

STATE OF ALABAMA)(
 :
COUNTY OF BALDWIN)(

The City Council, City of Fairhope, met in special session at 5:30 p.m., Fairhope Municipal Complex Council Chamber, 161 North Section Street, Fairhope, Alabama 36532, on Tuesday, 10 April 2007.

Present were Council President Robert C. Gentle, Councilmembers: Debbie W. Quinn, Daniel Stankoski, Cecil Christenberry, and Michael A. Ford; Mayor Timothy M. Kant, City Attorney Marion E. Wynne, and City Clerk Geniece W. Johnson. Councilmember Cecil Christenberry was absent.

There being a quorum present, Council President Gentle called the meeting to order. The Pledge of Allegiance was recited, and Pastor Jerry Henry of First Baptist Church, gave the invocation.

Council President Gentle stated that this meeting does not deal with storm water. This meeting is strictly dealing with Impact Fee.

Paul Tischler President of TischlerBise presented the following PowerPoint presentation.

Mr. Tischler explained that Impact Fees could only be used for new growth fair share capital facilities needs. Impact Fees are to absorb the cost of new growth -- to help pay for additional roads, parks, schools, utilities, police and fire protection.

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Mr. Tischler explained that Alabama Act on Impact Fees does not allow general government items such as libraries, or general operating costs.

Councilmember Christenberry arrived at 5:50 p.m. just before the Fire Methodology portion of the PowerPoint presentation.

Council President Gentle exited the dais at 5:51 p.m. and returned at 5:52 p.m.

Mr. Tischler stated that the impact fee for the Fire Methodology reflect 61% of the Fire Department's total capital cost. The Police Methodology reflect 67% of the Police Department's total capital cost. The Impact fee is limited to the corporate limit only.

The Impact Fee can only be used for the initial purchase of police vehicles, not for replacing cost.

Mr. Tischler stated that the impact fees will need to change with growth, and should be changed every two to three years.

Council President Gentle inquired about the amount homes valued higher than \$250,000 or lower would pay more than a home valued at \$600,000 and higher.

Chris Gill, Attorney with Hand Adendall explained that the legislators decided to cap the impact fee at 1%, thereby causing a short fall on collection of homes valued at \$250,000 and lower. The higher valued homes will pay more in impact fees. The Impact Fee is calculated on a by unit size or by bedrooms.

City Attorney, Marion E. Wynne exited the dais at 6:25 p.m.

Councilmember Christenberry inquired how are impact fees policed? Mr. Gill explained that impact fees are a self-policing fee, but the impact fees will be made a part of the annual audit.

Mr. Gill explained the steps of passing an Impact Fee.

1. A Public Hearing such as tonight's meeting must be held.
2. A draft ordinance will be submitted to the City Council for review.
3. If the City Council is satisfied with the draft ordinance, a proposed ordinance will come before the city council at the May 14 regular meeting. At this time, the City Council is welcomed to have a second Public Hearing due to the low turn out, but is not required to have another Public Hearing.

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Council President Gentle opened the Public Hearing at 6:39 p.m.

- Dick Charles addressed the City Council and inquired if all operation and maintenance expenses are cut out of the impact fees. Mr. Tischler explained that this fee is only for capital improvements.

Mr. Charles inquired if Volunteer Fire Departments were taken into account for the impact fee. Mr. Tischler explained that Volunteer Fire Departments verse a paid Fire Departments were a concern.

- Jim Horner addressed the City Council and inquired why is 1% being used? Mr. Tischler explained that the Legislators of Alabama set the 1%.

Council President Gentle closed the public hearing at 6:40 p.m.

Mayor Kant stated that the Legislators are looking at amending the Impact Fee Act 2006-300.

There being no further business to come before the City Council, the meeting was duly adjourned at 6:49 p.m.

Robert C. Gentle, Council President

Geniece W. Johnson, City Clerk

