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#### County may suspend impact fees

By Ellen Robinson

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"Who got to you guys?" was Camden County Commissioner Steve Berry's rhetorical question when the four other board members agreed to move forward with refunding more than \$40,000 in development impact fees.

During the board of commissioners meeting on Tuesday, Berry said it is the developers, not new homebuyers who stand to benefit from the county retroactively suspending the development impact fee of \$2,105.25. He said no homebuyer or property owner has complained to the board about the fee since it went into effect Jan. 1, 2009.

"This is insanity -- it makes no sense. The only ones screaming about this are the developers and they can't even legally pay it," Berry said. "So, y'all just uniformly decided to pass the on the cost to existing taxpayers without any evidence that this has impacted new construction, other than y'all feel it has?"

The impact fee, which is applied to all new construction, has generated \$42,724.46. The funds, which are held in an escrow account, can only be used to fund infrastructure in the areas where new growth occurs, according to board chairman David Rainer.

Berry stood alone in his opposition to suspending impact fees and refunding the fees collected in 2009 as proposed by commissioner Chip Keene during Tuesday's meeting. Berry said the county spent \$100,000 and a considerable amount of time to develop this ordinance.

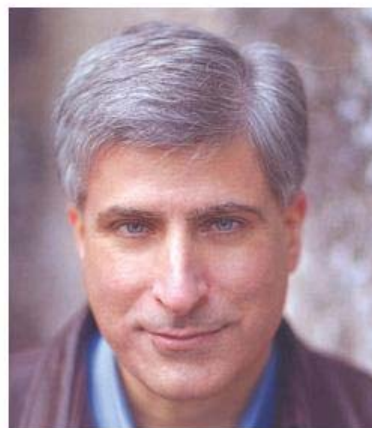
"Giving back \$42,000 is complete insanity when we've been talking about cutting the budget," Berry said.

Rainer said due to the low growth rate that the county has experienced since the fee took affect, the collection has been too low to realistically fund any new services. He said instead, the fee has become simply an additional cost to new homebuyers who pay the fee. In Georgia, developers are not allowed to pay these fees; they are supposed to pass down those costs to the new homebuyer, according to Berry.

"You can't even pave 10 feet of road with \$42,0000. At that rate it would take 100 years," Rainer said. "The idea behind the ordinance was to generate funds that would been needed as a result of the growth that paid into them. But since there is so little building going on, it's not doing what it was intended to do anyway."

Rainer and fellow board member Charlene Sears said if removing the fee stimulated the construction of even a few new homes in the county, the resulting taxes that would be generated far exceed impact fee totals.

"If 1,000 people all of a sudden decide to build houses, that would bring in tremendous tax revenues. I don't believe this is going to happen anytime soon, but if we suspend the fee it could take down one more financial hurdle for the people who are struggling right now," Rainer said.



Sears said during her nine months of employment with one of the developers who has lobbied for suspending the fee, she witnessed the struggles that new homebuyers are facing in this tough economic climate. Seven development companies, including her former employer, sent letters urging the board to suspend the fees prior to Tuesday.

"If we can suspend the fee, that is another \$2,000 that individuals don't have to pay out of pocket for new home construction. Every little bit helps because now that banks are requiring people to come to the table with 25 percent of the total cost in order to get financed," Sears said.

Sears said the idea is that if suspending the fee would encourage even 10 new home construction projects the economic trickle-down effect within the supporting trade industries and tax benefits would be worth it.

"Just across the border in Nassau County, Fla., they suspended the impact fee and so did two others in Georgia - Cherokee and Dawson counties (north of Atlanta)," Sears said. "This is about improving the growth rate, not helping the builders. There is very little we can do as far as creating a stimulus package, we can't waive taxes, so something like this is the only incentive we can create."

There are seven homeowners and 10 construction companies that would be refunded if the board successfully amends the development impact fee ordinance. W.H. Gross Construction, which submitted a letter in support of suspending the fee, would receive the largest refund for the \$10,526.25.

To amend the ordinance, the county must provide a chance for the public to comment during a public hearing and the amendment must have two public readings before it can come before the board for a vote. County attorney Brent Green said the process takes about 60 days to complete.

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