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## AP closer to waiving utility impact fee increases

By [MARC VALERO](#) | Highlands Today

The city hopes to spur the opening of new businesses in existing buildings by waiving increases in impact fees for developers, changing the use of existing water and sewer connections.

By a unanimous vote, the city council approved the first reading of an ordinance that would waive any increase in water and sewer capacity impact fees charged when a new business moves into an existing structure.

If approved on a second reading by the council, the waiver would remain in effect until May 31, 2013.

City Attorney Gerald Buhr provided the example of a coin laundry, which would typically use more water, moving into a space previously occupied by a greeting card store.

The card store probably paid the absolute minimum utility connection fee because it didn't use much water, while the laundry probably would pay very close to the maximum capacity fee, he explained.

The ordinance calls for leaving the capacity fees at the card-store rate and letting the laundry move in so the city could encourage reuse of these locations and improvements to the buildings, Buhr said. The ordinance only applies to commercial property.

The city council is giving businesses a break on increasing the fees because the current economy is putting a strain on new businesses. The upfront cost of city water and sewer impact fees also makes it hard for new businesses to utilize and improve existing structures, often leading to a decline in aesthetics, and blight, the ordinance added.