

HERNANDO COMMISSIONERS PREFER DISCOUNT FOR ALL IF IMPACT FEES RETURN

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Tuesday, March 12, 2013 4:30am

BROOKSVILLE — If Hernando County commissioners ultimately reinstate impact fees, they have no intention of rewarding people who build what and where county officials prefer.

Commissioners on Tuesday rejected developing a new impact fee structure that would provide financial incentives to those who build in already-developed areas and to companies that bring desirable business to the county.

"I'm a huge proponent of targeted growth under normal circumstances," said commission Chairman Dave Russell. "But we're not in normal circumstances."

Russell expressed concern that giving a break to those who build in certain places or those who build certain types of facilities, such as manufacturing facilities or technical schools, "could stifle some of our growth" in other areas, he said.

Commissioners were focused Tuesday on giving direction to their roads impact fee consultant, Bob Wallace of Tindale-Oliver & Associates. Several months ago, Wallace told commissioners that they needed to look at their transportation system as a quality of life issue and maintain it with a variety of revenues, including impact fees.

After analyzing the county's road needs for the coming years and how much it would cost to meet them, Wallace presented the commission with a road impact fee that would cover 100 percent of the cost. For a single-family home, that fee would run \$5,767.

The most recent transportation impact fee charged was the 2005 fee of \$3,627 for a single-family home.

Impact fees are levied on new construction as a way to make new growth pay for the impact it has on a community — in this case the need to improve roads to handle additional traffic.

Counties often discount proposed fees. Wallace shared the road impact fees from other counties. In suburban Pasco, the fee is \$8,570. At a 50 percent discount level, the Citrus transportation impact fee is \$1,985, and in Sumter \$2,600.

Wallace proposed that, to create incentives, Hernando could discount the road impact fee rate to 20 percent for targeted uses, such as trade and technical schools, research and development, industrial, manufacturing and warehousing.

The proposal was to discount the road impact fee to 30 percent if someone chose to build in a targeted location, including Spring Hill, the airport, Brooksville or the industrial zone near Interstate 75 and State Road 50. Those areas are preferred because they already have infrastructure and are suitable for redevelopment.

For those not in a targeted area or planning a targeted use, Wallace suggested setting the road impact fee at 67 percent.

When Wallace met with local stakeholders, including representatives of other government entities, Realtors, business representatives and officials from the Withlacoochee River Electric Cooperative, the group did not favor the incentive plan, he said.

The alternative was a countywide discount on the impact fee for roads. That is what the commission agreed to on Tuesday — setting the fee at 44 percent of \$5,767, or \$2,537,

While Russell said he believed that a countywide discount was best approach, he noted that the commission can always revisit the concept of targeted growth incentives when the economy improves.

Commissioner Nick Nicholson disagreed.

"We should have targeted fees," Nicholson said. "The water is there. The sewer is there. The roads are there. . . . Infill is the way to go."

Commissioner Wayne Dukes said he agreed with Russell and thought that people who were building in places like Royal Highlands, where little infrastructure is available, would be penalized by the incentive system.

By instituting a discount across the county, Dukes said, "it's fair and balanced. . . . We treat everybody the same."

With commissioners having settled on a philosophy for the transportation impact fee, the consultant will now complete the report for a future board meeting, possibly next month.

Impact fees cannot be imposed until 90 days after approval by the commission.

All of Hernando's impact fees have been suspended since 2011, but the county is in the process of studying whether to restore them.

In January, the commission voted to accept staff recommendations for fee levels for parks, libraries, public buildings, emergency services and the sheriff. Commissioners voted to implement the fees, but not until August.

The School Board also recently agreed to do a study to update the appropriate amount for school impact fees.

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