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Builders mad as Lee fees stay the same

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Impact fees will not change in the short term, and building industry officials are incensed.

Commissioners on Tuesday agreed to expedite a road impact fee study that may show fees need reducing. But it could be late August or September before a consultant completes the study of the county's most expensive impact fee. The study had been scheduled for 2009.

The decision irked industry officials who said a temporary fee reduction until the study is complete would have been appropriate.

Road fees alone cost \$9,065 for a single-family home and \$15,995 for every 1,000 square feet of retail space.

Commissioner Frank Mann said he spoke with a contractor in recent weeks who admitted scaling back impact fees won't kick-start the local economy.

"They don't really see that it is going to be the trigger that is going to change things," Mann said.

Because of the building slump, the county collected 74 percent less in impact fees in the 2007 fiscal year than in 2006. There were 2,248 single-family home permits issued in 2007 in unincorporated Lee County, compared with 6,994 in 2006.

Impact fees are one-time charges on new construction for cost of providing, and expanding services and facilities that benefit a development. The county collects road, park, emergency services and school impact fees, which can add tens of thousands of dollars to a commercial project. The fees don't pay for operation costs such as repairs.

Commissioners discussed options for about 25 minutes. Michael Reitmann, executive vice president of the Lee Building Industry Association, expected the decision.

He said developers will hold back pulling project permits for months until the study is complete.

"I can tell you there are many projects that are going to be delayed," Reitmann said, not naming specifics.

Commissioner Tammy Hall supported rolling back road impact fees, but upon realizing she didn't have enough support, proposed moving up the study.

In February 2007, the county increased road fees from nearly \$3,000 to about \$9,000 for a single-family home. In October commissioners voted down a 45 percent increase to park impact fees, saying it was too burdensome to builders in the current housing market.

"The larger issue is there is great pain everywhere in this sector of the industry and it can't be solved in just one part," said Jane McNew, an Estero resident against reducing the fees.

Reitmann said Tuesday's decision will hurt commissioners Mann, Ray Judah and Bob Janes in their bid for re-election in August.

"I guarantee it will have implications," he said.
