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Commission targets building plans, impact fees

NICK MASON
Herald Staff Writer

MANATEE - County commissioners want builders to pay more utility impact fees and pay them sooner.

Commissioners told their staff Tuesday to proceed with plans for hiring consultants to study ways of raising water-and-sewer impact fees to cover utility-system-construction financing costs and levy fees earlier in the development process.

The intent of changes to be prepared by next April is to make newcomers pay all utility-system-expansion and improvement costs related to population growth, and end subsidies paid by existing residents and business customers, according to county utility leaders and the consultants.

"If you can shift costs to new customers, you benefit the existing customers," said Robert Ori, president of Public Resources Management Group Inc. of Maitland, one of two consultants for the impact fee study. "There are a lot of options out there."

That is what commissioners wanted to hear.

"We don't want existing customers to pay for growth," Commissioner Joe McClash said.

Manatee's existing customers now pay millions of dollars per year for construction financing costs for system expansions and improvements, according to Ori and county utility officials. Those "carrying costs" last for an average of two years before newcomers pay their impact fees and move in, said Bev Chiotti, fiscal services manager in the county's Utility Operations Department.

"We don't address that all?" Commissioner Jane von Hahmann asked about impact fees including financing carrying costs.

"It's totally new," Chiotti replied.

Manatee County has 81,653 drinking-water customers this year, nearly a 15,000 increase since utility impact fees were last studied in 2001, according to Chiotti's background report to commissioners.

The county this year is collecting about \$15.5 million of utility impact fees on construction of new homes and businesses, including \$1,655 of sewer impact fees and \$1,270 of water impact fees for a typical residence.

The fees, which the county calls facility investment fees, are collected once the home or other structure is built and before it is occupied.

"Rather than externally carrying costs, we should really start collections at the building-permit stage," Commissioner Amy Stein said.

Sarasota, Hillsborough and Collier counties collect utility impact fees when the building permit is issued, Chiotti told commissioners. Charlotte County collects them even earlier, when the project final site plan is approved, she said.

Contacted after the commission work session, Ernest "Sandy" Marshall, of the Federation of Manatee County Community Associations, praised the direction that commissioners are heading.

"It's something we need to immediately look into and implement as quickly as possible," said Marshall, the federation's special projects chairman. "I applaud them. We cannot continue to surcharge existing customers so newcomers can come here."

Dave Wick, president of Home Builders Association of Manatee County, could not be reached for comment.

Nick Mason, *county government reporter*, can be reached at 745-7081 or at nmason@HeraldToday.com.