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Home builders push to limit impact fee increases

The Business Journal of Phoenix - by Mike Sunnucks Phoenix Business Journal

Home builders and real estate groups are forwarding a bill at the Arizona Legislature that would restrict cities' ability to raise existing taxes and impact fees on new homes.

The measure would keep city governments from raising development and new home impact fees on new subdivisions for two years after they receive city approvals.

Real estate groups including the Home Builders Association of Central Arizona favor the bill, saying it is not fair for cities to boost impact fees in the middle of construction projects.

Cities impose the fees to help pay for infrastructure and growth costs associated with new homes and buildings.

The bill is being sponsored by state Senate President Tim Bee, R-Tucson. He is challenging U.S. Rep. Gabrielle Giffords, D-Ariz., for her Southern Arizona congressional seat in November.

The Sierra Club opposes SB 1406. The environmental group says it would curtail cities' ability to pay for infrastructure.

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