

THE BRUNSWICK BEACON

Bill would set county impact fees

By **CAROLINE CURRAN**, Staff writer

N.C. Rep. Bonner Stiller (R-Brunswick) has introduced a bill into the House of Representatives that will allow Brunswick County to impose impact fees on new commercial and residential development.

The bill was introduced last Thursday after county commissioners adopted a resolution Monday, March 19. The resolution is in support of a Brunswick County version of the statewide bill titled a "local option tax menu."

Although commissioners adopted the resolution in support of the local bill, Stiller did not submit the bill by its Tuesday, March 20, deadline, saying it provided too many tax options from which county commissioners can choose.

"I was not in favor of the local option tax menu--it had about five different tax avenues, and I am not comfortable with that," Stiller said.

But with bill deadline looming, Stiller said he and the bill's co-sponsor Rep. Dewey Hill (D-Columbus) wanted to give the county revenue options for transportation, education or other county needs.

"We were down to the last day so we went ahead and put a bill in so that we have a vehicle to put legislation in and move it through the House and the Senate in this particular year," Stiller said.

"If we didn't get it in [this legislative session], we may have had to wait two years."

Of the revenue streams available in the local option tax menu, Stiller said the implementation of impact fees was the most fair revenue mechanism for the county's current residents and taxpayers.

"I'm not thrilled about a new tax of any kind, but the impact fee is the one that seems to make practical sense and is least intrusive upon the county's current taxpayers."

Stiller said the impact fee legislation is the most favorable for residents because Brunswick County citizens currently paying taxes for necessary services should not support the burden and countywide impacts on roads, schools and other infrastructure needs from future development.

According to Brunswick County Planning Director Leslie Bell, any future development impact fee would be calculated by the county and applied to new development to offset the cost of the development's future impacts on roads, schools or other necessary infrastructure funded by taxpayers.

But Bell said the impact fee might not provide the county with a constant revenue stream for these projects, since the fee would only be applied when new developments apply for a building permit.

Although Stiller said he expects to make amendments to the bill, the current text of the bill only requires a public hearing, not a public referendum, for the adoption of impact fees.

Stiller said Monday he would not allow the county to impose a tax without a referendum, which Commissioners Chairman David Sandifer and Commissioner May Moore both said they support.

"At this point, we don't know that we'll ever process the bill or even ask a committee to hear it," Stiller said.

"There's still a lot of discussion that needs to take place."

The discussion, Stiller says, must include county commissioners and local stakeholder groups such as the association of realtors, property owners associations and homeowners and homebuilders groups.

The discussion

The various stakeholders groups came together last month at a specially called county commissioners meeting that hosted Stiller, Hill and State Sen. R.C. Soles (D-Columbus).

At the meeting, an independent transportation consultant reviewed the various taxing mechanisms available to local governments when the state's Department of Transportation cannot meet the county's needs.

Many of the revenue mechanisms discussed are on the statewide local option tax menu bill, which, if adopted, would

include Brunswick County.

The Alliance of Brunswick County Property Owners Association (ABCPOA), which represents more than 10,000 Brunswick County residents, released a position statement last week in support of the authorization of county commissioners to establish a funding mechanism for the development and improvement of road infrastructure within the county.

While Stiller has not limited the introduced impact fee legislation to transportation, ABCPOA transportation committee chair Frank Thomas included the phrase, "these funds would be dedicated to roads specifically and could not be utilized for any other purpose" in the association's position statement.

The ABCPOA, like Moore, Sandifer and Stiller, say they also support a public referendum.

Another taxing vehicle outlined in the local option tax menu is a transfer tax, which is usually a 1 percent tax paid to the county when a homeowner sells a house.

Stiller said he would not support a transfer tax, and the N.C. Association of Realtors recently launched a statewide campaign to prevent the taxing of home ownership.

Alan Holden, the president of the Brunswick County Association of Realtors, said the local association supports the statewide campaign.

"The local association of realtors opposes any kind of legislation that adds any cost to home ownership or land ownership," Holden said.

Holden said any tax placed on selling a house would drive up the cost of home ownership and limit a large number of first-time homeowners or marginal homeowners who could not afford to bear the burden of even a 1 percent tax.

"We will not support any kind of tax associated with selling or owning a home," Holden said.

Moore said while the bill is not what county commissioners asked for, its introduction is a step in the right direction to which Sandifer agreed.

"It's not the answer to the problem, but it's a good step," he said.

While the different groups have not yet come to a consensus on the most appropriate alternative funding mechanisms, all parties agree on one thing--a public referendum is needed.

"Whatever mechanism we chose, it will require a referendum and that way the citizens should decide," Stiller said.

"They should be the ones making the decision."