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Portland officials vote for impact fee

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The News Examiner

Published: Wednesday, 03/08/06

PORTLAND - The Portland Board of Mayor and Aldermen voted on first reading in favor of an impact fee.

It will require one more vote and a public hearing before the impact fee can be placed on new construction.

An impact fee is a fee charged on new construction to pay for infrastructure upgrades made necessary by the new construction.

The recommended impact fee for a single family home less than 1,500 square feet is \$823.50 for parks and \$293.25 for public safety. A single-family home that is 1,501 square feet to 2,999 square feet is \$921.00 for parks and \$327.75 for public safety. A single family home that is 3,000 square feet and above is \$1,062.00 for parks and \$391.50 for public safety. For multi family residential construction the impact fee for parks will be \$680.25 and \$226.80 for public safety per unit.

Those figures represent 75 percent of the original impact fee recommendation of the finance committee.

"I don't see a boom happening here in the next 12-18 months, right now I would like to work it in at 75 percent and in next 12-18 months maybe 100 percent," said Aldermen Phil Hobdy.

"If we don't do a 100 percent, we will keep raising it and by the time we get it to 100 percent, it will be time to do another study," said Aldermen Tim Coker.

Studies have to be done every two to three years.

The board voted not to have an impact fee on commercial and industrial.

"Developers should have to bear their share of the expense their endeavors create. To limit this to home builders is wrong," said Bettye Glover, a native of Portland, a resident and property owner.

Glover said commercial and industrial should be included.

"We're in a very competitive market being on the state line," said Hobdy.

"I don't want to do anything to discourage commercial and industrial that would bring in jobs."

"Residential is biggest impact on city, go 100 percent it's minimal and that's added on to the life of the loan," said Aldermen Mike Callis.

The board also passed two other amendments Monday night.

They voted that the impact fee on institutional that would only include public safety should exclude churches and synagogues and that waste and water should be excluded.

The Board of Mayor and Aldermen next meeting is April 3 at 7 p.m. where they will have a public hearing and a second reading of the ordinance.

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