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## Resort wary of impact fees

By Jaime Malarkey  
Daily Times Staff Writer

OCEAN CITY -- Resort officials and realtors are leery of the county's proposed development impact fee, saying the surcharge for growth will get passed to homebuyers and only advance Worcester's already robust income.

At a Town Council meeting Tuesday, Ocean City officials said the fee -- which would be charged to developers to cover costs new homes might place on schools -- unfairly burdens the resort, which has a disproportionate number of students in county schools and a constant stream of new development.

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Town Finance Director Martha Bennett rattled off a series of statistics supporting the county's swelling pocketbook: The county's property, transfer and recordation tax revenues are up, it has almost \$70 million in unrestricted net assets and its long-term debt is manageable.

Since 2001, the county's property tax rate has increased despite rising assessments while the town's has decreased. She said the county gets at least 57 percent of its tax revenues from Ocean City.

Mayor Jim Mathias said the information was enough to question the need for an impact fee and said he found it "difficult to support another revenue stream for the county." With a brand new elementary school, the county does not have any immediate plans for school construction in Ocean City.

"With a \$32 million surplus, is there any (county) discussion on cutting taxes? Is there any discussion on hiring new sheriffs?" Mathias said. "I haven't heard those conversations."

The discussion came in response to a letter from county commissioners, asking for the town's input on the proposed impact fee, which averages \$5,900 for a single-family home. The town requested a county official attend their meeting to describe Worcester's financial health, but the offer was turned down.

The proposed fees have also drawn the ire of realtors throughout the county.

"The association is concerned that price increases caused by the development impact fee could have a chilling effect on sales of new homes in the county and eventually slow growth," Pat Terrill, president of the Coastal Association of Realtors, said in a statement.

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Both CAR and town officials said they plan to attend a public hearing on the fee scheduled for Feb. 21.

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