County Extends Impact Fee Moratorium

By <u>Tom Palmer</u> THE LEDGER Published: Tuesday, November 19, 2013 at 5:41 p.m.

BARTOW | Developers will be off the hook for paying county impact fees for another 18 months.

County Commission members approved the extension unanimously Tuesday, the third time since imposing the moratorium in 2010 on impact fees for roads, parks, police, jail, ambulance, fire rescue and libraries.

That means the moratorium will have been in place for five years at the time the latest extension expires July 31, 2015.

School impact fees, which are \$4,160 for a single-family home, are the only ones unaffected by the moratorium.

Impact fees for schools, transportation, jails and ambulance service are charged countywide. The rest are charged only in unincorporated areas.

Impact fees are charged on new developments to help offset expenses of providing facilities and services to accommodate the increased demands that growth brings.

Without impact fees, the costs are borne by taxes or the level of service is allowed to decline.

According to the staff analysis, the moratorium reduces potential revenue by \$5.8 million a year. In addition, the absence of a jail impact fee means the county's taxpayer-supported general fund will continue to pay \$1.1 million a year in debt service on the cost of the jail expansion.

Jean Reed, a former county commissioner, was the only member of the public to speak at Tuesday's hearing. She argued it's time to consider reinstating some of the fees, especially transportation.

The CSX logistics center under construction in Winter Haven will bring the need for more road improvements, she said.

"The infrastructure gap will only increase again," Reed said, referring to a 2004 report commissioned by Polk Vision that estimated there is a \$600 million deficit in roads, parks and other public facilities in Polk County. Polk Vision is a private group organized by Polk's business community. That report resulted in the County Commission's approval of the largest property tax increase to erase that deficit.

Commissioners also decided then to levy the appropriate level of impact fees — up to that point, the fees had been minimal — to prevent future growth from widening the gap.

Impact fees can be used only to offset the costs of improvements brought by new growth. They cannot be used to address backlogs caused by earlier growth decisions.

Commissioners had voted last month to amend the impact fee ordinance to change the way school impact fee funds are disbursed and increased the time between studies required to decide whether impact fee increases are justified from three years to five years.

County Manager Jim Freeman said that was done to remain in compliance with the county ordinance, explaining there is no interest in paying for a new study while the moratorium remains in effect.

He said a study is expected to be sought next year.

Freeman said commissioners may consider reviving an advisory committee that once existed to instruct commissioners on impact fee policy.

[Tom Palmer can be reached at tom.palmer@theledger.com or 863-802-7535. Read more views on the environment at http://environment.blogs.theledger.com and more views on county government at http://county.blogs.theledger.com/. Follow on Twitter @LedgerTom.]

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