



# CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE – 2/27/07

**SUBJECT: MANATEE TRUST FUND WORKSHOP**

**DEPARTMENT: COMMUNITY DEVELOPMENT**

**RECOMMENDED MOTION:**




No motion is required.

**SUMMARY:** With the adoption of the Volusia County Manatee Protection Plan and the interlocal agreement to implement procedures and fee collection for the Volusia County Manatee Trust Fund the City of Port Orange has been established as a “slip aggregation” option participant. All new marine facilities except single-family residential docks will be allocated out of an available slip pool of 1,110. The process of allocating and aggregating slips should be managed to benefit the environment, the public and the vision for Port Orange. In order to create procedures to do this well several questions and policy issues must be answered by City Council to provide direction for staff.

The subject workshop is to review the list of key questions and policy issues prepared by staff and receive feedback from the City Council prior to proceeding to create a Manatee Trust Fund.

**ATTACHMENTS:**  Ordinance  Resolution  Budget Resolution

Other  Support Documents/Contracts Available for Review in Manager’s Office

<b>DEPARTMENT HEAD</b>		Margaret Momberger, Landscape Architect		Date 2-16-2007
<b>FINANCE DEPARTMENT</b>	<b>N/A</b>	Approved as to Budget Requirements		Date
<b>CITY ATTORNEY</b>	<b>N/A</b>	Approved as to Form and Legality		Date
<b>CITY MANAGER</b>		Approved Agenda Item For:		2/27/07

**COUNCIL ACTION:**  Approved as Recommended  Disapproved

Tabled Indefinitely  Continued to Date Certain  Approved with Modification



## Memorandum

To: City Council Members

From: Margaret Momberger, Landscape Architect

MEM

Date: February 15, 2007

Subject: Manatee Trust Fund

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### General Background

As you know, the City Council agreed to participate in the Volusia County Manatee Protection Plan by adopting Resolution 05-54 and entered into an interlocal agreement with Volusia County to implement procedures including the collection of fees for the Volusia County Manatee Trust Fund by adopting Resolution No. 06-82.

The Volusia County Manatee Protection Plan establishes the City of Port Orange as a "slip aggregation" option city. Under the state-approved plan we have a level of service that allows a total of 1,890 boat slips. An existing inventory was developed that includes existing commercial slips, commercial docks, public docks, dry storage, boat trailer parking spaces, single-family residential docks and single-family residential lots that currently do not have a dock but are guaranteed the riparian right to have one. The existing inventory was subtracted from 1,890 to arrive at a net available slip pool of 1,110.

Currently under the MOU with Volusia County we collect and then remit back to the County a one-time manatee mitigation fee of \$250.00 per single-family residential dock and \$1000.00 per slip for all other uses, herein after referred to as commercial. These funds are collected for all newly constructed single-family docks\* and commercial boat slips\*\*, existing docks and slips are exempt.

*\*Single-family dock - up to two slips connected to a single-family residential lot along the Halifax River, Rose Bay, Strickland Bay, or Spruce Creek and built for exclusive use of the owner of the lot. Parking facilities on such lots shall not be counted as slips. A single-family residential lot may also include a fishing/observation pier.*

*\*\*Commercial slip - Any slip, other than a single-family residential dock. A space designed for the mooring or storage of a single watercraft, which includes wet or dry slips or boat trailer spaces having adjacent access to the Halifax River, Rose Bay, Strickland Bay, or Spruce Creek within the Port Orange city limits. Piers authorized only for fishing or observation are not considered slips.*

A portion of the funds collected into the Volusia County Manatee Trust Fund are distributed back to the municipalities at the end of the year in the form of grants. The amount of money that each municipality can expect to receive is based on the City's percentage of total County shoreline. The City of Port Orange is only eligible for 1.6% of the Volusia County Manatee Trust funds collected in a given year. In addition to collecting the County manatee mitigation fee we must track and report the quantity of slips that are allocated out of the slip pool.

### **Where do we go from here?**

From this point forward there are two main questions that need to be answered. The first is "**Do we want to create an additional fund for the City of Port Orange?**" Dollars from the City fund could be used to enhance enforcement on the water, provide manatee education, preserve, restore and create habitat and improve water quality including quantity reduction of man-made discharges to the river. The community would benefit by the improvements to the environment and the increase of public safety on the waterways in addition to overall strengthening of manatee protection. The additional revenue could potentially ensure communal access to our greatest natural resource, the Halifax River.

