

## Chamber calls for impact fee moratorium

[BY JOYCE LOBECK, SUN STAFF WRITER](#)

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These economic hard times, with businesses closing their doors and people losing their jobs, call for some new solutions to jumpstart the economy, said a business leader who is proposing a temporary suspension of impact fees.

"Local jobs are disappearing in monumental proportions and businesses are closing weekly," Ken Rosevear, executive director of the Yuma County Chamber of Commerce, said during a news conference Friday at the Yuma Community Food Bank.

He said that while the economic downturn is impacting all sectors, the construction industry has been hit particularly hard.

"We need to jumpstart the economy."

The solution Rosevear proposes is "Project Jumpstart," a request to the city of Yuma to suspend its development impact fees for a year. This would encourage developers to come to Yuma and help local businesses expand, he said.

Stimulating the construction industry would put people back to work, help the entire economy and generate "much-needed tax revenue," Rosevear said. "This is a way we could partner with the city and energize the construction industry."

He said the impact fees can run \$5,900 for a home to hundreds of thousands of dollars for a commercial project. Especially during these difficult times, "that can be a deciding factor whether a project is a go or a no-go," he added.

He noted that Flagstaff already has suspended a fee that is similar to Yuma's impact fee, and other communities around the state are considering it.

Home builder Bobby Kammann remarked that he hasn't been able to sell a single home in his new Citrus Springs subdivision.

"The city would only be giving up something it's not getting now," he said. "And it would mean a lot to commercial and residential development. If we knock \$6,000 off a house, that could mean more people would qualify for a loan."

City Administrator Mark Watson said he welcomes all ideas and suggestions and is "glad to see the business and development community searching for options to sustain the local economy during the crisis."

Watson said he would love to see hundreds of homes being built and an increase in new commercial activity. "We're sympathetic."

However, he said, one issue with Rosevear's proposal is that "the law establishing impact fees doesn't anticipate a recession. We would have to look at that. Maybe there are different ways we can do things."

Watson said he's hopeful there will be some assistance coming from the state and federal governments to help stimulate the economy and put people back to work, with Yuma capitalizing on its high unemployment rates and its proximity to the border to get a share of such help.

Yuma County's unemployment rate for December was placed at 19.7 percent in the most recent report by the Arizona Department of Commerce. More alarming is the reported loss of 4,500 jobs from December 2007 to December 2008.

Many of those 4,500 people are now turning to the food bank for help to feed their families, Rosevear said.

Ronna Sue Stubbs, food bank president and CEO, confirmed his statement, saying she has seen a 30 percent increase since July in the number of people coming to the agency for help.

Even as there is more need because of the economy, Stubbs said, it's also resulted in a drop in donations. And with summer coming, she's concerned how the agency will meet the demand.

"There will probably be more layoffs, electric bills will go up, people have no food and the dollar doesn't go as far as it once did."

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