5 billion in 2007, and currently is \$54 billion in 2018. The Property Appraiser's Office is still in the process of working on the *Tax Roll*. They are still looking at neighborhoods and condominiums. As for tangible personal property, many of the larger companies tend to file extensions. The reviews of those properties do not start until the end of May or beginning of June. The numbers will change, but this is a good baseline to go by. Overall in *Just Values*, it is up 8.1% countywide.

There will be many amendments on the 2018 ballot. There are thirteen statewide ballot measures. There was an article in today's newspaper that had people worried some of these measures could get lost in the shuffle. People may not want to read through them or try to understand them. Volusia County Property Appraiser Larry Bartlett wrote an editorial in May saying people really needed to understand this. If the Assessed Value of a property is below \$100,000, there may not be a benefit from this exemption.

Amendment 1 is designed to give taxpayers up to an additional \$25,000 exemption if the property's assessed value for homestead is over \$100,000. There used to be *Just Value*, *Assessed Value* and *Taxable Value*. The *Just Value* is tied to the *Market Value*, with a target 85% of what it is thought a property would sell for. The *Assessed Value* is dependent on the *Save Our Homes* cap. The additional *homestead* forced the Property Appraiser to have a *Just Value*, a *School Assessed*, a *Non-School Assessed (County Assessed)*, a *School Taxable* and a *County Taxable*. The same thing will happen with the new exemption if it passes. Ms. Cornelius discussed in lengthy detail how the proposed exemption could affect taxpayers.

Amendment 2 is not being talked about as much as Amendment 1. If it passes, it would make the 10% cap on *non-homestead* parcels permanent. The amendment was enacted in 2008, for ten years, and is scheduled to sunset January 1, 2019. This is the only tax break *non-homestead* (commercial) properties receive. It does not apply to *school taxes*, and it is a large cap. The 10% cap works just like the *Save Our Homes* cap; without the *Consumer Price Index (CPI)*, it is a straight 10%. Properties considered as *non-homestead* include commercial, industrial, governmental, institutional, residential properties that are rentals, second homes, and vacant land.

Pictometry is an aerial application used by the Property Appraiser's office every day. It consists of an overview shot and four different angles. Currently, it is on the Volusia County Property Appraiser's website. Last year, Mr. Bartlett advised Mr. Dinneen this type of aerial photography was needed every year to make it worthwhile. Due to access issues, there are

many properties throughout the county that have not been reviewed for several years. Using Pictometry has helped staff locate many buildings on properties. This is available to all the cities. Fred Morawietz is the Property Appraiser's Office pictometry guru. He plans on spending the summer going to each of the cities teaching employees how to use the program.

Mayor Apgar said the Florida League of Cities will be rolling out an Amendment One Toolkit with suggested opt bids to help explain this amendment. The fairness issue shows the shifting of burdens. One of the provisions in Amendment One is that fiscally constrained counties are held harmless by the legislature. For example, in Volusia County, the tax dollars sent to Tallahassee are part of the money that goes back to local governments. However, another part of the money goes directly to fiscally constrained counties to make up any difference and loss they incur by Amendment One. This is not fair. Money that could have come back to Volusia County for roads, arts and other purposes is lost. A lot of people may not focus on that part of the amendment. It shows once again the inequities in the system. The upcoming Florida League of Cities Conference will have information on Home Rule and Amendment One.

UPDATE ON INFRASTRUCTURE SALES TAX

Joe Yarbrough, South Daytona City Manager, discussed the Managers meeting that was held on May 23. There was discussion on how to pay for a special election in Spring 2019. The County does not want to pay 100% of the referendum. The fairest solution is for the County to pay 50% and the remaining 50% be divided among the municipalities. The division would be made according to the percentage each municipality stood to receive if the half-cent sales tax passed. It is based on a half-million dollars, which is the latest cost estimate given for a mail-in ballot election. Mr. Yarbrough encouraged each of the managers to talk to their council members about incorporating the amount into their budgets.

The managers do not think another resolution is necessary, since the positions of the cities is on record. They encouraged the County to pick a date, either in March or April 2019, provided the impact fee study has been completed. The campaign could be reinitiated on an educational basis. The resolution submitted to the County Council is only a few months old, and the positions of the cities elected officials has not changed.

A newspaper representative asked Mr. Yarbrough to do research to find out how many cities have a transportation impact fee. Ten cities have transportation impact fees. Several cities do not have any type of impact fee. Of the ten cities, five cities have not updated their impact fees in over ten years. There was discussion to incorporate an update of impact fees in next year's budgets, especially for the five cities that have not updated their impact fees in over ten years.

On May 24, Volusia County Manager James Dinneen and Mr. Yarbrough made a presentation to the Local Government Committee of the Daytona Regional Chamber of Commerce. The Chamber voted to support the proposed sales tax. There is still hope for a March or April 2019 referendum. There is a lot of preparation that needs to be done for an educational campaign.

