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Leaders dispute how much failed affordable housing fee plan cost

By Larry Hannan

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In the weeks since Collier County commissioners decided to scrap a proposed linkage fee on new development, disagreements have remained over several aspects of the plan.

The amount that county government spent to put together the proposal appears in dispute. And commissioners disagree whether the proposal should come back in the future.

The fee would have been charged on new homes and commercial buildings based on square footage.

Commissioners agreed last year to look into a fee in an effort to set aside more money for affordable housing. They authorized staff to complete a study that would have given them a legal basis to impose the fee.

But when a study was released in January justifying the fees, the maximum allowable cost was much larger than anyone expected.

A 124-page affordable housing report attached to the proposed ordinance suggested residential construction fees ranging from 75 cents to \$1.88 per square foot, with commercial construction charges stretching from \$32.82 to \$48.86 per square foot.

That means a retailer wanting to build a new 5,000-square-foot clothing shop in Collier County would have paid an additional \$244,300 in fees.

Impact fees are one-time charges on new construction intended to make growth pay for growth. The revenues pay for parks, police, libraries and schools, among other services.

At a January commission meeting, Commissioner Tom Henning suggested killing the fee and fellow commissioners Fred Coyle and Donna Fiala agreed in a 3-2 decision.

Commissioners Jim Coletta and Frank Halas disagreed. Both said the linkage fee was too high,

but argued it was too soon to kill the whole proposal.

After the fee was killed, Coletta complained that county government had moved too far along to just scrap the whole proposal.

The county already had put \$150,000 into creating the linkage fee, Coletta said.

When members of the county staff were asked recently to explain where that \$150,000 had gone, they disagreed with Coletta's statement that \$150,000 had been spent.

Mike Pettit, chief assistant county attorney for Collier County government, said records indicated \$28,300 had been spent on the linkage fee study and legal fees related to the case.

"It's likely we have another invoice that has not come in yet," Pettit said. "That could be a substantial bill in the thousands of dollars."

When Coletta was told the cost was less than \$30,000 so far, he said the money spent on the linkage fees went beyond the study and legal fees.

Coletta said he was told by Community Development Services Administrator Joe Schmitt that the cost was between \$150,000 and \$160,000.

But Schmitt's spokeswoman, Lisa Koehler, said Schmitt didn't remember telling Coletta that figure.

The only dollar figure the department is aware of is the money mentioned by Pettit, Koehler said.

Whatever the amount, Coletta isn't ready to say it's been wasted.

"I don't think you can call this a waste of money," Coletta said. "The study has been done, and it will be valid for at least the next few years."

Commissioners still have the option of reconsidering the study, and Coletta said he believes they will at some point. It is possible that might not happen until there are changes in the makeup of the County Commission, Coletta said.

Henning agreed that it's possible the linkage fee could come back. But he believes that would be a mistake.

"I agree that it will probably rise again," Henning said. "But I don't think government is

responsible for affordable housing infrastructure.”

The government should offer impact fee breaks and other incentives for the creation of affordable housing, but government shouldn't try to build affordable housing itself, Henning said.

Henning said commissioners shouldn't be embarrassed by looking into linkage fees, and later dropping the idea after spending some money.

“It's not uncommon for the board to look into something and then decide not to do it,” Henning said. “When the board looked into this there was a lot of growth. Now growth has slowed down dramatically.”

Imposing a linkage fee in today's environment would have been irresponsible, Henning said.

“It would have hurt more than it helped,” he said.

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