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**Impact fee policy may have accidental upside**

*OUR POSITION: Time to stop yo-yo impact fee policy.*

We've made no secret about our dismay at the Charlotte County Commission's misadventures with its impact fee policy. But it now appears the commission may have accidentally backed into win-win situation that could do more to lift the area from the real estate slump than the misguided and ineffective fee changes ever could have.

If you haven't been following the impact fee saga, here's the Reader's Digest version. First the County Commission raised the fees paid by owners of new homes to $8,000, an appropriate move to close a multi-million gap between needed transportation infrastructure and funding. Then in 2006, the board rolled back the fees on residential development -- but not commercial -- to $2,500. After another change of heart, the board rolled back the commercial fees, too. Now, with the rollback about to expire, the board is revisiting the issue again.

The problem with Charlotte County's impact fee policy is that if the rollback were successful, which it was not, it would have served only to add more inventory to a flooded market. The policy also lacked a mechanism for covering the fees for preferred industries, something economic development director Don Root has called for as part of his plan. It also lacked a similar mechanism for projects by non-profit that serve a community needed. The board had to improvise a solution to the fee problem for a free medical clinic established on county-owned land in Port Charlotte.

Now the fee policy may pay dividends in an unexpected way. If the commission extends the rollback as it discussed at a workshop Tuesday, it can qualify for state affordable housing money. To qualify, a county must reduce impact fees at least 25 percent for at least 18 months.

With prices for "entry-level" homes hovering around $50,000, affordable housing is seemingly plentiful. But the state program provides downpayment money and the technical assistance many low-income families need to overcome obstacles to home ownership. The number of buyers who could be put into homes is limited, but any reduction in housing inventory would help move the market closer to a rebound.

It's clear impact fees will play an important role in meeting the county's road needs in the future, especially with restrictions on property taxes imposed by the Legislature. Beyond the anti-tax rhetoric, commissioners are duty-bound to comply with another legislative mandate called concurrency. When the housing market rebounds, counties are required to build the roads needed to accommodate the new residents or face a state freeze of new permits.

As outlined above, the commission's piecemeal efforts to spur development and/or accommodate charitable efforts is hardly the ideal approach to long-term impact fee policy. In addition to an economic development component (including funds to pay fees on behalf of desirable businesses) the board almost should review its so-called change-of-use fee that is essentially double-dipping on the same property. One use may generate more traffic than another, but the policy needs to take into account the traffic generated by the previous use.

We were encouraged by the board's thoughtful discussion of impact fees Tuesday. In these uncertain times, certainty is a valuable commodity. That ingredient has been missing from the county's impact fee policy.