

Eastern Shipbuilding gets fee waiver

By TIM CROFT

Published: Sunday, November 4, 2012 at 19:00 PM.

PORT ST. JOE — Port St. Joe commissioners have unanimously approved the waiver of water and sewer impact fees for Eastern Shipbuilding Group, eliminating another hurdle as the company moves ahead with expansion into Gulf County.

A company representative said there remained some hurdles but the company is close to “pulling the trigger.”

The first hull for outfitting is expected to arrive at the old paper mill site sometime between December and February.

Commissioners, with minimal discussion, approved the waiver of some \$74,000 in sewer and water impact fees.

The issue had sat for a little more than a week after commissioners pursued more information about precedent and the city’s past actions regarding impact fees.

Two commissioners questioned whether the city was being consistent and fair in application of impact fees, noting similar fees paid by First Baptist Church.

Two commissioners argued that the difference — the creation of an estimated 200 jobs in Gulf County — tipped the scales in favor of granting the waiver.

In addition, city attorney Tom Gibson was not able to attend the prior meeting and commissioners had incorrect information about Oak Grove Church, which, it turned out, provided commissioners the precedent that Gibson had noted in a letter saying they were justified in the impact fee waiver.

Oak Grove Church received just such a waiver in 2008 when it built a new facility on existing infrastructure without an increase in use.

That is the case with Eastern Shipbuilding, which would be tapping existing water lines in the ground for the St. Joe Company.

The company wanted to tap that line, put in meters and pay for actual usage since it was not using the amount already accounted for by St. Joe.

Mayor Mel Magidson further stated that the St. Joe Company had paid \$5 million in upfront tap fees for a Planned Unit Development (PUD), a mix of residential and commercial, that at one time was to be built on the old paper mill site.

Given the amount that Eastern Shipbuilding was seeking waived, “the city is still coming out way ahead.”

But beyond the bottom line, the two commissioners who sought more information had received constituent feedback sufficient to convince them.

“I have not talked to one person who said don’t grant them the waiver,” said Commissioner

Phil McCroan. ““I am glad we had the discussion, but I think we should go ahead and grant the waiver.””

Several commissioners noted that the impact fees should have been, as Chamber of Commerce executive director Barry Sellers said, something considered on the front end of the deal that brought Eastern Shipbuilding to Gulf County as it considered expanding its operations.

““To me, all my investigation of the facts I think we are getting value for our citizens,”” Magidson said.

Commissioner Bill Kennedy, acknowledging he had some of the circumstances around Oak Grove incorrect, said he just did not want the city to make a ““knee-jerk reaction”” and added that he too had heard from constituents who expressed support for the waiver.

““I think this is absolutely the right thing to do,”” Kennedy said of the waiver.

A representative of Eastern Shipbuilding said the company would assume the costs of any installation for meters and associated hardware.