



CITY

Sycamore considers increasing impact fees

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Sycamore will reconsider an increase in impact fees for new construction, but local builders say fees are already too high.

Impact fees are taxes a city charges on new buildings to offset the potential costs to schools, land and city services. This raises the total cost of a new home, but also provides funding for community improvement.

"We're simply trying to get impact fees to pay for the cost of development for the [park] district," said Dave Peek, executive director of the Sycamore Park District.

Sycamore Park District recommended impact fee increases to the city last year, but the ordinance was tabled until this spring in light of the downturn in housing.

"We need this financing to renovate old lands and develop new lands," Peek said. "So far, we have no firm conclusions on this and, unfortunately, there may be no change any time soon."

But local builder Ken Andersen sees it differently. Andersen, president of the DeKalb County Building and Development Association, said increasing impact fees will hurt the local housing economy and drive away those who have considered moving to the area.

"Impact fees run up the cost of a home considerably," Andersen said. "Contractors are looking to cut costs, especially impact fees. Some other communities have begun to realize the fact that they're killing the golden goose."

Anderson pointed out that some nearby communities, such as Sugar Grove, have lowered impact fees to attract growth.

"For government entities to come out in defiance of what's happening [in the housing market] ... is ludicrous," Andersen said. "Now is not the time to increase fees."

Sycamore Mayor Ken Mundy said the city has other options, but impact fees are an important source of funding.

"Impact fees are going to pay for the new water tower and water treatment plant upgrades," Mundy said. "The schools and parks feel [an increase] is needed."

The city commissioned extensive research on this topic in 2007 with the "2007

Sycamore Housing Impact Analysis.”

The city will likely revisit the issue this month.

According to the Sycamore City Council agenda for tonight’s meeting, “Action on the proposed FY2008-2009 [Fiscal Year] City Budget will be taken by the City Council on April 21, 2008.”