



## Home builders vow to fight new roads law

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Mike Toalson, executive vice president of the Home Builders Association of Virginia, discusses legislative setbacks for the home building industry at the Country Club of Culpeper Wednesday night. (Staff Photo, Vincent Vala)\_

component that had never been a part of the bill and no public opportunity for comment," Toalson said. "What he embedded was new road impact fee authority for 67 localities in Virginia, including Culpeper, Fauquier, Green, Louisa and Orange counties."

The bill allows growing counties to impose transportation impact fees on new development in high-density areas. It would require developers to pay extra costs for the impact of their projects on area roads.

"He embedded it in the bill HB3202 in a form we could not get out," Toalson said. "Normally, we get an opportunity to vote but it didn't happen that way. It was crafted in a way that we couldn't touch it."

The General Assembly accepted Kaine's amendments on Wednesday. The law takes effect July 1, according to the Assembly's Legislative Information System Web site.

Mike Toalson says a new component in the state's transportation bill that never allowed a period for public comment is not fair and something the housing industry will fight in 2008.

Toalson - the executive vice president of the Home Builders Association of Virginia - came to Culpeper last week to speak at a meeting hosted by the Piedmont Virginia Building Industry Association.

He was hoping to report good news but says that all changed days before his scheduled appearance when Gov. Tim Kaine told him that he was planning to expand road impact fees to localities.

"When the governor released his amendments he included an entirely new

Toalson said counties are not required to levy the road impact fees but they would have that ability once they enact ordinances to their comprehensive plans.

If counties don't spend the collected fees within seven years, they would be refunded to the Virginia Department of Transportation and returned to the locality for urban and secondary road projects.

"Now what we're close to is a proffer system that allows them to charge you whatever they want to offset the cost of a home," Toalson said. "Here's the killer, it's not just in conjunction with your rezoning. For anybody who has a lot in the service district, they will do a calculation and you will have to pay a fee in conjunction with your building permit."

If it sounds like the housing industry is whining, homebuyers had better beware because builders will not eat the added costs.

And in a market where homes have become unaffordable for the average household income, Toalson said the new road impact fees would only increase the price of the industry's already expensive products.

"Are you going to take the cost of doing new business and just eat it," Toalson asked the room full of builders, real-estate agents and bankers. "No. You're going to pass it on to the consumer. And then what happens? All the neighbors' houses become more expensive. And then what happens? Real estate taxes get higher. But it's, 'You're the bad guy. You're paying your fair share.' And it's coming sooner rather than later."

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### **What's not to like?**

The Home Builders Association of Virginia plans to fight the state's new transportation law, Executive Vice President Mike Toalson said during a Piedmont Virginia Building Industry Association-sponsored meeting last week in Culpeper.

Here are a couple of the group's issues:

- The bill didn't allow for a period of public comment.
- Transportation impact fees would be imposed by counties on developers, who would pass them on to homebuyers, driving up real-estate prices and - in turn - real-estate taxes.