Proposal on impact fees under study

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CLINTON - City officials and real-estate developers are criticizing a proposal by the Clinton Sanitary District to impose new fees on Clinton building permits.

The fees, known as impact fees, could increase the cost of a building permit by at least \$2,100 depending upon the number of people who will reside in the home or workers who may be employed in a commercial building.

The Sanitary District is set to discuss the fees at its April 4 meeting. Currently, a city building permit that includes a tap fee of \$250 for the sanitary district costs between \$600 and \$900, said City Administrator Tim Followell. The impact fee would be added to that amount.

In a memo to Mayor Roger Cyrulik and the city's four commissioners, Followell said the sanitary district fees could have a negative effect on Clinton's economic growth. Followell pointed out the number of building permits increased in the city last year.

"With our past year's success, now is not the time for major changes to our future growth pool. Changes in this area of new - development fees could only lend to our neighboring communities' attraction and leave the City of Clinton and possibly the County of DeWitt holding the proverbial bag again," Followell told the council.

Camill Tedrick with Bradyweaver.net said officials with the real estate and development firm were expected to relay their opposition to the impact fees in a letter to city officials.

The Clinton Sanitary District maintains it needs new revenue to pay for expanded growth on Clinton's west side. Adding fees to new building permits would put the financial burden for sanitary plant upgrades on residents and businesses that are building new homes and businesses.

Under the proposal, an impact fee of \$700 per person would be levied with a minimum of \$2,100 per permit. The impact fee also could increase annually by 3.5 percent or the rate of inflation, whichever is greater. The revenue generated by the impact fees would be set aside for capital improvements and may not be used for operation and maintenance of wastewater facilities, according to the cash investment ordinance.

Sanitary district member Al Perring emphasized no final decision has been made on the proposal. He said a survey was conducted by the district on impact fees. "We checked with cities our size and they're doing the same thing," said Perring.

The Central Illinois cities of Washington and St. Joseph were among the communities in the district survey. Followell said the communities of Heyworth, Monticello and LeRoy do not have an impact fee in place.