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North Port decides to delay impact fee hike

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NORTH PORT -- Acting against the advice of a paid consultant and the city manager, city commissioners agreed Monday to postpone a scheduled hike in impact fees and to shave more than \$700,000 off a proposed medical development.

The decisions, made during a budget workshop, could become official in a vote as early as next month.

Commissioners said they hoped the moves would spark the local economy by encouraging more development, especially the North Port Regional Medical Center. Commissioners have said the medical center is critical to North Port's future, singling out medical office buildings for an additional impact fee rollback.

But the delay in raising impact fees will force the city to scale back the plans to build basic infrastructure such as parks, roads and utility lines.

The city's budget planners were counting on an October increase in impact fees to pay for projects planned over the next five years. Now, the city will have to revisit its construction plans and delay some projects.

City Engineer Pat Collins said the city had been prepared to build 10 miles of sidewalks and 10 pedestrian bridges, but those plans could be on hold. Consultant James Nicholas advised the commission to collect the money that would come from impact fees and use it to invest in North Port's infrastructure.

"Remember, you need the money," Nicholas said. "That's the best way to build your roads is to get developers to do it, and you're moving away from that."

But a majority of the commission remained convinced that in the current economic downturn, North Port was not risking too much.

Home building has taken a dive in North Port, with the city issuing only 23 permits last month compared with 344 in March 2006. However, commercial building has held steady during the downturn, with the city issuing six permits last month.

Commissioner Vanessa Carusone said delaying the impact fee hike could mean missing out on funding if residential development picks up, but that the risk is worth it.

"We may say in a year later, 'I guess this really didn't jump start the economy and it didn't do any good,'" she said. "We may see in a year, 'Gee, look at all these permits coming in.'"

It was unclear Monday whether the commission's financial concession to the medical center's builders is enough to ensure that the project will go forward. The builder has threatened to pull the plug if it can not get rental rates down for the 75,000-square-foot facility, which will include a 25,000-square-foot emergency room run by Sarasota Memorial Hospital.



The hospital has stayed out of North Port's impact fee debate. However, Chief Operating Officer Michael Harrington said in a recent interview that the hospital "would welcome any support (for the medical center) whether it's from city officials, philanthropy or otherwise."

North Port's commissioners have made the medical center, especially the proposed emergency room, a top priority because the city does not have a hospital of its own.
