



County Sets Hearing On Impact Fees

By MICHAEL D. BATES

Hernando Today

Published: June 24, 2008

BROOKSVILLE - About a dozen local Realtors, builders and business people stressed to county commissioners Tuesday the urgent need to reduce impact fees by 25 percent to jump start home construction and assist first-time home buyers.

County Planner Ron Pianta told commissioners a reduction could have a negative impact on the county's capital improvement program, and there is no certainty it would stimulate new home construction or increase access to home ownership.

After more than an hour of spirited discussion, commissioners voted 5-0 to debate the issue further at a public hearing July 15. The hearing will include a broader discussion on how best to stimulate the economy in Hernando County.

County Commissioner Diane Rowden said she voted for the public hearing grudgingly because she believes any reduction in impact fees would further burden taxpayers who would suffer from decreases in road projects, school construction, park upgrades and any other infrastructure improvements that depend on impact fee funding.

Rowden said there already exist the down payment assistance program and other programs to help first-time homebuyers.

Commissioner Jeff Stabins agreed to hold the hearing only after getting assurance that Mike McHugh, director of the Office of Business Development, would provide input on other economic stimulation incentive options.

Commissioner David Russell, the biggest backer of setting a public hearing, said Hernando County must "think outside the box" to stimulate the economy. He believes an impact fee reduction might have merit.

The 25 percent impact fee reduction would be for 18 months, meeting the requirements of the state's affordable housing appropriations act, passed into law June 11 by Gov. Charlie Crist. The act sets aside \$20 million in nonrecurring funds for the next fiscal year -- beginning July 1 -- for a 12-month period.

Pianta said there is no guarantee the funds would be available for use by Hernando County residents. Last year, there were only eight loans from the program locally, and all were used for existing homes, not new construction, he said.

New homebuyers in Hernando County currently pay impact fees, which are imposed on developers and builders to fund schools, parks roads and other capital improvements in the community.

The cost per house is \$9,238.

Hernando Builders Association President Dudley Hampton Jr. said the public hearing would put all the information on the table.

"It's not about the builders," Hampton said. "It's an economic stimulus and right now our

county needs one. It's that simple."

Schools Superintendent Wayne Alexander said a reduction in impact fees would have a crippling effect on new school construction.

A 25 percent reduction would lower the school impact fee from about \$4,300 to \$3,200, he said.

But Hampton said the money doesn't all have to come out of the school impact fee. It could come from transportation, parks or other impact fee funds, he said.

County Administrator David Hamilton said he believes an impact fee reduction would have a negative effect on the economy.

"We look at this from a free-market economy view," Hamilton said.

He admits there are scores of homes on the market – 3,689 at last count, but he believes the market should be allowed to correct itself. The oversupply of homes is creating lowered prices and making them more affordable to first-time buyers – which is the intended aim, he said.

Hamilton said the loss of impact fee revenue would also stifle the costs of development of new roads, schools and other improvements, he said.

"There is no free ride," Hamilton said.

But Commissioner Rose Rocco said there are too many unanswered questions. She is willing to hear both sides at the public hearing.

"This is meant to be a stimulus package, and I'd like to see some stimulation here," she said.

Reporter Michael D. Bates can be reached at 352-544-5290 or mbates@hernandotoday.com.

Find this article at:

<http://www2.hernandotoday.com/content/2008/jun/24/county-sets-hearing-impact-fees>

Check the box to include the list of links referenced in the article.

©2008 Media General Inc. All Rights Reserved.

[Member agreement](#) and [privacy statement](#)