

Published: 10.23.2008

## Pima plans higher home impact fees

**County seeks rate of about \$8,800 per new house, twice current rate**

**By Erica Meltzer**

*ARIZONA DAILY STAR*

Pima County plans to raise its road impact fees to about \$8,800, nearly double the current rate.

County Administrator Chuck Huckelberry said the county needs to raise its impact fees to keep pace with rising costs. Current impact fees of roughly \$4,500 per house are based on construction costs from six years ago.

Huckelberry said he hopes to bring the proposed increase to the Board of Supervisors in December or January, with a final vote coming before the end of the fiscal year in June.

The supervisors approved a plan last year that eventually will raise impact fees in the fast-growing area southwest of Tucson as high as \$15,000 to cover road costs, with additional fees to pay for infrastructure like flood control and parks to come in the future.

The county's Sonoran Desert Conservation Plan directed growth away from the more ecologically sensitive northwest toward the southwest, and county planners hoped to provide infrastructure there as new residents arrived rather than after the fact, as occurred on the Northwest Side.

The plan was touted as a model, with more regional infrastructure plans and accompanying regional impact-fee increases to come.

That's still the long-term plan, but Huckelberry said it's important to raise countywide impact fees first.

Not doing so could have the unintended consequence of driving builders and home buyers away from the very areas where the county wants them to build, he said. Why build in an area with \$15,000 impact fees when other parts of the county and other jurisdictions have road impact fees of \$4,000 or less?

"If we're going to designate the areas as growth areas, we don't want to create a disincentive," Huckelberry said.

Supervisor Sharon Bronson, who represents southwestern Pima County, strongly supported the

regional impact fee as a way for growth to pay for itself.

Bronson said Wednesday that she supports increasing countywide impact fees, though she would prefer the southwest plan take precedence.

"We need to re-evaluate impact fees countywide," she said. "I would hope that since we've done the southwest area plan, that could move forward by year's end, but we do need to look at cost recovery countywide."

Barney Brenner, a retired businessman who is seeking to unseat Bronson, said the impact fees would have a negative economic impact.

"This is a group that will never be satisfied with the amount of money they have," said Brenner, who opposes all impact fees. "They're going to cripple our economy."

Bronson said the overall economic situation and the subprime-mortgage crisis would have far more effect on the housing market than any fees the county imposes.

She said it's important for taxpayers not to be stuck paying all the costs of additional infrastructure.

Builders would support the impact fees if the county could provide convincing evidence of real cost increases and could ensure money collected from builders would be spent in the same areas as their projects, said Southern Arizona Home Builders Association Vice President Roger Yohem.

However, he and SAHBA President Ed Taczanowsky were skeptical of the idea of aiming for regional parity. They said impact fees should go up regionwide or in specific high-impact areas, but not both.

Taczanowsky said high impact fees in one area would not necessarily deter builders or buyers.

"That's just one factor in whether or not development occurs," he said. "Other factors are location, types of housing, availability of water and sewer. And we applaud them for looking ahead to infrastructure needs. All of that is a good thing, and what we call sustainable development."

Nonetheless, he said builders would pass the fees on to home buyers.

Colin Zimmerman, director of public affairs for the Tucson Association of Realtors, was more emphatic. He said he believes growth pays for itself and adding fees just hurts consumers.

"What we want to do is make sure homes are priced correctly and the market is not taking on additional costs that make it harder to sell homes and harder to buy homes," he said. "We're in a very difficult market, and we need to make it easier for people to buy homes."

The proposed fee increases, which apply only to new homes and are collected when a builder applies for a building permit, come as building permits are at record lows and the county Transportation Department is struggling with reduced revenue from state gas-tax and vehicle-license fees.

Huckelberry said the impact fees are not a response to the current economic crisis. The county won't collect any money on them until the market improves and builders start building again.

If the fees receive preliminary approval from the supervisors, the county would have to post public notice 120 days before final adoption. That means the fees probably wouldn't go into effect until next summer.

The southwest regional impact fees would follow soon after and probably go into effect in early 2010.

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