

# Fresno County supervisors eliminate controversial fees on development

By Marc Benjamin  
mbenjamin@fresnobee.com

Fresno County supervisors, who have wrestled over the past three years with charging fees for new development to partially pay for new county facilities, decided Tuesday to eliminate the controversial fees – the second such vote in as many years.

Last year, supervisors voted to eliminate the public facilities impact fees. Then earlier this year the board, with two new members, voted instead to suspend the fees.

By suspending the fees for two years, supervisors left open the option to charge the fees again in 2017, so long as the county paid \$100,000 for a study to examine the types of projects that could benefit from the fees.

But in Tuesday's 3-2 vote, supervisors again voted to eliminate the fees.

The county had collected \$781,636 in fees from 2008 to 2010. A Fresno Bee analysis conducted last year found that if the county hadn't suspended the fees between 2010 and 2014, it would have collected \$21.7 million for the fund.

The fee was discounted in 2008 and 2009 in all 15 cities and unincorporated areas. In 2010, the fee was expected to return to 100 percent, but it was suspended when the economy soured and was to remain suspended until the economy improved. The full fee ranged from \$2,860 to \$4,399, depending on a home's location.

The fees were designed to fund county facilities and have new population pay its share for the county's needs such as new offices, libraries and public safety services. Alan Weaver, the county's public works and planning director, said the county placed services into six separate "silos" to fund particular projects and services.

"New growth puts demands on existing county services, and without the new growth compensating for that, it further dilutes existing service levels," Weaver said.

Supervisors asked Weaver to examine the types of projects that could be paid for with money already in the fund.

Weaver said the options include part of a new animal shelter or sheriff's substation, and perhaps a computer-aided dispatch system for the sheriff.

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Alan Weaver, Fresno County director of public works and planning

If projects are not found, supervisors could refund the money to property owners with interest. There are 256 property owners who paid into the fund.

Building industry leaders oppose the fee because it raises home prices in a cost-sensitive market that hasn't completely recovered from the recession. The suspension was seen as both an incentive to developers and a relief to people struggling to buy new houses.

Michael Prandini, president of the Building Industry Association of Fresno and Madera Counties, said Fresno County has more than \$500 million in project needs and that the roughly \$30 million that would have been collected is less

than 10 percent of those needs.

He suggested a countywide assessment district because the new buildings benefit all residents, not just new residents.

“We think it would be more fair to create a countywide assessment to pay for countywide facilities,” he said.

In opposing the fees, Board Chairwoman Debbie Poochigian said the developer fee is “not a fair tax.” She said the money has no funding plan.

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Buddy Mendes, Fresno County supervisor

Buddy Mendes, who supported the fee suspension earlier this year, said the fees aren’t appropriate because the county lacks the freedom to build projects it needs.

“If we could collect it and spend it on anything in the county, any building project we needed in the county, it would be fine,” he said. “But it’s so restrictive that it really limits what you can collect and what good it does.”

Supervisor Brian Pacheco, a former school board member, also was opposed, saying the developer fees are different for schools. Schools, he said, could use developer fees on anything a district requires.

“Developer fees are only for school districts, so in my opinion, it’s like a double tax,” he said. “To only (charge) on growth issues is a real fundamentally flawed part of this.”

But Supervisor Henry R. Perea, citing the Friant area as a future growth site for thousands of homes, said the fee serves as a way to partially pay for projects that otherwise wouldn’t be funded.

“The potential for development out there exists,” he said. “It comes back to us as a board, and it may not be us, but a board 10 or 15 years from now, when people are up there and they will be saying, ‘Where is our library? Where is our substation?’ ”

Supervisor Andreas Borgeas joined Perea in trying to retain the fee as an option.

Money in the fund can be borrowed as leverage for a particular project as long as a repayment plan is established.

“There are tons of options,” he said.

In other action, supervisors supported a resolution declaring a local emergency related to tree mortality in eastern Fresno County. Because of the drought, pine trees have become infested with bark beetles, which kill the tree. About one in three trees is dead or dying.

Marc Benjamin: [559-441-6166](tel:559-441-6166), [@beebenjamin](https://www.instagram.com/beebenjamin)