Albemarle County Planning Commission
September 22, 2015

The Albemarle County Planning Commission held a work session and public hearing on Tuesday, September 22, 2015, at 5:00 p.m., at the County Office Building, Room 241, Second Floor, 401 McIntire Road, Charlottesville, Virginia.

Members attending were Thomas Loach, Cal Morris, Chair; Richard Randolph, Mac Lafferty, Vice Chair; Bruce Dotson, Karen Firehock and Tim Keller. Julia Monteith, AICP, Senior Land Use Planner for the University of Virginia was present.

Staff present was Bill Fritz, Chief of Special Projects; David Benish, Acting Director of Planning; Steve Allshouse, Manager of Economic Analysis and Forecasting; Wayne Cilimberg, Deputy Director of Community Development; Sharon Taylor, Clerk to Planning Commission; Mark Graham, Director of Community Development; and Greg Kamptner, Deputy County Attorney.

Fiscal Impact members present were Charlie Armstrong, J. Timothy Keller, Planning Commission Member; David van Roijen, Jeff Werner and Frank Stoner.

Call to Order and Establish Quorum:

Mr. Morris, Chair, called the meeting to order at 5:00 p.m. and established a quorum.

Mr. Allshouse called the meeting of the Fiscal Impact Advisory Committee to order at 5:02 p.m.

Public Hearing Items

a. **<u>STA 2015-00002 Fees</u>** – The Planning Commission will hold a public hearing to receive comments on its intent to recommend an ordinance to amend Sec. 14-203, Fees, of Chapter 14, Subdivision of Land, of the Albemarle County Code. This ordinance would amend Sec. 14-203, Fees, by increasing all current fees imposed in that section by up to eight percent (8%), rounded to the nearest dollar, an increase that reflects the increase in the County's reasonable costs to provide services for which each fee is imposed since 2009, when the current fees were established after a comprehensive study; and to impose fees to review a subdivision plat following final site plan approval in the amounts of $1,075 (1 to 9 lots), $1,182 (10 to 19 lots), $1,322 (20 or more lots). The proposed fees and fee increases are authorized by Virginia Code § 15.2-2241(9). A copy of the full text of the ordinance, and the documentation pertaining to the proposed fees being imposed and increased, is on file in the office of the Clerk of the Board of Supervisors and in the Department of Community Development, County Office Building, 401 McIntire Road, Charlottesville, Virginia. (Mark Graham)

b. **<u>ZTA 2015-00011 Fees</u>** – The Planning Commission will hold a public hearing to receive comments on its intent to recommend an ordinance to amend Secs. 35.1, Fees, 35.2, Calculation of fees in special circumstances, to add a new Sec. 35.3, Mode and timing for paying fees, and to amend and renumber current Sec. 35.3 (to Sec. 35.4), Fee refunds, of Chapter 18, Zoning, of the Albemarle County Code. This ordinance would amend Sec. 35.1, Fees, by increasing all current fees imposed in that section by up to eight percent (8%), rounded to the nearest dollar, an increase that reflects the increase in the County's reasonable costs to provide services for which each fee is imposed since 2009, when the current fees were established after a comprehensive study; and to impose a new fee for applications to the board of zoning appeals to interpret a district map ($258.00), and for variations or exceptions under Sec. 32.3.5 before ($892.00) and after ($892.00) approval of a final site plan; amend Sec. 35.2 to clarify the text without changing its substance; to add new Sec. 35.3 to state the mode (cash or check) and timing (when application submitted, subject to specified exceptions) for paying fees; and to renumber current Sec. 35.3 to Sec. 35.4. The proposed fees and fee increases are authorized by Virginia Code §§ 15.2-2241(9) (pertaining to Sec. 32, Site Plans) and 15.2-2286(A)(6). A copy of the full text of the ordinance, and the documentation pertaining to the proposed fees being imposed, is on file in the office of the Clerk of the Board of Supervisors and in the Department of Community Development, County Office Building, 401 McIntire Road, Charlottesville, Virginia. (Mark Graham)

Mark Graham presented a PowerPoint presentation on STA-2015-2 and ZTA-2015-11 Fees. There can be one public comment period and separate motions for the two ordinances. In a quick overview he would explain what they are doing, how they got to this point, and then take questions.

The focus would be on four basis things:

- Basic questions they have gotten over time about the fee policy.
- Review the 2007 fee study, the recommendations and how that turned into a policy.
- Review what they have done since that did become policy.
- Provide the recommendation on the revised fees.

The basic questions we keep getting on fees is they are the same as taxes. Staff put out an announcement and people say don't raise my taxes. So the first thing staff has to explain is the fees are not taxes. These fees only apply to applications and permits for new development and do not apply to existing property that is not changing.

Why do we have fees? Fees place the cost of approving and inspecting the new development on that development rather than the public at large because without the fees the county programs would need to be supported by increased taxes.

Why have the fee policies? To ensure consistence and predictability and to simplify the administration, which also reduces the cost.

