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Sarasota reduces road impact fees

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Road impact fees for the county will be cut in half for two years in an effort to boost the struggling home building industry.

On Wednesday, the County Commission voted 4-1 to reduce the fees on building permits issued before Feb. 1, 2013. To remain qualified, a project must be built and have a certificate of occupancy by Feb. 1, 2014.

Commissioner Jon Thaxton cast the dissenting vote.

The home building industry insists the reduced fees will enable it to lower prices and create jobs. Neighborhood and controlled growth advocates argue that the move will shift costs associated with growth onto existing taxpayers.

The county levies impact fees on construction so that newcomers help pay for new or expanded roads, schools, parks and other public facilities required because of growth. In December, the commission suspended school impact fees for two years after the School Board said it foresees no need for more classrooms during the next five years.

Wednesday's decision comes a day after the Manatee County Commission voted 5-2 to extend for two years a suspension of school impact fees and a 50 percent reduction in road impact fees that it enacted in 2009. Since then, Manatee has experienced a steady increase in residential building permits. Commissioners Joe McClash and Michael Gallen opposed the move.

In Sarasota County, road impact fees still in effect until Feb. 1 have ranged from \$2,552 to \$6,772 depending on the square footage of the home. The fees vary for commercial and industrial properties.

Lately, road impact fees have added \$5 million to \$6 million a year to county coffers.

County officials said any adjustment in impact fees affects the number of county projects that can get done.

Yet Commissioner Nora Patterson noted that impact fee revenues may not correspondingly be cut in half. If the reduced fees prompt an increase in building permits, the county could possibly collect more fees than it would otherwise.

Pat Neal of Neal Communities said that the reduced impact fees in Manatee have enabled him to be more competitive on prices there. Last year, he said, his company sold 313 homes -- 302 of which were in Manatee County.

"Sarasota County has pretty much lost its home building industry," Neal told commissioners. "... We're asking for your help."

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Real estate investor Henry Rodriguez called the fees "an obstructionist tariff" on the development industry.

Yet Ann Kaplan of the Council of Neighborhood Associations countered that lowered fees will amount to a "special interest subsidy" for developers. "Our county's budget cannot afford any more losses of revenue."

Dan Lobeck of Control Growth Now challenged claims that reduced fees will help the economy. "The jobless rates for Sarasota and Manatee counties are identical," he said.

Lobeck said the local economy tanked because of overdevelopment and will not improve until "the surplus inventory on the market is consumed."

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