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Pasco commission slashes fees on new homes

By Lee Logan, Times Staff Writer

Builders get a break in hopes of creating jobs. But foes say Pasco has too many empty houses.

NEW PORT RICHEY - County commissioners voted Tuesday to temporarily slash several fees on new homes that pay for a range of amenities - parks, libraries, fire stations and hurricane shelters - to serve a growing population.

Those so-called "impact fees" would be nearly eliminated through December 2012. The unanimous vote Tuesday will cut the price of an average new home by nearly \$1,500.

Those fees are only a fraction of the more than \$16,000 in total impact fees charged on an average new home. Commissioners plan to replace the transportation fee with a new way of paying for roads known as a "mobility fee." And they plan to decide next month, during a joint meeting with the School Board, how much to cut from the schools fee.

All fees would revert to current levels in 2013, except for the transportation fee, which is a permanent change.

Home builders hailed Tuesday's vote as a good first step toward revitalizing their industry. "It's not about us being able to build more homes or more communities," said Jim Deitch, a lobbyist for the Tampa Bay Builders Association. "It's about creating and preserving jobs."

It's still unclear whether cutting the fees will actually spur building.

"I think the jury's still out on whether the suspension will have any effect on construction activity," said assistant county attorney David Goldstein.

At a meeting last month, several commissioners shared that concern. Even so, they voted for the measure because so many construction workers are unemployed.

Builders argue the county could build new parks or libraries, but it doesn't have the money to operate them. They say other counties that cut fees have stopped the free fall in new home construction.

But environmental activist Clay Colson of Land O'Lakes said encouraging more new homes doesn't make sense when Pasco has so many vacant ones.

"The value of homes is down because we built too many," he said. "What is the sense in creating jobs to build more homes to put us in the same position that got us where we are now?"

New way devised to fund roadways

After the vote, commissioners heard a presentation on the new "mobility fee" that would pay for road construction.

The new fee would be dramatically lower than the transportation impact fees for home buyers and businesses, especially in the south and west areas of Pasco where officials want to direct growth.

Officials also hope, with the blessing of state regulators, that the mobility fee will replace state-mandated rules that require traffic studies for so-called "concurrency fees."

Besides new roads, money collected by the fee could also help pay for new bus service to relieve congestion or build bike lanes or walking paths.

The cut to the fees would be offset by property taxes. As property values go up - and commissioners keep the tax rate the same - one-third of the increased revenue would be earmarked for transportation projects. Now property taxes pay a minimal amount of road building costs.

Pasco is one of the first counties in Florida to develop a mobility fee and could be designated as a pilot county by the Legislature.

"We are actually on the leading edge statewide on this issue," said Goldstein, who helped develop the plan.

An earlier proposal had called for a \$50-per-household fee and a gas tax increase to help offset the revenue. Both of those options have been shelved.

For new houses in the west and south areas of Pasco, the new fee would be about \$5,700, or about half of the current transportation impact fee. Commissioners hope to attract new office and industrial developments by eliminating their fee in urban areas.

Pasco impact fees

County commissioners on Tuesday voted to slash some impact fees through December 2012. The change in fees for a single-family home between 1,500 to 2,499 square feet:

Fees	Old	New
Fire	\$248	\$27
Rescue	\$171	\$19
Parks	\$891	\$174
Library	\$144	\$15
Hurricane	\$240	\$0

Still on the table

⌚ ☒ **Transportation:** Currently \$10,302. Commissioners may replace with a lower "mobility fee" (possibly \$5,700 for new homes in west and south Pasco, higher fee elsewhere) and use increased property tax revenue to pay for transportation improvements.

⌚ ☒ **Schools:** Currently \$4,876. Commissioners are considering temporarily cutting the fee in half, to \$2,438. They will meet with the School Board next month to decide.

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