

# Cary mints fee for apartments

APARTMENT COMPLEX DEVELOPERS TO PAY

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Developers of apartment complexes here will pay thousands of dollars more in fees under a policy, approved Thursday by the Cary Town Council, that's meant to fund new park space.

Apartment industry representatives warn the new cost will make Cary the least hospitable Triangle town for new development, while elected officials say the policy's only fair. The town already taxes single-family home construction for the same purpose: helping the town's parks and greenways keep pace as new residents arrive.

The fee, which is based on land values, is currently about \$2,400 per apartment unit, or developers can set aside 1/55 of an acre per apartment unit for parks or greenways near their project. Single-family builders have been subject to the same policy for 35 years, but they pay higher rates because more people generally live in a house than an apartment unit.

Apartment developers, and the public in general, helped shape the policy and minimize fees by offering comments in work sessions with the town, but the local industry group has come out strongly against the final product.

"This new fee effectively creates a moratorium policy on apartments," wrote Norm Praet, a government affairs representative for the Triangle Apartment Association, in a statement. "Most likely, (apartment) developers will go to surrounding areas and the fees won't be collected."

The group says Cary's apartment impact fees now exceed all Triangle towns, although the group's source, a 2011 study by Duncan Associates, covered only Chatham and Orange counties and the cities of Durham and Raleigh.

Doug McRainey, the town's planning director said that "to a point" he acknowledged and understood the industry's concerns about increased costs, but he argued that the policy would only have multi-family projects pay their part.

"I think everyone, collectively, felt it was an equity issue," McRainey said. "For years, single-family developments have been paying, and apartments, condominiums have not."

The new policy could bring in \$1.2 million for the town, if apartment construction matches last year's rates. However, activity this year appears significantly slower. While the town approved 516 apartment units, it has OK'd none this year, and no proposals await approval.

It's difficult to say whether current construction on apartments has saturated the market, or if the slowing of interest is only temporary, said Planning Director Jeff Ulma.

"Historically that's been, as a development type, up and down, up and down over the years," he said.