

Property tax increase to replace failed fire fee

By Brad Buck and Robert Morris

PALATKA — The growth in the city's budget next year will be covered by an increase in property taxes since the proposed fire service fee was voted down last week, city officials said Monday.

City Manager Allen Bush said the fee proposal will not return this year and that property taxes will be set at \$9 per \$1,000 of taxable value next year, up from this year's \$8 per \$1,000 of taxable value or the \$7.33 per \$1,000 of taxable value that was needed to raise the same amount as last year.

"It's a pretty significant tax increase," Bush said, noting a strong increase in property values in the city. "We weren't able to roll back the millage because of the increased costs."

Next year's \$3.25 million city budget will include three new firefighters, four new police officers and two new part-time civilian employees at the Palatka Police Department, Bush said. The rest of the budget increase will pay for the usual rising costs of operating the city, such as pension plans, fuel, electricity and personnel costs.

The fire service fee was voted down by Mayor Karl Flagg, Vice Mayor Mary Lawson Brown and Commissioner Hernan Azula at a Thursday night meeting of the city commission. Brown could not be reached for comment Monday. Voting for the fee were commissioners George Sanders and James Norwood.

Original plans intended the fee to cover half the fire department's budget (approximately \$780,000), but when officials looked at the amount large commercial properties would have to pay, they scaled the fee back to one-sixth of the proposal. Flagg said what was left, \$130,000, was not enough to merit a new fee.

"To relieve the ad valorem taxpayer, that was the goal. I'm 100 percent with that concept," Flagg said. "But I saw higher administrative costs to implement it once the numbers were reduced. To me, it became impractical."

The public outcry against the fee at the meeting plus the very small effect it would have on the budget convinced Azula to vote against it, he said Monday. He was also concerned that the fee might be raised too high in the future.

"I hate to tax people who cannot afford it right now," Azula said. "For a lot of people, \$10 a

month makes a big difference."

The fee also had its proponents on the commission. Sanders said he favored the fee because it was low enough to the point where he did not think it would hurt anyone.

"It's a fair fee," he said. "We have a lot of people who don't pay their fair share in taxes. If there's a fire, your life is at stake."

Norwood, who also voted for the fee, added that he would rather pay the fee up front to have better fire service available than have to contribute to a relief fund for a family burned out of their house.

Impact fees

At least one audience member at Thursday night's meeting suggested the city use impact fees to pay for additional fire services. Builders pay impact fees on new construction to a city or county or school district for the services and infrastructure necessitated by their developments.

"Impact fees give us a mixed benefit," Vice Mayor Mary Lawson Brown said at Thursday night's city commission meeting. "We need to look at doing some impact fees, but not something that would knock someone out of the box."

Brown said some companies and developers may want to move to Palatka and, if impact fees are too high, they might not want to relocate here.

Norwood said he would like to look at impact fees as well and proposed a workshop to study the possibility.

City Planner Adam Mengel said Monday that the city already has police and fire impact fees for new construction based on building size. There are no plans to move forward with more expansive impact fees at present.

"I think we will eventually get there," Mengel said. "It's not something I'm going to devote resources to unless I'm directed to do so. We've got other things to keep us busy."

Mengel said the city collected impact fees through a county ordinance for a few years until that measure was rescinded in the late 1990s. That fee schedule, though inactive, could be revisited.

rmorris@palatkadailynews.com

bbuck@palatkadailynews.com