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Developers try to stall Fort Worth impact fee proposal

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Thousands of new homes have gone up in far-flung areas of Fort Worth. They've helped push Fort Worth's population from 534,000 in 2000 to 686,000. That's the equivalent of adding a city the size of Beaumont in seven years.

And many of those new residents are stuck in traffic. Their new subdivisions are so far from the urban core that they have to drive down two-lane country roads when they really need a six-lane arterial street.

The city can't pay for those new arterial streets. In fact, it's got a \$1 billion backlog of street needs.

Here's where the disagreement starts: The city is planning to start collecting road impact fees from builders of new subdivisions.

Developers are pushing back, saying that the fees haven't been studied enough and could push development outside the city limits. They've been meeting with city staffers and organizing an e-mail campaign.

"We're working to come up with a way that wouldn't kill the goose that laid the golden egg," said Gary Sheffield, a land developer.

'Who should pay'

Neighborhood groups, particularly in outlying areas, say builders are complaining because they've had an easy ride for years. They say the city has been subsidizing development in outlying areas because the developers don't have to cover the cost of building many major roads.

"I sat in a public hearing on Aug. 19 two years ago when this came up and the developers were saying, 'Hey, slow down, you're moving too fast,'" said Colleen Demel, executive director of the North Fort Worth Alliance. "It's really a question of who should pay for growth."

Many Texas cities, including all of the large ones, use impact fees to pay for new water and sewer lines. Road impact fees are common in smaller cities, but Austin is the only large city in the state to impose one.

Fort Worth has a system that requires developers to pay for new arterial streets by signing what are known as community facilities agreements. But it's limited to subdivisions or businesses adjacent to arterial streets.

Up to \$6,000 a home

Critics say a developer can build thousands of homes in the middle of the country and let taxpayers bear the cost of building a four-lane road to serve them. Impact fees would apply to all new construction, based on calculations showing how much new traffic a building would create.

Under state law, impact fee revenue must be spent on projects within a short distance of the development that generates them. Fort Worth city staffers, working with an engineering firm, have proposed varying

fees in 27 districts within the city. No fee would be charged in eight of the districts, mostly in inner-city areas where adequate roads exist.

But in some areas, such as far north Fort Worth, the fee could be as high as \$6,000 for a single-family home and \$1.4 million for a shopping center.

City Councilman Jungus Jordan, who represents south and southwest Fort Worth, said there are benefits to offset those costs.

"If you can get to your school, if you can get to your community on a good road, then your house is more valuable," he said. "The impact fees are probably something we should have implemented five years ago."

More study wanted

Ken Davis, a senior consultant with the engineering firm Jacobs Carter Burgess, called a meeting Wednesday of about 100 developers, builders and others involved in the real estate business and urged them to call their council members. He said the council is rushing to adopt impact fees by April 29 to shore up support among neighborhood groups for the \$150 million bond election May 10.

The city is beginning to listen, said Lee Nicol, a developer who has served on Fort Worth's development advisory committee. Nicol and other members of the committee protested earlier this month, saying they had been cut out of the discussions on impact fees. He and other developers have argued that the city needs to spend a greater percentage of its revenue on roads.

"Impact fees by themselves will not solve this problem -- the hole is so big," Nicol said. "It's going to take both."

City Planning Director Fernando Costa said the city is trying to come up with a system that generates about the same amount of money as the community facilities agreement system and eliminates geographic disparities. "We want to produce a solution that works for everybody," he said.

Road impact fees

Fort Worth officials have proposed road impact fees ranging from a few hundred dollars to \$6,000 for a single-family home.

Here's a sampling of what other cities charge in North Texas. Dallas, North Richland Hills, Grapevine, Hurst and Euless don't charge road impact fees.

City	Minimum fee	Maximum fee
*Fort Worth	\$0	\$6,102
Allen	\$650	\$650
Arlington	\$367	\$670
Cedar Hill	\$1,555	\$1,555
Colleyville	\$2,187	\$2,187
Coppell	\$635	\$635
Flower Mound	\$2,836	\$2,836
Frisco	\$1,967	\$4,001
Garland	\$180	\$1,995
Keller	\$2,339	\$2,339
Kennedale	\$646	\$1,052
Mansfield	\$1,100	\$2,000
Mesquite	\$1,040	\$1,040
Rowlett	\$1,000	\$2,500
Southlake	\$1,496	\$1,496
The Colony	\$1,948	\$1,948
*Proposed		

Source: City of Fort Worth