

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION
Date: December 15, 2016**

SUBJECT: Presentation on Development Impact Fees Audit

SUBMITTING DEPARTMENT: Management Services

PREPARED BY: William Kauppi, Management Services Director
Jill Shaw, CPA, of the firm Heinfeld, Meech & Co., PC

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: Development Impact Fees Audit

SUMMARY/BACKGROUND: To ensure new growth pays its proportionate share of infrastructure costs, development impact fees are collected by cities and towns to evenly and fairly distribute the burden of facility capacity to serve new development. These one-time charges are assessed to new development by local governments to recover the proportional cost of facilities benefiting new development based on specific calculations using standardized assessment schedules. Each development project pays a proportionate share of the cost of new infrastructure or necessary public services needed to support the new development.

Per Arizona statutes, an audit must be conducted biennially (every two years) and be presented before Council as a Public Hearing. According to the State, the audit shall review the collection and expenditures of development fees for each project in the plan and provide written comments describing the amount of development impact fees assessed, collected and spent on capital facilities. It shall also describe the Level of Service in each Service Area, and evaluate any inequities in implementing the Infrastructure Improvements Plan or imposing the development impact fee.

The Public Hearing is for presentation and discussion only; adoption of the audit is not required. The audit has also been posted to the Town's website as required by statute.

OPTIONS ANALYSIS: Public Hearing; no options proposed.

ACTION OPTION: Public Hearing; no action required.

RECOMMENDATION: Public Hearing; no action recommended.

FISCAL ANALYSIS: None.

REVIEWED BY:

Management Services Director _____

Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____