

## Home builders, City Council discuss impact fee exemption

By [JESSICA CEJNAR, staff writer](#)

July 7, 2009 - 5:02PM

**BARSTOW** • The Barstow City Council voted to table an amendment to the municipal code Monday that would allow home builders to refrain from paying development impact fees associated with their project for an additional year.

According to the municipal code, developers who obtain building permits for projects shown on a tentative map approved by the Barstow Planning Commission before Aug. 1 of this year would be exempt from paying development impact fees. Community Development Director Brent Morrow said if the council doesn't approve the amendment the exemption would expire on Aug. 1, 2009. Amending the code would extend the exemption until Aug. 1, 2010.

In his presentation to the Council at Monday's meeting, Morrow said 125 homes have been built that have been exempt from the development impact fee, resulting in more than \$500,000 in fees not being collected. Approximately 1,500 potential homes remain that are exempt from paying the fees, but Morrow said he expects only a small number of those homes to actually be built. Extending the fee exemption until August 2010 would result in not collecting about \$4,500 in fees for each building permit qualifying for the exemption.

The Council voted 4 to 1 to table the issue so it could get more information on how much development impact fees hotels and motels pay the city. Councilmember Timothy Silva cast the dissenting vote, instead motioning to pass the amendment as it stood on the agenda. That motion died for want of a second.

Silva said the purpose of the development impact fees is to improve infrastructure and amenities, he told the Council. But he said at the most 30 new homes will be built.

"What we need to do right now is show developers that we encourage them to build," he said.

Mayor Joe Gomez said he supported establishing the development impact fees in May 2007, and voted against postponing a fee increase in April 2008. On Monday he asked how much development impact fees the city receives for its hotels and motels. Finance Director Terri Willoughby said she'd have to research that.

"I believe the fees are adequate for the size of Barstow," he said. "If we waive fees (for homes) we

might as well waive fees on motels too.”

When the Council took public comment on the issue, many builders spoke in favor of extending the fee exemption, saying times are hard enough for home builders without adding a fee of \$4,500. Chris Canaday of Canaday & Company, a Costa Mesa company building Vistas at Rimrock Ranch, said developers building in Barstow not only face competition from Victor Valley, many people are favoring bank-owned homes they can get at much lower prices.

“It’s a very challenging time for the industry,” he said. “We do think the worst is behind us, but we don’t know when it’s going to improve.”

Lynn Potter, a building contractor in Barstow, asked the Council whether the city wanted more money or does it want to see more homes. Letting the exemption expire next month, he said, will increase the price of homes in Barstow.

“Every dollar that gets put on the back of the home builder gets passed directly on to the buyer,” he said. “Four-thousand five-hundred dollars, that’s a lot of money to me. That could make the difference in whether or not I could even qualify to buy a home.”

***Contact the writer:***

(760) 256-4123 or [jcejnar@desertdispatch.com](mailto:jcejnar@desertdispatch.com)