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Lot fee OK'd to lure firms

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Builders in the county could begin paying a fee to boost economic development as early as August.

Commissioners unanimously approved an ordinance Monday night to charge a fee on all land that is platted, or officially recorded, by the county for development.

All money raised will go to Johnson County Development Corp. in hopes that more money will help bring more businesses to the area.

The county has been discussing the fee since it was brought up in a commissioners meeting a few months ago. Several ways to raise the money were considered, including a fee on building permits and different amounts for the platting fee.

Most recently, the commissioners raised the fee from \$50 for residential lots to \$75, with two commissioners wanting the fee to be raised to \$100.

The final vote on Monday kept the fee at \$75 per residential lot.

Commissioners have to take another vote at their meeting next week to decide if the fee will go into effect on Aug. 1 or Sept. 1, commissioner R.J. McConnell said.

What builders think

Builders who spoke at a previous meeting about the ordinance said they were expecting the fee to pass. At a meeting last month, several builders and members of Builders Association of Greater Indianapolis said the county should charge each builder a similar amount and not put the burden on home builders.

Roger Stephens, director of government affairs for the association, said \$75 "was what we expected."

Still, he said he thought the fee should have been more evenly distributed because without housing, the county wouldn't have economic development.

"(Housing) is part of a cycle. If you stop any part of it, none of it is going to happen," he said.

Builders are already paying other fees both in other counties and in Johnson County, such as a park impact fee in Greenwood, he said.

His office figured builders spent more than \$900,000 in fees over the past 2½ years. Those fees get passed on to the buyers, he said.

Existing residents aren't paying as much as the people who are building new homes, he said.

What the cities think

Greenwood Mayor Charles Henderson said he didn't know exactly what he thought about the new fee since it had been passed. Before deciding, he said he would like to get more information about how the new money will be handled.

One of his main concerns is how much of the money that Greenwood, the county's largest contributor, gives will come back to the city, he said.

Franklin's new mayor, Brenda Jones-Matthews, asked commissioners at the meeting if the county would still be contributing the annual fee of \$25,000 to the corporation.

If the county was not going to pay, she said the cities probably would follow suit and drop their yearly payments of \$25,000 from Franklin and \$30,000 from Greenwood.

Losing those contributions would make the corporation lose a large part of its current \$200,000 yearly budget.

Commissioners had discussed using the money from the fee as their contribution, but McConnell said the yearly contribution was in the county's budget that was submitted to the auditor's office.

Jones-Matthews said that was her main concern about the fee. She said she supports the fee because the county needs economic development, and more money would help the corporation do a better job.

More money would allow the corporation to go out and find more businesses and bring them to the county, she said.

Changes in the corporation

Corporation executive director Chris Kinnett said the fee wouldn't change the way the corporation runs by much.

Since much of the money comes from public sources, he said the corporation wants to spend time talking to the people in the cities and towns to see what they want done.

A meeting this month will kick off the corporation's new fee. Representatives from cities and towns are invited to attend the meeting to hear about what other counties are doing and discuss what they each need, he said.

Kinnett said the corporation wants to be sure it is heading in the right direction with the new money.

He said he couldn't remember if the corporation board had taken an official vote on the fee.

Members of the board approved the request to seek the fees months ago, executive board member Chet Aubin of Johnson County REMC said.

He said the board hasn't taken a long, hard look at how much of the group's money will come from the public to see if the corporation's standing as a private/public nonprofit corporation will change.

The board has mainly been concerned about getting enough money for development in the county to succeed, he said.

Board member Lou Zickler said he also couldn't remember if a vote was taken, but he knew there was a strong consensus supporting the fee throughout the executive board.

Even builders and real estate professionals, which is the group he represents as president of the Indiana Association of Realtors, didn't oppose the fee because the county needs the money, he said.