



Street work may increase cost of building

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If the city council agrees, the cost of building a house in Albany would rise in order to help pay for improvements in the citywide street system.

The council meets at 7:15 p.m. Wednesday, Jan. 12, at City Hall. Among the agenda items are a public hearing and action on a plan to raise the transportation system development charge.

The charge now is \$1,734 per single-family house to be built. It differs for apartments and other types of new construction.

The city staff recommends that the fee be raised to \$3,000 for a new house, starting Feb. 1.

At issue is whether to raise the fee all at once or to ramp it up to \$3,000 over five years. The ramping would forgo an estimated \$1 million in revenue over five years.

As is the current practice, the fee would rise every year based on a Seattle index of construction cost.

The transportation fee is in addition to the development charges for water, sewer and parks, as well as the excise tax for new schools.

Total system development fees for a new house, not including the school tax, now are about \$7,700.

In a memo to the council, Jeni Richardson and Ron Irish of the Public Works Department said the fee proposal is based on the transportation system plan for the next 20 years adopted by the council in February 2010.

The plan shows \$242 million worth of street and related projects, about half of which will be needed to serve expected development over the next 20 years.

The state law governs how much cities can charge in system development fees and how the money can be spent, either to pay the new projects made necessary by growth, or to reimburse the city for growth-related projects already done.

The public hearing on the higher fee is third on the agenda of Wednesday's council meeting.

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