

# Martin County's impact fees could be reduced on new business buildings

By George Andreassi

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STUART — Martin County's impact fees on new construction will be updated in four months, possibly with lower fees on some new business facilities to promote economic development, the County commission decided Tuesday.

The commissioners also decided to ask James Nicholas, considered the top impact fee expert in Florida, to update the fee study he conducted for Martin County in 2007. And the commissioners asked the Impact Fee Review Committee to discuss the new impact fees Nicholas proposes.

Nicholas had recommended lowering impact fees on new stores, offices and warehouses, as well as manufacturing and industrial facilities. But the County Commission delayed action in December 2007 because of concern about his recommendation to raise the fees on new houses and various other new business facilities.

Commissioner Doug Smith said Nicholas should be able to easily update his impact fee recommendations so fees could be lowered on new facilities for the high-tech, high-wage businesses the county is targeting.

County officials should also look at how other counties are lowering their impact fees to promote economic development, Smith said.

"There are counties that are putting moratoriums on impact fees," Smith said. "There are counties that have declared ... certain types of businesses ought to be exempted because of the economic development issues that are occurring or not occurring around the state."

The commission gave itself the authority in August to pay impact fees on behalf of lucrative businesses the county wants to attract.

Although the county wants to promote the development of new businesses and the creation of

new jobs, County Administrator Duncan Ballantyne warned that cutting impact fees would reduce the amount of money the county has to spend on new roads and government facilities.

As a result of the conflicting goals, Ballantyne recommended the commission delay the update of the county's impact fees for another year.

And Commissioner Sarah Heard said county taxpayers would have to make up for the loss of impact fee money.

An economist with the Bureau of Economic and Business Research at the University of Florida has predicted the state will remain in a recession until the end of 2009 and the economy will remain flat until 2011, county records show.

## **MARTIN COUNTY SELECTED IMPACT FEES**

**Office, 100,000 to 200,000 square feet:** \$3,944 per 1,000 square feet

**General industrial:** \$2,837 per 1,000 square feet

**Warehouse:** \$1,955 per 1,000 square feet

**Manufacturing:** \$1,661 per 1,000 square feet

**Single-family house, 1,101-2,300 square feet:** \$12,523

## **IMPACT FEE INCOME**

**2003:** \$7.8 million

**2004:** \$12.5 million

**2005:** \$15.9 million

**2006:** \$13 million

**2007:** \$8.9 million

**2008:** \$3.4 million



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