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## Crotty's plan to slash impact fees gets chilly reception

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January 7, 2009

Orange County commissioners said Tuesday they are open to helping developers survive a slumping economy and collapsed housing market. But they were cool to a proposal by Mayor Rich Crotty to slash impact fees paid by developers as much as 50 percent.

Commissioners said they feared Crotty's plan would do little to fill a glut of vacant residential and commercial properties would help only big developers and could severely reduce already-scarce funds to build roads and schools.

"It might line the pockets of people who were going to build anyway and cut a hole in our budget," Commissioner Bill Segal said.

Crotty's plan calls for reductions of up to 50 percent in the impact fees developers pay to offset traffic caused by their projects. It would lower similar school levies by 25 percent. The discounts, which could

be voted on by April, would last two years, unless commissioners vote to prolong them.

The mayor's plan would also allow developers to delay payment of those fees, cap any scheduled increases until 2011 and grant developers an additional six months to act on permit requests before they expire. Other governments around the state, including Lake and Volusia counties, are considering or have already enacted similar breaks, officials said.

Officials estimate that about \$1.2 billion in permitted projects are stalled in Orange County, or have been abandoned, because of the economy.

Crotty said his plan could save developers tens of thousands of dollars in upfront costs and argued that jump-starting some of the stalled projects would eventually help home buyers and retail consumers as much as developers. He said it was worth a short-term revenue loss to create new jobs and generate higher property- and sales-tax collections.

"At least if we do something, we can say we tried," Crotty said.

Commissioner Tiffany Moore Russell said she wants to see what kind of revenue losses would be involved and asked for proposals aimed at filling the vacant storefronts sprouting in her district, which includes the International Drive tourist area.

That problem will only get worse, said Sean Snaith, director of the University of Central Florida's Institute for Competitiveness.

In a gloomy economic forecast continuing into 2010, Snaith said commercial foreclosures are just now taking hold in the economy. "That's the next shoe to drop."

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