The second question can stand alone or work in combination with the concept of a City Manatee Trust fund. The question is "**Do we want to establish policies and procedures that will ensure slips are allocated in such a way that ensures public access or provides some greater public benefit?**" You may be wondering whether there's a need to establish such policies and procedures. Consider this, if nothing is done the City of Port Orange could find itself obligated to approve permits for a variety of slips, in any quantity, for any purpose, as long as the applicant has satisfied the requirements of all State regulatory agencies. One important point to keep in mind is that wet slips and dry storage are becoming very hard to find and the boating community is willing to pay a hefty fee to have access to one. We've already seen a big push in waterfront condominium development in the area. It is only a matter of time before coastal Volusia County sees an explosion in marina, condominium and other waterfront development similar to what South Florida has already experienced. Drawing from past experience it is arguable that most developers do not voluntarily provide public access to the waterfront or a greater public benefit unless incentives are provided to do so, or regulations are in place requiring such. City Council has the opportunity to establish a set of policies and procedures that ensure that slips are allocated from the slip pool in a way that fits the City's vision and provides a greater benefit to the community at large.

If the answer is "**yes**" to either question then it is necessary to proceed to a more detailed discussion of the key policy issues.

***Break – question and answer session. If City Council is affirmative with either question proceed to Definitions.***

For the following discussion it is important to understand the terms used. For the most part we have stayed consistent with the definitions in the Volusia County Manatee Protection Plan, only modifying them slightly to address items specific to Port Orange.

The general terms and definitions are as follows:

**Boat trailer space** – A parking space associated with a boat ramp, marina, or other water related facility designed to accommodate a boat trailer and the vehicle used to tow the trailer with adjacent access to the Halifax River, Rose Bay, Strickland Bay, or Spruce Creek within the Port Orange city limits.

**Commercial Slip** – Any slip, other than a single-family residential dock. A space designed for the mooring or storage of a single watercraft, which includes wet or dry slips or boat trailer spaces having adjacent access to the Halifax River, Rose Bay, Strickland Bay, or Spruce Creek within the Port Orange city limits. Piers authorized only for fishing or observation are not considered slips.

**Dry dock/storage** – A commercial storage space for a boat located out of the water but with direct or adjacent water access to the Halifax River, Rose Bay, Strickland Bay, or Spruce Creek within the Port Orange city limits.

**Single-family dock** - up to two slips connected to a single-family residential lot along the Halifax River, Rose Bay, Strickland Bay, or Spruce Creek and built for exclusive use of the owner of the lot. Parking facilities on such lots shall not be counted as slips. A single-family residential lot may also include a fishing/observation pier

**Slip** – A space designed for the mooring or storage of a single watercraft, which includes wet or dry slips or boat trailer spaces having adjacent access to the Halifax River, Rose Bay, Strickland Bay, or Spruce Creek within the Port Orange city limits. Piers authorized only for fishing or observation are not considered wet slips.

**Slip pool** – The allowance for boat slips to be aggregated at specific parcels within the City of Port Orange jurisdiction rather than evenly distributed. Based on the State approved total number of 1,890 allowable slips within the City of Port Orange jurisdiction (includes all navigable waters of the City generally the Halifax River, Rose Bay, Strickland Bay, and Spruce Creek). The total number is subtracted by the number of existing slips (and existing single-family parcels) resulting in a net of 1,110 slips in the slip pool.

**Non-Motorized Slip** -- A slip that is for non-motorized craft (typically a sailboat, including sailboats with small motors which are not used as the primary means of propulsion) – it may be for commercial or private use.

***Break – question and answer session. After questions regarding definitions are addressed proceed to Key Policy Issues.***

**Premise statement:** It is important to note that the issues and fees proposed below do not apply to existing boat docks/slips. Existing boat docks/slips are exempt which is consistent with the Volusia County Manatee Protection Plan. Please keep in mind that the fees proposed below are in addition to fees collected for Volusia County. With respect to all newly constructed boat docks/slips Staff recommends the following:

**Key Policy Issues / Non-fee related**

**1. Setting aside a percent of slips from the pool for “public” uses**

- Pros – Public access to the water is preserved  
 Could be used as economic development incentive for public/private ventures  
 Cost of public slips are kept in line with the Manatee Trust Fund program and not left to the free market
- Cons – City may incur the cost of boat slip fee  
 (to address this the City could require private development to have a percentage of public slips and/or City could lease slips)

