

This is a printer friendly version of an article from www.ocala.com

To print this article open the file menu and choose Print.

[Back](#)

Article published Aug 31, 2005

Commission may raise impact fees significantly Firm hired to look into costs needed to cover new roads in county.

OCALA - Anyone who builds a single-family home in Marion County currently pays a \$2,212 impact fee to help pay for roads to support that development, but that fee could more than double in the very near future.

"I am trying to prepare you that we are going to have a significant fee increase on the order of \$4,000-\$5,000, maybe higher when it's done," said Robert Wallace, vice president of Tindale-Oliver & Associates, Inc., the Orlando consulting firm hired to review the county's transportation impact fees.

Wallace on Tuesday gave the county commissioners an update on the study, which he expects to complete by the end of September. The commissioners will then make any adjustments and hold public hearings in November.

The proposed new fees are expected to reflect the increased cost of building roads and buying right of way.

When the county adopted its current transportation impact fees in 2001-02, it cost \$1.7 million to build a mile of road. Preliminary estimates indicate that that cost has jumped today to \$3 million, which includes design, land purchase known as right-of-way, and construction.

Commission Chairman Andy Kesselring asked Wallace to break the figures out for each of those segments.

"Land prices are escalating," Kesselring said. "We want to make sure we have the right amount. Right now, the land costs more than the road."

Commissioner Randy Harris asked if there was a way to create higher fees for development along pressured corridors such as State Road 200, where the cost of building a road is more expensive than in other areas of the county.

Wallace suggested "super impact fees," which are added to the base impact fee that everyone pays.

He said that Pasco County has a "tier" system for building along U.S. 19, which is a more expensive corridor. A home built right along U.S. 19 would pay a super fee of \$1,083; a home built a 1/2-mile off U.S. 19 would pay an \$819 super fee; and a home built 1/2 mile to one mile off U.S. 19 would pay a \$642 super fee.

The commission formed a consensus to have Tindale-Oliver do the three- to four-month study needed to develop the super impact fees.

Kesselring also asked if Wallace could index the impact fees and super impact fees, which means that the fees would go up each year to keep pace with the current cost of construction. That would keep the county from falling behind.

Harris said he wanted to stop pre-payment of impact fees, which allows the developer to pay the fees at the start of the project. By the time the developer completes the project, the cost of roads has gone up and the developer has paid at the lower rate. The county winds up having to pay the difference.

Harris was concerned that developers would rush in to pre-pay the impact fees before the new rates and new ordinances are written. But county Planning Director Dwight Ganoë said that the ordinance allows the commissioners to turn down pre-payment applications.

Wallace said that Marion and Lake counties are the only counties he knows that will refund transportation impact fees if a developer does not begin the project.

"There's no benefit to you of getting the fees up front," Wallace said.

Kesselring said that, perhaps, any pre-payment also could be indexed, too. But the board agreed that, until impact fee changes are made and ordinances adjusted, any pre-payment applications must be brought to the commission for consideration.

Commissioner Jim Payton asked the county attorney to see if impact fees in one district could be lent to another district, to be used as matching funds to capture state road dollars. Right now, each district has about \$1.2 million that is not being used. The law requires impact fees must be used in the district they are collected. Payton wants to know if they can be borrowed and repaid.

Wallace also pointed out that most counties have a mixture of ways to pay for roads, including sales taxes, gas taxes and impact fees.

"The public seems to be willing to accept sales taxes if developers have paid money," Wallace said.

Susan Latham Carr may be reached at 867-4156 or susan.carr@starbanner.com.

Kesselring
