



## City Council accepts study of suggested street impact fees

BY MARSHA L. MELNICHAK Northwest Arkansas Times

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The Fayetteville City Council approved a road impact fee study Tuesday that could lead to annual revenues of more than \$4 million for the city.

However, accepting the study is not the same as approving the fees. The next step, if the council chooses to take it, would be adopting an ordinance setting the fees.

City Attorney Kit Williams said the ordinance can be written so that the council sets the fees or it can refer the matter to a voters.

According to Tim Conklin, planning and development management director for the city, the fees in the study are the maximum that the council can approve.

The study recommends the following road impact fees:

- \$3,409 — single-family detached dwelling.
- \$2,363 — multi-family dwelling.
- \$1,779 — mobile home.
- \$4,023 — 1,000 square feet of retail land use.
- \$2,701 — 1,000 square feet of office land use.
- \$2,353 — 1,000 square feet of industrial land use.

The road impact fees shown in the study were calculated without including right-of-way costs.

They represent a potential annual revenue to the city of \$4,108,043, according to the study conducted by Duncan Associates of Austin, Texas.

If right-of-way costs are included in the fees, revenue to the city would go up about 8 percent to \$4,485,558.

Impact fees, which are applied to new construction, are intended to finance increased use caused by the development.

The Street Committee is OK with the rates identified in the study, according to Lioneld Jordan, Ward 4 councilman and chair of that committee.

Ward 3 Alderman Bobby Ferrell said he disagreed with some of the commercial rates and cast the only vote against accepting the study.

According to Conklin, the study includes projects in the street bond program, which is also being considered by the council.

He said funds generated by road impact fees could help the city retire street improvement debt faster. It could also be used for transportation improvements.

Use of funds would be a council policy decision.

The maximum fees identified in the report are calculated on the cost of building a mile of the city's arterial road system, what Conklin described as the major roads that are used to get from one part of town to another.

The study identifies 17 street improvement projects with about 18 miles of streets and almost 50 new lane-miles at a cost, without rights of way, of \$72,337,500.

It estimates \$1,548,983 as the average cost per lanemile with a cost per vehiclemile of \$193.62.

According to the study, the city has about \$62 million in outstanding debt with none of that amount related to road facilities.

Impact fees are more appropriate for communities that are experiencing rapid growth, the study states.

It then points out that Fayetteville has been growing at a rate of 3.2 percent annually since 1990, more than twice as fast as the state as a whole.

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Contact: [webmaster@nwanews.com](mailto:webmaster@nwanews.com)