

Rogers Sets Hearings On Impact Fees

By <u>Lori Harrison-Stone</u> The Morning News

ROGERS -- Developers in Rogers just started paying hookup and access fees to Rogers Water Utilities to offset its expansion costs. Now the city may want a more of their money to cover the impact of their developments on city streets.

The city is planning two public hearings in coming months to gather comment on the idea of charging impact fees. One is set for 6 p.m. July 10 and another will be held in August.

State law defines a development impact fee as "a fee or charge imposed by the municipality or by a municipal service agency upon or against a development in order to generate revenue for funding or for recouping expenditures ... that are reasonably attributable to the use and occupancy of the development." It goes on to say such fees have to fund infrastructure that increases capacity.

A study last year by Duncan Associates of Austin, Texas, states if the maximum recommended fees are adopted, the city might realize as much as \$4 million per year in fees and in-kind contributions from developers.

Alderman Jim Clark doesn't like the idea of charging impact fees, but he's also not sure how the city can pay for the streets and other improvements required by the city's growth.

"Philosophically, I think that it's inevitable that we have some impact fees," Clark said.

But he's holding his final decision until officials decide how to implement the recommendations in the study. If larger fees are placed on commercial and high-dollar residential development, Clark said, he'll likely favor it. If the vote is for impact fees placing a big burden on low-cost residential development, Clark won't be in favor, he said.

Alderman Greg Hines said he supported the idea of conducting the study and was pleased to hear Friday a public comment meeting has been set.

He agrees with Clark about who should pay the brunt of any fees the city adopts.

"I don't see us putting that type of burden on the average residential home," Hines said on Friday. "Between the water department and what the city might charge, that's a lot of fees."

Recommendations in the Duncan Associates study include a maximum impact fee for different types of development based on the expected number of trips generated by the development.

The potential fee is \$3,545 for an average single-family home, \$2,490 for a multifamily dwelling, \$5,062 for 1,000 square feet of retail development and \$3,463 for 1,000 square feet of industrial development, according to the study.

Revenue generated by impact fees can be used only for projects identified in the city's capital improvement plan and "capacity-expanding improvements" to the major roadway system, according to state law. Transportation improvements totaling \$173.9 million are included in the Rogers Master Street and Capital Improvement Plan, and \$84 million of those projects would meet the criteria for projects funded through impact fees.

Derrel Smith, senior planner, said the strategy for gathering public input includes the two public hearings and discussion of the issue at a minimum of two meetings of the Rogers City Council.