**Staff recommendation: Staff supports setting aside a percent of slips from the pool for “public” uses**

**2. Projects proposed with a quantity of slips exceeding slip to shoreline ratio to provide “greater public purpose”**

- Pros – May increase public access  
 Consistent with Volusia County MPP that advocates clustering boat slips and maximizing dry dock storage  
 Could be used to spur economic development/provides incentive for quality development
- Cons – More review and negotiation required

**Staff recommendation: Staff supports allocation of slips exceeding slip to shoreline ratio to provide “greater public purpose”**

**Key Policy Issues / Fee related**

**3. Providing a category and reduced fee for “Non-motorized” slips**

Pros – The boat slip pool could be exceeded (non-motorized is exempt)  
Consistent with State and County plan (non-motorized is exempt)

Cons – Enforcement would be difficult (police and code enforcement)  
Loss of potential revenue  
More staff and staff time to administer  
Signage or some marking system would be necessary

**Staff recommendation: Staff does not support a category and reduced fee for “non-motorized” slips**

**4. One-time fee for single-family docks**

Pros – Lower fee is consistent with the County program  
(County charges \$250/Residential, \$1000/all other slips)  
Easy to enforce  
Ease of administration

Cons – Loss of potential revenue (Currently 260 single-family lots do not have a dock. Under this proposal the City could expect to collect \$260,000.00 if a dock was built on all remaining residential lots as opposed to a recurring fee.)

**Staff recommendation: Staff recommends a two-tier fee structure that would set a one-time fee of \$1000.00 for each residential dock plus the County fee of \$250.00 (total \$1250.00). Second tier is a recurring fee for all slips allocated from the 1,110 slip pool as discussed below. *Important to remember new single-family docks do not come out of the net slip pool, they have already been accounted for and taken out as inventory.***

**5. Type of Fee****• Sold as development right**

**Slip would be sold out of the slip pool for a specified amount. Maximum revenue would be 1110 X Commercial Amount + 260 X Residential Amount**

Pros – Large amount of money early on  
Enforcement issues would be minimal to none

Cons – Major upfront expense for development/may be a hard sell  
Non-recurring fees  
Difficult to establish the "right" fee/no way to predict the future  
Once slip is sold fee cannot be adjusted  
Once slip is sold it is gone from the pool forever  
May severely restrict public access  
State may want portion of payment (in most cases they own the submerged land)

**• Annual or long-term user fee**

**Slip would be allocated out of the slip pool for a set period of time for a set annual fee.**

Pros – Recurring fees create a continuous revenue stream  
Spreads cost out over a longer period  
Ability to adjust fees as program matures  
Ability to re-acquire slips into the slip pool if payments are defaulted  
May encourage marina development

Cons – Enforcement necessary and could be difficult  
Fee collection will require management  
More staff time to administer/possibly more staff required

***Break – question and answer session. After questions regarding type of fee are addressed proceed to Options.***

**OPTION 1 (Modeled after Edgewater plan\* / sold as development right)**

One-time fee of \$100,000.00 per wet slip, dry dock storage space or boat trailer parking space for all uses except single-family residential

One-time fee of \$1000.00 per single-family residential dock

Full amount is due with fee collection for building permit

May elect to offer payment plan with interest

*\*Edgewater is re-thinking their proposal and may switch to a recurring fee approach or reduce the one-time payment to \$30,000-\$40,000*

**OPTION 2 (20-year long-term use / two-tier fee structure)**

Recurring fee of \$1000.00\* per wet slip, dry dock storage space or boat trailer parking space for all uses except single-family residential

\*Upfront payment discount of 3% for 20 years

One-time fee of \$1000.00 per single-family residential dock

First year payment of \$1000.00 recurring fee due with fee collection for building permit

One-time \$1000.00 residential fee due with fee collection for building permit

Fee collection for years 2 thru 20 would coincide with beginning of fiscal year. Fees due in October. Late payments would be charged penalties as defined in the miscellaneous accounts receivable billing. Could consider incentive for early payment.

Fee collection could be outsourced similar to the management of the trailer park.

**Staff recommendation: Staff recommends Option 2.**