

Collier impact fee deferral program for affordable housing suspended

By I.M. STACKEL

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COLLIER COUNTY — With a glut of unoccupied properties crowding Collier County's real estate market, there is no longer a need to develop affordable housing, with some exceptions, commissioners agreed Tuesday.

Commissioners suspended the impact fee deferral program for developers who build affordable housing, except for Habitat for Humanity. That means that the county will be able to collect impact fees that pay for growth of roads, parks, libraries and a number of other services.

When the economy started crashing two years ago, the first casualty was construction. The decision to suspend impact fee deferrals could be beneficial, or not, said attorney Patrick Neale, a Collier County Foreclosure Task Force member, after the commission meeting.

"Nonprofits need to build more facilities, not less to support the increased demand," Neale said.

Habitat chief Sam Durso was satisfied that the commission intends to honor its fee deferral on 36 Habitat homes. The impact fees on just those 36 homes are valued at \$531,498.

Commissioner Frank Halas said the program can be revisited when the affordable housing glut is resolved.

After the meeting, Al Zichella, a longtime Collier Building Industry leader, questioned why the county would eliminate such a program.

"The construction industry is wounded severely and this issue by itself will not be a big deal. But it does miss the point completely, though," Zichella said.

In related news, the county also picked up a possible \$35 million in redevelopment bonds.

By declaring Collier a recovery zone, community leaders become eligible for \$14.18 million in economic development bonds, and \$21.27 million in building bonds.

Recovery zones are areas defined as having significant poverty, unemployment, home-foreclosure rates or general distress, and recognized as such by the state and federal governments administering the programs.

Collier County meets the criteria, according to David Jackson, executive director of the Bayshore Gateway Triangle Community Redevelopment Agency.

Recovery zone economic development bonds are for public projects and recovery zone facility bonds are for tax-exempt private activity within recovery zones.

There was considerable debate among commissioners as to whether designation should be restricted to the county's community redevelopment areas, or the whole county.

By designating the entire county as a recovery zone, Collier can use all of its foreclosure and unemployment statistics.

Under either category, bonds must be issued before Dec. 31, 2010.

County Attorney Jeff Klatzkow spoke on Monday with bond counsel, and Collier's in fine shape to accept its share of recovery help, he said.

While some commissioners thought the money should be restricted to the county community redevelopment zones in Immokalee, Bayshore-Gateway in East Naples and the greater River Park area, others noted need in unexpected locales.

Commissioner Donna Fiala said folks on Marco Island are looking to create a community redevelopment agency in the Town Centre area because it has been hit hard by the economy.

Commissioner Frank Halas said neighborhoods in North Naples could also use some help.

"I don't believe affluent people in this county are going to jump on the bandwagon and take that money," Halas said. Besides, when one drives through the county it is clear every neighborhood has been hard hit.

"The people who are middle-class have been hit the hardest," Halas said. "Go out to the (Golden Gate) Estates area and look at all those foreclosed homes."

The ability to claim the money is a direct result of the American Recovery and Reinvestment Act of 2009. The federal program filters the money through to states, and the states divide money among their communities.



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