

Under heat from restaurants, Marco Island moves to consider impact fee moratorium

By KELLY FARRELL

Monday, October 18, 2010

MARCO ISLAND — Restaurant owners were heating up the room during Marco Island City Council discussions on impact fees Monday night.

Chefs Express coowner and chef Annie Feinman's voice cracked and face turned red as she pled with council to make impact fees reasonable. She said her family business, operated with her husband Rick and daughter Annie, was slapped with a shocking \$64,000 impact fee sent to her via e-mail in May.

"I'm right up to here," Feinman said holding her hand to her forehead as she addressed council. "I'm emotional."

Feinman built the former take-out-only deli into a finer, indoor and outdoor, breakfast and lunch dining restaurant over the course of five years.

Chefs Express added about 30 indoor seats in January and Rick Feinman said they had no idea that doing so would lead to a \$64,000 water and sewer impact fee until they got an e-mail from the city's utility department in May.

Due to the unpaid fee, the restaurant hasn't been able to get an electric permit approved.

Council members discussed several options to encourage restaurant owners, such as the Feinmans, to expand their businesses at a time when the economy and local development could use a boost, they said.

Councilman Larry Magel proposed a moratorium on utility impact fees for all businesses.

The Utility Advisory Board is to consider options, including decreasing utility impact fees paid by restaurants, decreasing all commercial and residential utility impact fees and perhaps a moratorium on all impact fees at a meeting yet to be scheduled in November. Then, council is to reconsider whether to adjust utility impact fees at a meeting scheduled Dec. 6.

Council had discussed options that would decrease current impact fees on water by about 33 percent and impact fees on sewer by about 50 percent. Further, restaurants could make payments over two years.

Business proponents, including Chamber of Commerce President Vip Grover, said allowing small businesses to pay tens of thousands of dollars over the course of two years isn't the kind of help needed right now.

"Do you know how many meals they would have to sell to make that kind of profit to pay \$64,000 in impact fees?" Grover asked rhetorically. "It's an obscene number whether it's paid over the years."

Furthermore, he said, the utility's capacity has already been built.

The moratorium was supported by Grover, as well as several residents and business owners.

Councilman Bill Trotter requested a clarification for the audience on what a moratorium meant.

"It's not a delay and pay later. It's a cease fire," said City Manager Jim Riviere.

Craig Woodward, a Marco Island attorney and president of North Marco Utility, said Chefs Express, located at 176 Royal Palm Drive in Old Marco, had several arguments against paying their large fee.

First, he said, the restaurant doesn't use city sewer service and instead is a part of the North Marco Utility.

The shopping center that Chefs Express is a part of already paid for their tenants' and future tenants' impacts or needs for water and sewer service capacity when it was built decades earlier, Woodward argued.

"I do feel it's black mail to hold up the electric permit for Chefs Express," he said.

City officials then agreed to get back to the restaurant owners by noon Tuesday with a final answer on their electric permit.

It will be another month or two before a decision is made on what kind of relief, if any, that Marco leaders can serve up to restaurants and other businesses looking to open, move or expand on island. Recently, Collier County reduced nearly all of its impact fees and continues to anticipate more reductions in the coming months.

In other business council:

- Approved installing 15 new fire hydrants through a change order in the Septic Tank Replacement Program and 5 new fire hydrants as part of an in-house installation pilot program to see if public works employees can install all of the 60 new fire hydrants needed to ensure that all the residential properties on the island are within 1,000 feet of a working fire hydrant for less money than an outside contractor. The full fire hydrant installation project has been estimated to cost \$6 million.
- Voted not to purchase a fire pumper truck at a cost of about \$600,000 or hire the three people to staff the truck at a cost of about \$208,000 annually. (3-3 with Councilmen Joe Batte, Chuck Kiester and Larry Magel voting 'no.')

- Approved on first reading an ordinance to decrease the amount of time that vacant residential lots may be used for seawall panel repairs or replacements.



© 2010 Scripps Newspaper Group — Online