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Council lowers developer taxes

Impact fees pay for infrastructure work

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Tags: development taxes Freya Street Holland Avenue impact fees Jon Snyder monroe street Nancy McLaughlin Ray crossover Ray-Freya crossover Ray Street Spokane City Council urban sprawl

Taxes on new development will be significantly lower than proposed thanks to a lastminute decision by the Spokane City Council.

With a 4-2 vote, the council on Monday approved impact fees to pay for street projects expected to alleviate traffic congestion.

Last week, a majority of members indicated support for the fees but approved an amendment that caused the tax to be recalculated and forced a final vote to be delayed by a week.

An impact fee is a one-time tax on builders meant to help local governments pay for infrastructure needed as a result of the new development.

The city crafted a list of projects in four districts to increase capacity of streets to move traffic and split costs by estimating how many trips different kinds of development will generate.

Last week, the council voted to remove six projects estimated to cost \$13 million from the \$50 million list. That means if those projects are built, they won't have to be funded by developers. As a result, fees fell 66 percent downtown, 25 percent in northwest Spokane, 18 percent in south Spokane and 17 percent in northeast Spokane.

Dropped projects include the construction of a connection from Ray Street to Freya Street south of 37th Avenue, changes to North Monroe Street to help traffic move faster, and building an extension of Holland Avenue east of Nevada Street.

Council members said the eliminated projects were either on the outskirts of city limits or would have promoted urban sprawl by speeding traffic through town to the detriment of local businesses.

"Our biggest need right now is inside the city, not at the edge of the city," said Councilman Jon Snyder.

The approved impact fee for a single-family home is \$90 downtown, \$749 in northwest Spokane, \$694 in south Spokane and \$1,004 in northeast Spokane. The builder of a 50,000-square-foot supermarket will pay \$23,000 downtown, \$163,000 in northwest Spokane, \$151,000 in south Spokane and about \$219,000 in northeast Spokane.

Snyder and council members Amber Waldref, Joe Shogan and Richard Rush voted for the fees. Councilmen Bob Apple and Steve Corker were opposed. Councilwoman Nancy McLaughlin was absent but voiced opposition to them last week.

"There's no time like the present to kick the construction and building industry in the teeth than when they're already down," McLaughlin said last week.

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