



KALISPELL OFFICIALS MEET WITH BUSINESS COMMUNITY

## Beyond the Budget, Impact Fee Debate Looms

By Dan Testa, 9-16-08

While Kalispell officials struggle to balance the city budget, another overriding debate that could puzzle to solve the city's revenue problems is not going away: transportation impact fees. Last week Commerce invited Mayor Pam Kennedy and City Manager Jim Patrick to their second meeting with prominent developers, top loan officers and executives of some of the area's biggest employers to discuss business community has with the proposed transportation impact fees in their current state. Kalispell transportation impact fees on new developments to pay for the infrastructure and road improvements increased traffic that will result from the growth.

Over the course of the two-hour meeting, developers criticized the proposed transportation impact fee commercial developers for city road improvements needed far from where new commercial development also blasted the funding mechanism that would determine how much a commercial development should engineer hired by the city for being difficult to work with and uncommunicative. And they stressed that stagnating while Kalispell deliberates over the impact fees, because developers, loan officers and investors predict the cost of new projects until the fees are in place.

"We're basically having that conversation on every project we're looking at now: 'Is the project still impact fees in place?'" Dennis Beams, executive vice president and chief credit officer of Glacier Bank we don't know what the costs are, so it's very difficult to consider the financing."

Semitoole executives said the implementation of the transportation impact fees would weigh heavily on company to grow in Kalispell.

"If we were looking at building a facility in the city, this could be a showstopper," said Steven Thom executive at Semitoole and grandson of the company's founder. "If these were enacted, as proposed to city would see any revenue from it."

The developers also questioned whether those who had already begun their projects should be grandfathered to pay the new impact fees, or whether there should be a "phase-in" period over several years that changes to the fee.

"It is totally inappropriate to charge any new impact fee when it was not even on the books to be discussed was conceived," Phil Harris, developer of the Hutton Ranch Plaza, said.

Answering the concern, Kennedy noted that many of the developments had build out periods of decades. Town Center and Old School Station. "Are you saying 'It's not fair for us to pay transportation impact over 20 years'?" Kennedy asked. Many in the room nodded affirmatively.

Kalispell's legal language implementing the impact fee is also vague and could easily be challenged developer of Glacier Town Center and his attorney, Ken Kalvig, said. They urged the city not to rush implementation of the fee just to make sure that developments slated to go up in the coming year mu:

"It's pretty obvious that the reason this thing has to get done so fast is so that we don't get in under tl has delayed breaking ground on his project until the spring, said. "I think we have to slow down and proper way."

After which Kennedy noted that the city has been working on the impact fees for two years, and in th the opportunity to assess the fees at the peak of the city's rampant growth. "How much longer are we Kennedy said. "As every year goes by, as every month goes by, we fall further and further behind."

Kennedy agreed to review the idea of phasing in the transportation impact fees, as well as a payment would also look at the need for more explicit legal language enacting the fees. Assessing the fairness improvements the fees paid for was also up for reconsideration, she added, and agreed to meet again takes up transportation impact fees again in October.

At the end of the meeting, Mayre Flowers, executive director of Citizens for a Better Flathead, questi residential taxpayers and other Kalispell citizens would have the same opportunity developers had to with city officials. Kennedy assured her they would, through the public process.

"I just want to make sure we're having more of a public balance," Flowers said. **[End of article]**

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### **Comment By Roark, 9-16-08**

Is it even possible for empty skirt Pam Kennedy and the rest of the gang on the city council to NOT 1

### **Comment By Carl, 9-17-08**

Nope - each year's budget is based on the previous year's budget, and at the end of each fiscal year t spending every thing left in the budget to justify the budget.... So - the following year's budget must "higher costs" etc. etc. ad infinitum..... Translation: we pay more.

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