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Mt. Juliet decides to wait on impact fee

City wrestles with how to keep up with growth

By Andy Humbles / The Tennessean

A proposed impact fee on new development is on hold.

Mt. Juliet commissioners have discussed ways to provide revenue so the city's reestablished fire department can keep up with growth.

The commission passed a first reading vote in October that proposed a \$1,500 fee for residential construction per home, including each unit of a multi-family development such as an apartment complex, and \$1,500 flat fee for non-residential development plus 25 cents per square foot.

However, the commission twice deferred a second-reading vote needed to enact the ordinance sponsored by City Manager Kenny Martin. Commissioners said they wanted to study the idea further. The second deferral was indefinite.

"If we can get a study that supports the need, we will bring it back," Martin said.

Mt. Juliet approved a 20-cent property tax in 2011 for emergency services that can include fire protection.

Mt. Juliet Fire Chief Erron Kinney and Martin have discussed manpower, equipment and facility needs that will increase as the city grows.

"We saw the 20 cents (property tax rate) was going to sustain the department, but there was no way to keep up with the growth," Kinney said. "We don't want growth to outpace service."

Wilson County has an adequate facilities tax on new development, which is \$3,000 per residential unit. New commercial development has a county adequate facilities tax that depends on the size of the structure.

"I want the fire department to stay current with the growth of Mt. Juliet," resident Lori Cameron said after the first reading. "What good is a fire department that is continually 20 years behind?"

The Eastern Middle Tennessee Association of Realtors believes an additional fee will have an effect on growth in Mt. Juliet.

"City leaders are saying that with all the new growth, they need to find ways to continue to provide services," said association spokesman Amy Hamilton, a Mt. Juliet Realtor. "With all the new businesses that are moving to Wilson County, our sales tax revenue has increased exponentially. Where is this money being used, and why can't it help with that?"

Commissioner Ray Justice believes the city should be cautious on an impact fee and is concerned about recruiting efforts on the city's north side, where he says new business is needed.

"We are ahead of the timeline on the fire department," Justice said. "We're in the midst of telling people to come in here and make Lebanon Road better and prettier (along with) Nonaville Road and Mt. Juliet Road, but we're telling them when they get here there will be an impact fee. It's not really a good invitation."

Mt. Juliet May Ed Hagerty has "an open mind" to an impact fee, provided studies show the need.

"I have to see a specific proposal before I answer," he said.

"It needs to be done right, make sure it's justifiable," Vice-Mayor James Maness said. "I hate the thought of going back and making changes."