



Salem planners delay impact fee decision

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SALEM — The Planning Board has put off for a second time making any decisions on controversial proposed changes to the town's impact fee regulations.

The Planning Board decided during a public hearing Tuesday night to seek answers to more questions on the fees and hold another public hearing. It will be the third public hearing on the proposal.

The board is looking to change the system used to determine the road impact fees developers pay, to expand the area where they apply from two highway corridors to the entire town, and to increase the fee to take inflation into account.

But local developers have objected to the proposed changes because of the dramatic cost increases. Some projects would see as much as an eightfold increase in impact fees.

The current road impact fee, a one-time charge paid by the developer to the town, applies only to development along Route 28 and around Interstate 93's Exit 2. Money from the impact fees can be used by the town for road improvements and traffic mitigation. The current impact fee system hasn't been adjusted for inflation since 1994.

Developers first objected to the proposed impact fee changes at a hearing in May. In response, Martin Kennedy, the town's consultant for the fee overhaul, suggested a 25 percent across-the-board reduction of the increases.

But even with the cut, developers say the impact fee would change the landscape of development in Salem.

Joseph Friedman, president of Brooks Properties, said if the impact fee is approved as it is, it will make new construction projects almost nonexistent.

"I think it will make it much more difficult and less likely to put up a new building," he said. "I think you'll see a lot of reuse, renovation."

Friedman said adjusting the fee to inflation isn't fair to developers because rent rates haven't increased at the same rate as inflation over the last 15 years.

"The rent hasn't kept pace and the rent pays these kinds of expenses," Friedman said.

Town planner Ross Moldoff said the Planning Board will review some of the new questions surrounding the changes before holding the next hearing. The board also will consider the option of approving the new fee, but not putting it into effect for

six months to a year. That would give the economy a chance to improve before developers must pay the fee.

Several members of the town's development community spoke out against the fee changes at Tuesday's hearing and at the first hearing in May. The Greater Salem Chamber of Commerce objects to the proposed changes.

"Although the Chamber recognizes and appreciates the need for a reasonable impact fee structure as a means to upgrade the traffic and road system to accommodate future growth, an overwhelming consensus was reached that the proposed fee system would have an adverse impact on economic development of the community," Chamber executive director Donna Morris said in a statement.

No date has been set for the next public hearing on the impact fee.

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