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County commissioners look at suspending impact fees on roads

By Stephen Hudak, Orlando Sentinel

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TAVARES – Lake County commissioners will decide next week whether to suspend transportation impact fees, a pricey assessment viewed as both a crucial money source for new roads and a roadblock to economic growth.

Commissioners appeared to be leaning toward suspending the fees this week.

If they opt to suspend the fees – and commission Chairman Welton Cadwell and commissioners Linda Stewart and Jimmy Conner seemed to be firmly on board – it would be against the advice of an advisory board.

The commission's Impact Fee Committee voted 5-4 last week against suspending the fees.

Nonetheless, Cadwell endorsed the fee-suspension proposal as an effort to jump-start a sluggish local economy, which has put more than 12 percent of the county's laborers out of work.

"It is something we can do to send a positive message that we're trying" to help, he said. "While you will lose some impact-fee dollars – and right now, we're not collecting any – if this works, we will at least start to collect some ad-valorem taxes off these properties."

The proposal, set to be debated next Tuesday, would suspend fees for 12 months.

Peter Glenn of Eustis, a retired banking executive and a member of the advisory committee, opposed the fee suspension in a letter to fellow committee members, who also frowned on a suggestion to use economic-incentive dollars to pay impact fees.

"I would ask you to pick any Lake County city or town and any residential neighborhood. Walk down Main Street. How many store fronts are empty? Drive through the residential area. How many "For Sale" or "For Rent" signs are there? Folks, the supply side is overflowing," Glenn wrote. "On the flip side, the demand side is sorely missing. Waiving impact fees to encourage new construction when the supply/demand equation is so very far out-of-balance becomes a meaningless and perhaps irresponsible gesture."

But Conner said he believes an impact-fee suspension will create jobs.

"I've spoken to people about this....who may just be on the edge of whether they're going to build or not and this might be just what pushes them over," he said. "At the very least, I think, we should try this for a year."

He added: "I wonder how many people out who are looking for a job might find work if we waive these fees temporarily."

But Commissioner Elaine Renick, who spoke against suspending transportation-impact fees, wondered what would happen to the highway worker who loses a job because the county doesn't have money to build roads.

A suspension of the fees would most benefit commercial and industrial developments that pay transportation impact-fees based on the size and nature of the project. For instance, a 5,000-square-foot drive-through fast-food restaurant would be assessed about \$88,000 in transportation impact-fees while the same size medical office would pay \$50,000 less.

Lake County, which also assesses impact fees for schools, fire service, libraries and parks, has collected transportation-impact fees since 1985. The fees are designed to shift the cost of new infrastructure – which is needed to accommodate a new business or residential development – onto the new development.

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