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## Building freeze may follow fee hike

NICK MASON and RICHARD DYMOND  
Herald Staff Writers

**MANATEE** - Frustrated by rampant growth and rising costs of public services, Manatee County commissioners Tuesday boosted impact fees more than 40 percent and decided to take a fresh look at imposing a building moratorium.

While builders later talked about suing commissioners because of hefty hikes in county and school impact fees, commissioners talked about the legality of shutting off building permits for an indefinite period until more roads and schools are built.

Commissioners approved impact fees that county consultant Tischler & Associates Inc. and county attorneys said can be defended in court as maximum fees justified in a 2003 impact fee study.

But the legal staff was uncertain whether commissioners can legally pull the plug on county building permits until the moratorium issue is studied.

"I would say this is now in an infancy stage. What the commissioners have said by their vote is, 'Take a look at this and report back to us,' " Assistant County Attorney Sarah Schenk said.

A push for raising impact fees, which builders pass along to home buyers and business customers, came from Commissioner Amy Stein as she complained that the county is falling behind in keeping pace with rising costs of roads and other public services in a growing population.

"It's hard for me to imagine that the community would like to see this board be derelict in its duty," Stein said. "Going to 100 percent of the Tischler study is still pretty conservative."

Stein also led the commission's unexpected reversal of their April 26 vote against studying a moratorium. She said she now wants a serious review about the potential for declaring a building shutdown.

"I want to direct the county attorney to conduct an investigation into what is necessary for a moratorium or a partial moratorium," Stein said.

Chairman Ron Getman and Commissioners Joe McClash and Jane von Hahmann joined Stein in directing county attorneys to study the moratorium potential and report back. Commissioner Donna Hayes voted against that. Commissioners Gwendolyn Brown and Pat Glass had left the meeting early.

"There has to be a commitment for classrooms for every new house built and a road for every driver," McClash said.

Construction industry leaders were not in the audience to hear the moratorium talk. They didn't attend or speak up during the public hearing hours earlier, before commissioners raised county and school impact fees effective Oct. 1.

Leaders of Gulf Coast Builders Exchange and Home Builders Association of Manatee County said they considered it a pointless exercise to attend because they anticipated commissioners would not listen to their complaints about impact fees Tuesday any more than they did a week ago.

"They were pretty clear about what they were going to do last week," Bambi Spahr of the home builders association said in a telephone interview. "We knew we weren't going to stop them."

Spahr and others looked ahead to exploring filing a lawsuit challenging the higher fees and slightly more than five-week notice of their imposition. That short warning could mess up contracts already signed between builder and customer, they explained.

"We will certainly look into that and talk with attorneys and our members and other builders in the area," Jay Brady, Gulf Coast's executive director, said about a lawsuit challenge. "Five weeks is not enough time to prevent contract impairment."

Higher fees will add several thousand dollars to costs of building a home or business in order to provide millions of dollars of extra income for county government and the school board.

For example, the combined total of county and school impact fees for a three-bedroom single-family home will rise from the current \$7,832.20 to \$11,347.20 on Oct. 1, according to county records.

Commissioners heard public support for raising impact fees from Ernest "Sandy" Marshall of the Federation of Manatee County Community Associations and River Wilderness resident Jay King.

"The federation wholeheartedly supports your efforts to raise these impact fees," Marshall said. "It's certainly a step in the right direction."

King remarked, "I encourage the board to approve increasing transportation impact fees to the 100 percent sustainable level."

Stein joined Getman, Hayes, McClash and von Hahmann in voting for county fees that will jump more than 50 percent on nonresidential construction and more than 40 percent on all types of residential construction.

Brown and Glass voted against them, with Glass contending the decision was being rushed and breaking past promises to the construction industry about amounts and timing of fee increases.

"I have a problem with it," Glass said. "We didn't keep our word."

Brown said during a meeting break that she supports raising impact fees to maximum levels, but she did not want the increases to take effect until June 2006, which had been the next scheduled date for increases.

Commissioners unanimously approved raising school impact fees more than 40 percent on all types of residences after school Superintendent Roger Dearing cited soaring school construction costs the past 18 months, including an elementary school price climbing from \$17.5 million to \$22 million. He said a new school impact fee study being planned will show maximum fees adopted Tuesday are obsolete and actually are only 62 percent to 72 percent of the true maximum fees.

"The increased costs are not slowing down," Dearing said.

Commissioners unanimously adopted the maximum school impact fees cited by Tischler, which the Manatee County School Board unanimously supported Monday night. The school fee on a single-family home will rise from \$4,088.25 for a single-family home to \$5,886 on Oct. 1.

School impact fees are not levied on nonresidential construction.

County government collects impacts fees to help pay capital costs of roads, parks, law enforcement, ambulances and emergency communications.

The county expected to collect about \$10.65 million per year from impact fees based on fee amounts originally planned to take effect in June 2006. County Administrator Ernie Padgett said no new estimate was prepared based on increasing the fees to maximum levels and collecting the higher amounts starting in October.

Dearing said the school board collected about \$9 million of impact fees per year, primarily to help pay for building and renovating schools. He said higher fees will add about \$2 million in the first year because there is a lag of several months between the effective date and collection of higher fees once homes are built.

County and school impact fees are assessed when building permits are obtained, but they do not have to be paid until just before a certificate of occupancy is issued allowing habitation of the new structure.

Commissioners last year froze impact fees on designated affordable housing projects for homes meeting county criteria, including sale prices of \$160,000 or less, including the lot. Impact fee increases above 2004 levels on homes granted affordable housing status are paid by county government.