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Road impact fee to double

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NEW PORT RICHEY - Road impact fees for new homes will go up even higher than first proposed.

Facing a budget crunch as road construction costs rise, county commissioners voted 5-0 on Tuesday to more than double the transportation impact fee to \$9,500 on each new home, starting Oct. 1.

A committee of developers and business people had recommended hiking the fee to \$8,000. But they also suggested raising gas taxes and property taxes to generate more money for roads, two ideas the commissioners would not touch.

The \$9,500 fee "allows us not to get so far behind, and tread water so to speak," Commission Chairwoman Ann Hildebrand said.

The new fee will raise the total collection of impact fees for roads, schools and other services past \$20,000 on each new Pasco home, among Florida's highest.

But a report by county-hired economist Hank Fishkind said the housing market can weather the hike. Developers pass the costs on to buyers.

The commissioners did give developers a break. Instead of taking effect July 24, the new fee starts in October -

http://www.sptimes.com/2007/04/25/news_pf/Pasco/Road_impact_fee_to_do.shtml

allowing more projects to be grandfathered in under the old rate.

The rates for office, retail and warehouses also will stay the same or decrease to encourage more business investment.

But developers of apartment complexes warned that the increase they face will be dire. Road fees for multifamily housing will go from \$3,900 to \$7,000 a unit, although developers can pay lower fees if a study shows they're warranted.

"You'll just kill the apartment market here," said Peter Patricca of Greystar Development Group in Texas.

Pasco's road fee is now \$4,200 per new home. But rising construction costs and traffic demands pushed the county to search for more money. Impact fees are used to pay for service demands from growth, and make up half the road-building budget.

Yet county officials acknowledged they are trying to raise more money as building permits are dropping - and not scare off new growth.

Pasco's proposed road-building plan with the new fee assumes developers build 4,000 new homes this year. But county planners project less than 3,000 will be built.

The county's projection of \$500-million or more in road impact fees over the next five years assumes the housing market climbs out of its slump and soon.

"Quite frankly," Commissioner Ted Schrader said, "if we hit 2,500 -"

"It'll be a good day," Hildebrand said.

If revenue falls short, commissioners will have to push back projects or find more sources of money.

The committee of developers suggested gas and property tax hikes, even as the Legislature is looking at ways to cut local property taxes. But commissioners spent recent weeks pooh-poohing the idea of any such hikes.

By Tuesday, taxes became such an afterthought that Pasco Republican Party Chairman Bill Bunting and a gaggle of GOP activists attended the meeting but quickly realized there was nothing to fight.

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Fast Facts:

In other business

Fireworks hearing set: A public hearing on tighter restrictions on buying fireworks was set for 1:30 p.m. May 22 in New Port Richey. But county officials acknowledge it might be for naught. Florida lawmakers are poised to order a moratorium on new fireworks restrictions.

Sports board created: Commissioners created a county sports commission, enabling the county to work with the state to bring events here. First up is a major lacrosse tournament, but Pasco also will be eligible for state grants to promote sporting events. The County Commission will serve as the board.

Trash fees on hold: The board voted to take 30 days to see if more consultants are interested in a \$205,000 contract to study raising trash pickup rates. Commissioner Michael Cox balked after learning only one company was asked to do the work. The commission also directed staffers to research the feasibility of building a refuse-fueled ethanol plant next

to the Shady Hills garbage incinerator, which is over capacity.

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