

City impact fees for parks more than triple in cost

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LAS CRUCES — Park impact fees, which the city of Las Cruces must use to build new parks, will more than triple for residents who buy new homes.

The fees, now assessed at \$800 per dwelling unit, will increase to \$2,600 on July 1.

"For years, the fees for parks have been very, very low," Councilor Gill Sorg said. "...That's why these impact fees need to be higher."

The seven-member Las Cruces City Council approved the substantially higher fees by the narrowest margin. The council voted 4-3 to set park impact fees at \$2,600.

That came after the council voted 4-3 against increasing park impact fees to \$1,300, and against a motion to table council consideration on any impact fee increases until June 17.

"I think that's just too much," said Mayor Ken Miyagishima, who voted against the new \$2,600 park impact fee. "I would have preferred the \$1,300. I don't want to create too much of an increase at one time, especially if we're going to move forward on impact fees for roads and drainage (construction)."

Late Tuesday, Miyagishima added the council will consider adoption of a resolution June 17 that could rescind proposed impact fees for roads and drainage. Council members have determined those impact fees, as proposed, won't be enough to pay for the improvements they are intended for.

The council could rescind the proposed impact fees, which would give city staff members and the council more time to implement road and drainage impact fees that would be sufficient to pay for future improvements, or find another way to pay for those improvements.

"We have to raise the level of service," Councilor Nathan Small said.

Small's comment could apply to park impact fees, as well as proposed fees for roads and drainage. Parks and Recreation Director Mark Johnston told the council when park impact fees were established in 1995, the council set those at \$249, just barely more than 10 percent of the \$2,300 city staff members recommended.

But Steve Chavira, managing director of the Las Cruces Home Builders Association, said an increase in park impact fees — and whatever amounts the council ultimately sets for road and drainage impact fees — could make it especially hard on first-time home buyers to purchase a new home.

"That cost will be transferred down to the buyer," Chavira said. "Impact fees are not necessarily on the disclosure statement that has to be provided to the home buyer. But they will go to the bottom line cost of a home."

Chavira added that with the increase in park impact fees, and proposed road and drainage impact fees, the cost of a new home in Las Cruces could rise as much as \$6,700.

"Adding an impact fee will make owning a home impossible, or less likely," Chavira said. "...Now is not the time to be implementing those fees. Park impact fees are not a smart option today."

Miyagishima said agreements between builders, developers and the city could have led to the construction of new parks at lower costs than the \$2,600 in impact fees that will be assessed. Chavira agreed builders and developers could have likely built new parks at costs lower than the \$2,600 that will be charged for each dwelling unit built.

But other council members weren't willing to accept those assumptions.

"I'm a little leery about asking Mr. Johnston to go back and find some other options," said Council Olga Pedroza, of other ways to ensure new city parks are built. "...I don't think that's wise."

But Las Cruces Raul Torres, who is trying to buy his first house, is concerned the new impact fees might hurt his chances to move into a house.

"My wife and I have been married for almost two years," Torres said. "We've got a 7-month-old son, and we're trying hard to qualify (to buy) our first house. I hope these new impact fees don't jack up the price so high that we can't afford to get a house. I hate living in an apartment, and I'd hate having to rent a house to live in. We want something to call our own; some place where we can put down some roots and raise our family. I hope the people at the city can realize this could make things harder on a lot of people, like me."

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Park impact fees

— Current impact fees to pay for the construction of new city parks are \$800 per dwelling unit

— The impact fees will more than triple, to \$2,600 per dwelling unit beginning July 1

— The Las Cruces City Council implemented park impact fees in 1995, initially setting them at \$249 per dwelling unit

— At its June 17 meeting, City Council will consider approval of a resolution that could rescind proposed impact fees for road and drainage construction.