

Sides gird for impact fee vote

By CATHERINE E. SHOICHET

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Hundreds of riled up residents crammed into a meeting room and demanded tax relief from county commissioners last year.

Now a similar battle is brewing.

With the county's economy cooling, many residents, workers and business owners are steamed - and planning to speak out against proposed impact fee increases.

Others, like representatives from the watchdog Citrus County Council's fiscal watch committee, support raising fees.

The County Commission will have a special hearing to vote on the fees at 9 a.m. Thursday at the Citrus County Courthouse, 110 N Apopka Ave., Inverness.

Impact fees are one-time charges for new residential and commercial construction, created to help pay infrastructure costs. Citrus has eight impact fees to help fund schools, libraries, parks and recreation, emergency medical services, public buildings, transportation, fire rescue and law enforcement.

The amount of impact fees a builder must pay depends on the size and type of project.

Builders of commercial projects, for example, do not pay school impact fees. And builders of developments expected to generate large amounts of traffic - like banks and fast food restaurants with drive-through windows - pay higher transportation impact fees.

Supporters of fee hikes say they help growth pay for itself, shifting the burden off longtime residents and taxpayers.

Opponents argue increasing the fees too much will cripple the county's already faltering economy, stopping growth altogether.

Commissioners first discussed the fees in a workshop last month. Last week all five commissioners said they wanted to talk over the issue more before making a decision.

"This is a big thing," commission Chairman Dennis Damato said. "There's an awful lot of outrage."

County officials have been wading through controversial statistics and proposals for months. On Thursday, commissioners are slated to take the plunge and vote on new fees.

But the issue of which numbers they will use is up for debate.

A county consultant's recommendations would nearly triple the fees builders currently pay for average-sized single-family home construction, increasing them from \$6,664 to \$17,500. A consultant for the Citrus County Builders Association recommended a more modest increase of roughly 12 percent.

The Planning and Development Review Board batted around another set of numbers.

Last month Commissioner Gary Bartell suggested adopting the big-ticket transportation and school impact fees in phases. And last week Damato proposed a plan that would combine recommendations from the county's consultant and its planning board.

The question, Damato said, is how to be fair about funding.

"Things should be reasonable for the times that we're in," he said.

But several other commissioners argue that times have changed. The pressures of growth have created infrastructure problems in the county, they say, and someone has to pay for them.

"We're already behind on these categories that we haven't adopted for years," Commissioner Vicki Phillips said.

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Commissioner Joyce Valentino said builders and real estate agents are misplacing their concerns about a lukewarm market.

"You hit a boom, and then the boom goes away, and then things go back to normal. That's the cost of doing business. Those are the chances you take," she said. "Regardless, we need to provide the services. We need to provide the infrastructure."

But Bartell said commissioners need to strike a balance based on existing market conditions.

"It doesn't make sense to have impact fees at the highest level to build all this infrastructure if growth has really slowed down," he said.

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The county consultant's recommended fee increases would have a "devastating effect" on the building industry, Citrus County Builders Association president Ron Lieberman said.

In recent weeks, representatives from the association have contacted county commissioners and paid for television ads opposing impact-fee increases.

He said a fee hike will lead to increased taxes for everyone and stifle economic growth.

"It's going to hurt new businesses and small businesses that want to expand," he said. "They're not going to be able to afford to do it."

C.J. Dixon, president of ERA American Realty & Investments and ERA Suncoast Realty, said chain restaurants and big-box retail will be the only businesses that can afford to open in Citrus.

He said county consultants should use current data for their study.

"They couldn't have had the latest information from the last three months of the market, which has been nothing but continuing bad news," Dixon said. "Sticking with wrong numbers is wrong."

But representatives from Tindale-Oliver have repeatedly defended their numbers at public meetings over the past several months.

They say the numbers they used reflect the skyrocketing costs of building roads and other public facilities.

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As commissioners prepare to vote on Thursday, e-mails have been streaming in. Most of them are critical of fee increases, Phillips said last week.

A consultant's analysis of proposed impact-fee increases in Pasco County has also been circulating among building, real estate and government leaders.

The study, prepared by Fishkind & Associates, lambastes Tindale-Oliver - the same consulting firm used by Citrus - for its "suspect" methodology. It details the economic impact fee increases would have on Pasco's economy.

On Tuesday, leaders from the Citrus Economic Development Council will propose conducting a similar study here.

The group wants to be involved "due to the magnitude of the potential changes and the changing business climate," EDC president Jack Reynolds wrote in a letter to County Administrator June Fisher last month.

Commissioner John Thrumston said studying the economic impact is important.

"An economic study needs to be done to insure what effects fees of this magnitude are going to have on our economy and our cost of living," he said.

But Phillips and Valentino said an eleventh-hour study would do nothing to help clarify the issue.

"If we were going to do an economic impact study we should have done it a long time ago," Phillips said. "The fees are what they are. They're based on Citrus County data."

Commissioners are slated to discuss the EDC's proposal at 3:30 p.m. Tuesday at the Citrus County Courthouse.

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If you go

Decision on fees

What: The County Commission will vote on proposed increases to impact fees. Impact fees are one-time charges for new residential and commercial construction, created to help pay infrastructure costs.

When: 9 a.m. Thursday.

Where: The Citrus County Courthouse, 110 N Apopka Ave., Inverness.

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