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Palm Coast officials stew over county's stance on impact fee funds

By FRANK FERNANDEZ, STAFF WRITER 

Palm Coast Mayor Jon Netts said today that Flagler County is trying to "blackmail" the city regarding the city's own impact fees.

The dispute involves \$4.2 million in transportation impact fees collected by the county but which city officials assert belong to Palm Coast.

Netts made the comment after City Manager Jim Landon said that once the city spends money on highway projects, the county would be willing to reimburse the city. But Netts questioned why the city needed to be "reimbursed" with its own money.

"I'm sorry but that to me sounds like blackmail," Netts said.

The City Council rejected the county's proposal to spend \$2.8 million of the city's impact fees to pay for a portion of the design and construction of the Matanzas Woods Parkway Interstate 95 interchange.

Instead the council said the money should be used for right of way acquisition and then \$2.2 million should be spent on the N. Pine Lakes Parkway project and another \$200,000 to design the Royal Palms Parkway Phase 2 project. The cost of the right of way acquisition has not been determined, Landon said.

After that the city ranked the next projects as Palm Harbor Parkway south of Forest Grove Drive to Old Kings Road at a cost of \$2.7 million and \$9.9 million extension of Old Kings Road at Forest Grove Drive.

The next step is a joint meeting of the County Commission and City Council to discuss the issue. No date has been set.

While the city listed the Matanzas Woods Parkway interchange as a potential project during its presentation, Landon said that was added at the request of the county. The interchange is not part of the original agreement between the county and the city listing which projects the impact fees collected in the city could be spent on.

Netts said the county did not have the right to spend up to \$2.8 million worth of the city's impact fees on the interchange since it was not part of the original interlocal agreement.

Netts said that if the county builds the interchange before the city can widen area roads it would create traffic snarls on nearby residential streets.

The interchange would also send highway traffic into the area of Matanzas High School, Netts said.

The interlocal agreement also sets aside \$2.88 million collected east of the FEC railroad tracks, which the county can use in any way it wants, Landon said.

But the county is not using that money for the Matanzas Woods interchange. Instead it is using the city's money, Landon said.

"Why couldn't the county take that interchange money out of the \$2.88 (million)?" Netts said.

Councilman Bill McGuire said he was concerned about traffic from a new interchange mixing with the traffic and students at Matanzas High School.

Netts and Landon said that problem would be eliminated if the city completes the Forest Grove and Old Kings road projects before the interchange. Both of those projects are on the city's list for using the impact fee money.

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