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Collier faces building moratorium if impact fee bill passes

By LARRY HANNAN, ljhannan@naplesnews.com

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Large portions of Collier County will have to go into an immediate moratorium if legislation is passed in Tallahassee that creates guidelines on how impact fees could be used and how they would be assessed.

That was the message Joe Schmitt, administrator of the county's Community Development and Environmental Services Division, delivered at Tuesday's County Commission meeting. Minutes later, commissioners unanimously passed a resolution opposing the legislation.

"If this passes, I will be making a proposal to go into some type of moratorium," Schmitt said. "Our ability to manage growth will be severely curtailed."

A pair of identical bills in the Florida House and Senate would create guidelines on how impact fees could be used and how they would be assessed. The legislation is being pushed by the Florida Association of Builders, which believes impact fees are becoming excessive in parts of the state.

Impact fees are one-time assessments on new construction that are intended to make growth pay for growth. They are assessed for each new home and business built in the county and paid by developers, who typically pass them on to consumers in the form of higher prices.

Collier County collected more than \$100 million in impact fees last year. A lot of that money couldn't be collected if this legislation becomes law.

The bills likely would reduce how much money Collier County collects because of a provision that gives developers a discount on impact fees. Homes and businesses would be credited for the amount of property taxes they generate over 30 years that go toward the same services that impact fees traditionally pay for, such as roads and parks.

Commission Chairman Fred Coyle said the legislation almost certainly would force the commission to raise property taxes because state law requires counties to get out of moratoriums as quickly as possible. Coyle has been adamant in the past that he would never vote in favor of a property tax increase unless the state forced it upon the county.

"All of the commissioners are violently opposed to this legislation and that includes me," Coyle said. "It guts our growth management plan."

Supporters of the legislation say it would create consistency across the state.

The bill calls for a six-month grace period between creation of a new impact fee and when it goes into effect. Further, if the government fails to use the impact fee money within six years, it would have to be refunded with interest to the person who paid it.

And instead of charging impact fees when the developer pulls a building permit, the government only would be able to collect when there is a real estate closing or a certificate of occupancy is issued. Since those actions are tough to track, government officials predict headaches will follow.

"Growth would no longer pay for growth and that has been our philosophy," Coyle said. "I see this as an attempt to undermine Collier County's efforts to manage growth."

Commissioner Tom Henning said county government also would need to go into a hiring freeze if the legislation is passed because the county might not be able to pay salaries. That is because general fund money that now pays salaries would have to be diverted to improvements.

Some commissioners said they hoped citizens would call their legislators and let them know they oppose this legislation.

"We need the help of our citizens to let legislators know we don't want this," Commissioner Jim Coletta said.

Coletta and Commissioner Donna Fiala were both in Tallahassee last week talking to members of the state Legislature.

"We told legislators last week that we didn't want this," Fiala said. "We told them very firmly."

The House Growth Management Committee in Tallahassee ran out of time last week while discussing the bill; further discussion could be scheduled as early as this week. The Senate has yet to take up the bill.

State Rep. Mike Davis, R-Naples, said he hasn't had a chance to look at the legislation closely, but he is inclined to side with local officials and vote against the bill.

Davis is the head of Collier County's legislative delegation.

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