

## New construction in Mount Pleasant facing impact fee

*By Dustin Block*

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### MOUNT PLEASANT

- It will cost between \$3,100 and \$3,300 more to build most new homes in Mount Pleasant starting July 1.

The Village Board voted unanimously this week to implement a series of fees on new homes to pay for parks, police and fire service, roads and drainage costs.

"It is designed to help growth pay for growth," said Village Administrator Mike Andreason. "It will help reduce the impact of urbanization growth on the common taxpayers."

Impact fees are commonly used throughout the state to pay for costs related to new houses in a community. Residential development can be expensive for a community because it typically does not generate enough property tax revenue to cover the need for additional services, like police and fire. Builders dislike impact fees because they hike up the prices making it more difficult for them to sell new homes.

Impact fees can be used to pay for property and infrastructure, but not for personnel. The uses also have to be directly correlated to new residential growth. Mount Pleasant's impact fees are divided into five categories. They include:

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Parks: \$1,100

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Law enforcement: \$350

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Fire and rescue: \$400

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Transportation: \$750

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Stormwater drainage: Hoods Creek basin, \$800; Pike River basin, \$600.

The impact fees total \$3,300 for homes built in the Hoods Creek basin and \$3,100 for homes built in the Pike River basin. The impact fee for homes built in the Des Plaines basin, a small area in the southwest corner of the village, is \$2,500, because there is no drainage fee.

It's unclear how much revenue the impact fees will generate for the village. Between 100 and 300 new homes per year have been built in Mount Pleasant in recent years, though the number of new lots available have increased at a faster rate. If the housing market picks up, the number of new homes could also pick up.

The parks fee in Mount Pleasant is comparable to Caledonia, which charges a \$1,000 park development fee on new construction. Caledonia also charges a stormwater fee, but does not have impact fees for police, fire or transportation services, but does have a neighborhood planning surcharge on permits sold through the building department.

Andreason called Mount Pleasant's total fees "comparable" to surrounding communities.

"I think the Village Board recognizes the need for the sharing of expense (of new construction)," he said. "Everyone realizes how frugal you have to be (as a local government)."