



## Rogers : Impact-fee hearing draws lively debate

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**ROGERS** — A public hearing became a debate Monday night between a consultant hired by Rogers to determine impact-fee rates and a slew of people opposed to having the rates.

Some city officials want impact fees, estimated to generate about \$ 4. 8 million annually, to help finance road improvements. Rogers city planners have identified 61 road projects costing about \$ 173 million in a capital improvement plan. Last year, the city hired Texas-based Duncan Associates to study how much money impact fees could generate for road improvements.

Company President Jim Duncan presented information about fee rates to city officials, residents and developers at the City Administration building Monday night. Under Arkansas Code Annotated 14-56-103, impact fees are assessed within a designated district on new development and can be used only to pay for improvements within that area. The money is deposited in a designated account and must be spent within seven years of collection.

The Duncan Associates study outlines fees for both residential and nonresidential development. Residential developers would pay \$ 3, 071 to \$ 4, 646 per housing unit based on square footage. The study also details the option of collecting fees based on the type of housing, with fees ranging from \$ 1, 985 per room in a motel to a \$ 3, 780 maximum for a single-family home.

New nonresidential development would pay fees based on square footage. Developers would pay \$ 536 to \$ 10, 533 per 1, 000 square feet, depending on the type of building. For example, developers would pay \$ 23, 120 in impact fees for a 4, 000-squarefoot sit-down restaurant and \$ 33, 956 in fees for a 4, 000-square- foot medical office.

Opponents said the fees could stall development in Rogers and compromise construction projects. The fees could add to the cost of homes and force commercial developers to take out larger loans.

Revenue from impact fees would not be enough to offset the cost of driving new development elsewhere, said Raymond Burns, the president and chief executive officer of the Rogers-Lowell Area Chamber of Commerce. The chamber's executive committee also passed a resolution opposing the fees.

"They ought to go back and take a Collins Haynes development or a Charles Reaves development and see, based on what is on the ground now, what it would have cost [with impact fees ]," Burns said earlier Monday.

On Monday night, Haynes and Duncan debated whether developers would receive a credit toward impact fees if road projects on their developments exceed what is required. The study suggests credits can be awarded.

“I know you’re just the messenger,” Haynes said.

“Then don’t shoot me,” Duncan replied.

Rogers Mayor Steve Womack suggested Monday that impact fees be considered after major retail developments like Pleasant Crossing and Pinnacle Hills Promenade open and begin bolstering sales-tax revenue.

“Should we not wait until some of this settles in?” Womack asked. Duncan said development won’t succeed without adequate roads to handle traffic.

“You might have the best hotel in the world, but if you can’t get to it, it’s worthless,” Duncan said.

Bentonville and Fayetteville officials approved impact fees in 2002 and 2003, respectively, but for other purposes. Neither city currently charges fees for road construction. But Fayetteville officials received a study in May by Duncan Associates that recommends two options for implementing impact fees to fund road improvements. Impact fees could be implemented at a lesser amount than what is being proposed, Derrel Smith, Rogers’ senior planner, said Monday night. “They just have to make sure they are all implemented at the same rate,” Smith said. “You can’t say, ‘ We’ll charge full impact fees for this development, but for this one, we’ll cut it back to 50 percent of the full amount. ’” The second hearing on proposed impact fees will be Aug. 21 at the new City Hall, 301 W. Chestnut St.

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