

Adkins' idea to suspend impact fees is a bad one

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Here is the latest bad idea from Commissioner Jim Adkins: Suspend the collection of impact fees on new construction in Hernando County. It is the wrong approach to fiscal management and follows on the heels of his other poorly conceived notions to eliminate mass transit in Hernando and to offer publicly financed gift cards of up \$5,000 for home buyers. He is sticking with the giveaways this time with a proposal again aimed at benefiting the home-building industry.

It's a familiar strategy. This is an expanded version of an idea the commission shot down last summer, before Adkins was elected to the board. Then, the plan was a 25 percent cut, or \$2,300, of the \$9,100-per-single-family-home impact fee charged for roads, schools, libraries and other public services. The cover story was to cut impact fees in order to participate in a statewide affordable housing program. The true impetus was to cater to special interests by trying to jump-start business for home builders.

There is not even a pretense of stimulating more affordable housing this time. Tuesday afternoon, Adkins simply called for a moratorium of all impact fees because the county has a high unemployment rate and he wanted the proposal back before the commission at its next regular meeting March 24. His off-the-wall suggestion and call for expedited consideration befuddled other commissioners, who agreed to allow the

county attorney to research what other counties had done and bring the information back to the board.

Adkins likely missed the subtle message from County Administrator David Hamilton, who said the leadership team had been prepared to consider updating multiple ordinances, including impact fees, but had been preoccupied with identifying \$10 million in budget cuts. Reduced impact fee revenue isn't going to make that job any easier.

Impact fees, long the bane of the building industry, are one-time assessments to help ensure growth pays for a share of the new demand on public infrastructure. Costs are passed through to new home buyers.

We're not sure how eliminating impact fees is supposed to put people back to work. The inventory of existing homes available is staggering and Hernando already is well-positioned to offer bargains to new-home buyers.

Just south of County Line Road, Pasco County's government charges impact fees of more than \$20,000 per single-family home and is being asked by the school board there for another increase.

More to the point, good infrastructure helps sell new homes. Those are the words of economist Hank Fishkind, retained by both Hernando and Pasco counties to study impact fees and the local economy over the past two years. There has been buy-in to that logic at one locale, where a group of landowners in the Pasadena Hills area of north-central Pasco proposed a long-term plan to add surcharges to the county's impact fees in order to build a substantial road network to handle the growth.

Get that? They want *higher* impact fees to finance higher-caliber, quality-of-life amenities to make their

area a desirable destination for people to live and work. Adkins should consider that wisdom.

The ills of the residential real estate industry can be traced to prices inflated by investors, loose lending practices, homeowner insurance costs and other factors beyond the commission's control.

We know the housing industry drives the Hernando County economy, but eliminating impact fees would require even more difficult budget decisions in the future requiring commissioners to ask all property taxpayers to make up lost revenue for public services.

Impact fees are not the problem. Trying to diversifying Hernando's home-building and service-based economy would be a better use of the commission's time.

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