



Salem impact fee will soon be townwide

By James A. Kimble

jkimble@eagletribune.com

August 13, 2009 03:26 am

SALEM — An expanded impact fee system will require all new developments to contribute to road projects aimed at increasing traffic capacity.

The change goes into effect March 1.

Salem was one of the first towns in the state to implement such a fee in the 1980s, but only developments along Route 28 and Pelham Road had to contribute, according to Salem Planning Director Ross Moldoff. That's about to change.

Town planners struggled for years to update the system to make it townwide.

"Over time, we found that there was some problems with the system," Moldoff said.

The primary problem, according to supporters, was that large-scale developments were being built in different parts of town, which would increase traffic. Yet, those developers wouldn't have to contribute to widening or expanding the road, instead passing the costs on to taxpayers, supporters said.

State law only allows that impact fee money to be used for increasing road capacity, not for road maintenance.

Moldoff cited a 100,000-square-foot building erected about five years ago as a prime example that made the old fee problematic.

"Because they built on Lowell Road, they paid nothing," he said.

Under the new system, the impact fees are set in accordance with the size and use of building. So, a big-box development would pay a different rate than a neighborhood pharmacy. The fee for new homes will be roughly \$1,400, Moldoff said.

Critics of the expanded fees said it's simply adding another tax on developers.

Chris Goodnow, a Salem real estate consultant who represented area developers, said while the Planning Board has been acting on the belief of what's best for the community, it will certainly curb development to an extent.

It's just unknown how much, he said. Goodnow said trying to count buildings that will never be constructed because of the expanded fee is nearly impossible.

"It's unequivocally a massive tax increase," Goodnow said yesterday. "I think it comes down to, at the end of the day, a philosophy. Either you believe in increasing taxes or government or you don't. I personally believe to further society is to give (people) a good paying job and keep their taxes low. I think last night's action made both of those more difficult."

Planning Board Chairman Jim Keller said the expansion of the fee system came after years of consideration and three public hearings. The deliberations included comparing policies of neighboring towns and taking input from the building community.

"There were two things that were central to our thinking from a strategic standpoint," he said. "First, we felt pretty strongly that whatever impact fee system we have needs to be townwide because the town has evolved in the last 15 years since we looked at the system."

Secondly, board members believed an easier system needed to be in place, which could rise and fall with inflation.

Keller said for several years, developers have been able to build throughout town without having to pay their share of impact fees. He said having the fee does not diminish Salem's prime location on the state border.

"So, now is the time to create some equality in the town and the reality is the town requires, and citizens demand, capacity improvements," he said. "That costs money and the board believes it shouldn't come out of taxpayers' pockets."

⌘⌘⌘

Join the discussion. To comment on stories and see what others are saying, log on to eagletribune.com.

Copyright © 1999-2008 cnhi, inc.