

## **Builders criticize PTC Council's impact fee hike**

Tue, 08/11/2009 - 5:01pm  
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Built into the price of a brand-new home, Peachtree City's impact fees are probably the closest thing to a "hidden tax" there is.

By Georgia law, impact fees are to be spent only to account for the additional service needs created by a new home. The funds cannot be redirected to the city's general fund.

The city is in the process of creating a system to begin charging impact fees to non-residential new construction for the first time ever. At the same time, a proposal is afoot to dramatically hike the residential impact fees, which has drawn criticism from local developers.

Most of the current impact fees range from just under \$1,100 to just over \$1,700 per unit. Under the new plan, all impact fees would jump to \$3,466 per new dwelling unit.

At a public hearing during last week's City Council meeting, developer Scott Bradshaw said the city was justified in increasing the residential impact fees to account for inflation since they had not been so adjusted since the impact fee program began.

"We think tripling the residential impact fees is a little excessive," Bradshaw said. "Particularly tripling them on some older areas when you are adding commercial fees makes it even more excessive."

Bradshaw said a committee studying impact fee increases suggested the residential increases be stayed for one year while the commercial impact fees were instituted. That, he said, was a deference to the fact that residential properties had been carrying the impact fee load for the city over the years while non-residential properties were charged no impact fees.

Dan Petry, president of the Midwest Georgia Homebuilders Association, argued the residential impact fee increase was onerous with "the homebuilding industry on its back."

Petry pointed out that everyone in the council chambers likely knew someone in the homebuilding industry who lost their job recently.

The council is expected to vote on the matter at its Aug. 20 meeting.

Under the proposal, impact fees for non-residential buildings would be calculated as follows:

- Industrial uses would pay between 7.7 cents and 97.2 cents per square foot;
- Lodging uses would pay as low as \$42.13 per room for a "business hotel" up to \$299.52 per room for a regular motel;
- Recreational uses would pay between 15.4 cents per square foot for a racquet club up to \$3,830 an acre for an amusement park;

- Institutional uses would pay between 21.7 cents per square foot for a church or synagogue up to \$3.40 per square foot for a private school and \$421.17 for a lodge/fraternal organization.

- Retail uses, charged mostly by the square foot, would range from 17.5 cents per square foot for a furniture store all the way up to \$3.14 per square foot for a quality restaurant or a sit-down restaurant and \$4.59 per square foot for a fast-food restaurant.

- Office uses would pay between \$1.23 and \$1.70 per square feet.