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Builders beware: Fees rising Construction costs going up in July

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OCALA - Marion County's transportation impact fees are going up on July 1 and, if history repeats itself, contractors will be rushing to pull permits before the higher rates go into effect.

The fee for a single-family home is going from \$2,212 to \$3,678 - a \$1,466 increase. An office building under 50,000 gross square feet is now paying \$4,096 for every 1,000 square feet. Starting July 1, that rate will jump to \$5,981 per 1,000 square feet. Elementary schools will go from \$97 per student to \$300 per student. A manufacturing facility will go from \$855 to \$1,215 per 1,000 square feet.

So far, there has not been a noticeable increase in the number of applicants for permits or zoning changes, but Tracy Gale, county building department spokeswoman, said she expects that to change by the second or third week of June as the deadline approaches.

"Based on previous impact fee adjustments, there has been a rush," Gale said.

Mike May, the county's growth management bureau chief, said the last time there was a transportation impact fee hike about 700 permits were pulled.

"It really bogged us down," May said.

The Building Department issued 2,143 permits in May and 596 of those were for new single-family homes.

Jay Thompson, division president of Pulte Homes, said he does not expect to be part of the rush.

"We do about the same number every month. That's probably not going to change," Thompson said about his permits. "I'm sure there's somebody that's going to. Any money you can save is

THE ISSUE

Impact fees will be going up starting July 1, and county officials are expecting a mad dash for permits in coming weeks.

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helpful to the bottom line and the price."

But county officials expect more filings. To accommodate the onslaught and continue to offer the best service, county officials are asking contractors to submit their applications early and mark them as being high, medium or low priority.

And this could happen all over again later this year.

The county commissioners on May 2 approved the increase but they were not pleased with some of the numbers. So they gave the approval for the new fees for six months and formed a committee, headed by Commissioner Andy Kesselring, to develop new ones.

"Some of them thought the impact fees for residential should be higher and the commercial fees should be lower," County Administrator Pat Howard said.

Kesselring has argued that residences should pay a higher fee because they are driving the growth. He wants to lower rates for businesses to encourage them to build near housing developments so people do not have to clog roads by traveling long distances to get services.

"Their hope and expectation is to have a new set of impact fee rates in effect before the other expires," County Administrator Pat Howard said. "If they can't do it quick enough, we will have to extend the present ones or come up with new ones."

Howard said he did not expect the committee to reduce the impact fees. He said some categories may be reduced, but others likely will increase.

There are 60 different land uses that require payment of the impact fees. For information about the rates for a specific land use, call Kim Hatcher, the county's impact fee coordinator, at (352) 620-3394.

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