

November 15, 2021

Livingston Parish Council
20355 Government Boulevard
Livingston, LA 70754

Dear Livingston Parish Council,

The **Home Builders Association of Greater Baton Rouge** (HBA|GBR), supported by **Louisiana Home Builders Association** (LHBA) and **National Association of Home Builders** (NAHB), represents over 1,000 businesses that are members across the nine-parish Baton Rouge Metropolitan Area, with nearly 130 of those businesses located in Livingston Parish. Our Association advocates for safe, affordable and quality housing while also promoting ethical and professional standards for the home building industry.

HBA|GBR members have expressed concerns on the proposed Drainage Impact Fee Ordinance. When originally discussed in the ordinance committee meeting in July 2021, our members provided feedback and posed questions regarding the ordinance including alternatives to an impact fee.

Impact fees are fees collected by a local government and are used as a tool to pay for *new growth*. Builders and developers pay a share of the impact their development has on the community's public facilities; however, impact fees are ultimately paid by the purchaser.

How is Livingston Parish determining the proportionate share of cost to the drainage system?

- In section 125-22, it states that "every five years, the Planning director shall recommend to the Parish Council where any changes should be made to the **drainage impact fee study**." At this time, there has been no study conducted that would inform cost of impacted drainage therefore a review cannot occur. * *Ascension Parish and St. Tammany Parish each conducted a study.*
- Residents and businesses in Gravity Drainage Districts 1, 2 and 5, (GDD) are funded by a voter approved property tax mileage. GDD 5 and 6 are unfunded and voted down a tax. GDD's represent incorporated and unincorporated municipalities which will lead to some paying property taxes and impact fees.
- The Parish Council should ensure fee amounts (and formulas) are linked to rigorous studies of public service costs and delivery. Currently, a wide range of fees appears to be levied. The lack of transparency in the formulas and the sources of the estimates suggests some fees may not meet the rational dual nexus test.

How the fee schedule impacts the types of subdivision of property?

- Is it not better practice to weigh fees based on the amount of impervious surfaces created given the goal of this drainage fee?
- If there is a one-size-fits-all fee for single family, then it is failing to capture the differences in impervious surfaces created from large single-family homes vs. smaller homes.

- Definitions (specifically “subdivisions without improvements”) limiting principles, and defining whether it applies to unincorporated portions or both unincorporated and drainage districts. Does the fee have to stay within the area it is collected?

When is the fee paid?

- Since the fee is based on the size and/or type of the dwelling, it would align with other areas to have it paid during the building permit application phase.
- Development does not actually cause impacts until a land use commences or a building is occupied, the fees should not be payable until the final stages of construction or occupancy begins.
- According to the ordinance, it reads it will be effective November 18, 2021. As a new fee, the timeline should allow for communication, expectations, and the ability for developers, businesses, and residents to factor into their planning the additional costs of the subdivision of property.

Who really benefits from the new or expanded public facilities? What is the impact on housing costs?

- Impacts on affordable housing: With every \$1,000 added to the price of a home, 366 potential homebuyers are priced out of the market. Increasing housing regulatory fees will further raise home prices and reduce the percentage of residents who can afford to buy a new home.

Other areas needing to be addressed or provide more detail:


- Lack of definition for qualifications
- Fee schedule shows St. Tammany Parish ordinance numbers. The Livingston Parish Ordinance Committee stated this would be changed to half of the numbers.
- The last line states the “And the ordinance was declared adopted on the 9th day of September 2021.”

We ask that you please deny or defer this costly ordinance. To discuss any of these topics further, please do not hesitate to reach out to us. We are always available to discuss how we can provide safe, affordable, quality housing to the residents of Livingston Parish.

Sincerely,



Brandon Ivey
HBA | GBR Board of Directors Chair



Karen Zito
President and CEO