



News

Council to revisit impact fee issue

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The City Council will reexamine its impact fees following a plea from representatives with one builders organization who say

Lake Havasu City is currently in the middle of a three-phased increase of its impact fees, which go toward Capital Improvement programs and transportation programs. The Colorado River Builders Industry Association is asking the council to delay or eliminate scheduled to consider the city's options during its regular meeting at 6 p.m. in city council chambers in the police facility.

CRBIA Executive Director Bud Schulz, in a letter to the council, said the organization is concerned "over the almost complete

"Many of our members, and non-members, have closed their doors. Many more are hanging by a thread," Schulz said in the letter. "We do whatever is necessary to suspend all or part of the impact fees that are currently in place, or at least postpone or eliminate

But even if the impact fees were delayed or eliminated, "there is little empirical data that supports there being a direct relationship between impact fees and construction activity," Development Services Director Larry Didion wrote in a council communication.

Interim City Manager Charlie Cassens said the findings were based off studies in other similar communities.

"It's been our experience, by checking with other communities that have impact fees and ones that don't, that actually commensurate with construction activity," Cassens said. "We can't find any evidence that would prove some claims that removing impact fees would increase

Officials also point to permit data, which has actually shown an increase in permits in the last year. The city issued 51 single-family permits in June 2009. The city has issued 53 permits for single-family buildings so far through March.

"We've issued more permits through nine months this year than we did all of last year," Mayor Mark Nexsen said. "So it looks like last year didn't seem to have an impact, no pun intended, on permits issued."

Nexsen said he feels the council should look into the issue anyway to see if there is a way of alleviating some pressure on builders.

"Right now, there is still not much going on compared to what we were," Nexsen said. "So the builders are looking at whether the timing of the collection would be more important than the elimination of the fees though."

Nexsen suggested collecting the fees at the same time a certificate of occupancy is issued instead of at the time when the permit is issued.

"By doing that, the builders are not on the hook for the money up front," he said. "I think we could present some options that might make it a little easier."

If the impact fees are eliminated, staff indicated that the money would need to come out of the general fund and several Capital Improvement Program (CIP) projects.

"If improvements are necessary prior to the collection of an adequate amount of impact fees, general fund funding will be necessary," he wrote in the council communication.

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