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URBAN OUTLOOK

I think Charlotte has seen this show before

When 'impact fee' idea arises, watch out for quiet moves to kill it off

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Sometimes, watching local government is as much fun as watching "Casablanca." I've seen it so often I can say all the lines, and foresee the next moves.

Remember when Humphrey Bogart says, "I think this is the beginning of a beautiful friendship"? Charlotte, too, has its beautiful friendships. One is the lovefest between the developers' lobby and local government.

Let any committee start talking about something big developers don't like, such as impact fees, and the developers will strangle the idea, early and effectively.

Sometimes the proposal just evaporates, presumably after a well-timed phone call or meeting.

Another option is death-by-stakeholder-committee. A study committee is named, typically with half or more of its members directly or indirectly involved in real estate development or construction. One representative will be from the Real Estate and Building Industry Coalition, or REBIC. Non-developer types are outgunned from the start. "Consensus" is tough, so eventually the group issues toothless, "compromise" recommendations.

These days, our old Charlotte plot is playing out at an obscure local panel called the Planning Liaison Committee. Its members represent the planning commission, Charlotte City Council, Mecklenburg County commissioners, the school board and the county's six smaller municipalities. The PLC can't make policy; it's more of a discussion group.

Since last April, I've been attending its 7:45 a.m. monthly meetings, where they're exploring schools and growth. It's obvious to anyone with a brain wave that one key reason CMS isn't keeping up is that the county isn't allocating enough money to build schools. Where to find funds?

The PLC members have noticed that in many places elsewhere in the country, more than property taxes alone are used to fund school construction. Impact fees, where developers pay a per-unit fee, are common.

Some places have adequate public facility ordinances. Davidson has one. So do Cabarrus and Stanly counties. Development isn't permitted unless facilities are "adequate." Or, a developer can opt to pay a fee. In Cabarrus it's \$4,034 a house.

It's been clear for months that many PLC members think local governments should discuss those options.

So I've been wondering when REBIC will make its move, because its affection for impact fees and APFOs is about like the Swift Boat Veterans' love for John Kerry. Never mind that many individual developers I talk with say they'd prefer impact fees over the current system of negotiated exactions.

Finally, in January -- before a PLC vote on proposed priorities that included one to consider impact fees, real estate transfer taxes and other "funding options" -- the familiar script began.

School board member Kaye McGarry piped up, proposing the group hear from the development community before going further.

Here we go, I thought. They'll let REBIC come talk about the evils impact fees would unleash, with no one to argue with equal ardor for any other view. REBIC will say those fees would "drive development farther out" -- as if horrifically crowded schools aren't driving people faster and farther than any fee could.

Then, after REBIC's show of strength, I'd watch the proposal shrivel. It wouldn't even be allowed to escape from the powerless planning liaison committee.

But planning commission chairman David Hughes, who presides over the PLC, said no.

The PLC is only choosing issues to take back to various elected bodies, he said. Then those bodies can get input from all sides.

Maybe he wasn't clear. Maybe some members weren't listening. But at the Feb. 25 meeting, as the committee discussed its plan to revote on priorities, McGarry again suggested they hear from the real estate community.

This time, Hughes was absent. Planning commission vice chair Cindy Chandler, a commercial real estate consultant, was presiding. Sure, she said. The meeting ended with a plan to invite REBIC to discuss impact fees.

Will REBIC get an audience with the PLC to try to smother yet another nascent public debate over impact fees or other ways to help pay for growth? Will anyone else be invited to counter REBIC's view?

I checked this week with Hughes. He repeated what he said Jan. 28. Now isn't the time in this process for PLC members to chew over the pros and cons of any one funding approach, he said. Hughes said REBIC would not be on the next PLC agenda.

Now I don't really know if we even need impact fees, although I lean toward the idea. I do know we need a healthy public debate on the issue. However, I've watched this movie before.

Sooner or later, one way or another, REBIC and the Chamber will quietly quash any rash talk of APFOs, impact fees or land transfer taxes.

City Council elections are this year, after all, with opportunities for well-timed campaign donations. And if things go too far, there's always the trusty death-by-stakeholder-committee technique.

In Charlotte, I'm afraid, I already know how this story ends.

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