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City council discusses impact fees

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CEDAR CITY - Debate over a proposed six-month moratorium regarding impact fees in Cedar City topped the agenda during Wednesday night's City Council meeting.

Proposed by council member Georgia Beth Thompson, the idea to do away with impact fees for six months was originally proposed by council member Dale Brinkerhoff as a way to possibly stimulate the local economy, building and growth.

Cedar City residents debated with council members regarding the pros and cons of the possible temporary solution with both favorable and opposing opinions.

Doug Hall, founder of the Iron County Alliance of Taxpayers, spoke at the meeting on the idea that the financial burden would simply be pushed from one set of residents to another if the council were to approve the impact fee moratorium.

"A moratorium would make it a general fund requirement," he said. "This would make it so taxpayers would have to foot the bill ... we need to look at other options."

Other city residents representing homeowners, builders, developers and the real estate market, agreed that job growth is the key to stimulating the economy, and that temporarily doing away with impact fees could encourage more people to build their homes and lives in Cedar City.

Brinkerhoff said while he would still vote in favor of the moratorium, he is not as convinced that it is the right way to stimulate the economy anymore, and that other options should be explored.

"I am less passionate about this now," he said. "The economic dynamic has changed considerably in the past six months. I am still anxious to do what we can to help the economy."

City Manager Ron Chandler said he researched the idea of a moratorium based on what has happened to other communities that have looked into the option.

Chandler said while very few communities have explored the option, the result is typically that removing projects from the capital facilities plans does not necessarily encourage more building in the area and does not result in growth.

The impact fees are already going to be \$215,000 under budget for this year, Chandler said.

Council Member Steve Wood said the capital facilities plan could be amended to alter the amount of impact fees by taking away some of the less important projects included in the plan as a possible solution.

"We can legally amend the capital facilities plan," he said. "We could take away a project we know we will never need and amend the impact fees that amount."

Council members are set to vote on the matter during the next city council meeting.

Also on the agenda, council members heard the proposed fiscal year budget for 2010.

The proposal briefly covered areas including parks, public works, streets and highways and economic development.

After the city council has a chance to review the proposed budget, budget work meetings may be conducted by the city council for additional discussion and review.

Adoption of the budget is preliminarily scheduled for May 27.
