

Builders: Impact fee plan flawed

PETER GUINTA

peter.guinta@staugustine.com

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The St. Johns County Commission plans the second and final public hearing Tuesday to hear public comment on its new impact fee deferral plan, but a spokesman for local builders said Saturday that the plan probably won't work.

Ed Paucek, representing the St. Johns Builders Council, said the county staff is "going in the right direction" by suggesting a plan where a non-residential builder can defer payment of impact fees more than \$50,000 for five years at low interest.

"(But) this is a feel-good for the county, because it really produces nothing," Paucek said.

The terms of the deferral allow a business owner to pay \$10,000 up front and pay the rest of the impact fee over time, though he must have a lien against his property for that amount as well as submit a letter of credit from a bank before the deferral can be approved.

"That's the killer," Paucek said. "In normal times, getting both a lien and a letter of credit might be easier to get. But not today. The county is not seeing the totality of the overkill."

County staffers couldn't be reached for reaction Saturday.

The plan, developed by the county's Growth Management Department, gives some financial breathing room to outside builders who have resisted doing business in St. Johns County due to its high impact fees.

The hearing Tuesday is to consider modifications to the Consolidated Impact Fee Ordinance.

A staff summary says, "Currently, impact fees must be paid in full prior to electrical energizing of the building."

The suggested plan allows a builder to pay a fee of \$50,000 or more over five years in five payments.

The first hearing saw little public response.

Paucek said the county said it cannot reduce or eliminate impact fees because it must use that money to repay \$230 million owed to developers for their infrastructure improvements.

"County staff has worked with us, but I say, 'Thanks for trying, but we want a lien or a letter of credit, not both.'"

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