

**MINUTES OF THE
ECONOMIC DEVELOPMENT COMMITTEE
MEETING**

7:00 a.m.

June 28, 2022

Mayor Genshaw brought the meeting to order with the following committee members present: Councilman Dan Henderson, Joan Neal, City Manager Charles Anderson, and Director of Economic Development and Community Relations Trisha Newcomer; the Building Official Mike Bailey was also present.

Director of Economic Development and Community Relations Trisha Newcomer presented Old Business Item #1: Review and consider the request from Mr. Palmer Gillis, 200 Health Services Drive, SCTMP#331-5.00-13.02 for an impact fee review and reduction. Mrs. Newcomer briefly went over the details of the request and a rate comparison for neighboring communities. She explained several of these municipalities offer a reduction in impact fees; however, they do perform a look back to ensure the usage has not significantly increased and the fee reduction is still warranted. If through this look back it is determined to be a higher usage than what was originally credited, they then bill the developer for the difference.

Mrs. Newcomer noted she did reach out to the communities included in the rate comparison to verify their rates and procedures for fee waivers or reductions; these communities included Georgetown, Millsboro, and Milford. She noted each community has a different gallon per day (GPD) measure for 1 EDU calculation. For instance, in Georgetown one (1) EDU is equivalent to 225 gallons per day, and in Milford, 250 gallons. Both Millsboro and Georgetown have an administrative look back process that allows their Administration Department to determine whether the facility's actual usage justifies a reduction in impact fees. The Town of Milford is unique in that they are a contractor of the County, meaning any reduction or waiver of impact fees would need to go through Sussex County's administrative processes.

Mrs. Newcomer noted most communities in the area fall in the range of 300 gallons/day per one (1) EDU. Mayor Genshaw stated based on the reporting, the City of Seaford's rates are significantly lower than most neighboring communities.

Mayor Genshaw solicited any questions or comments from the Committee. Councilman Henderson expressed his concern, that while Mr. Gillis has valid points related to actual consumption versus the set rates for impact fees, the City of Seaford is still required to provide infrastructure to accommodate a specific capacity. He also expressed concern that these conversations deal more with infrastructure and would fall under the purview of the Operations Committee, rather than Economic Development. Additionally, the City of Seaford will not be able to capitalize its system, if the costs are not equally shared.

Mrs. Neal asked Mrs. Newcomer to explain Mr. Gillis's exact request. Mrs. Newcomer explained Mr. Gillis is not requesting a specific value for the fee waiver or reduction; however, he would like the city to consider charging the fee more in line with his facility's estimated impact and usage.

Councilman Henderson stated the savings already exist in the form of low rates compared to other communities in the area, and the impact fees need to be equitable for those who have already paid into the system. He finished by stating he feels the City of Seaford's fees are fair and does not believe any adjustments are necessary in this instance. He also noted, if Administration feels these same issues could impact future development, it may be worth revisiting.

With no other questions or comments, Mayor Genshaw called for a motion. Councilman Henderson made a motion to deny the request from Mr. Palmer Gillis for an impact fee review and reduction; Mrs. Neal seconded the motion. All those present voted in favor.

Mayor Genshaw then made a motion to adjourn. Councilman Henderson motioned to adjourn the Economic Development Committee Meeting; Mrs. Neal seconded the motion. All those present voted in favor. The meeting adjourned at 7:17 a.m.
