



May 5, 2009

Council discusses future of impact fees

*By Laura D'Alessandro
Staff Writer*

SALISBURY -- The City Council discussed the potential implementation of impact fees in what has become an age-old ritual which may soon see its end.

Councilwoman Terry Cohen said while she was not comfortable voting on the legislation at the next regular meeting on May 11, the policy that has been discussed for years should soon be passed.

Impact fees are one-time assessments levied on new developments to foot the bill of infrastructure or facilities necessitated by said development.

Salisbury-Wicomico Planning and Zoning Director Jack Lenox came before the council with City Attorney Paul Wilbur during a work session Monday evening to present the revised legislation after some tweaking since its last discussion.

City Council Vice President Gary Comegys said he's worried the implementation of the fees will deter developers, especially in the commercial field. He also reiterated his concern that monies collected may go unused due to legal restrictions on impact fee use, whereas operational fees will remain unfunded.

"I prefer we assess fees with annexation or developer fees," Comegys said.

But Lenox said one cannot replace the other, and the adoption of impact fees should not negate the use of annexation or one-time developer fees, which can be used with more leeway.

Comegys' concern regarding commercial businesses was validated in 2008 when Thomas Knorr, owner of the restaurants the Red Roost and Sobo's, chose to locate his microbrewery in Delmar rather than in Salisbury due to the high cost of water and sewer capacity fees alone. Comegys said he fears impact fees will make Delaware an even more appealing competitor to commercial developers.

Developers have said that impact fees will be passed onto the consumer. Councilwoman Shanie Shields said she worried about homebuyers who may face an increase in price due to the fee. Wilbur said the concern was legitimate, but Cohen said new residents should pay the cost of their impact on the city, otherwise current residents will continue to feel the burden through tax increases.

laurad@dmg.gannett.com

410-845-4630
