

Posted on Fri, Nov. 18, 2005

DEVELOPMENT

Builders may pay extra fees

The new year may mean new, higher 'impact' fees for developers building in Miami. Home buyers will likely foot the cost.

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Miami city commissioners on Thursday tentatively approved a substantial hike in fees charged to developers, with hopes the new money will help the city achieve a world-class park system.

Neighborhood activists hailed the move as long overdue -- Miami last revisited the issue in the late 1980s -- though they vowed to continue lobbying City Hall in hopes that the new formula will be further tweaked to bring in even more money.

Although charged to developers, so-called "impact fees" are typically passed on to homebuyers. The fees are used by local governments to offset the costs of building the new schools, roads and parks required when population swells.

Most of the money collected by Miami's new fees would go toward parks improvements, including the purchase of new parkland. Miami is currently in the midst of putting together the city's first parks master plan.

PART OF MIAMI 21

Both the master plan and the proposed new impact-fee program are part of Miami 21, the city's effort to create a new "smart-growth" development blueprint for the city.

Miami's park facilities have long been criticized by some residents as inadequate. A study by the Trust for Public Land, a national group that advocates for open space, ranked Miami last in a list of 12 high-density U.S. cities when it comes to park acreage per 1,000 residents.

In voting for the impact-fee change, City Commissioner Johnny Winton warned ``we can't solve the problems overnight."

But, he added, ``this is a great first step."

In the future, Winton said the city may want to pitch a parks bond issue to voters in order to pay for all the necessary upgrades.

The new fees must be approved by commissioners one more time next month before becoming final. Should that happen, they would take effect for new construction beginning Jan. 15. Completed building applications submitted before that date would not be affected.

A private consultant company, TischlerBise, helped Miami draft the new fee structure. The consultant's projections predict annual overall fee collections will increase from previous norms of \$2.5 million a year to \$7.3 million a year. The portion set aside for parks would grow from about \$500,000 to more than \$5 million a year, the consultants estimate.

MIDDLE OF BOOM

Miami is in the midst of a wide-ranging historic building boom, and activist Steve Hagen has often complained that new condos already given city approval didn't pay their fair share when it comes to funding park space.

"I'm relieved that this is going forward," Hagen said Thursday after commissioners approved the new fees. Even with the change, however, Hagen said Miami won't be collecting enough money from new construction to maintain its current ratios of park space per resident.

City Commissioner Angel Gonzalez cast the lone "no" vote against the impact fee measure. Although the city's plan offers incentives for affordable housing builders -- fees on new affordable housing would be deferred until the homes are resold at regular market prices -- it does not distinguish a \$300,000 condo from a \$3 million condo. Both pay the same.

"To me, that's not fair," Gonzalez said. He argued for a sliding fee scale based on market price, but the idea was shot down because of concerns the methodology would not withstand legal challenges.