

**News release**  
**Oct. 17, 2005**

### **Housing Institute opposes impact fee increase**

The West Virginia Housing Institute Inc. is opposed to a nearly 13 percent increase in the cost of locating a factory-built house in West Virginia's easternmost county.

The Jefferson County Commission wants to increase the county's impact fees from t \$8,597 to a total of \$9.880 as of Dec. 1, according to F. Mark Schiavone, impact fee coordinator in Charles Town.

Impact fees are those charges levied by the county for locating a manufactured home or developing a stick-built house in the county. It is aimed at offsetting the impact of the new home on the cost of schools, police, fire, other emergency services and parks and recreation.

"We believe they are discriminatory as designed and that they are intended to exclude our homes from Jefferson County and to put excessive pressure on rental communities that were operating before the first fees were imposed," testified AV Gallagher, executive director of the Institute.

The effect of the flat fee is felt disproportionately by our customers rather than a person able to fund a \$350,000 an up house.

"We believe this increase will further limit affordable housing and will discriminating against a wide range of people who would like to locate to your county," Gallagher testified at a public hearing held by the commission in October.

For rental communities, who had their capital investment made before the original impact fees were enacted, it is a retroactive tax that hits them each time they move one home out of their community and another in, Gallagher said.

"We believe additionally that the fee will drive more people into renting than into buying their own homes in your county, which will lessen the tax base rather than increasing it," Gallagher said.