

Builders back impact fees as "vital" for proper growth

By [JOHN HARRINGTON](#) - IR Staff Writer - 07/14/06

As the Helena area continues to grow, who will pay for the infrastructure — water, sewer, roads, etc. — that will be needed to accommodate all the new citizens?

Both the City of Helena and Lewis and Clark County are considering impact fees, or fees charged up front for infrastructure improvements that will be needed. Builders say they're willing to pay their fair share.

"We want to pay our own way," said Byron Roberts, director of the Montana Building Industry Association. "We're real advocates of impact fees, they're a valuable piece of the financing of future infrastructure for our industry. Charge us for these facilities that are going to be needed over the next 10 to 15 years."

At a Helena Building Industry Association meeting Thursday, attorney Michael Kakuk cautioned that impact fees can't be used to bring existing, worn-down facilities (be they water plants, roads or whatever) up to a better standard.

"You can't use an impact fee for an existing deficiency," Kakuk told a crowd of builders and city and county officials in an unspoken reference to gravel Lake Helena Drive, which county officials asked the developer to pave as a condition of his 16-lot subdivision permit. Jerry Christison took legal action in response.

Kakuk outlined legislation that takes effect in October that spells out what impact fees can and can't be used for. A simple majority of a city or county commission can implement the fees for capital improvements like roads, water, sewer, stormwater and fire/public safety infrastructure — things expected to last a decade or more, he said.

Other public facilities can be paid for with the fees, but only with a unanimous county commission or two-thirds super-majority of a city commission. These projects would include things like schools, libraries, parks and airports, where it's more difficult to determine how much effect growth has on the facility.

"It forces communities to sit down and figure out where we're at, where we're supposed to be right now, and where we'll be in the future," Kakuk said, noting that impact fees should be implemented as a solution to several questions: "How many people are coming in, where they go, what infrastructure is needed and who's going to pay for it."

Lewis and Clark County doesn't currently charge impact fees. The city of Helena has a \$750 fee for

new sewer hook-ups that it calls a system development fee, though Roberts and Kakuk said it's effectively an impact fee under the new legislation. That fee is grandfathered under the pending rules.

[John Harrington](#) can be reached at 447-4080 or john.harrington@helenair.com.