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Volusia council votes to draft impact-fee moratorium on some new homes

By ANDREW GANT, STAFF WRITER

DeLAND -- The Volusia County Council took its first step today toward placing a two-year moratorium on certain impact fees on new home construction -- and builders who showed up to support the measure promised they would pass the savings on to buyers.

"Seeing both sides of the road full of vans and pickup trucks and hearing hammers, it's a good feeling, and it's one that we want to be part of," ICI Homes' David Hass told the council during a lengthy discussion. "And we have pledged that whatever decrease we get in impact fees, it's going to go directly to the home buyer."

The council voted unanimously to draft a moratorium ordinance for its Aug. 18 meeting. The proposal, as discussed today, would apply only to "infill" residential projects -- not commercial buildings, or new developments built in more far-flung locales where new infrastructure becomes necessary.

At the end of the two years, impact fees would come back gradually -- first at 33 percent in the third year, 67 percent in the fourth and finally the full amount in year five.

County Manager Jim Dinneen said the moratorium period would be a good time to reevaluate how impact fees are charged, and whether the county wants to incentivize infill projects -- homes built where roads, parks and other amenities are already in place -- versus construction in relatively undeveloped areas.

Volusia Building Industry Association President Mark Bines said builders will be lobbying cities to drop their impact fees, too. And he said the VBIA will be negotiating with the school district, which levies its own impact fee.

Each builder who spoke to the council said a moratorium will help spike construction and create new jobs. The council members all said they'd like to see evidence of that down the road.

"I think you're up against it, and I'm all for waiving it, but this is not going to be a magic wand where people are going to be lining up to buy your new homes," District 4 Councilman Carl Persis said. "Prove me wrong, and I'll be the first person to say you proved me wrong."

The unanimous vote came after a dire presentation from Volusia's public works director George Recktenwald, who said the county's level of service is "at embarrassingly low levels in some areas," and waiving impact fees that fund road maintenance will exacerbate that.

"I'm here today to tell you, don't forget our public infrastructure," he said. "We also need that help now... I don't think we can sit here as a county and count on federal money coming to save us, and I also don't think we can count on the state to help us. ...We're gonna be pretty much out of the road expansion business, and I want to remind everyone that that does mean both private and public sector jobs."

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