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County considers impact fee increase

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Marion County's impact fees might be going up. And, for once, local builders are O.K. with it.

But builders say they will remain watchful to make sure Marion County remains competitive in offering people a place to live and launch a business.

The County Commission on Tuesday will weigh an annual update to the existing rates for next year. The fees under consideration are assessed to new housing and commercial development to help cover the costs for fire protection, road construction and education.

All will rise, subject to commission approval.

According to county documents, the transportation impact fee on a single-family home would jump to \$6,849, a \$750 hike; the education charge is set to go up from \$142 to \$4,109; and the fire protection amount will rise by \$10 to \$297.

While developers and builders will pay more out of pocket for their new projects, if the County Commission votes to approve the fee schedule, the growth rate of the increases is actually slowing.

Kim Hatcher, the county's impact fee coordinator, notes that the 12.3 percent spike in transportation impact fees is less than the 14.4 percent recommended a year ago.

The percentages are down likewise from a year ago for education - 5.1 percent this year compared to 3.6 percent last year - and fire protection: 3.3 percent for

2010 versus 4.4 percent in 2009.

Single-family homes provide the standard metric for measuring impact fee changes because that is the key part of Marion County's construction industry, at one time accounting for more than 70 percent of new development.

The fees are also assessed, however, on a per-unit basis for multi-family and mobile homes as well as by each 1,000 square feet for commercial and industrial projects. Increases are proposed for all categories. Francine Johannesen, executive director for the Marion County Building Industry Association, said her members anticipated these increases. Given that, they are acceptable, she said.

What the industry would be leery of, she said, is any further attempt by the county to make builders bear the brunt of keeping up with local infrastructure needs.

Johannesen pointed out that other counties around the state are taking a different tack.

Citrus, Manatee and Bay have cut their impact fees; others, such as Brevard, Santa Rosa, Charlotte and Collier, have put a moratorium on theirs.

The effect of such steps is unclear, though, at least based on Marion County's experience. Last year, the County Commission temporarily slashed transportation impact fees by two-thirds on housing in an attempt to jump-start that dormant industry - with a negligible outcome.

Still, Johannesen said her group will continue to encourage the County Commission to diversify its revenue sources to pay for roads and schools. Builders will continue to work with local officials to ensure that, such as earlier this year when the industry supported a 5-cent-a-gallon gas tax, scheduled to take effect on Jan. 1, 2010, to help build roads.

"Our concern is that Marion County is still a viable option to live in and build a business in," she said. "We never like to see them go up, but we're keeping an eye on them to make sure we're competitive with other counties.

"We still need to build infrastructure but the last thing we want is for someone to leave Marion County because the impact fees are so high."

If approved, the education impact fee increase will take effect Oct. 1. Transportation and fire protection will kick in on Jan. 1.

