

# County mulls impact fees future

## Builders' Council requests a cut in fees to attract businesses

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Residential and commercial impact fees imposed to make St. Johns County newcomers pay for infrastructure may have become too expensive to keep, even though they bring in millions of dollars each year.

Local builders and business owners -- through the St. Johns Builders' Council -- say businesses wanting to relocate here go to surrounding counties when they learn that they would be liable for up to \$500,000 in impact fees here.

Ed Paucek, president of the Council, said, "A perception that we're not builder or business friendly is still there."

Removing impact fees would draw business and commercial firms here and increase the tax base, he said.

Doug Timms, director of the county's Office of Management and Budget, said the state's poor economy has meant a 48 percent decline in impact fee collections since 2006.

For 2009, the county will collect \$9.7 million. Next year it will raise \$10 million. Each year, half the fees levied is used for road improvements, a quarter go to schools. The rest goes to fire stations, law enforcement and parks.

"Impact fees do not necessarily retard growth," Timms said. "Actually, most of the growth in the county has occurred with impact fees in place."

Since the fees were levied in 1987, the county has collected \$142 million.

Hearing these numbers, the St. Johns County Commission said Tuesday that it plans a workshop to consider alternatives to impact fees.

Commissioner Mark Miner said, "I think we all agree that we need to do something different."

He joked that he now must drag out his old campaign plank, then did so, saying, "Forty percent of the employed people in St. Johns County work in Jacksonville. That's 30,000

people driving there every day."

In other words, he seemed to say, with enough local employers, St. Johns County residents would stay here to work.

Commission Chairwoman Cyndi Stevenson called the Jacksonville commute "that giant sucking sound of people going north in the morning."

According to state law, impact fee money must be spent in the district where it is collected.

County Administrator Michael Wanchick said he would work closely with the Chamber of Commerce for suggestions.

"The area that has the most potential (for replacing the fees) is strengthening the economic development ordinance," he said. "This should also help local businesses. Economic development starts with business retention."

Commissioner Phil Mays said he thinks that fixing the county's "dysfunctional" traffic concurrency system is one way to help local businesses.

Vice Chairman Ron Sanchez said he long ago fought against impact fees as president of the Builders' Council.

"(But) we're doing some things that are important with that money," he said. As far as alternatives to impact fees, he said the county could levy a transfer fee on real estate, 1 percent or 1.5 percent.

"We'd need state permission though," he said.

Commissioner Ken Bryan said growth does not pay for itself, so money needs to come from somewhere.

"We welcome new businesses. We also have current businesses who want to expand, but they can't because of impact fees," he said.

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