

## Martin County impact fees may double

By George Andreassi

Friday, August 10, 2007

STUART — Hundreds of new homebuyers in Martin County would pay \$13,000 extra, if the County Commission approves a proposal to more than double the impact fees on new residential construction.

The new impact fee for a 2,000-square-foot house with three bedrooms would increase to \$24,654, the highest in Florida, under a proposal formulated by James Nicholas, an economic consultant working for the county. The current fee is \$11,499.

The proposed fee hikes are up for discussion Tuesday by the county's Impact Fee Review Committee, which consists of civic, business and local government leaders. The proposal is expected to go to the County Commission in October.

Any fee hikes would be passed along from the homebuilders to the buyers, meaning fewer working families would be able to afford a new house in Martin County, some local business leaders said.

"Homeownership becomes that much more difficult to achieve," said Jeff Dougherty of the Treasure Coast Builders Association.

Nicholas has also proposed increasing the impact fees new stores are charged by 58 percent and the fees for new offices by 43 percent.

Hikes like that would have a "devastating" effect on Martin County's efforts to attract new businesses and keep existing businesses, said Joe Catrambone, president of the Stuart/Martin County Chamber of Commerce.

But Nicholas said he merely calculated the amount of money it would take to pay for new roads, parks, schools, libraries and other government facilities that will be needed to accommodate residential and commercial growth.

The commissioners have three main options: Raise impact fees on new construction, pay for the new facilities with tax money or reduce standards and live with more congestion, mainly on the roads and in the schools, Nicholas said.

The commissioners could also formulate a mixture of the three options.

St. Lucie, Indian River and Palm Beach counties are also considering impact fee hikes on new development to pay for new government facilities needed to handle growth, Nicholas said.

Fueling the increase in impact fees are the dramatic increases in the costs of new roads and schools, which in turn are caused by the jumps in the prices of land and concrete, Nicholas said.

Another major factor is the steady shifting of costs for new roads and schools to local governments from the state government in the past three decades, Nicholas said.

The last time Martin County raised its impact fees was July 2005.

The commissioners should have raised impact fees sooner, so the hikes would not be as high and taxpayers would not have been left to make up the difference, said Donna Melzer, a former county commissioner and government watchdog.

"We've been collecting not enough for infrastructure for a while here," Melzer said. "That's a burden on the residents."

### **IMPACT FEE REVIEW**

What: Martin County Impact Fee Review Committee reviews the new impact fee proposal

When: 3:30 p.m., Tuesday

Where: Workshop Meeting Room (4th floor), Martin County Administrative Center, 2401 Monterey Road, Stuart

Contact: Cesar Perez, (772) 288-5665

### **MONEY FROM THE FEES**

Martin County has raised the following amounts of money from the impact fees charged for new development:

2000-2001: \$7,297,605

2001-2002: \$7,088,066

2002-2003: \$7,791,102

2003-2004: \$12,506,145

2004-2005: \$15,899,442

2005-2006: \$13,035,027

Source: Martin County Growth Management Department

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**NEW HOUSES ¶ ¶**

The following are the number of new houses built in Martin County in the past seven years: ¶

2000: 1,304 ¶

2001: 1,291 ¶

2002: 1,400 ¶

2003: 1,578 ¶

2004: 1,543 ¶

2005: 1,321 ¶

2006: 987 ¶

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**THE FEES ¶ ¶**

The following is a comparison of selected impact fees: ¶

House;Current;Proposed;Increase ¶

1,101 to 2,300 square foot house;\$11,499;\$24,654;\$13,155 ¶

Office under 100,000 square feet, per 1,000 s-f;\$4,276;\$6,134;\$1,858 ¶

Retail under 50,000 square feet, per 1,000 s-f;\$12,962;\$20,538;\$7,576 ¶

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**IMPACT FEES AROUND THE STATE ¶ ¶**

Here is a look at what some counties charge in impact fees for a 2,000 square foot, three-bedroom house: ¶

Martin (proposed): \$24,654 ¶

Collier: \$24,388 ¶

Martin (current): \$11,499 ¶

Palm Beach: \$11,130 ¶

Indian River: \$9,877 ¶

Brevard: \$9,298 ¶

St. Lucie: \$8,907 ¶

*Source: Technical Memorandum by James C. Nicholas Ph.D. ¶*

#### ¶ **ABOUT THE CONSULTANT** ¶ ¶

James C. Nicholas, a professor emeritus at the University of Florida, has calculated that it will cost Martin County \$24,654 to pay for the new roads, parks, schools and other government facilities needed to accommodate a new 2,000 square foot, three-bedroom house. ¶

Here is a link to his qualifications: [www.law.ufl.edu/faculty/nicholas](http://www.law.ufl.edu/faculty/nicholas) ¶

#### ¶ **WHAT IS AN IMPACT FEE?** ¶

Fees local governments charge developers to pay for the cost of new roads, parks, schools and other facilities needed to accommodate growth.



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