

RESOLUTION NO. 1461

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, A MUNICIPAL CORPORATION OF ARIZONA, ASSESSING REVISED DEVELOPMENT IMPACT FEES AS A CONDITION OF NEW DEVELOPMENT IN THE TOWN, PURSUANT TO ARS §9-463.05; INCORPORATING AND ADOPTING THAT CERTAIN "DEVELOPMENT IMPACT FEE STUDY FINAL REPORT, JUNE 2006" WHICH SUPPORTS SAID REVISED FEES; SUSPENDING UNTIL AUGUST 6, 2008 THE APPLICATION OF THE PUBLIC SAFETY, CIVIC, AND CIRCULATION SYSTEM FEES WHICH WOULD OTHERWISE APPLY TO RETAIL, COMMERCIAL/OFFICE, INDUSTRIAL AND SCHOOL DEVELOPMENT AS SET FORTH IN SAID FINAL REPORT; PROVIDING AN EFFECTIVE DATE FOR SAID FEES; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, the Town of Prescott Valley was incorporated on August 28, 1978 with a population of 1,521, and immediately experienced rapid growth such that its population in 1985 was 5,471, its population in 1990 was 8,987, its population in 1995 was over 16,000, its population in 2000 was over 23,000, and its population is currently estimated to be in excess of 35,000; and

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

WHEREAS, the community's sustained growth has required it to find methods of providing additional public capital improvements and infrastructure, including "through" streets, street surfacing, a wastewater collection and treatment system, drainage and flood control structures, street lights, traffic control devices, developed parks, recreation facilities, additional public and private utilities, fire facilities (in cooperation with the Central Yavapai Fire District), police facilities, and public schools and related grounds (in cooperation with the Humboldt Unified School District); and

WHEREAS, in order to finance these additional public capital improvements and infrastructure the Town has heretofore relied upon general fund expenditures (primarily including local transaction privilege taxes and state-shared revenue), HURF bonds (state highway user revenues distributed pursuant to ARS §28-1595), revenue bonds (using utility fees after elections pursuant to ARS §9-523 et seq.), municipal property corporation bonds (as authorized by case law, involving either general funds or utility fees), lease-purchase agreements (as authorized by case law, generally involving local transaction privilege taxes), improvement districts (pursuant to ARS §48-571 et seq, involving assessments against lots and assessment bonds), building and zoning permit conditions (pursuant to §9- 462.01 and case law, requiring exactions from individual developers), subdivision conditions (pursuant to §9,~463.01 and case law, requiring exactions from individual developers), development agreements (pursuant to §9-500.05, requiring exactions from individual developers), and ad valorem taxes (not the Town's but those of the School District and Fire District); and

WHEREAS, the sustained growth of the community and recognition that the above listed funding

mechanisms will not adequately or equitably provide the additional public capital improvements or infrastructure needed to accommodate the growth, has led the community to consider funding mechanisms which can contribute up-front monies from developers; and

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

WHEREAS, in accordance with §9-463.05, such fees must (1) result in a beneficial use to the development, (2) be placed in a separate fund, separately accounted for, with any earned interest credited to the fund, (3) be used only for purposes authorized by the section, (4) be paid by developers of residential dwelling units when construction permits for the dwelling units are issued, (5) have a credit provided against them for any required dedications from the developer of public sites and improvements for which the fee is assessed, (6) bear a reasonable relationship to the burden of providing additional necessary public services to the development (taking into account the contribution towards the necessary public services covered by the development fees made or to be made in the future by the property owner through taxes, fees or assessments), and (7) be non-discriminatory; and

WHEREAS, such fees may be assessed only after (a) giving thirty (30) days notice of the intent to assess a new or increased fee, (b) releasing to the public a written report which includes all documentation that supports the fee, (c) conducting a public hearing on the fee any time after the sixty (60) day notice [and at least fourteen (14) days before the scheduled date of adoption], and (d) waiting ninety (90) days after formal adoption; and

WHEREAS, in accordance with ARS §9-463.05, the Prescott Valley Town Council adopted Ordinance No. 357 (dated March 23, 1995) creating a new Article 7-11 of the Town Code authorizing the Council to assess development 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 (dated April 27, 1995) applying a Recreation Development Fee to each new unit of residential development in the Town for designated projects related to population growth, and setting forth the justification therefore; and

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

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

WHEREAS, by Resolution No. 1183 (dated May 8, 2003) the Council adopted new Circulation Fees, Public Safety Fees, Recreation, Parks and Open Space Fees, Civic Fees, and Cultural (library) Fees effective August 6, 2003 applicable to new residential development, and also adopted Circulation System Fees, Public Safety Fees, and Civic Fees applicable to new commercial and industrial development, and suspended such fees for a period of three years to foster economic growth; and

WHEREAS, by Resolution 1431 (dated May 25, 2006), the Council extended by an additional 24 months the suspension of impact fees on non-residential development in the Town; and

WHEREAS, in June 2006 a citizens' advisory committee again met with Town staff and a consultant (Red Oak Consulting) to review said fees, particularly in light of rising construction costs; and

