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Impact fees gone for a year

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Highlands Today

Highlands County commissioners received a standing ovation from the audience after they voted Tuesday morning to suspend impact fees for a year, starting July 1.

While the audience was filled with many people who sought that action in hopes of boosting the downturned local economy, not everyone was in favor of the 5-0 unanimous vote.

Of the nine citizens who spoke before the commissioners voted, six supported the suspension, two opposed it, and one said his big concern is the potential hiring of illegal aliens by construction companies if building projects pick up.

Diana Albritton said getting rid of impact fees to jump-start the stalled county economy has been on most people's minds.

"The impact fees suspension is the No. 1 topic, the 'hot-button' issue that everybody in Highlands County is talking about," she said.

Albritton asked the commissioners to suspend these fees, assessed on developers to cover the cost of infrastructure needed due to growth.

Groups not only endorsing but also pleading for the suspension of impact fees included the Highlands County Builders Association, the Heartland Association of Realtors, and the recently founded The Group for Better Government.

County Commissioner Guy Maxcy, who tried to have impact fees suspended one year ago but couldn't find any support then, said he has "faith" that getting rid of impact fees will result in some people getting called back to work.

And, Maxcy said, getting construction projects started will do no less than "put food in people's mouths."

County Commissioner Don Bates said he hopes that suspending impact fees will help start a local recovery from the recession, which has hit the construction industry particularly hard.

But, Bates said, suspending impact fees will be "worthless" unless people and businesses in this county actually start spending money on construction projects.

Bates said county government can put unemployed people back to work, too, by going ahead with

county building projects which have been put on hold. The biggest such project is the construction of a new law enforcement/administration center for the Highlands County Sheriff's Office.

The county has already spent nearly \$900,000 out of the \$1.1 million budgeted for the architectural plans for the new sheriff's building. Work to complete the design was stopped earlier this year, when the commissioners voted 4-1 to shelve this project for at least six months.

Bates was the only commissioner who voted against putting a halt to the new sheriff's building. The proposed building has an estimated price tag of \$11.2 million and would be by far the biggest public works projects, outside of the Sebring Parkway.

Gabriel Read of Avon Park was one of two citizens who questioned the wisdom of getting rid of impact fees for one year in hopes of stimulating the construction industry.

"Who pays?" Read asked.

Read said if impact fees are gone, then the costs for infrastructure needed due to growth will have to be paid by all of the existing taxpayers in Highlands County. Impact fees were initiated three years ago to prevent current taxpayers from paying the growth costs created by new development, he said.

Tom Kosty, a resident of Sun 'n Lake of Sebring, warned the commissioners that encouraging the building of more single-family homes, while the market is flooded with "an over supply" of homes that aren't selling, will hurt many homeowners, especially retirees.

Many retirees who moved here from out of state are struggling financially because the more homes that are built - when there are already too many homes on the market - the more the value of the retirees' homes drops, he said.

Speaking as "a retiree who moved to Highlands County in 2006," Kosty said that, because of the flooded single-family home market, "every new (housing) development in Highlands County" decreases the value of retirees' homes.

If the situation gets much worse, Kosty said, many retirees will lose their current "purchasing power" and some may have to move out of Highlands County.

Getting out of Highlands County is what businesses have been doing because of impact fees, said one woman Realtor. She asked commissioners to suspend the impact fees and told the following story:

She was ready to close a sale on land to a businessman who wanted to build a convenience store on State Road 66. However, when she told him that the impact fees on that small project would be about \$60,000, he canceled the sale and told her, "I'm going to go to (build his store in) South Carolina."

Mike Secor, president of the Highlands County Builders Association, said no one can guarantee that suspending impact fees for 12 months will put construction workers back to work and boost the local economy.

That might happen, and it might not, he said.

"I will say this, though," he added. "If don't try it, we won't know."