



## OFFICIALS: Overbuilding, Not Impact Fees Led To Housing Slump

By [Jim Konkoly](#) | Highlands Today

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SEBRING – Statistics can provide an eye-opening look into reality or a misleading plunge into misguided policies, depending on how they're interpreted.

The 11-member Citizens Advisory Committee on Impact fees, appointed by the Highlands County commissioners, dove into dozens of pages of financial statistics containing tens of thousands of numbers on Wednesday afternoon.

With county officials explaining the numbers, the committee began research aimed at seeing the real financial picture of the Highlands County economy and what, if anything, county government can do to improve it.

For the typical new home built in the county, at 2,000 square feet, the eight impact fees total \$6,034. The fees are collected to cover state mandated costs for infrastructure due to growth.

While some builders have blamed impact fees as one factor that has slowed down new home and commercial construction, some statistics paint a different story.

County Administrator Carl Cool told the committee that impact fees in Collier County are four and one-half times as high as Highlands County's, at more than \$27,000 for a 2,000-square-foot home.

Yet, Cool said, Collier County, whose county seat is Naples, still has a thriving building industry that hasn't been killed by high impact fees or a bad economy.

"Collier has the highest impact fees and their growth continues," he said.

Collier County, for example, charges \$11,000 in impact fees for transportation (road building) alone, compared to Highlands County's \$2,100 transportation impact fee.

For parks and recreation, the Highlands County impact fee is \$261; in Collier County the impact fee for parks is \$3,700.

Overall, Cool reported, Highlands County ranks in the bottom third (with the bottom third being the lowest cost) among the 52 Florida counties that charge impact fees. Counties that don't charge impact fees have to provide some other tax revenue to cover the infrastructure costs.

Up-to-date, statewide statistics show that impact fees vary widely by counties in the various categories

for which they are imposed. For example, for fire protection, Highlands County charges a \$217 impact fee. The cheapest impact fee for fire protection in Florida is Brevard County, at \$39.

Meanwhile, Dixie County has the most expensive fire protection impact fee at \$1,242.

Impact fees to build additional jail cells as population increases also vary widely, from \$215 in Highlands County to \$795 in Sarasota County.

Nearly half of the impact fees in Highlands County go for schools, at \$3,000 out of the total \$6,034 on the 2,000-square-foot new home.

According to county building department staff, construction is down 72 percent, from October 2006 through February 2007 compared to October 2007 through February 2008.

Ricky Helms, assistant county administrator, said builders overbuilt during the so-called building boom or "bubble" of 2005 and 2006, when homes prices jumped by more than 50 percent over the two-year span.

Speculators trying to cash in on the rising home and lot prices constructed more homes than there were buyers for, leaving the glut of homes for sale now, he said.

The committee's next meeting is scheduled for 3 p.m. on April 28.

Jack Richie, chairman of the committee, is lining up experts as guest speakers for future meetings. Richie has said committee members need to study and understand the complex issues involved with impact fees before they can recommend policies to the county.

By early August, the committee will make recommendations to the county commissioners on whether to lower, eliminate, raise or maintain the current impact fees.

Commissioners must vote by Oct. 1 to set new impact fees for 2009.

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