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City Council will have a say on water fee

Mayor Pam Iorio imposed the impact fee, but her power is limited. The council must act to keep collecting the fee.

By JANET ZINK, Times Staff Writer Published January 11, 2006

TAMPA - The City Council will have a chance to weigh in on Tampa's new \$1,500-per-unit water impact fee.

Mayor Pam Iorio has the authority to enact the fee without a public hearing or City Council approval, and she did so last week, saying the money was needed to pay for a water pipeline to meet demands in booming south Tampa.

But her power is limited.

- The city can collect that fee only while the pipeline is being built, which is likely to be far short of the life of the construction loan.
- The city code must be changed in order to keep collecting the fee after work is finished, and that takes City Council approval.
- It could go before the council as early as next month.
- City officials delivered that news Tuesday to about 40 members of the building industry who went to City Hall for a briefing on the fee.
- Iorio announced on Friday that she had imposed the fee, called a "contribution to aid in construction."
- The impact fee caught builders by surprise, and they used Tuesday's meeting to scold city officials for not letting them know sooner that it was coming.
- "We're the ones taking the risk to create the homes, to create the jobs," said Julia Rettig, president of Tampa Bay Development. "You need to talk to us."
- Others complained they have been waiting for months to get approval for water connections from the city, a process that normally takes weeks, with no knowledge that an impact fee was under consideration.

City officials say that after months of study, they determined the pipeline is necessary to carry water to fast-growing south Tampa. The pipeline is estimated to cost between \$45-million and \$48-million. The impact fee to pay for it applies to new development in most of the city south of Martin Luther King Jr. Boulevard.

"We need to put the infrastructure in place so growth can continue, and we need to do it quickly," said Steve Daignault, the city's administrator for utilities and public works. "We probably should have done this years ago."

The 10-mile pipe will run from the David L. Tippin Water Treatment plant on 30th Street near the Hillsborough River to south Tampa. Work will begin in 2007.

New development now and in the near future will pay for about 60 percent of the pipe's cost, said city attorney David Smith.

Developments built after the pipe is finished will need to take care of the remainder of the tab, but to collect that money, City Council has to agree to changes to the city code.

If money raised through the impact fee doesn't cover the cost, the city will have to find other sources of money, such as raising water rates to customers, Smith said.

Iorio said she's confident the council will approve the revision so that developers will pay.

"It's just a technical change that makes a lot of good common sense," she said. "The city of Tampa is being proactive and building a major transmission line to service growth for years to come."

City Council member Shawn Harrison said he's eager for the discussion. He couldn't say whether he would vote in favor of extending the longevity of the fee because he doesn't have enough information, he said.

"I need to be convinced there is a problem and I need to be convinced there's no other way to pay for this," he said.

Janet Zink can be reached at 813 226-3401 or jzink@sptimes.com

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