



Hair salon won't pay impact fee after all

By Angela Daughtry, News-Leader

After a public complaint to city commissioners, a local hair salon owner will not have to pay \$7,000 in impact fees to open a new business on South 14th Street. In fact, she will pay no impact fees at all.

City Utilities Director John Mandrick initially told Janet Miller, who applied to the city in March to open Family Style Salon as a tenant in the Eight Flags Shopping Center, she would have to pay \$7,026.36 in utility impact fees.

"A barber shop or salon ... places a high demand on the water and wastewater system than strictly a retail operation like a gift shop or dollar store," Mandrick explained in an email when questioned about the fees last week.

According to Miller, he also told her she could not pay the sum by installments, but had to come up with the entire amount before she could open for business.

Governments levy impact fees to help offset the impact on infrastructure a new business or development creates - such as the need for new or improved roads, lights, sidewalks, schools or increased sewer services, for example.

However, Miller questioned their application in her case because the city had already collected impact fees on the South 14th Street site when it was outfitted as a salon in the 1990s.

Miller took her case to the city commission at its meeting May 7, and a story was published in the *News-Leader* on May 15.

According to Miller, Deputy City Manager Marshall McCrary and Mandrick met with her May 16 to assess the rental site at the Eight Flags Shopping Center. They consequently told Miller she would not have to pay any impact fees because a salon was previously located there, she said.

"I think things went exactly as they should here," McCrary wrote in an email to Mandrick following the site visit. "You made yourself available to a customer and allowed her the opportunity to demonstrate some facts and clarify intentions. ... Her intended improvements are consistent with past use of the space and no additional impact fees should be assessed."

"The city is truly interested in 1.) Listening when challenged and 2.) Applying regulations in a consistent, fair and equitable manner," McCrary wrote.

According to an email from City Manager Joe Gerrity, "Marshall, John and the potential tenant met at the site and determined that the plumbing existed from a previous salon dating back to the mid to late '90s, and that no additional impact fees should be assessed."

In a phone interview, Miller said she was happy the issue was resolved, but noted there are other potential business owners within the city who are frustrated with what they see as excessive impact fees.

"Why does the city wait until the business is ready to open (before assessing impact fees)?" Miller asked. "As small business people, we put out our last dime."

Miller also noted that she had already told Mandrick during the paperwork process that there was a hair salon at the site in the 1990s, but that he "did not want to listen." When asked in an email if he had any comments on this, Gerrity replied, "No. That is her interpretation."

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