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Posted on Wed, Jul. 21, 2010

Impact fees gain county approval

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last updated: July 21, 2010 05:12:59 AM

The Stanislaus County Board of Supervisors unanimously approved new development fees for roads Tuesday night.

The regional transportation impact fee is the last piece in a comprehensive overhaul of the county's public facilities impact fee, which developers pay when they build homes, commercial buildings and other projects. Developers pay the fees even when they build in one of the county's nine cities.

The fees pay for county buildings, vehicles and equipment for animal control, mental health, the Sheriff's Department and other county services, which face greater demand for services because of development.

Despite the board's adoption Tuesday, the county faces some bumps in the road.

Waterford officials want their city and Newman, Hughson and Patterson to be exempt from the road impact fee for small commercial development in their cities.

Waterford officials reason that residents in these four cities would use county roads less if they had more shopping choices in their communities.

County staff is interested in pursuing an adjustment to the road fees for small to medium retail development in those four cities.

Cities in the south and west corners of the county have questioned the fairness of how the road fees will be spent. For instance, they have questioned a north county highway that they say will have little benefit for them.

The county's modifications to the fee program envision major road projects in the western and southern portions of the county. County officials also say that, in the long term, the fees pay for road projects that directly benefit all the cities in the county.

The county last updated its fees in 2005. The regional transportation impact fee will take effect Sept. 20, but it's an interim step.

The county, the nine cities and the transportation planning agency -- Stanislaus Council of Governments -- will start meeting to form a regional program for road fees. Such a program could give the cities more say in how the fees are administered.

Supervisors are expected to get an update on this effort in 18 months. But Turlock officials want faster action on creating a regional program to administer the road fees.

The Board of Supervisors adopted the other developer fees in March. Because those fees are tied to land values, which have dropped in the economic downturn, most of the fees are lower than the ones they replace.

For instance, the fee to build a single-family home in one of the county's nine cities drops from \$8,038 to \$7,139.

But the fees for large-scale industrial uses are going up significantly. For instance, the fee for a warehouse rises from \$62 per 1,000 square feet to \$937.

However, the county has put together an incentive program that lets developers receive fee discounts of as much as 75 percent based on such factors as the number of high-paying jobs a project creates.

The impact fee study lists more than \$900 million in transportation projects over the next 20 years. The study says road fees will bring in \$600 million. The county will use other funding sources to make up the difference.

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