Impact fees could be refunded

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By Patrick Yost
Editor

Madison Mayor Bruce Gilbert on Monday urged the Madison City Council to refund all impact fees collected since the city adopted the impact fee ordinance in 2009.
"I think since we have repealed this, we should give back the money we collected," Gilbert said at the meeting of the Madison City Council.
According to Madison City Planner Monica Callahan, approximately $60,000 has been collected in impact fees since the ordinance was adopted. Callahan said the city earmarked $40,000 of those fees to pay for a two-year study regarding impact fees prior to adoption of the ordinance. However, those fees have been paid through the city's general fund budget. Currently, she said, approximately $55,000 remains in the city's impact fee account.
The council made no vote on Gilbert's suggestion Monday but, again based on the mayor's urging, agreed to make a decision after city staff presents the council with a complete report regarding the city's responsibilities and capabilities for refunds.
Callahan said money earmarked from impact fees for fire services and transportation will most likely be returned because the amounts collected were not sufficient enough to purchase new fire equipment or road projects.
"You have to refund all the transportation money," she told the council. "You don't have a choice. Same goes with the fire money because you can't buy a piece of a fire truck."
The city collected $31,000 in impact fees in fiscal year 2010; $24,000 in fiscal year 2011; and nearly $5,000 in fiscal year 2012. The collected fees were designated for fire, police, parks and transportation projects.
The council will have to decide, she said, how the refunds would be paid if approved.
"We believe the refunds go to the payer," she said. For instance, if a developer paid an impact fee to construct a house, the developer, not the owner of the house, would most likely receive the refund.

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