



Agenda Item Number: 2009-5-7B

BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS

Meeting Date: May 12, 2009

Department: Zoning, Building, Planning & Environmental Health
Staff Contact: Julie M. Baca, Deputy County Manager, Community Services
Sanford Fish, AICP, Director
Jimmy Best, Impact Fees Administrator

TITLE: Amending County Code, Chapter 46, to provide for a temporary reduction of Impact Fees

ACTION: Introduction and motion to approve publication of amendments to the Bernalillo County Impact Fee ordinance

SUMMARY:

On March 17, 2009, the Board of Commissioners discussed a potential waiver or reduction of Impact Fees to provide a stimulus for construction projects. Impact Fees are collected by the county to provide funding for roads, hydrology, parks, open space and emergency management associated with new development. Fees are dependent on the amount of permitting activity within the county, which has lessened significantly over the last 18 months due to the downturn in both the local and national economies. Reducing fees would allow anticipated work to proceed at a reduced cost, thereby providing the potential for generating additional revenues and helping to stabilize employment and market conditions within the metropolitan area.

The proposed ordinance revision reduces fees by 50% for residential projects and 75% for small commercial or industrial projects. Larger commercial or industrial projects would qualify for a waiver of all fees through separate action of the Board based on economic development criteria.

Current impact fee revenues average \$50,000 per month, with approximately 60% generated by residential projects and the 40% from non-residential projects. The proposed reduction would remain in place through the end of 2009. Staff will monitor the level of permitting activity and amount of fee reductions and present a summary to the Board to determine the overall benefit of the moratorium.

ATTACHMENT:

1. Ordinance 2009-

FISCAL IMPACT

Initial revenue reduction of approximately \$30,000 per month is anticipated. However, if this action stimulates construction increases in gross receipts tax and property tax will be achieved.

STAFF ANALYSIS SUMMARY

COUNTY MANAGER

The proposed temporary fee reduction offers the potential for generating employment and permitting activity. Recommend approval. TL 5/7/09

DEPUTY COUNTY MANAGER FOR COMMUNITY SERVICES

The potential waiver or reduction will provide a stimulus for construction projects. I recommend Board Approval. JMB 05/07/09

DEPUTY COUNTY MANAGER FOR FINANCE

If the number of permits does not increase the waived fees will be \$180,000 during the six month period. However, if the reduction in fees increases the number of permits revenues might increase during the time of the reduction. D. Mayfield 5/6/09

DEPUTY COUNTY MANAGER FOR PUBLIC WORKS

LEGAL

Approved as to form. PFT 5/6/09