WHEREAS, on June 15, 2006, the Town Council reviewed in work/study session a "Development Impact Fee Study Report, May 2006" from Red Oak which proposed options for revision of the fees (including separation of the Cultural Fee into a separate Library Fee and Arts Fee), and received comments and recommendations from members of the citizens' committee; and

WHEREAS, the Town Council declared its intent to revise development impact fees at its regular meeting on June 29, 2006, and directed the Town Clerk to make available to the public the Development Impact Fee Study Final Report, June 2006; and

WHEREAS, the Council held a public hearing on the proposed revisions to development impact fees at its regular meeting on August 31, 2006; and

WHEREAS, the Council desires now to adopt Said revisions to development impact fees, effective December 13, 2006, in accordance with ARS §9-463.05; and

WHEREAS, the Council expressly finds that the revised development impact fees set forth herein (and the procedures for imposing the same) comport with the statutory and constitutional authority of the Town, are in accordance with the Town's General Plan, and otherwise are 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:

1. That a Circulation System Fee is hereby assessed on all development within the corporate limits of the Town of Prescott Valley. Said fee shall be –

Residential

Single-Family	\$2,986.00 per unit
Multi-Family	\$1,596.00 per unit

Non-Residential

Retail	\$ 1.41 per square foot
Commercial/Office	\$ 0.66 per square foot
Industrial	\$ 0.44 per square foot
School	\$ 0.79 per square foot

and shall be applicable on and after the effective date established hereinafter, subject to the suspension applied by the Town Council as set forth herein.

2. That a Public Safety Fee is hereby assessed on all development within the corporate limits of the Town of Prescott Valley. Said fee shall be –

Residential

Single-Family	\$ 443.00 per unit
Multi-Family	\$ 279.00 per unit

Non-Residential

Retail	\$ 0.03 per square foot
Commercial/Office	\$ 0.03 per square foot
Industrial	\$ 0.03 per square foot
School	\$ 0.03 per square foot

and shall be applicable on and after the effective date established hereinafter, subject to the suspension applied by the Town Council as set forth herein.

3. That a Recreation, Parks and Open Space Fee is hereby assessed on all residential development within the corporate limits of the Town of Prescott Valley. Said fee shall be–

Residential

Single-Family	\$ 1,716.00 per unit
Multi-Family	\$ 1,078.00 per unit

Non-Residential

Retail	NA
Commercial/Office	NA
Industrial	NA
School	NA

and shall be applicable on and after the effective date established hereinafter.

4. That a Civic Fee is hereby assessed on all development within the corporate limits of the Town of Prescott Valley. Said fee shall be –

Residential

Single-Family	\$ 123.00 per unit
Multi-Family	\$ 78.00 per unit

Non-Residential

Retail	\$ 0.01 per square foot
Commercial/Office	\$ 0.01 per square foot
Industrial	\$ 0.01 per square foot
School	\$ 0.01 per square foot

and shall be applicable on and after the effective date established hereinafter, subject to the suspension applied by the Town Council as set forth herein.

5. That a Library Fee is hereby assessed on all-residential development within the corporate limits of the Town of Prescott Valley. Said fee shall be –

Residential

Single-Family	\$ 1,589.00 per unit
Multi-Family	\$ 998.00 per unit

Non-Residential

Retail	NA
Commercial/Office	NA
Industrial	NA
School	NA

and shall be applicable on and after the effective date established hereinafter.

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 or until such date as the Council may designate by vote of a majority of those members present (whichever is sooner).

7. That the definitions in Town Code Article 7-11 "DEVELOPMENT FEES" and Town Code Chapter 13 "ZONING" (as amended) shall apply to the administration of these development impact fees, except as follows:

(a) Convalescent and Nursing Homes, Hotels, Motels, and Recreational Vehicle Parks shall be classified as Non-Residential, Commercial development for purposes of administration of these development impact fees; and

(b) Condominiums and Mobile/Manufactured Home Parks shall be classified as Residential, Multi-Family development for purposes of administration of these development impact fees.

8. That, with respect to administration of these development impact fees, an individualized determination shall be made as to what credits or offsets (if any) shall be applied to the allocated fees in accordance with Town Code Article 7-11 (as amended).

9. That payment of the development impact fees adopted herein shall be required at the time of

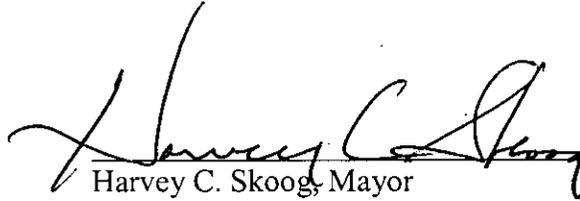
issuance of the first building/zoning permit required of development by §301 of the Uniform Administrative Code (as adopted and amended in Chapter 7 of the Town Code) and § 13-27-020 of the Town Code (as amended), expressly excluding grading and drainage permit~ or any other preliminary permits not related to actual construction of buildings or structures.

10. That the development impact fees adopted herein shall be effective on and after December 13, 2006, and shall therefore apply to required building/zoning permits for which a complete application is submitted on or after that date.

11. 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 14th day of September, 2006.




Harvey C. Skoog, Mayor

ATTEST:


Diane Russell, Town Clerk

APPROVED AS TO FORM:


Ivan Legler, Town Attorney