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Printed on page A1

[road improvements]

Fee Moratorium Possible

By <u>Tom Palmer</u> THE LEDGER

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BARTOW | When the County Commission voted April 21 to contribute \$10 million to build a road at the new USF Polytechnic campus, Commission Chairman Bob English made a point of thanking his colleagues for voting in 2005 to increase property taxes to build roads.

That tax increase, which passed 4-1, was part of the largest property tax increase in the county's history.

It was the last of three controversial votes the County Commission took since 1999 to provide

the money to widen roads, to fix bridges and to improve intersections all over Polk County to make the roads safer and less congested.

One recent project was last year's completion of the widening of County Road 540A. It may not have been possible without a politically risky 4-1 vote by the County Commission in 1999 to increase the local gas tax by 5 cents per gallon.

The gas tax vote was accompanied by a 4-1 vote to charge proper road impact fees on new development.

One of the major projects the impact fees funded was the widening of County Road 54 in the Four Corners area.

MORATORIUM CONSIDERED

Commissioners are now poised to consider a one-year moratorium on impact fees for roads and other public projects at the request of the Polk County Builders Association.

Next year's projected revenue from the road impact fee is \$7.8 million. Money from the impact fees is combined with other road funds to pay for projects.

It was unclear initially which road projects would be affected by the moratorium.

The amount of money the taxes and impact fees have raised is impressive:

Road impact fees have yielded \$169.7 million.

The property tax for roads has yielded \$145.6 million.

The gas tax has yielded \$77.4 million.



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Jennifer Pennigton walks the formally two lane

sidewalk on her way to work. Pennigton says, "the new sidewalk is awesome" as it makes for an easier commute to where she needs to go.

now four lane CR540A Project highway

Tuesday June 8, 2010



Those taxes were supplemented by some \$48 million of the proceeds from a utility tax that was approved in 1999 and then used in part to supplement the road budget. That tax also helped repay a \$65 million bond issue that commissioners approved 4-1 in 2000 to pay for the estimated cost of widening County Road 540A and five other major roads around Polk County.

English said the 2005 road tax, which amounted to \$1 per \$1,000 of taxable value, helped bring substandard roads all over Polk County up to standard.

Nevertheless, he drew criticism, and it was an issue in his 2008 re-election campaign.

English said the fact that Polk County had raised adequate funds for road projects helped Polk officials qualify for grants from the Florida Department of Transportation. That included a \$2.8 million DOT grant to complete the CR 540A project.

County Commissioner Ed Smith, who joined the commission in 2008 long after any of the votes occurred, said it's hard to argue with the results.

"Polk County certainly has a reputation for having a good system of roads," Smith said. "It's very rare that I get a complaint about a road."

Smith said accomplishments in road improvements demonstrate that "we have been good stewards of the taxpayers' dollars."

County Commissioner Randy Wilkinson was the lone dissenter in all three votes.

Wilkinson said he still thinks the tax increases were unnecessary because commissioners have been able to lower the tax rate since the 2005 tax increase.

Wilkinson said the county set aside a portion of the property tax for roads in the 1970s, but abandoned that practice and raised taxes to expand the size of government.

However, he has never presented an alternative spending plan outlining how to allocate funds differently.

He said he voted against the increase in impact fees at the time because it was part of the 1999 gas tax package.

Wilkinson questioned how the money collected from these taxes and fees has been spent.

"A lot of the money went to staff and consultants," he said.

County Manager Mike Herr said consultants were necessary to oversee the projects without having to significantly increase the size of the county's staff. "That way we make sure we got what we paid for," he said.

Wilkinson also complained that the money from the additional gas tax didn't pay for as many road-widening projects as expected.

He points to County Road 540A as one example. It was originally projected to be paid wholly by gas tax revenues, but was funded by a mix of funding sources.

Herr said the reason some projects were not funded totally from the gas tax was because the preliminary cost estimates county staffers prepared turned out to be much lower than the actual costs once engineering plans and designs were completed and the project was put out for bid.

Copyright © 2010 The Ledger.com — All rights reserved. Restricted use only. For instance, the 1998 estimate for the cost of widening County Road 540A was \$17 million. The actual cost was \$79 million.

Widening of Lakeland Highlands Road, which began earlier this year, was estimated in 1998 to cost \$10.8 million. The actual cost is \$15.9 million.

Herr said one factor that affected road costs was the cost of buying right of way, much of which occurred during the height of the real estate boom when prices were high.

Wilkinson also complained that the gas tax, property tax and impact fees were used to improve a bunch of intersections, leaving some road-widening projects for later.

"That just created a wildfire of development," he said, referring to the fact that those projects improved road concurrency that is necessary for new development to proceed under Florida's growth law.

"It was unnecessary," said Wilkinson, who voted against the impact fee increase for transportation that was designed to make new development pay its fair share of road-improvement costs.

Herr, who was the county's transportation director in 1999 when the initiative started, disagrees with Wilkinson's assessment.

"We not only relieved congestion, we also made the road network safer," Herr said.

The effort by English and others to secure funding for the county's road system didn't occur in a vacuum.

One impetus was a report by Polk Vision, an organization started by the local business community in 2004 to look at Polk's needs 20 years into the future.

One of Polk Vision's conclusions was that there was a \$385 million infrastructure gap in roads and other public facilities that threatened the county's present and future quality of life.

English said he agreed with Polk Vision's recommendation that improving roads and other infrastructure was the key to making Polk County attractive to new business.

Even though Polk Vision brought the issue to the fore, the backlog in road building projects was not a new issue.

Before the approval of the gas tax and impact fee increases in 1999, the County Commission had twice tried to persuade voters to approve a sales tax referendum: in 1998 to fund road projects; in 1994 to pay for roads and other capital projects.

Voters rejected both proposals, a point Wilkinson brings up in arguing against the tax increases that his fellow commissioners subsequently approved without having to go through a referendum.

"They didn't need to do it," he said, arguing the revenue from the growth of the county's tax roll would have covered the costs.

Herr said no one ever claimed a single source of money would be enough to pay for "a proactive road program," explaining it needed to be a combination of pay-as-you-go and issuing bonds.

Looking at the list of projects, which includes 68 intersections, various aspects of improving or planning the improvements of 32 roads and the repair of eight bridges, Herr said quite a bit has been accomplished.

"A lot of people thought we couldn't get the job done, but we did," he said.

[Tom Palmer can be reached at tom.palmer@theledger.com or 863-802-7535. Read more views on county government at http://county.blogs.theledger.com.]

This story appeared in print on page A1