The following recommendations came out of the study:

1. Improve the data and quality for fees by the unique fee identifiers and collection of revenue per fee. That was accomplished through these ordinance amendments that had already been done.
2. Reduce the number of the fees in the schedule, which was also accomplished through these ordinance amendments.
3. Develop a Board approved cost recovery policy. It was done through a blended approach which looked at the fees to see full cost recovery; but, then the Board would balance that with assuring there was consistency with our fees on what they saw in neighboring and similar localities.
4. Adjust the fees based on budget growth each year. That was because in 2007 the fees had last been updated in 1991. So they set a policy to regularly update the fees on a bi-annual basis.
5. Actual time spent on the services should be captured. This is something that has been deferred because they need a detailed time keeping system, which is still not funded.
6. Comprehensive review of the fees, which also requires that detailed time keeping

system. When we get that in place we will begin on that.

The fees that have been changed:

1. In August, 2008 adopted new fees for the building regulations. In this one we were able to go to 100 percent cost recovery while keeping the fees very similar to what they saw in surrounding localities.
2. Adopted fees for Water Protection Ordinance in 2008. The Board set those at roughly 50 percent of the direct cost of the program. However, when they revised the fees last year, as a result of the Virginia Stormwater Management Program (VS&P Program) regulatory changes, at that time the Board directed staff to set fees for that VS&P Program at 100 percent cost recovery and maintain the 50 percent for the other programs. This would be things such as the Groundwater Program and the Stream Buffer Program that the county has. Those fees are in place and we will plan to look at them again next year.
3. Subdivision fees were done in May, 2009. It averaged out about 50 percent of the direct cost. Since then we have done some process improvements that reduce some costs by eliminating the need for Planning Commission review. It also freed the Planning Commission up to focus on the comprehensive plan. Staff estimates that it saved about 10 percent of the previous direct cost meaning that we are still far below 100 percent cost recovery so there is room to work as far as any cost adjustments there.
4. With the zoning the revised fees were set in August, 2010. The zoning fees probably have the lowest and the widest range of cost recovery. Some of the direct zoning fees as far as inspections were close to 100 percent. On the other end of the perspective the legislative review, such as the rezoning and the special use permits, we probably recover about 10 percent of the county's cost on those applications.

So what has this meant to us? If they look at it from a calendar year they did the fee study and the policy back in 2008 and started changing the fees that significantly improved the revenue for the county. If we even go back to prerecession days in 2006 we are still collecting about a half million dollars more than we were prior to the fee changes. As far as the net cost for the Community Development Program it significantly reduced what it cost the county as far as tax payer support for this.

This fee adjustment will take the cost back down from what you see for FY15 to something closer to the FY14 number as far as the net costs for the county to operate Community Development. In the next steps we are following the Board Policy in their resolutions of intent with these proposed ordinance amendments on the budget and salary increases. We looked at that and it is a cumulative increase of 7.5 percent since 2008. There were no salary adjustments in 2009/2010 so that did not even come into play. Then with the salary increase for staff that is incurring this month it comes out to 2.3 percent, which is including that 7.5 percent.

They are currently working to update all of our forms and application fees and advising the public of the proposed ordinance amendments so that nobody is surprised when they come in to submit an application and the fees have changed. With that we are also going to be recommending to the Board to set an effective date of November 1, 2015 assuming the Board actually adopts the ordinances on October 14, 2015.

The recommendations are laid out for you. If you recommend it as drafted the motion would also need to include the one change for the ZTA that Mr. Kamptner emailed today and handed out to everybody. It just includes an exception for the fees for temporary signs submitted under our new section that is being proposed to deal with projects in road construction areas such as the Route 29 Solutions. That is the first one. If after considering this the Commission wants to add other changes staff recommends you use the second motions where you would do it as presented by staff with the following changes. Finally, if you want to recommend denial use the last motions. With that he would be glad to try to answer any questions the Commission may have.

Mr. Morris invited questions for Mr. Graham.

Mr. Keller asked how does cost recovery work in the county. Do you have that as part of the budget line for a particular area or is it just assumed that there are going to be so many fees that are coming into the general fund.

Mr. Graham said that is actually a good question. We do not operate Community Development as an enterprise funded. The revenue that comes in the form of fees simply goes into the big pot, the general fund. Community Development is budgeted on the expense side as part of the annual budget rather than those fees being programed into our budget directly.

Mr. Keller said they are just as we have an assumption on what our real estate tax will give us. On the positive side we have an assumption of what this fee will be unless we have a big dip.

Mr. Graham agreed that was correct. Every year as part of the budget development the Office of Management and Budget and Finance are both on me pretty hard as far as what our estimates for the fees are next year. Basically, it is requiring us to take a crystal ball and say how much development activity do we think is going to occur next year.

Mr. Keller pointed out it would include proffers as well.

Mr. Graham agreed that proffers is part of that as well.

