

RESOLUTION NO. 1712

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, A MUNICIPAL CORPORATION OF ARIZONA, AMENDING RESOLUTION NO. 1461 (WHICH PREVIOUSLY ASSESSED REVISED DEVELOPMENT IMPACT FEES PURSUANT TO ARS §9-463.05) BY EXTENDING THE SUSPENSION OF ASSESSMENT OF SAID FEES AGAINST RETAIL, COMMERCIAL/OFFICE, INDUSTRIAL AND SCHOOL DEVELOPMENT UNTIL AUGUST 6, 2012; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, the Town of Prescott Valley ("Town") was incorporated on August 28, 1978 with a population of 1,521; and

WHEREAS, from the time of its incorporation the Town has experienced rapid growth such that its population in 1985 was 5,471, in 1990 was 8,987, in 1995 was over 16,000, in 2000 was over 23,000, and in 2010 is currently estimated at 39,000; and

WHEREAS, the community as originally planned did not include adequate public capital improvements or infrastructure for significant growth; and

WHEREAS, ARS §9-463.05 provides for imposition of development impact fees by Arizona cities and towns to offset costs associated with providing "necessary public services" to new developments; and

WHEREAS, On March 23, 1995, the Town Council adopted Ordinance No. 357 creating Article 7-11 of the Town Code authorizing assessment of development impact fees by resolution in accordance with procedures set forth therein; and

WHEREAS, pursuant to ARS §9-463.05 and Town Code Article 7-11, the Town Council adopted Resolution No. 624 (April 27, 1995) applying a Recreation Development Fee to each new unit of residential development; and

WHEREAS, a Capital Improvement Program adopted with the assistance of a citizens' advisory committee was formally accepted by the Council on May 14, 1998; and

WHEREAS, by Resolution No. 870 (February 11, 1999) the Council adopted a new Circulation System Fee, Public Safety Fee, Recreation, Parks and Open Space Fee, and Civic/Cultural Fee (effective May 12, 1999) applicable to new residential development, and a new Circulation System Fee and Public Safety Fee applicable to new commercial and industrial development (with phased implementation of said fees over a three-year period); and

WHEREAS, in June 2002 a citizens' advisory committee again met with Town staff and a consultant (Rick Giardina and Associates) to review the development impact

fees in light of economic development efforts to encourage commercial/industrial growth in the community; and

WHEREAS, on January 30, 2003 the Council reviewed in work/study session a “Development Impact Fee Study Final Report, January 2003” from Giardina which proposed options for revision of the fees (including separation of the Civic/Cultural Fee into a separate Civic Fee and Cultural Fee), and received comments and recommendations from members of the citizens’ committee; and

WHEREAS, after additional information from Town staff about average dwelling unit size for single-family and multi-family developments (and clarification that multi-family developments for development fee purposes would be defined the same as for zoning purposes; i.e. two (2) or more units), Giardina issued an “Addendum to Development Impact Fee Study Final Report, March 3, 2003” (later finalized as “Addendum to Development Impact Fee Study Final Report, March 28, 2003”) which finalized the proposed Public Safety Fee, Civic Fee, Cultural Fee, Recreation, Parks & Open Space Fee, and Circulation System Fee for Single-Family Residential, Multi-Family Residential, Retail, Commercial/Office, Industrial and School developments based on the option chosen by the Council; and

WHEREAS, said option included a proposal to suspend assessment of the Public Safety, Civic, and Circulation System Fees against retail, commercial/office, industrial, and school developments (the Cultural and Recreation, Parks & Open Space Fees already being inapplicable to said developments) for up to thirty-six (36) months in order to encourage said developments (subject to annual monitoring by Town staff in order to report to the Council the impact on said developments and on revenues); and

WHEREAS, the Council declared its intent to revise development impact fees at its regular meeting on March 13, 2003, and directed the Town Clerk to make available to the public the Development Impact Fee Study Final Report, January 2003 and the Addendum to Development Impact Fee Study Final Report, March 3, 2003 (which Addendum was subsequently dated March 28, 2003); and

WHEREAS, the Council held a public hearing on the proposed revisions at its regular meeting on April 24, 2003; and

WHEREAS, by Resolution No. 1183 (May 8, 2003) the Council adopted said revisions to development impact fees, effective August 6, 2003; and

WHEREAS, in June 2005 the Town entered into a new agreement with Red Oak Consultants (formerly Rick Giardina and Associates) to again review development impact fees in light of sustained and significant growth; and

WHEREAS, by Resolution 1431 (May 25, 2006), the Council amended Resolution 1183 and extended the suspension of non-residential development impact

from 36 months to 60 months pending completion of a new rate study and adoption of new rates; and

WHEREAS, by Resolution 1461 (September 14, 2006), the Council adopted new impact fee rates for residential, retail, commercial/office, industrial and school development and continued with the suspension of the non-residential impact fees until August 6, 2008; and

WHEREAS, by Resolution 1590, the Council extended the suspension of the non-residential impact fees until August 6, 2010; and

WHEREAS, without Council action, suspension of the assessment of the 2006 fees against retail, commercial/office, industrial, and school developments is scheduled to lapse as of August 6, 2010; and

WHEREAS, a number of the same issues raised in 2006 and 2008 about the need to encourage commercial development which produces transaction privilege tax income still apply in 2010; and

WHEREAS, it is proposed that the earlier suspension be extended until August 6, 2012 in order to encourage further commercial development in Prescott Valley and the ongoing transaction privilege taxes that retail development provides; and

WHEREAS, such an extension may be accomplished by simply adopting an amendment to Resolution No. 1461 inasmuch as no new or modified fees are being assessed per ARS §9-463.05 or Town Code Article 7-11; and

WHEREAS, the Council expressly finds that extension of the suspension of assessment of the 2006 revised development impact fees to retail, commercial/office, industrial, and school developments comports with the statutory and constitutional authority of the Town, is in accordance with the Town's General Plan, and is otherwise necessary for the health, safety and welfare of the community;

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, ARIZONA, AS FOLLOWS:

SECTION ONE. That Section 6 of Resolution No. 1461 (Sept 14, 2006) be hereby amended to read as follows:

6. That assessment of the Circulation System Fee, the Public Safety Fee, and the Civic Fee to Retail, Commercial/Office, Industrial, and School development shall be suspended from and after the effective date established hereinafter, until August 6, 2008~~12~~ or until such date as the Council may designate by vote of a majority of those members present (whichever is sooner).

SECTION TWO. That all other provisions in Resolution No. 1461, not herein amended, shall remain in full force and effect.

SECTION THREE. That this Resolution shall be effective after its passage and approval according to law.

RESOLVED by the Mayor and Common Council of the Town of Prescott Valley, Arizona this 22nd day of July, 2010.

Harvey C. Skoog, Mayor

ATTEST:

Diane Russell, Town Clerk

APPROVED AS TO FORM:

Ivan Legler, Town Attorney