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New homes in PSL may soon cost \$2,000 more

By **CHRIS YOUNG**

chris.young@scripps.com

June 7, 2006

PORT ST. LUCIE — The city is considering imposing a \$2,081 impact fee on new homes to raise \$70 million for a biotech building that could house the Burnham Institute.

The economic development proposal was approved Tuesday by the city's Planning and Zoning Board and is scheduled to be discussed by City Council at Monday's meeting.

Under the proposal, the "job growth/economic development building" would be considered a public building like a police headquarters or parking garage, so would be eligible for impact fee money.

A fee schedule included with the proposal calls for an economic development impact fee of \$2,081 per new single-family or multifamily housing unit. Combined with a \$360 impact fee for government buildings, the total "public buildings" impact fee would reach \$2,441 on a new single family home. The new fee would pay for a 175,000-square-foot biotech building, according a consultant's report.

City Attorney Roger Orr confirmed the proposal is designed to lure the Burnham Institute, the La Jolla, Calif.-based biotech research and development company that wants to move to Florida. Burnham is considering a site in the Tradition development.

"Considering our goal is to bring jobs to the community, to the new annexed areas, this (fee) is the way for new growth to pay for itself," Vice Mayor Patricia Christensen said.

Planning & Zoning board officials unanimously voted to send the proposal to City Council.

"It seems like the City Council has come up with a creative way (to fund) economic development," said board member Frank Lillo.

"I think it's the only fair way we can raise the money to do what we want to do," board member Earl Thoms said.

The consultant's report, by Fishkind & Associates, justified charging the impact fee by arguing new residents will benefit from the jobs created by economic development. Christensen said new residents who have nothing to do with Burnham or spinoff biotech companies still would benefit from their presence by increased taxes that the commercial properties will pay.

"The point of bringing Burnham here is so residents aren't paying the brunt of taxes," she said.

She said if Burnham doesn't take the city's offer, which would be matched by the state, the impact fees would not take effect.

But the Council could bring back the ordinance for another high-profile company at a later date, she said.

Proposed fee

- The Planning & Zoning board recommended a \$2,081 impact fee on all new homes to lure the Burnham Institute to the city.
- The fees would buy a 175,000 square-foot biotech center at a cost of \$70 million.
- City Council members will consider the impact fee at Monday's regular meeting.

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