Mr. Randolph asked is that the same way the Police Department operates. If they give somebody a speeding ticket does that money also go into the general budget? He asked is it a consistent policy across all departments?

Mr. Kamptner replied that it depends on whether it is violating a county ordinance or a state statute. But, a portion of that goes to the state.

Mr. Randolph said part of that would go to the state, but the other part would not stay with the department it would go in the general revenue for the county.

Mr. Kamptner agreed.

Mr. Dotson said you have answered my basic question, which was the percentage. In my reading I was trying to trouble shoot and say think of anything that might have a fee that he did not see in here and maybe should not be in here. What I thought of was freedom of information requests.

Mr. Graham replied we have never put a cost as a fee here in the ordinance for FOIA requests because they tend to go all over the place as far as not being a particular ordinance.

Mr. Kamptner pointed out what the county can recover are reasonable costs for searching, copying and things like that.

Mr. Dotson said he just thinks it is useful to put a sentence in some report that goes to the Board that the public can see so they understands how FOIA requests work.

Mr. Graham pointed out they do have other fees like that which they collect such as doing large prints for people. Some people ask us to print out maps and we have direct cost for those things as well. With the FOIA's if it is a large project we give people an estimate. Staff looks at it and tries to estimate how much time and paper there is.

Mr. Dotson noted the Commission sometimes get emails asking how much we have. So that is what brought it to my attention.

Mr. Graham said it was a fairly routine activity for us since we get about 300 FOIA requests a year.

Mr. Dotson suggested putting in a line someplace that somebody might see that there are these cost aspects to it. He assumed that community meetings would be covered by the zoning fee.

Mr. Graham replied that is correct that special community meetings with the legislative is built into those fees.

Mr. Randolph said it is not the county's responsibility to mail everything out, is it.

Mr. Graham replied no the county does not have the responsibility to mail it, but staff will often attend those community meetings and be there to answer questions.

Mr. Dotson asked about property owner initiated comprehensive plan amendments.

Mr. Graham replied that is in there under the zoning fees.

Mr. Dotson asked if GIS information is on a cost recovery basis, too.

Mr. Graham replied yes, that is outside of these ordinances as well. However, it is just an administrative function and we have a cost table for services that we can provide.

Mr. Dotson noted in trouble shooting he could not find much trouble.

Mr. Loach asked if increased fees will help with staffing.

Mr. Graham replied obviously it provides a source of revenue to pay for those fees. That did play quite a roll, for example, in the Virginia Stormwater Management Program (VS&P) in 2014 because that program greatly expanded our work load and we were going to have to hire new staff. We built the fees for that program based on cost recovery through those fees. So those positions were neutral as far as new taxes.

Mr. Loach said he thought it was interesting about staff putting in for the software to follow your time by the hour. It is good news. As someone who has done consulting work in that for a department it had its down side, too. He always felt he was chasing hours versus trying to get my work done. There are both sides of that coin.

Mr. Graham agreed from having managed a professional engineering office and trying to get the time sheets done he found people get creative with it.

Mr. Loach said he thinks it is useful for gathering data to get to the cost that you would need to recover for it. If you use it as the complete generator it becomes problematic like Mr. Graham said then you are chasing costs and not any projects.

Mr. Morris asked if there were any other questions.

Mr. Kamptner noted to answer Mr. Dotson's question the zoning ordinance does not deal with comprehensive plan fees. There may be a policy. The comprehensive plan is not a zoning type of application. He was looking through another chapter of the Code right now to see if we have any.

Mr. Graham noted we do have an application with a fee.

Mr. Kamptner pointed out that may be set by policy or resolutions instead of in the ordinance.

Mr. Graham said it would be worth going back to look at because they may need the Board to revisit that question.

Mr. Morris opened the public hearing and invited public comment. There being no public comment, the public hearing was closed and the matter before the Planning Commission for discussion and action.

Mr. Kamptner pointed out they will need two separation actions.

Mr. Morris asked for a motion on STA-2015-00002 Fees.

Motion: Mr. Loach moved and Mr. Lafferty seconded to recommend approval of STA-2015-00002 Fees as presented by staff.

The motion passed by a vote of 6:0. (Firehock absent)

Mr. Morris noted STA-2015-00002 Fees would be forwarded to the Board of Supervisors recommending approval at a time to be determined.

Motion: Mr. Loach moved and Mr. Lafferty seconded to recommend approval of ZTA-2015-00011 Fees as presented by staff, as amended.

Mr. Kamptner noted that includes the revision for an exception for the fees for temporary signs submitted under our new section that is being proposed to deal with projects in road construction areas such as the Route 29 Solutions.

The motion passed by a vote of 6:0. (Firehock absent)

Mr. Morris noted ZTA-2015-000011 will be forwarded to the Board of Supervisors recommending approval by a unanimous vote at a time to be determined.

(Recorded and transcribed by Sharon C. Taylor, Clerk to Planning Commission & Planning)