Ed Kelley, Volusia County Council Chair, said it is ironic and sad that on this date twenty years ago the Volusia County Council voted to withdraw the one-cent option sales tax due to lack of cooperation from the cities. The other ironic fact is that currently all seventeen cities have come together to work for the good of the residents. The residents are the ones who will benefit the most from the additional sales tax, but they are also the ones who are going to lose the most if the additional sales tax is not voted on. The County is re-evaluating the impact fees. Mr. Kelley hopes everyone can come together to set a date so they can move forward with a special election in March or April 2019. The current needs are not going away. They will still be here no matter when the election is held.

Mr. Yarbrough said he wanted to add the fact that the severe weather the County has been experiencing the last several weeks exemplifies the need for flood control.

Mayor Apgar heard it could be at least 190 days for the consultant to provide the impact fee report to the County and that could push the election back to 2020. There has been criticism that the survey done in July 2017 is dated. There is concern the survey data will be more criticized and be considered even more dated the longer the election is postponed. It is possible the CEO Business Alliance may not be willing to fund another survey. If this year's hurricane season is mild, flooding issues will not be as prevalent in people's minds. The County Council should provide a timeline on when the impact fee report will be complete along with when the half-cent sales tax special election is going to be held.

Mr. Kelley did not know where the 190 days speculation was derived. It is possible that this is the time frame being used to complete, update and send the impact fee study back to the County. Mr. Kelley is under the impression that it will take three to four months for the survey to be completed and updated. The Council would review, have access, and then evaluate where to go from there. Mr. Kelley hopes the entire process will be completed by November or early December.

Mr. Yarbrough felt the position of the managers is that it would be great if the County would identify some proactive dates before the first of the year.

Harry Jennings, Daytona Beach Shores Mayor, wanted to know who is responsible for developing an educational program to present to Volusia County residents for this project.

Mr. Yarbrough responded stating everything stopped when they realized the message was being diluted and there was a lengthy ballot for the upcoming election. The private sector started a Political Action Committee (PAC) which consisted of a chair, vice chairs and regional representation along with money being budgeted. Their job was to bring together a countywide message, not that it would necessarily be different from the individual municipalities' messages. This is a countywide effort. We need to find out what projects the public wants this money spent on. The PAC has been retired, along with the chair and the vice chairs, and the money has been returned to the donors.

Mayor Jennings repeated his question and wanted to know where the money would come from to pay for the educational program.

Mr. Yarbrough said that was a good question. He does not want to get ahead of himself, and he certainly does not want to speak for the private sector, which has promised to help finance the Political Action Committee. Mr. Yarbrough thinks they will expect each of the cities to run a campaign that isn't necessarily going to be inexpensive. It's going to involve a lot of traveling through the communities and sending mail-outs. The local Rotary Clubs, Kiwanis Clubs, Historical Societies and other organizations throughout the communities need to be engaged and involved. The larger cities will have more educational campaign expenses to reach their communities. There is no reason municipalities cannot engage their residents now to point out the importance and the need for the proposed sales tax.

Douglas Gibson, Oak Hill Mayor, said he is an advocate of putting this on the November ballot. He has talked to a number of people who agree with him. He felt what created the problem was the county making it appear the half-cent sales tax is going to be used for roads only. Then the impact fee issue came up, creating more confusion. The media discussed the sales

tax saying it was for roads only, making matters worse. The focus needs to be shifted to water quality. The public needs to be educated on how the proposed half-cent sales tax will be used.

If \$500,000 is going to be spent for an election down the road, why not take \$250,000 to educate the voters? The number one issue on the survey for the use of sales tax dollars was water quality. This was the number one issue on the survey that everybody felt was important. Mayor Gibson thinks the issue will pass if it gets on the November ballot and the voters are educated about it. People he has spoken with do not like the idea the money is going to be used for roads only. When they are told the whole story and the purpose for the sales tax increase, people change their attitudes. They say if the money is going to be used for more than roads, then they will vote for it. Mr. Gibson feels that the sales tax issue needs to be put on the ballot. The money that would be spent for a special election could be spent in better ways.

Mayor Apgar said he had received several emails after the County Council voted to postpone the referendum. One voter said they were in favor of the proposed sales tax. They have seen infrastructure needs in the southwest portion of DeLand. Much of the issue got shifted in a different direction, which can't be changed. The public needs to be educated on how the sales tax money will be used.

PUBLIC PARTICIPATION

Linda Smiley, Daytona Beach, said government officials are perceived as having a problem when it comes to discussing roads or water quality. Residents do not like the extensive spending government agencies are doing. They also do not like or want all the new development that is overcrowding the County, especially in watershed areas. Residents are not going to be willing to pay an additional sales tax when the County has neglected to address impact fees. Volusia County is a poor area that does not have good paying jobs. Economic development is bringing in low-paying, tourist-based jobs that residents cannot afford to live on. Adding additional taxes makes it even more difficult. Living wage jobs need to be created. The money that is going to be spent on a special election could be used for improved infrastructure instead of adding an additional sales tax. Government officials should think about the residents who live here and what they want, not what the developers want.

MEMBER COMMENTS

Mayor Apgar felt the completed impact fee report should be presented to the Roundtable members. There will no Roundtable meetings in July or August. Mayor Apgar asked everyone to be thinking of ideas or issues they would like discussed in the fall and to forward the information to Betty Holness.

ADJOURNMENT

There being no further business, the meeting adjourned at 12:40 p.m.