

The News Sun

Are impact fees the real villain?

Editor:

The impact fee issue has been discussed and thrashed out for years now. The most recent public hearing on it drew this conclusion: Impact fees have successfully been made the scapegoat of the housing industry. Somehow, the housing industry - that is, developers, contractors, realtors, banking and insurance industries (a.k.a. Wall Street/Corporate America) - played no part in the catastrophic economic disaster facing America today.

I had stated that violation of the state Department of Community Affairs and county planning and zoning laws and regulations were a key element in the evolution of the housing melt down. It appears I was wrong; the term violation has several "synonyms:" exemption, waiver, deduction, special hardship, extension, expansion. The developers, et al, did not violate the laws and regulations; they simply applied for one of the above during the process of constructing their projects. The result was that the county taxpayers (mostly homeowners) were left with the bill, some \$500 million backlog in infrastructure and counting.

But, counters and objector, homeowners get a homestead exemption, now \$50,000 after the first year; however, the county did not grant the whole extra \$25,000 to everyone, only \$5,000. And Save Our Homes owners will see a 3 percent increase this year, which is only fair. Avon Park and Sebring instituted a fire assessment tax because a large number of homeowners paid no tax on their homes; the fire assessment tax again was fair, because everybody should pay something for the government services they receive; in fact, they receive a greater percent of government service.

Getting back to the impact fee, the public has been influenced that the impact fee is the cause of the housing fiasco today. Even if the county collected 100 percent of the projected \$6,000 impact fee, it would be only a fraction of the construction cost. But the actual fee was 25 percent of that \$6,000 fee, starting in June 2007, increasing 10 percent each year after that. It is still unknown how many developers slipped under the wire between January and June 2007. So the county didn't collect even 1 percent. Never the less, the repercussions of that policy have been devastating to millions of homeowners in this state.

The county commission should be commended for its research of the past history of land purchases, a key element of that policy. The property owners usually made more money, above appraised value, in good times, but did not lose money in bad economic times. This time last week, they saved the county taxpayers \$100,000 between the original price and the one agreed to by the owner.

Yet, I fear for the working class of this country.

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Avon Park

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