

TENNESSEAN COM

Developer fee hike may be in future in Franklin

Road impact charges could increase 100 percent or more

By Kevin Walters • THE TENNESSEAN • September 22, 2010

FRANKLIN — The fees that Franklin charges developers to pay for new roads could rise steeply in the months ahead.

Proposed increases would raise Franklin's road impact fees charged for new home, office and other projects by 100 percent or more of their current rate, according to a new report from Austin, Texas-based Duncan Associates, consultants hired to help oversee the process.

Higher fees give Franklin more money to use on the road building that it will need if it's going to keep pace with projected population growth. Fifty-two road projects are recommended in Franklin and its surrounding growth area as the Williamson County population grows from more than 70,000 people in 2000 to more than 126,000 by the year 2025, according to a city study.

But Mayor John Schroer cautions that while impact fees are initially charged to developers, the public at large will eventually share in paying the higher costs.

"That bill is not paid for by the developers," said Schroer, a developer himself. "It's paid for by the end users, not the developer. The end user is the homebuyer, the nursing home user, the tenant who leases space. The end user is the guy who has to pay for it."

How high Franklin's road impact fees grow remains a complicated proposition that's going to draw meetings and discussions in the months ahead.

For now, Franklin Mayor John Schroer and city aldermen aren't ready to take any votes. Instead, they're setting up a long session later this month devoted to the topic and parsing the costs.

Schroer and city aldermen will devote separate sessions to its road impact fees — including whether to follow consultants' recommendations and when to raise them — before finalizing any

increases.

Fee would rise with right-of-way costs

The steep fee increases, which are created using a formula, are because of, in part, rising construction and land costs. One factor in the higher cost, too, is that Franklin is factoring in the cost of buying right-of-way land.

For example, the current fee for a single family residential is \$2,191, which would increase to \$2,940 without adding right-of-way costs. But the fee would balloon 103percent when right-of-way costs are added, jumping to \$4,458.

The report offers a detailed summary of possible road impact fee structures, formulas and options, including with and without costs of right-of-way.

Citing a concern over recruiting companies to Franklin, Schroer wants road impact fee comparisons to other cities such as Charlotte, N.C., San Antonio and Indianapolis — to better gauge what other cities charge.

Franklin was the first city in Tennessee to get state legislative approval to charge impact fees starting in the late 1980s.

Schroer said he's trying to be mindful of increasing fees without hurting Franklin's ability to bring new companies to Franklin.

"Companies look at every single cost that goes into



We focus on automating Marriott® Hotels' global invoice process. So they don't have to.

Learn more at RealBusiness.com

xerox
Ready For Real Business

Print Powered By  FormatDynamics™

TENNESSEAN COM

transferring their businesses from where they are to here or there," Schroer said. "You don't want to shoot yourself in the foot before you even get started. While we don't need to be the same as (other) cities in Tennessee — we offer a lot more than other places — developments do need to pay their fair share."

One option to lessen the immediate impact might be staggering the rollout of the fees over a period of years, Alderman Clyde Barnhill said. Franklin has done this in the past.

"I want to see the fees match as much as possible the costs of building the roads," Barnhill said.

Contact Kevin Walters
at 615-771-5472 or
kewalters@tennessean.com.



Mom Dilemma #36:
Your daughter insists on wearing her princess costume to the grocery store. Allow it or not?

YES, at least she's dressed!

NO, I have some rules!

momlike  .com
where Local moms meet

Print Powered By  FormatDynamics™