

St. John Town Council votes to hike park impact fees

23 HOURS AGO • LU ANN FRANKLIN TIMES CORRESPONDENT

ST. JOHN | New park impact fees for future residential developments go into effect in 2014 after the St. John Town Council unanimously approved a 5 percent increase.

The new \$1,736.26 impact fee is \$80 more than the current fee charged for each residential construction permit issued. It will be in effect for five years.

According to Indiana state law, a park impact fee "must be based on equitable and proportional determination of impact of new residential developments."

It takes into account park creation and replacement costs such as acreage, facilities, athletic fields and equipment.

Prior to the vote on the ordinance, the Town Council viewed a written report by Taghi Arshami of The Arsh Group Inc. based in Merrillville. St. John Town Manager Steve Kil hired Arshami as a consultant to create a 2013 impact fee study based on direction from the Town Council.

Arshami had meetings with the Impact Fee Advisory Committee over the last three months. Appointed by the Town Council, the committee included a professional engineer, a residential developer, a commercial/residential contractor, a home builder and a real estate agent.

"This is the group affected by the fees," said Kil, who also participated in the meetings along with Chip Sobek, St. John park superintendent.

In determining the new park impact fee, the committee could have recommended a \$3,004.03 fee based on the number of homes currently in St. John and the amount of money it would take to replace or create parks.

However, the committee voted to recommend the 5 percent increase.

"That is a rather large amount," Kil said about the larger fee.

"We are the highest in the state. Carmel, Ind., is the next highest," he told the Town Council.

Carmel charges \$1,526 per new residential building permit.

Kil said the \$1,736.26 fee was reasonable because the town has little park debt.

"We have a couple hundred thousand dollars to pay off," he said. "We will collect \$1.2 million over the next five years with this new fee."

That's based on an estimated 120 new residential units being built in the next five years, including 80 single-family homes, 20 duplex units and 20 townhomes/condominiums.

The St. John Park Board and the St. John Plan Commission also had unanimously approved this new fee prior to the council vote.