

Study on costs of growth will cost \$140,000

Monday, June 20, 2005

City commissioners aren't sure what the costs of growth are in Lawrence, but they now know how much it will cost to find out: \$140,000.

Commissioners on Tuesday will decide whether they want to move forward with a study designed to determine whether certain types of residential and commercial growth are paying their fair share for city services and projects.

City commissioners already have spent \$12,000 on the preliminary work for the study, and the Maryland-based firm of TischlerBise said this week that to fully study the issue would require an additional \$139,800.

City Commissioner David Schauner said he thought it would be money well-spent.

"If we don't do this, I think the long-term costs will be a lot greater," he said.

Schauner pointed to the city's difficulty in finding enough money to fund numerous requests from city departments to add staff — everything from new firefighters to additional street crews — as evidence that the city's growth is not providing enough new tax revenue.

"The whole budget process is a real reminder of why we need to do this," Schauner said.

City Commissioner Mike Amyx, though, said he had some concerns.

"Sometimes it sounds to me like it is just another study," Amyx said. "One of the concerns that I have is that there is a lot of this that we can figure out on our own. We know that growth has some costs with it."

Amyx said he also was concerned that the report was leading up to a recommendation that the community add more impact fees, which are one-time charges placed on new development to pay for services such as sewers, water, parks and roads.

"It seems like the ultimate implementation of this is going to include impact fees," Amyx said. "So, it seems like the commission should have a discussion about how we feel about impact fees. If you answer

the last question first, you might not have the need for a study.

“I know I have great concerns about them (impact fees), because I think they will raise the price of housing.”

Schauner, though, said the community needed to keep any possible new fees in perspective.

“We don’t want to stop growth,” Schauner said. “That has never been my goal, and this clearly won’t do that. Could it have an impact on the cost of a house? Sure, but the long-term costs for homeowners paying for growth that isn’t properly assessed is a lot larger than anything they’ll pay upfront.”

An open mind

All the talk of housing costs increasing as a result of the study is troubling to home builders, said Bobbie Flory, executive director of the Lawrence Home Builders Assn.

“We think it is very important that commissioners go into this with an open mind,” Flory said. “We would be very disappointed to learn that they’re paying \$150,000 with the preconceived notions that they’re going to charge new impact fees.”

Flory said she hoped the authors of the study would interview members of the building and development community so that they have an idea of the benefits of growth, in addition to the costs of growth.

The consultants are proposing two types of studies to determine whether growth is paying its fair share of costs.

The first study would examine nine types of land-use categories to determine which types of development add more revenues than costs to the city and vice-versa.

The second study would examine several growth scenarios that could occur in the city. The scenarios would vary factors such as housing growth, employment growth and the mix of single-family versus multifamily units to show what demands and costs would be placed on the city. The scenarios would show such items as when new fire and police stations would need to be added to keep up with growth, and predict how much new revenue the new developments would generate for the city.

The consultants are recommending that the scenario model be applied to four specific areas that are expected to see growth — west of the South Lawrence Trafficway, south of the Wakarusa River, east of O’Connell Road and the area surrounding the Lawrence Municipal Airport.

If city commissioners agree to move ahead with the study, it is expected to be completed in six to seven months. Commissioners will discuss the issue at their meeting at 6:35 p.m. Tuesday.