Bonita officials wary of proposed impact fee moratorium

By PETE BISHOP

Thursday, January 17, 2013

Bonita Springs officials are worried that a proposed two-year moratorium on the collection of county impact fees could affect the city's bottom line.

The Lee County Commission will discuss the moratorium, meant to give the local building industry a boost, during its Jan. 22 meeting.

But Bonita City Manager Carl Schwing said Wednesday that the moratorium may not spur growth and the loss in impact fee revenue at the county level could affect the city's finances.

"I have not seen much empirical data where reducing impact fees actually results in more development," Schwing told the City Council during their bi-weekly meeting. "There's more building going on in Collier County, and they always have higher impact fees."

Impact fees are applied to new construction and help pay for infrastructure projects, such as roads, parks and schools.

Current fees typically add about $12,500 to the cost of a new home in Lee County, and close to $20,000 in Collier County, depending on the size of the home and the fire control district where the construction occurs.

A moratorium on impact fees would mean about $10 million in lost revenue for Lee, a loss that could trickle down to the county's municipalities.

Schwing said the county sends about $1.3 million to Bonita in gas tax revenue each year, much of which helps the city pay off its debt service costs.

But that funding source could dry up if the county decides to use gas tax money to make up for a loss in impact fee revenue, he said.

Mayor Ben Nelson also doubted that the moratorium would accelerate growth in Lee, and he said that losing funds for infrastructure could stunt new development in the long run.

"Infrastructure is number one," he said. "When you have infrastructure you have quality of life. When you don't have quality of life, businesses don't want to come and people don't want to build."

Nelson added that the county sometimes has trouble paying for current infrastructure projects that directly affect Bonita.

He cited planned work on Bonita Beach Road, for which the city and county are splitting costs.

"The moratorium could have a direct effect on our infrastructure," he said. "Before you start doing anything with your main source of money for infrastructure, you have to ask yourself how you are going to replace it."

Councilman Bill Lonkart questioned the timing for a moratorium because the building industry seems to be heating up, at least in Bonita Springs, where construction is underway in several housing developments.

New single home housing permits increased by almost 50 percent in unincorporated Lee County over the past year, as well.

The moratorium sends the wrong message, Nelson said.

"It sends the message that they want new density to happen in unincorporated Lee County, when all good planning shows that you want the density to occur in the municipalities," he said.

Council members asked Schwing to send commissioners a letter outlining their concerns.

In other Bonita Springs news:

■| Council approved a suggested scope of work to guide a study of the Density Reduction Groundwater Resource (DRGR) area, and authorized the city's staff to begin looking for a planning consultant to undertake the study.

The consultant will create a plan for the development of parts of the DRGR that fall within the city limits. Lee County set aside the DRGR to limit development and preserve groundwater resources more than 20 years ago, but much of the land has already been marred by agriculture, mining and residential uses.

Schwing noted that the city has already undertaken several studies of the area and said the planning consultant won't start from scratch.

"I don't see this as a $300,000 study, and in fact I hope it's not more than $100,000."

■| Council adopted a protocol for evaluating requests by residents who ask the city to pave privately-owned roads, improve private drainage infrastructure or build enhanced buffering to protect their property from road noise.

Assistant City Manager John Gucciardo said such requests are rare, but a protocol should be adopted for legal considerations and to make sure residents who do ask are treated equitably.

The city currently has plans to pay for 80 percent of the cost of paving 5 privately-owned roads in the city. Residents will pay for the other 20 percent.