

The Daily Courier

Monday, March 08, 2010

Chino Valley eyes placing moratorium on impact fees

By [Jerry Herrmann](#)

The Daily Courier

Monday, March 08, 2010

Will the Chino Valley Town Council place a moratorium on impact fees on residential units?

Mayor Jim Bunker, at the request of the Mayor's Economic Development Committee this past week, said he will ask the council at its March 25 meeting to consider placing a moratorium on impact fees on residential units until June 30, 2011.

Currently, the town charges an impact fee of \$4,180 on each residential unit contractors are building in town.

Ron Gritman, town engineer and Public Works director, said such a moratorium would reduce the road work the town can do because \$3,028 of the \$4,180 impact fee goes for roads.

The discussion on impact fees followed a presentation on affordable housing by Charlie Arnold, Bright Star's director of operations and Chino Valley Area Chamber of Commerce president.

Affordable housing, he said, is housing that has affordability in a market or job area.

Arnold added, "The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing."

He said it is essential the community has housing that teachers, police officers, nurses, and retail sales people can afford.

According to figures from the U.S. Census Bureau, he said in 2008, the median household income in Chino Valley was \$38,675. Using the 30 percent of income figure that means the median housing allowance would be \$966.87, he said. That would qualify for a \$161,000 house.

He said when one adds in the fuel cost for commuting to work, taxes and utilities to mortgage payments a median household is paying 48 percent of its income for housing. On top of that it's necessary to add mortgage insurance fees and other insurance fees.

Arnold said the Census figures show that 15.5 percent of the town's residents had an income below the poverty level.

As far as fees go, he said on a \$160,000 house, impact fees, building fees and sewer and water fees equal \$12,631 and sales tax equals \$9,120, so total town fees equal 14.7 percent of the house's cost, he said.

Arnold said communities can get help with providing affordable housing from the U.S. Department of Housing and Urban Development, grants, partnerships, housing zones and affordable fees.

Options Chino Valley has to support affordable/workforce housing, he said, include:

- Quality construction Energy Star homes to control monthly utilities.

- Paying for incentives.
- Local job creation with above-average wages.
- Implementing new codes to add incentives for affordable housing.
- Looking at options to work with the federal government for special lending options.

"I believe we can build affordable housing in Chino Valley," Arnold said.

Town Manager Jerry Stricklin said he's hearing the trend is away from home ownership because it is cheaper to rent.

Arnold said one big problem is people aren't able to qualify for a mortgage.

Committee member Jody Zito said the town needs to do something to cut its impact fees. He wants to see the town collect its impact on houses at the end, instead of before construction begins.

Stricklin said that isn't possible because the state requires the town to collect the impact fees when the contractor pulls the permit.

Stricklin said Chino Valley needs the impact fees because it has grown away from its center without roads.

"Some states don't allow cities to build beyond their infrastructure," he said.

Bunker said the town could look at a six-month moratorium on impact fees on residential units.

Paul Aslanian of the Arizona Development Co. said he supports the idea, but favors a one-year moratorium.

Vice Mayor Ron Romley said he has no problem with the idea. However, he wants to look at what impact it would have on the library, police, etc. "We must look at the total impact of removing impact fees (on residential units)," Romley said.

Ab Jackson, chief executive officer of the Chino Valley Chamber of Commerce, recommended placing a moratorium on impact fees on residential units for a year beginning July 1. That is the suggestion the committee asked Bunker to recommend to the council.

Related Links:

">Content © 2010

">Software © 1998-2010 **Iup! Software**, All Rights Reserved