

CHAPTER 20 DEVELOPMENT IMPACT FEE CODE

Article 20-1 DEVELOPMENT IMPACT FEES

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Section 20-1-1 General

Development resulting in first time town services shall be subject to development impact fees. Development of properties that were previously provided Town services will not be charged development impact fees unless there is a change in intensity or density of use (i.e. an increase from the land use categories of Single Family, Multi-Family, Commercial or Industrial) except for water and wastewater fees as defined below. In such cases the difference in use will be used to pro-rate the development impact fee.

In the event of development of a property resulting in an increase in water meter size, the developer/property owner shall pay a Wastewater Facilities Development Fee and a Water Facilities Development Fee, by using the difference in water meter size to prorate said impact fees for the increased impact to the Town services and systems

To ensure a reasonable relationship between each of the development impact fees and the type of development paying the development impact fee, growth projections are used to distinguish between different land use types. The land use types are defined below.

Section 20-1-2 Definitions.

- A. **Single family:** Attached and detached one-family dwelling units, modular, and manufactured homes;
- B. **Multi-family:** All attached dwelling units such as duplexes and condominiums, mobile homes, apartments, and dormitories;

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C. Commercial: All commercial, office, retail, institutional, and hotel/motel development;

D. Industrial: All manufacturing and warehouse development.

E. Difficult Service Area: A geographic area within the incorporated limits of the Town designated by the Mayor and Common Council which shall be exempt from paying water and/or wastewater development fees.

Section 20-1-3 Civic Facilities Impact Fees.

Civic Facilities impact fees shall be as follows:

Land Use Category	Unit	Fee per unit
Single Family	Housing unit	\$2,272
Multi-Family	Housing unit	\$1,792
Commercial	1,000 sq. ft.	\$460
Industrial	1,000 sq. ft.	\$329

Section 20-1-4 Library Facilities Impact Fees.

Library Facilities impact fees shall be as follows:

Land Use Category	Unit	Fee per unit
Single Family	Housing unit	\$535
Multi-Family	Housing unit	\$422

Section 20-1-5 Park Facilities Impact Fees.

Park Facilities impact fees shall be as follows:

Land Use Category	Unit	Fee per unit
Single Family	Housing unit	\$3,580
Multi-Family	Housing unit	\$2,824

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Section 20-1-6 Police Facilities Impact Fees.

Police Facilities impact fees shall be as follows:

Land Use Category	Unit	Fee per unit
Single Family	Housing unit	\$493
Multi-Family	Housing unit	\$389
Commercial	1,000 sq. ft.	\$100
Industrial	1,000 sq. ft.	\$71

Section 20-1-7 Wastewater Facilities Impact Fees.

Wastewater Facilities impact fees shall be as follows:

Meter Size	Fee per unit
5/8"	\$1,785
1"	\$4,462
1 1/2"	\$8,924
2"	\$14,279
3"	\$28,557
4"	\$44,621
6"	\$89,242
8"	\$142,787

Section 20-1-8 Water Facilities Impact Fees.

Water Facilities impact fees shall be as follows:

Meter Size	Fee per unit
5/8"	\$2,322
1"	\$5,806
1 1/2"	\$11,612
2"	\$18,579
3"	\$37,158
4"	\$58,059
6"	\$116,118
8"	\$185,788

If a single family residential unit is required to install a 1" water meter for the sole purpose of meeting the fire sprinkler standards of the Town of Clarkdale, and that

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otherwise a 5/8" meter would have been sufficient, then the development fee for that single family residential unit for Water Facilities Impact Fees shall be charged at the 5/8" meter rate, as set forth above.

Section 20-1-9 Automatic Annual Adjustment of Development Fees.

On March 1, 2008 and on each March 1st thereafter the development impact fee per unit shall be increased based upon the annual increase in the Engineering News-Record – Construction Cost Index, the Engineering News-Record – Building Cost Index in order to adjust for inflationary increases in cost of providing public facilities set forth herein.

Section 20-1-10 Development Agreement Requirements.

No dedication or construction project may be accepted in exchange for a credit except pursuant to an executed development agreement between the Town and the provider of the dedication or construction, which must include the following:

- A. A schedule for the initiation and completion of the construction of the proposed public facility;
- B. The amount of the development fees, by type, propose to be credited by the Town;
- C. A provision that all construction will be in accordance with Town specifications and all regulations set forth in the Town Subdivision Ordinance; and
- D. Such other terms and conditions as deemed necessary by the Town.

