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Palm Beach County holds off on development fees increase

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With the housing market still suffering, the Palm Beach County Commission on Tuesday agreed to hold off on increasing fees for new homes and other development.

Commissioners decided to delay for one year a decision about whether to boost "impact fees" -- one-time charges levied on new construction to help pay for new roads, schools and other facilities needed to accommodate growth.

It was the second year in a row that a sour economy prompted the county to delay the fee increases.

A coalition of building industry groups urged the commission to again hold off on any increases.

"We have to just hold back and wait until the marketplace starts to recover," Commissioner Burt Aaronson said. "Give it another year to breathe."

Commissioner Jess Santamaria agreed with delaying an increase, but warned that the delay also comes with a cost. If new development doesn't pay more, current taxpayers could be left to pick up more of the costs of growth, he said.

"Those expenses are going to be shared by everybody," Santamaria said.

For residential development, impact fee charges are based on the size of the home. The county now charges about \$10,030 in impact fees for a new home ranging from 1,400 to 1,900 square feet.

Last spring, county staffers suggested increasing the fee to \$10,967 but commissioners delayed the decision a year because of the drop-off in development.

In 2005, during the height of the building boom, the county made \$99 million from impact fees. That dropped to \$23 million last year; the county anticipates about \$8.5 million this year.

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