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Cary boosts development fees

FROM STAFF REPORTS

Fees charged for new development were hiked by the Cary Town Council on Monday night.

Water impact fees were raised an average of seven percent for new development, while sewer impact fees were increased 31 percent. The new rates take effect July 1.

The new rates, unanimously approved by the council, raise water and sewer development fees by about \$938 for the average new 2,500-square-foot home, pushing the total to \$5,261. For a 150,000 square-foot commercial building, the water and sewer fees jump \$22,230 to \$130,230.

The higher water and sewer fees amount to 75 percent of the maximum allowed under state law to pay for the costs of increased capacity, said town spokeswoman Susan Moran. The rest of the increased infrastructure costs triggered by new development will be borne by current taxpayers, as well as the increased tax base that comes with development, Moran said.

The Town Council is trying to balance the benefits of new development — including new jobs and a larger tax base — with the extra costs it generates, she said. The council unanimously agreed to keep transportation impact fees at their current level.

Cary's action comes at the same time Raleigh is considering doubling the fees it charges for new development. That proposal is being reviewed by the Raleigh Planning Commission.

Cary last adjusted its impact fees in 2004, when it lowered the charges on new development, Moran said.

Cary initiated a study of the town's impact fees a year ago, hiring two independent consulting firms to analyze the fee structure.

Cary's current water impact fee is 70 percent of the maximum fee allowed by the state, while the current sewer impact fee is 57 percent of the maximum, said Stacey Teachey, senior budget and management analyst.

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