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## Shopping for ideas

By Deborah Gates  
Daily Times Staff Writer

PRINCESS ANNE -- Town commissioners, looking for ways to pay for municipal services that expand with growth, are eyeing a Delaware town where measures established to ease expansion pains include construction impact fees and a new, town-controlled wastewater treatment plant ---- although Princess Anne officials caution their current mission is only to window shop.

Commissioners decided at last week's town meeting to make the trip, recognizing the costly impact of planned expansion on Princess Anne roads, public safety and garbage collection.

"Middletown, Del., has a program -- they sat down and assessed what it cost to build in the town," said Commissioner Robert McCready. "I think that would be an enlightening thing to do, to go up there."

### The Middletown way

Growth in Middletown jumped from roughly 5,000 residents in the mid-1990s to 6,100 in 2000, although the current population is estimated to be much higher, said Morris Deputy, town manager.

To accommodate the surge and a projection of an additional 4,000 residential units in the next decade, the town imposed an impact fee on new construction between \$12,000 and \$13,000 per single family residence, he said.

Several years ago, Middletown also took a bold step and issued a \$28 million bond to build a new wastewater treatment plant and upgrade its electric substation. The measure allowed the town to expand despite the limited capacity of that county's wastewater treatment facility.

"If there was no more sewer (capacity), we wouldn't be able to build," Deputy said. "Before, we went with the county and there was a limited (wastewater) amount ---- 500,000 gallons a day. We built a plant that allows 2.5 million gallons a day."

Princess Anne Town Manager Jay Parker cautions elected officials may not go in that direction and that decision would come after a consultant analysis of the actual impact of new development.

"Like so many towns on the Eastern Shore, we're facing pressure from developers (to grow)," Parker said. "We need to assess the impact, the cost of services."

Current sewer lines in sections of Princess Anne are inadequate for new growth and the Somerset

County Sanitary District has stalled construction start-ups of several hundred units, a hotel and shopping center.

Parker acknowledged there have been loose conversations about the establishment of a town wastewater treatment plant.

"We have had discussions on that," he said.

An immediate plan is to hire a consultant to help update a comprehensive plan, a process expected to begin within the next two months, the town manager said.

## **Knowing when to say when**

Just how much Princess Anne intends to grow beyond its current population of 2,000 or more residents is uncertain, Parker said.

Princess Anne's attorney Edgar Baker said the study of impact fees and other options to generate revenue is a growing trend across parts of the Eastern Shore, in the midst of a growth boom.

"We're doing that in a number of towns; some call it development fees," Baker said, naming Trappe, Snow Hill, Vienna and Denton among Eastern Shore communities either studying the issue or taking steps to offset growth expenses. "All towns are beginning to realize that as they grow, new developments are having an impact on services."

In the city of Crisfield, council members in May approved an ordinance that increases impact fees for new construction.

The new \$3,000-per-unit fee replaced a \$1,000 fee that was adopted last year after several waterfront condominium projects got under way.

The Crisfield hike drew balks from the real estate community, some of whom argued impact fees could price prospective buyers out of the market.

Blair Rinnier, a vice president at Salisbury-based Rinnier Development Corp., says buyer response would dictate his company's decision to build.

"If an additional fee is required, we've got to look. If there is a sense to move forward, then we will," said Rinnier, who is awaiting the lifting of the moratorium to start construction of a second phase of an apartment complex on UMES Boulevard. "If there is a sense to not move forward, we don't."

To capitalize on soaring Lower Shore land values, Princess Anne commissioners voted to raise the price for parcels in the town's 65-acre industrial park, where corporations are showing interest after several years of flat sales.

In a 4-1 vote, the panel agreed to raise the price per acre to \$10,500, a maneuver that could generate a whopping \$420,000 for the remaining 40 acres in the sparsely developed park.

Garland Hayward voted against the measure, arguing that the town's lack of an effective marketing strategy was to blame for failed efforts to sell land in the sparsely populated 65-acre park.

"We've seen people come in with ideas, but they are all ideas," he said. "We've held it for years and years and years, and only soybeans are growing on it."

The measure also puts Princess Anne on par with neighboring communities such as the \$15,000-per-acre price in both Hurlock and Pocomoke City, Parker said. As a measure to attract buyers, a \$10,000 grant is expected to develop an industrial park business plan and eventually landscape the undistinguished sprawl.

Princess Anne also wants to buy an additional 14 acres from Somerset County for industrial park expansion, Parker said.

"Our industrial park is the only one in Somerset County, and as you are aware, we are engaged in some possible expansion," he said. "The town is not trying to profit, but we are interested in economic development."

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