Raleigh Council To Debate Impact Fee Resolution

The City Council on Tuesday will consider calling on state lawmakers to include impact fees in any legislation designed to fund local growth.

Councilman Russ Stephenson is backing the proposed resolution, which supports incorporating the option of impact fees and property transfer fees into all growth-funding bills debated by the General Assembly.

"There just needs to be more consideration given via legislative authority to allow or require new people coming in and those who are profiting the most from growth to help pay for that," Stephenson said. "The idea is that we're all in this together."

Using impact and transfer fees would give local officials an alternative to raising property taxes to finance new infrastructure, he said.

"What we really need to look at is broadening the base," he said.

State Sen. Janet Cowell, D-Wake, used the same argument recently when she filed a bill proposing a one-cent local option sales tax and property transfer fees to fund school construction.

Tim Minton, vice president of the Home Builders Association of Raleigh and Wake County, said he doesn't think the resolution is the right move for Raleigh to make in an uncertain economy.

Last year, the City Council increased local impact fees from \$682 to \$1,170 for a single-family home.

"This is basically a housing tax," Minton said. "On one hand, you're pushing a resolution to increase taxes for people who want to buy homes. On the other hand, you're talking about affordability in the city."

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