St. Petersburg Times
tampabay.com

March 26, 2011

Businesses supporting a tax? In Pasco, they may support a mobility fee

C.T. Bowen, Times editorial staff

For a guy starting his 30th year on the job, Pasco County Administrator John Gallagher doesn't look in the rearview mirror too often.

The road lies straight ahead and the task is figuring out how to pay for it. And how to get fewer people to use it every morning as they leave the county.

It's a recurring theme the past few years. The bureaucrats, land planners, industrial recruiters - even some developers - want to devise a Pasco County in which more people can live, work and play in the same locale.

It is guided by the now decade-old U.S. Census data that found 60,000 people, or 45 percent of Pasco's workforce, left the county every day for jobs elsewhere - a higher percentage of exported employees than any other county in the region.

The 2010 data hasn't been revealed yet, but certainly if that number did decline, it's most likely because people are out of work, not because they are working closer to home. Take a look at U.S. 19, the Suncoast Parkway, U.S. 41, and Interstates 75 and 275, which show no signs of thinning southbound traffic every workday morning.

So the county is trying a brash experiment. To head off a building industry push to suspend transportation impact fees - the one-time charges on new construction to offset the demand for new roads caused by growth - the county expedited its planned switch to a so-called mobility fee. It is a complicated formula that reduces the immediate transportation charge on new development depending on the type of construction and where it is built. The new charge is about a 40 percent cut from the approximately $10,000 existing road impact fee for single-family homes. The difference (you still need money to provide the transportation network) will be made up with a portion of future tax revenue attributed to higher property values triggered by the growth.

And to try to guide employment centers into the southern and western areas of the county pinpointed for more dense development, the county will charge no mobility fee for new offices or industrial space built there.

It's not a new idea. A consultant told the county years ago to use the commuting routes to its advantage. It should lobby new commerce to intercept the labor pool by locating right in the middle of the commuting path. That's exactly what the county wants to do. Witness the successful recruitment of T. Rowe Price to a planned campus at State Road 54 and the extended Sunlake Boulevard as an example.

Gallagher calls the mobility fee an experiment to see if commerce really wants to come to Pasco. The zero fee might motivate the tire-kickers to put their operations on or near the SR 54 or U.S. 19 corridors. Local jobs means less commuters on the highways. That is the potential payoff: bringing more and better-paying jobs to Pasco and expanding the tax base. But this plan is not without its risks.

Essentially, 33 cents of every *new* tax dollar generated by growth and rising property values will be earmarked for transportation. That means hiring sheriff's deputies, paying to operate parks and libraries and financing other local government functions will have to covered by the other 67 cents.

It is a gamble. The city of New Port Richey, for instance, earmarked all of its new tax revenue for redevelopment and now finds itself in a financial pinch because the property value decline came just as bond payments were due.

On the county level, Gallagher and budget director Mike Nurrenbrock suggested a different formula to obligate less money for roads and transit and more tax dollars for other government operations, but were overruled by a unanimous commission.

Commissioners like it for its immediate political safety. The mobility fee - still facing a final public hearing and commission vote - no longer includes a proposed $50-per-house assessment or 5-cents-per-gallon gasoline tax increase.

However, it does presume voters renewing the Penny for Pasco sales tax that is scheduled to expire at the end of 2014. It prompted a public acknowledgement from Gallagher that he told builders and developers they will need to work, and likely open their checkbooks, to help sell the sales tax benefits to the voting public.

Forget industrial recruitment for a moment. We're talking about the unorthodox idea of businesses supporting taxes.

Wouldn't that be a stunning legacy for Gallagher's career?

St. Petersburg Times