Section 20.1.11. Credits.

1. Credits against the amount of development fees may be given by the Council for a new development, pursuant to a development agreement, for dedications of land, equipment or actual construction, by a developer of all or part of a public facility necessary to offset the impacts of a new development.
2. Police facilities, park facilities, civic facilities, library facilities provided by a developer or property owner are eligible for credits against the applicable development fee, up to the total amount of fees which are imposed.

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3. In order to be eligible for development fee credits, the public facility proposed for dedication or construction must be:
 - A. Of a type included in the Impact Fee Study;
 - B. Credited only against the same type of development fee as is being proposed for dedication or construction; and
 - C. Subject to a development agreement that has been executed prior to the issuance of a building permit for which a credit is sought.
4. The procedure for said credits shall be:
 - A. Upon receipt of a complete application and proposed development agreement, the Town Manager, Town Attorney and other appropriate staff must review the application and proposed agreement, as well as such other information and evidence as may be deemed relevant, and the Town Manager must forward to the Town Council a report as to whether a credit is properly based on the provisions of this Ordinance.
 - B. Based on the report of the Town Manager, the provisions of this Ordinance, the Town's General Plan, adopted Town budget, adopted Capital Improvements Program and the Impact Fee Study, the Town Council must make a final decision to accept, reject or accept with conditions the proposed dedication or construction and development agreement in exchange for a credit against development fees owed.
5. The amount of the credit to be given as a result of the dedication or construction of a public facility for which a development fee is imposed under this Ordinance is to be calculated as the lower of the following:
 - A. The amount of the development fee due pursuant to this Ordinance;
 - B. The actual verified costs of dedication or construction. Actual verified costs shall be calculated as follows:
 1. Construction of facilities and provision of equipment. The credit must be equal to the actual cost of construction or equipment, as evidenced by receipts and other sufficient documentation provided by the developer of the public facility and verified by the Town Manager, but no greater than the maximum fees to be paid by the applicant on the new development.

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2. Dedication of land. The credit is to be based on the fair market value of the land as determined by a certified property appraiser selected by the Town. If the developer/property owner rejects the appraisal, the developer/property owner may hire and pay for a second appraiser to appraise the property. If either party rejects the second appraisal, a third appraisal may be performed by an appraiser chosen by the first and second appraisers. The third appraisal is binding on both parties. All appraisals must be consistent with generally-accepted appraisal techniques and the date of valuation must be the date of transfer to the Town. All appraisals shall be paid by the developer/property owner who is requesting the credit.

6. Transferability. Credits granted pursuant to this section may be transferred from the applicant to property owners within the original development. However, in order to transfer credits from the original development to another development, an application must be made to the Town Manager and approved by the Town Council.

Section 20-1-12 Administration of Development Fees.

- A. The development fee program shall be administered by the Town Manager or such persons or departments designated by the Town Manager.
- B. The Town Community Development Department is responsible for collecting and accounting for development fees adopted pursuant to his Ordinance. In accordance with A.R.S. §9-463.05, the fees shall be accounted for in a separate fund and impact fee element (park, public safety and streets) that clearly identifies the purpose for which the fee was imposed. Interest earned on monies in the fund shall be credited to the fund.
- C. The Town shall comply with the requirements of Arizona statutes for reporting and accounting of Development Fees assessed, collected and used for the development of facilities described herein.

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Section 20-1-13 Difficult Service Areas

The areas outlined in the map attached hereto as Exhibit "A" and "B" and made a part hereof by reference, including, but not limited to, the areas commonly known as a portion of Paz and Cota Subdivision, the Ravenhill, Cliffside and Tuzigoot area, and the Mingus Mountain foothills area, are hereby designated as a Difficult Service Area by the Town.

Development occurring in this area shall not be required to pay a water and/or a wastewater development fee in recognition that a common sanitary sewer or water main will not be constructed in the reasonably foreseeable future. If and when a common sanitary sewer or water main is constructed, properties within the Difficult Service Area will be required to pay a prorata share of the construction cost in a manner to be determined by the Mayor and Common Council at that time.

Map Page