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City affordable impact fee makes progress

The Punta Gorda Planning Commission likes the idea of deferring impact fees to make it easier for working people to buy homes.

PUNTA GORDA -- The city's advisory Planning Commission likes city staff's idea to make housing a bit more affordable to working people and others with moderate incomes.

The Planning Commission voted unanimously Monday to support a proposed affordable housing impact fee ordinance. The City Council has the final say on the ordinance's adoption.

Since the state doesn't allow local governments to waive impact fees, the proposed ordinance would either transfer impact fees or defer impact fees to reduce the upfront costs for housing for developers or first-time homeowners earning moderate or lower incomes. Moderate incomes could include those who earn 80 percent to 120 percent of the local median income, which varies according to family size.

"This is ahead of most communities," Urban Design Manager David Hilston said. "It's very progressive, and we are very excited about it."

Hilston explained how the transfer of impact fees will come from properties that are presently zoned for development but will be purchased for preservation.

A perfect example, Hilston said, is the city effort to purchase properties along East Marion Avenue. The city is attempting to purchase and will become a park some day. The city can bank those impact fees attached to those properties, Hilston said, and can later use the impact fees for a developer who intends to build affordable housing.

"It doesn't have to be a cash transaction," Hilston said. "It can be a paper transaction."

The city is now seeing a number of workforce, affordable and public housing projects in the works. Developer Gabe Bove is now selling condominium units for his Avenues development and is targeting police officers, firefighters, nurses and other employees who are looking to buy housing they can afford.

The deferral of the impact fees will allow a new homeowner to postpone paying impact fees until the house is eventually sold. The proposed ordinance, Hilston said, does call for the homeowners to pay up to 5 percent interest annually on the deferred impact fee. However, the interest cannot exceed 25 percent of the original impact fee.

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