

COUNTY PAGE

Impact fee moratorium future pondered

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County attorney told to examine options

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The question is not only — or, so much — whether the impact fee has been effective. The jury is still out on that as Tom Deardorff, growth management director was uncertain from data collected since the moratorium was instituted.

Regardless, the question raised was should it be extended or allowed to expire Feb. 1, 2011? Also, should impact fees be reinstated, and if so at what rate?

When BOCC chairman Bob English addressed the item during the Oct. 20 public session, he left it no doubt where he stood on the issue. He wanted to end the moratorium, and in its place, for a year's duration, implement an impact fee of 25 percent of the recommended amount.

"As a county, we should institutionalize impact fees," he said.

Commissioner Jean Reed, however, didn't believe 25 percent sufficient and instead called for the fee to be 50 percent. Reed had voted against the six-month moratorium.

She was joined in that call by Commissioner Randy Wilkinson. He cited an article in Forbes magazine that Polk County was among the worst places for home construction.

It appeared as if Wilkinson's focus was primarily upon the home construction market, not commercial real estate development.

When a presentation was being made by Deardorff, in which he said that his division had received 35 pre-application meetings for July, August and September, Wilkinson asked about any increases in building homes,. He said he had seen more homes being built. He added there was a one-to-two year supply of houses already sitting vacant.

"I say when you're in the hole, you need to stop digging," he said.

In response, Jim Freeman, interim county manager, said he had not seen any increase since the moratorium.

"I don't really see a trend," said Freeman. He said the historical numbers have been static.

Along that same line, Deardorff said of the 28 applications only three were for residential and none were requests to build.

He used the pre-application meetings from August and September to determine whether the moratorium was having an effect, Instead, two were concerns raised by landowners seeking information about their rights. The third was for a replatting in a development already in existence.

When Chuck Hunt approached the podium, he said except for individual home construction, no housing construction was under way. Hunt heads up Hunt Construction of Central Florida. Part of the reason for that, said Hunt, are

foreclosed homes.

He differed from English, who earlier said he wanted the moratorium to expire.

"I think we need at least another six months extension of the impact fees," said Hunt.

That was music to the ears of Commissioner Edwin V. Smith. As he had done in the past, Smith pointed out the purpose of the moratorium was and had always been to spur commercial development, as a way to encourage job growth.

"No builder in his right mind is going to build spec homes," said Smith.

The issue of the impact fees moratorium was on the agenda because county attorney Michael Craig sought direction on how to proceed on the issue, including what changes should be done to the ordinance. This was necessary because a hearing date had to be set up 90 days in order to give public notice before the Feb. 1 sunset date. Also, the BOCC had received several requests from potential developers.

Prior to taking a vote, Reed again pressed for the impact fee be set at 50 percent.

"If we have less impact fee, we'll have more growth," she said.

She pointed out that in Poinciana, growth currently is taking place in Oceola County, as Poinciana straddles both counties.

She also believed this entire matter would have been better served had more study been put in.

"We really need to workshop this," she said. Perhaps it should have been more selective.

"There are places where impact fees are necessary, and some where (impact fees are) not," she added.

Wilkinson concurred.

"Jean is correct," said Wilkinson. "We're using a sledgehammer where we should be using a scalpel."

The BOCC instructed Craig to return Dec. 1 with the options of either extending the moratorium, or implement a fee of 25 percent of the original value, or a fee of 50 percent.

The vote was 4-1, with Wilkinson in opposition.

About the moratorium

The BOCC voted in July to impose a six-month moratorium on all impact fees except school impact fees in an attempt to encourage commercial and industrial development.

It was met with controversy prior to approval, which continues. At this time, it is not known whether it has been effective in spurring growth and job creation.

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