

Local business owner unhappy with city impact fees



GRAND JUNCTION, Colo. (KKCO) A local business owner trying to attract a new motel to Orchard Mesa is unhappy with the city and how they assess their impact fees on new businesses.

Most cities and communities impose impact fees for water, sewer and transportation. And one Orchard Mesa business owner isn't pleased with the thousand of dollars he had to pay for his impact fee and feels the money is a deterrent for new businesses coming to the Western Slope.

Rocky Mountain Hats and Boots owner, Jerry Derby, is upset that the city pays impact fees for some new developments and not others. However, the city says the choices they make are for the benefit of the public and economic development.

"I just don't understand the difference of my business and their business when we both have the same sales tax license. We should be treated the same, equal," said Derby.

Derby opened up his store in Orchard Mesa nearly four years ago and paid a \$22,000 impact fee.

"Someone else built a new building in the town, about the same time [Derby opened his store], in the business part of Downtown Grand Junction and their impact fee was paid for by the city," said Derby.

Tim Moore, the Grand Junction Deputy City Manager, says City Council may pay for a new development's impact fee if the prospective business will help boost our local economy significantly.

"If somebody comes in and has a really good request and in the past that has happened, Council has agreed to pay those impact fees on behalf of the development, out of the general fund," said Moore.

And the location of your new development is a factor when it comes to the amount of money you pay for an impact fee.

"If you're within the downtown area, you only have to pay half of the transportation impact fee because, again, the transportation by in large, is in place," said Moore.

Derby did not go before the council with a business plan to ask if they would pay for his impact fee. He says at the time he didn't know that was an option. And four years later, Derby is concerned about the impact fee because of the money he paid and of his desire to lure a new motel to his land in Orchard Mesa.

"My money that I paid and other people that did not have to pay it [impact fee], but I have some property that was contacted to possibly build a motel on, out here in Orchard Mesa, and I want to be able to tell the people that are possibly the buyers of it, yes you will pay an impact fee or no you won't," said Derby.

Moore, says impact fees are essential in order for a city to grow and accept new development.

"That is the point of having the fee in the first place. You don't ever want to get to a position where you've maximized infrastructure and you haven't planned very well about how to replace it in the future," said Moore.

City officials also say they will work with business owners that come to them seeking help with impact fees.