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County staff suggests lowering tax rate

County staff is recommending the county adopt a rate of \$3.58 per \$100,000 of taxable value. The current rate is \$3.90 per \$1,000 of taxable property

By Larry Hannan

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Collier commissioners are expected to lower the county's property tax rate at today's commission meeting.

The commissioners will set the property rate for fiscal 2007 today. After the rate is set, commissioners can lower it, but can't raise it.

County staff is recommending the county adopt a rate of \$3.58 per \$100,000 of taxable value. That is a property tax decrease from 2006.

For the past five years, the property tax rate has been \$3.90 per \$1,000 of taxable property.

The estimated savings would be \$28.60 per \$100,000 of taxable value. Collier is forgoing about \$22 million in property taxes under this proposal.

A tax cut is occurring even though the total county budget is going up by 20 percent, from \$984 million to just less than \$1.2 billion. Just under \$358 million of that money is expected to come from property taxes.

Taxable property values increased by 25.6 percent in the past year, so even with the property tax reduction, many people will still end up paying the same or more property taxes in 2007 as they did in 2006.

Commissioners have said they might look at reducing the property tax rate even more before they approve the final budget in September.

Fiscal 2007 begins Oct. 1, 2006.

Some of the money the county loses in cutting the property tax rate might soon be made up in impact fees. County commissioners also will be asked at today's meeting to approve a dramatic increase in the government building impact fee.

If the impact fee increase is approved, the impact fee for a 2,000-square-foot single-family home will increase from \$282 to \$807, an increase of \$525. The government building impact fee went into effect in 2004.

County officials say they have seen large increases in the past two years in the cost of land and construction, each well above the national average.

Money collected from the government building impact fee goes toward constructing government buildings that provide services to new residents.

Impact fees are one-time assessments on new construction that are intended to make growth pay for growth.

They are assessed for each new home and business built in the county and paid by developers, who typically pass them on to consumers in the form of higher prices.

Collier now has 10 impact fees. The fees also are charged for roads, parks, schools, fire departments, jail facilities and emergency medical services, water, sewers and law enforcement.

The cost of all impact fees is now about \$30,000 for someone building a 2,000-square-foot single-family home.

The Collier Building Industry Association sued county government after the original government building impact fee was approved in 2004. CBIA contended the impact fee was unconstitutional.

The lawsuit was dropped earlier this year. CBIA officials said they still believed the impact fee was wrong, but the suit had damaged the organization's ability to deal with Collier County officials, and they wanted to move beyond that.

Commissioners meet beginning at 9 a.m. today in commission chambers at the county government complex at the intersection of U.S. 41 East and Airport-Pulling Road.

The meeting is expected to last two days, with commissioners returning at 9 a.m. Wednesday.

One item that is expected to be pulled from the agenda is a request from the Collier County Publishing Co. for a rezoning to build a new Daily News building off Immokalee Road. It will not be heard by the County Commission until a Sept. 12 meeting. Commissioners were originally supposed to hear the request today.

Officials with the newspaper requested the issue be continued until September. The item is still on today's agenda, but is expected to be continued without comment. The commission would be asked to consider business-park zoning for 36 acres behind the Granada Shoppes in North Naples.

Commissioners today will consider:

- A financial commitment of \$775,000 in the first year and \$625,000 in the second year to the Southwest Florida Expressway Authority to cover an operating budget that will be repaid to the county with future surplus toll revenues.
- Approving a contract with Better Roads Inc. for \$40.5 million to widen Collier Boulevard to six lanes from Golden Gate Boulevard to Immokalee Road.

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