

Crestview considers eliminating some impact fees

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Crestview city leaders took the first tentative steps toward rescinding or suspending some of the city's impact fees by engaging a consultant who is expert in the process. Unplugging the fees, a tool wielded by city government to have developers pay some of the burden their developments place on city infrastructure, is a cumbersome process, they learned.

Earlier this spring, the city council received a recommendation from Administrative Services Director Mike Wing and Public Works Director Wayne Steele to put a moratorium on the transportation impact fee. The city is now contemplating eliminating the public school concurrency fee and proportionate fair share as well.

Jack Dorman of J.E. Dorman and Associates will advise the city on amending Crestview's comprehensive plan so that eliminating school concurrency and fair share will be accomplished in accordance with state regulations. Fortunately, the rules have been amended in the city's favor.

"In 2011, the Legislature made some significant changes to growth management laws in Florida," Dorman said. "Most of those changes are to our benefit."

Dorman said the 2011 legislation encourages communities in Florida to reduce impact fees "unless the local government retains transportation concurrency," Dorman said. "Concurrency" is a state-mandated policy that assures that city facilities and services, such as streets and water service, are available concurrently with development.

According to "Working with Proportionate Fair Share," a Florida Department of Transportation guide, fair share was established by the Legislature in 2005 as "a method for mitigating the impacts of development on transportation facilities by the cooperative efforts of the public and private sectors.

"This method... can potentially be used by a local government to determine a developer's fair share of costs to meet concurrency. The developer's fair share may be combined with public funds to construct improvements to satisfy concurrency."

"Based on the requirements in the statutes, the city must eliminate transportation concurrency in order to accomplish the desired objectives regarding impact fees and proportionate fair share," Dorman said in an April 17 letter to Wing. "However, while concurrency will be eliminated for roads, level of service standards must be retained."

Transportation impact fees would not be entirely eliminated, Wing said.

"We propose to remove Proportionate Fair Share as a method of paying for growth," Wing explained in an email. "Transportation impact fees in some form would remain as the long term method of replacing used road capacity."

Dorman stressed that any changes to the city's comprehensive plan must be approved by the state, but

the plan must be adjusted in order to eliminate impact fees that are included in it.

"Actions taken by the council can't conflict with the comprehensive plan," Dorman cautioned.

Eliminating the city's school concurrency, in place since 2008, will also be eased by the 2011 legislation, which allows communities to "opt out" of interlocal agreements with local school districts. The city would then revert to a 2003 agreement, which was never rescinded, that does not require the concurrency.

But because the concurrency is also enshrined in the city's comprehensive plan, it also must be eliminated through the state's plan amendment process. The city also must execute a new interlocal agreement with the Okaloosa County School District, Dorman said.

"We have already been in discussion with the school district regarding a new agreement," Dorman said in his letter to Wing.

Dorman assured the council that there would be ample opportunity for public comment on the process, including public hearings and workshops with the Local Planning Agency and the city council. The city council has previously heard from area developers on the negative impact and financial burden the fees have placed on new development.

Some critics have said that Crestview's impact fees have driven away development, though local officials, including city planner Eric Davis, have said there is little evidence to support those claims and some fees are necessary to assure services keep pace with growth.

In neighboring DeFuniak Springs, however, officials have seen an increase in development when their impact fees were eliminated.

"We were getting stifled with fees," DeFuniak Springs city council member Mack Work said. "We put a moratorium on all of our impact fees and we essentially got nine new businesses as a result of that. Our argument is essentially the opposite of Crestview's."

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