

# Tampa Bay Times

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## Local government tax breaks audit needed

By Times Wire

St. Petersburg taxpayers still have no idea whether a trio of unauthorized tax breaks granted to hotel developers by the city's building department under the last mayor were an aberration or a symptom of something far more serious. And they can't trust City Hall staff to get to the bottom of it. City Council member Steve Kornell has the right idea. It's time to bring in an independent auditor. Council members who don't agree should tell their constituents why they don't support accountability in government.

What is known is thanks largely to the work of a Pinellas County auditor who discovered five years ago that in 2004, a city employee undercharged developers of the Hilton at Carillon Park for impact fees by \$219,951. The employee, Don Tyre, had calculated the correct fee, \$313,702, only to scratch it out and write in a new fee commensurate with efficiency apartments, not hotel rooms.

The county's discovery prompted the city to undertake its own examination of 50 randomly picked permits out of the 10,000 it had issued between 2003 and 2008. They found two others where hotels had grossly underpaid. Tyre had also failed to assess a nearly \$40,000 impact fee for the Best Western Hotel at 6638 Fourth St. N, and David Goodwin, then-assistant director of development services, undercharged the Holiday Inn Hotel at 2171 54th Ave. N nearly \$60,000 for impact fees. Then the city still failed to collect nearly 40 percent of the reduced assessment of more than \$62,000 before issuing the Holiday Inn a certificate of occupancy.


While legal staff set about trying to collect the correct fees from the developers, and the city implemented new policies for the permitting department, an internal investigation into the write-down of Hilton fees was haphazard at best. Tyre said he'd been ordered to write down the Hilton fee, but didn't remember by whom. He named five different people it could have been, yet the city's investigator apparently never contacted at least two of them before typing up a two-page report that failed to uncover how the alleged mistake happened. Tyre, Goodwin and others involved remain on the city staff. Former Mayor Rick Baker has said he did not order the Hilton reduction and was not aware of it.

But new information from a 2008 closed-door meeting of the City Council shows staff was eager to move the issue along without further scrutiny and grossly inflated the rigor of the internal investigation, *Tampa Bay Times* reporter Michael Van Sickler discovered recently when he reviewed the transcript. Council members also expressed disbelief that Tyre couldn't remember who told him to reduce the fee.

That complicity by City Hall staff in papering over these alleged mistakes should raise suspicions, not quell them. Yet council chairwoman Leslie Curran told the *Times* she remains circumspect about looking backward, given the shoddy memories. Curran and fellow council members Bill Dudley and Jim Kennedy miss the point. The permitting department's records need a thorough investigation to ascertain whether city staff were regularly cutting illegal, sweetheart deals or just making an occasional mistake.

Clearly, Kornell gets it. So do fellow council members Wengay Newton and Karl Nurse. Newcomer Charlie Gerdes and at least Curran or council member Jeff Danner need to join them and demand a thorough review. Government in the sunshine is never a bad idea.

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