

HOLLISTER FREE LANCE

Traffic impact fees for developers cut in half

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Hoping to make San Benito County more desirable for developers, the San Benito County Board of Supervisors approved a nearly 50 percent interim cut to traffic impact fees during Tuesday's board meeting.

The cut lowers the fee to \$11,995 per new residential dwelling. The old fee was \$23,853 per house. The county first started charging a traffic impact fee in 1986.

The board approved the delay of three road projects to lower the fee. The projects include the widening of Highway 25, and construction on Union Road in two portions, east and west.

The projects consisted of 49.8 percent of the previous impact fee.

The three projects needed a combined \$82.74 million worth of funding over their construction time frame. The largest project, Union Road West, would have cost nearly \$50 million to construct.



Projects on Union Road and Highway 25 will be postponed to lower impact fees on new homes in the county.
Photo by: Nick Lovejoy, Staff Photographer

Public Works Administrator Steve Wittry emphasized the reduced fee was on an interim basis dependant on a new traffic study that would revise the old study.

The goal is to have the report completed by the end of the calendar year, Wittry said.

"The goal then would have this interim fee in place until it can be superceded by the new fee that would be up for adopting in the first part of 2011," Wittry said.

Supervisor Pat Loe asked to develop a questionnaire to see if the lowered fees will actually benefit the county. The statement would highlight whether the county would hire local companies and supplies.

"So we have some idea that this is stimulating the economy," she said.

The supervisors agreed to bring the issue back to the board at a later meeting.

The lowering of the fee stems from a group meeting among members of the board, the Hollister City Council and the San Benito County Council of Governments. The three government entities agreed to look at ways to lower the cost of traffic fees to help stimulate the local economy.

At the early July meeting, Supervisor Anthony Botelho urged something to be done soon. Supervisor Margie Barrios recommended removing all impact fees.

The board praised its staff for bringing back the problem so quickly.

"I want to thank the staff for bringing this back so quickly - it's a strong message to the community," Botelho said. "We are doing this because I've always felt a high impact fee is a restraint to economic development growth and by lowering this ... I hope (it) will create local jobs."

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