

Mapleton builders: Fees hurt business

Development » Association representative says city should allow some payments to be deferred.

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Mapleton » At least one homebuilder claims impact fees are hurting the future of this southern Utah County town.

While Richard Lewis would like to see the fees reduced, he recently offered the city another option: Defer the payments to when building permits are issued rather than when a development is first approved.

Lewis, a Mapleton builder and the Utah Valley Home Builders representative to the city, floated the idea with the City Council recently as a way to help both the city and the building industry cope with the ongoing recession.

"Mapleton's lifeblood is the housing industry," Lewis said. "When it comes back, the economy comes back."

It's an idea city officials say is worth considering, especially if it encourages more home building in the city.

Like many cities, Mapleton assesses fees on new construction to cover the cost of providing extra water and sewer connections that the new residents will require.

But Mapleton charges the fees when the plan for the development is approved, putting the cost on the developer.

The city estimates the average impact fee is \$16,000 per lot. A 10-lot subdivision would cost the developer \$160,000 at the time the plat is approved.

That cost, Lewis said, is passed on to builders, who may then decide to go where it is cheaper to put up houses. And that could further stall housing in a city that depends upon it.

Cory Branch, the city's deputy planning director, said there were 30 residential building permits issued in 2008, down from 78 in 2007.

Mayor Laurel Brady has blamed the decline in building permits in part for the city's property tax increase and other budget-cutting measures.

Branch said the builders' proposal has merits: The city gets the same amount of money, while a developer does not have to lay out all the cash at once for a subdivision. Plus, he said it also puts off the payment until there is a demand for more services from the city.

"If there are some things the city can look at and help developers, it is a positive thing," Branch said.

But the proposal would have to go through the city's Planning Commission and the council before it is approved, Branch said.

Brady said the city also needs to weigh it with information on impact fees obtained at the recent Utah League of Cities and Towns conference.

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