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## **Delaying impact fees studied**

## By Andrea Kelly

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Developers could be allowed to delay impact-fee payments under one of several recommendations by a city committee looking for ways to get Tucson's economy moving.

Deferring or suspending the payments, which would have to be approved on a case-by-case basis by the City Council, was one of four recommendations by the ad hoc committee. Others include:

- Extending the time allowed between development planning and construction.
- Waiving impact fees for affordable-housing development.
- Funding the Affordable Housing Trust Fund with money from the city's general fund.

The council created the committee after Councilman Rodney Glassman suggested a one-year waiver of impact fees to encourage home-building. Glassman said business leaders brought him the idea, so he proposed it to the council.

But after a contentious council meeting, in which other council members accused Glassman of grandstanding for the media, they created a committee to look at general economic stimulus ideas.

Glassman said he was pleased to see the suspension of impact fees included in the recommendations and supported streamlining the development approval process.

Other council members said they prefer deferring impact fees until later in the development process, rather than suspending them, and asking developers to contribute some of the interest saved by the delay to the Affordable Housing Trust Fund.

"Ultimately we will need those revenues for the infrastructure," Councilwoman Karin Uhlich said, in opposition to a full-fee waiver.

Deferring impact fees lets developers start on projects now, which creates jobs, she said. But the impact fees collected after the development is complete go toward new parks and transportation improvements that create jobs in the future, said Uhlich, one of Glassman's Delaying impact fees studied | www.azstarnet.com ®

staunchest critics.

"I met with a committee member and a developer. Both indicated that a deferral does offer good incentive for development and retains money for infrastructure," she said.

The problem with suspending or waiving impact fees is the road and parks improvements will still need to be done, even if the impact fees don't pay for them, said Councilwoman Nina Trasoff. "That goes counter to our idea of sustainable growth and sustainable development," Trasoff said.

Councilwoman Regina Romero, who also criticized suspending the fees, said she likes the idea of deferring them to allow them to be paid when the property is occupied, instead of when building begins.

For those not ready to begin construction on projects, Romero wants to extend the time limit for development plans, which is another committee recommendation.

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