



Developers decry Salem's proposed impact fee hikes

By Jarret Bencks

jbencks@eagletribune.com

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SALEM, N.H. — Local developers say a proposed impact fee system could have a devastating effect on future development in town.

Christopher Goodnow of Goodnow Real Estate Services said the increase and expansion of the fees comes at a bad time and is too much for developers to handle.

"This is a huge increase and a huge expansion," Goodnow said. "The development community is on its back right now and this hurts it dramatically."

The Planning Board will hold a second hearing tomorrow night on the revamped impact fee proposal. The board has invited local developers to attend, according to town planner Ross Moldoff.

The board is looking to change the system used to determine the road impact fees developers pay, expand the area where they apply from two corridors to the entire town, and increase the fee to take inflation into account.

The current road impact fee applies only to development along Route 28 and around Interstate 93's Exit 2. Money from impact fees can be used by the town for road improvements and traffic mitigation. It is a one-time fee paid by the developer to the town.

The old system hasn't been adjusted for the rising costs of road construction since 1994. The new system would adjust annually for inflation.

At a Planning Board hearing in May, local developers objected to the proposed increases, saying they would put future development in Salem in jeopardy.

The original plans would have increased impact fees for some projects by as much as eightfold. The Lowe's project on Route 28 paid about \$50,000 in impact fees under the current system. Under the original version of the revamped plan, it would have paid the town about \$400,000.

Since then, the town had consultant Martin Kennedy make a 25 percent across-the-board cut to the increases. Moldoff said the town has received approval from town counsel to proceed with the plans.

"We sought legal opinion and we were told we could go forward with the system as proposed," Moldoff said.

Tomorrow, the Planning Board will review the revised proposal, take public input and make a decision on whether to impose it, Planning Board Chairman Jim Keller said.

"We've been reviewing it," Keller said. "There were a handful of questions we are going to answer and we'll take a look at the extent of the increase and how we want to proceed."

The public hearing will be held at 7 p.m. in the Knightly Meeting Room at Town Hall.

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