

Opinion: Impact-fee bill has many consequences

by **Southeast Valley editorial board** - Mar. 28, 2011 09:44 AM Our View

Southeast Valley mayors are right to be concerned about how they will pay for new infrastructure if Senate Bill 1525 passes.

The bill, whose primary sponsor is Senate President Russell Pearce, R-Mesa, targets newhomes' impact fees, which go to building streets, water and sewer systems, publicsafety facilities and more.

Municipalities set the fees, which homebuilders typically pass onto buyers. The idea is to have growth pay for itself - as it should.

But special interests and some legislators view impact fees as a financial burden on the homebuilding industry. They are foolish if they think this bill will revive new-home construction.

Impact fees have allowed municipalities to plan for orderly growth and build infrastructure over time, rather than requiring homebuilders to pay for streets and sewers all at once. But legislators are too preoccupied with stripping municipalities of local control to see reason.

They say the bill will make homes more affordable. Impact fees vary. Mesa charges \$8,532 per home; Gilbert charges \$19,684; Chandler charges \$22,079.

As mayors pointed out Tuesday during a

Republic forum, putting restrictions on impact fees will either halt growth or force municipalities to raise water and other rates for all residents. That would be a backdoor tax and double dip for residents who already paid impact fees.

Legislators cannot have it both ways.

If they were truly concerned about residents getting the infrastructure for which they paid, they would have included mayors in the discussions. Instead, special interests seem to be carrying the day.

The bill would require each municipality to create an impact-fee advisory committee made up mostly of real-estate and homebuilding representatives. Where is the fairness in that?

The bill would prohibit fees for cultural facilities, which some cities charge. That would put more demand on existing facilities and dilute a quality of life for which the Valley is known.

If municipalities do not use the fees by a certain time, they must reimburse builders. That sounds good in theory, but if the





timeframe is too short, that could compromise lengthy or costly projects.

This is not the first time legislators have fought impact fees. They must recognize the unintended consequences of this bill to stop it in its tracks.

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