

Posted on Thu, Jul. 20, 2006

Builders' impact fees bumped up

MELANIE MARQUEZ
Herald Staff Writer

BRADENTON - Developers looking to start new construction within the city will have to dig deeper into their pockets to cover increased utility impact fees approved Wednesday by city officials. But some say the fees will be passed unfairly to future homeowners.

With developers lining up to build thousands of new homes within city limits, sewer and water facilities are projected to need more than \$21 million worth of expansions. In anticipation of the costs, the city contracted an engineering firm to study what the city's water and sewer systems would need in order to function with the planned growth.

The new fees start Aug. 1 and apply to building permits applied for on that day or later.

Fees are assessed according to each water or sewer fixture a new home will have. The impact fee for a water fixture in a new home increased by 43 percent, to \$43.58. Sewer fixtures will take a 167 percent jump, to \$81.34. An average home has 19 fixtures.

Current utility customers will not see increased costs on their bills.

"It's only recently that we've seen big planned growth," said Carl Callahan, city clerk. "Our facilities were built to handle a normal growth rate and new projects exceed the expected normal growth rate."

Money collected from impact fees will be kept separately in the city budget as a way to ensure the funds go toward expansion efforts. Currently, the city receives about \$600,000 a year in water and sewer impact fees. The expected increase the city will receive is hard to calculate because it depends on how many houses get built and when, Callahan said.

Ward 4 Councilman Bemis Smith, the only city council member to vote against the higher fees, said they would restrict the ability of builders to offer affordable housing, with fees getting passed to consumers, he said.

"This makes it more expensive for people who want to move into the community," Smith said.

The Florida Home Builders Association, a trade organization representing the state's residential construction industry, doesn't support cities increasing impact fees to handle growth.

"Local governments have done a great disservice by taxing the new guy," said Douglas Buck, director of governmental affairs for FHBA.

With fast growth comes revenue strains that eventually pay for themselves through property taxes, Buck said, but the problem cities often face is the need for money right away.

Melanie Marquez, *Bradenton city government reporter*, can be reached at 748-0411, ext. 2620, or at

