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## County to reconsider prepaid impact fee rule

Landowners may now get three years instead of one before they must obtain a building permit.

RICK GERSHMAN Published July 27, 2005

BROOKSVILLE - Hernando County landowners who prepaid their impact fees could get a two-year extension on when they need to begin building.

The Hernando County Commission voted 4-1 Tuesday to consider expanding the window to three years, tripling the time frame they agreed upon less than eight weeks ago.

"I cannot and will not support any change to the existing ordinance," Commissioner Diane Rowden said before her dissenting vote. "It was good enough for (a 5-0 vote) when we passed it."

Commissioner Chris Kingsley disagreed, suggesting that wasn't a "true" 5-0 vote: "There were two of us that voted with objections."

The impact fee ordinance adopted June 2 nearly doubled the rate and stopped the county from accepting prepayments at the lower rate, \$4,799. It also said that landowners who already paid the fees must obtain a building permit within one year or pay the higher rate: \$9,211 for a single-family house. That new rate began July 5.

Several landowners spoke Tuesday against the one-year time limit, calling it unfair.

"I want to play under the old rules," said landowner Eugene Michael, who prepaid his impact fees but had not planned to build for four to five years.

"I don't want to play under a system that changes the rules as they go," he said. "Why would you want everyone to build within a year anyway?"

Michael's point earned nods from several commissioners.

"Isn't it ironic that our ordinance is going to cause more home building in the next year?" Commissioner Jeff Stabins noted later in the discussion.

Impact fees are one-time charges to developers, passed on to home buyers, that are meant to defray the cost of public services demanded by growth. The county levies seven kinds of fees to pay for things like school construction, new roads and parks. In 2004, the fees generated \$15.5-million.

Commissioners originally instituted the time limit because the prepayments cannot be counted as revenue - and as such, cannot be spent - until the landowner obtains a building permit.

That determination was based on a court case in Monroe County. A judge ordered a public agency to refund prepaid impact fees to a development that had been denied the right to build.

Before May 2, when the commission discussed raising impact fees, the county had received about \$2.3-million in prepaid impact fees, said Clerk of the Circuit Court Karen Nicolai. Over the next month, \$4.5-million more poured in, she said, as landowners raced to get in at the lower rate.

Commissioners were more amenable to extending the build window to three years when county development director Grant Tolbert told them most prepayers would begin building within 18 to 24 months, according to current building trends.

Stabins said his major concern was the landowners who had prepaid their impact fees before May 2, since they had paid in good faith without knowing there would be a definite rate increase or any time limit imposed: "I think we need to be fair to them."

Commission Chairman Robert Schenck asked County Attorney Garth Coller if a landowner could sign a waiver that would allow the county to use the prepaid impact fees immediately.

Coller indicated it wasn't likely, because the landowner would have to sign away any rights to a refund of his prepaid fees, regardless of whether he ever built on the property. Also, Coller said, he had found no precedent in case law for any such agreement.

Modifying the impact fee ordinance, Rowden said, would "continue to put the burden of growth on the taxpayers." She called them "the losers in this."

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