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Survey: Collier's, Lee's impact fees among state's highest

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A national impact-fee survey has concluded Lee County has some of the highest fees in Florida.

But the \$15,673.18 in fees paid on every new single-family home built in Lee County seems a bargain compared to the \$24,428 paid across the county line in Collier.

In fact, Collier County's fee is about three times the national average.

Lee doesn't collect impact fees for utilities, though each government and private utility collects its own connection fee. Lee collects for roads, schools, parks, fire and EMS. Collier collects for those plus libraries, police, water, sewer and general government.

Collier indexes its fees annually, calculating increases every year. Collier commissioners recently signed off on an annual increase, rejecting a plea by the building industry to delay the fee hike.

Collier Building Industry President Brenda Talbert had urged commissioners to delay the increase.

"We're going to reach a point where it's hundreds of thousands of dollars and no one will be able to afford to live here," she said. "All those rich people can sit around and cut each other's hair and paint each other's nails."

According to the most recent annual survey done by Duncan Associates of Austin, Texas, Collier County has the highest fees in Florida for each of the five major land uses tracked.

Talbert said impact fees are so high in Collier, in part, because wealthy residents demand expensive services and county commissioners cater to them.

"When medians cost millions of dollars to put in and millions of dollars to maintain you're going to run off the middle class," she said.

Florida ranks only sixth nationally on the list of average single-family fees at \$9,939. There are 71 cities, towns and counties collecting the fees in Florida, however. California is second with 38. The survey tracks 283 jurisdictions.

California sets the bar when it comes to collecting the fees, one-time extractions meant to offset the demand new construction makes on government infrastructure. The state average is \$26,392.

Lee Building Industry executive director Michael Reitmann said he feels pretty good about impact fees right now. Lee commissioners recently rejected a recommended 45 percent increase in park fees, in recognition of the slumping building economy.

“I am actually very optimistic right now about county commissioners’ approach in dealing with the construction crisis,” he said.

Talbert said she made the same arguments in Collier to no avail. She said the CBIA doesn’t object to paying for infrastructure.

“But does it need to pay for a Rolls Royce of infrastructure or would a Ford level of service be sufficient?” she said. “If the rich people of Collier County want such a rich lifestyle let them pay for it.”

Reitmann said the park fees were “a small token“ and he’s waiting to see what commissioners and the Lee School Board do when an update of more substantial school fees is finished this winter. County ordinance requires a review of each fee every three years.

“The County Commission can do what they want,” Reitmann said. “I think there’s a recognition there of where the market is right now. But this is a small token. Park fees are not like school fees.”

Lee County’s school fee is \$4,352.09, which is just under the national and Florida averages. Collier’s tops \$9,000.

Reitmann said the school fee update - Duncan Associates does all Lee's impact fee work - is sure to recommend an increase.

He said he will question it because of what's happened in recent months to land prices, and because Lee schools haven't seen predicted student growth and some school projects have been either postponed or eliminated altogether.

Home-builders’ groups still oppose impact fees in general, but Reitmann said the judicial system is set against fee challengers.

The Lee builders group sued seven years ago when county commissioners adopted school impact fees. A straightforward challenge to fee methodology was dismissed, but a smaller claim regarding contract impairment still is being argued.

“You really have to appeal to the sensibility of the elected officials, and the county commissioners had enough wisdom to see what’s happening to the local economy,” he said.

Not surprisingly Arnold Rosenthal, an Estero activist who has long argued for impact fees, disagreed.

“They made a decision to let the parks go down the tubes a little bit,” he said. “It’s short-term gain for long-term loss.”

Rosenthal said the way Lee County stacks up against the national averages doesn’t bother him. In fact Lee County passes completely on fees for police, libraries, general government services and drainage. Those four averaged \$988 in Florida and \$3,191 nationally.

“I pushed for a while for prisons and libraries,” he said.

In Lee the next big issue will be school fees. They were raised once already while the lawsuit was active, and currently are at \$4,309.

“We’re going to have major issues with school impact fees,” Reitmann said. “The School Board’s cancelling construction of certain schools because the enrollment isn’t there. There’s like 18 charter schools, and that has taken them off the construction schedule for the school system.”

Land costs also have fallen in recent months, Reitmann said, and consultants will be checking to see that those numbers are accurate.

Rosenthal said school fees is the one area that shouldn’t be attacked.

“I’ll probably go to bat on that,” he said. “I don’t want to see us making victims of the kids.”

Rosenthal said the choice on impact fees is simple, even simpler because the state is holding local governments down on property taxes.

“The first choice is if you want to keep up or not,” he said. “If you want to keep up it’s growth paying for growth or higher taxes. It’s as simple as that. With no tax increase it’s let services slide or don’t.”

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