



## New home impact fee suggested for Helena

By JOHN HARRINGTON Independent Record | Posted: Friday, May 7, 2010 12:21 am

The cost of building a home in the Helena area could jump by \$2,000 or more over the next few years if city and county leaders adopt the recommendations of a committee that spent the past year developing a plan to start charging impact fees on new developments.

Many communities, including several in Montana, charge one-time impact fees as a way to help pay for the infrastructure costs associated with new growth. By law the money has to be used for capital improvements to things like water and sewer systems, roads and fire departments, and can't be used for ongoing operations or maintenance.

After meeting 21 times over the course of the past year, the Joint City-County Impact Fee Advisory Committee presented its recommendations Thursday to the Helena City Commission and the Lewis and Clark County Commission.

The committee suggested impact fees that would ultimately total \$3,512 for a new home in the city and \$2,013 in the county. (The city already charges water and sewer development fees of around \$1,250, so the net increase for a new home in the city would be about \$2,300.) Proposed fee schedules for various types of commercial development were hashed out as well.

Those fees would pay for city fire or county volunteer fire districts; transportation; and water and wastewater. Parks are often included in impact fees, but the committee recommended not including parks in its calculations.

They suggested an implementation date of July 1, 2011, with a three-year incremental ramp-up to allow builders to adjust to the costs. The end result would be fees ranging between 50 and 70 percent of the maximum that could be charged by law.

“Those (phase-in time and percentage charges) are acceptable practices and practices that are done in many communities across the country,” said Bob Wallace of Tindale -Oliver & Associates, the Florida consulting firm that has worked with city and county officials for several years on the topic.

Now the city and county commissions will need time to digest the report and decide how to move forward. It will likely be several months before impact fees appear on the agenda of either panel, and the process of writing and approving a new ordinance also takes several months.

The committee, chaired by county resident Don Hoffman, also included a pair of builders, an accountant and an environmental scientist.

“The group of folks that got together was diverse and tackled this in a professional way,” said committee member Ron Bartsch, owner of Sussex Construction. “This was an onerous process that resulted in a very thoughtful discussion.”

Reporter John Harrington: 447-4080 or [john.harrington@helenair.com](mailto:john.harrington@helenair.com).