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City mulls impact fees

Mount Holly looking into whether to add charge to help schools

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MOUNT HOLLY - The City Council may add another requirement to a laundry list of conditions for the proposed 1,500-home Dutchmans Creek subdivision: an impact fee whose proceeds would be used for education.

During a work session Monday, council members gave city staff the go-ahead to research impact fees used in Cabarrus County and other communities to see whether Mount Holly should adopt a similar plan.

Cabarrus County charges a per-lot fee of \$4,034 for new homes to help pay for new schools.

Mayor Bryan Hough said the impact fees could help the city raise money for either a new school in or around Mount Holly or pay for mobile units to ease crowding at current schools.

Last fall, Charlotte developer Ed Kale and landowner T.G. Daniel of Greensboro had offered to donate up to \$500 per home to help pay for new schools. That would have raised about \$750,000.

But the proposals tossed around by council members Monday called for a much higher impact fee.

For example, Hough suggested a fee of \$1,200. That's the amount of money it would cost the school district, per child, to add a fully furnished mobile unit.

Councilwoman Pat Hubbard suggested a fee of \$5,000 per lot to pay for new mobile units, recreation space and other school needs.

City Manager David Kraus said the city should develop clear guidelines for an impact fee just in case the plan was challenged in court.

In January, a Superior Court judge ruled that Durham County's impact fees were illegal and ordered the repayment of about \$2.3 million it had collected from home builders.

Daniel, who owns the land that would become the Dutchmans Creek subdivision, said Monday that he is willing to help city and school leaders raise money for new schools or a mobile unit. But he said the cost likely would be passed on to homebuyers.

He said he felt confident that he and Kale had met the council's other conditions for the subdivision, which could become the largest in eastern Gaston county.

If approved, Dutchmans Creek would have 900 single-family homes, 600 multifamily homes, a shopping

center, golf course and small office park.

The council could consider the plan again next Monday.

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