

CHAPTER 7: DEVELOPMENT FEES

Article

7-1. GENERAL PROVISIONS

7-2. STREET FACILITIES DEVELOPMENT FEES

7-3. POLICE FACILITIES DEVELOPMENT FEES

7-4. PARKS AND RECREATIONAL FACILITIES DEVELOPMENT FEES

7-5. LIBRARY FACILITIES DEVELOPMENT FEES

APPENDIX 7-A: DEVELOPMENT FEE SCHEDULE

ARTICLE 7-1: GENERAL PROVISIONS

Section

- 7-1-1 Title
- 7-1-2 Legislative intent
- 7-1-3 Purpose and administration
- 7-1-4 Definitions
- 7-1-5 Applicability
- 7-1-6 Service areas
- 7-1-7 Authority for development fees
- 7-1-8 Fund accounting for development fees
- 7-1-9 Land use assumptions
- 7-1-10 Infrastructure improvements plan
- 7-1-11 Adoption and modification procedures
- 7-1-12 Timing for the renewal and updating of the infrastructure improvements plan and the land use assumptions
- 7-1-13 Collection of development fees
- 7-1-14 Expenditure of development fees
- 7-1-15 Development fee credits and credit agreements
- 7-1-16 Development agreements
- 7-1-17 Relief procedures and hearings
- 7-1-18 Development fee as supplemental regulation to other financing methods
- 7-1-19 Refunds of development fees
- 7-1-20 Oversight of development fee program
- 7-1-21 Calculation of development fees based on fee schedule

Editor's note:

Effective date for this Chapter is ~~October 21, 2019~~ **October 31, 2022**.

§ 7-1-1 TITLE.

This Chapter of the Apache Junction City Code, shall be known as the "Apache Junction City Code Volume II, Land Development Code, Chapter 7: Development Fees" and may be referred to herein as "this Ordinance" or "this Chapter".

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-2 LEGISLATIVE INTENT.

(A) This Chapter is adopted for the purpose of promoting the health, safety and general welfare of the residents of the City of Apache Junction by including the cost of infrastructure, improvements, real property, engineering and architectural services, financing and professional services as a result of preparation or revision of a development fee including

infrastructure improvements plan:

- (1) Requiring new development to pay its proportionate share of the costs incurred by the city that are associated with providing necessary public services to new development,
- (2) Setting forth standards and procedures for creating and assessing development fees consistent with the requirements of Arizona Revised Statutes ("A.R.S.") § 9-463.05.
- (3) Setting forth procedures for administering the development fee program, including mandatory offsets, credits, and refunds of development fees. All development fee assessments, offsets, credits, or refunds must be administered in accordance with the provisions of this Chapter.

(B) This Chapter shall not affect the city's zoning authority or its authority to adopt or amend its general plan, provided that planning and zoning activities by the city may require amendments to development fees pursuant to A.R.S. § 9-463.05.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-3 PURPOSE AND ADMINISTRATION.

(A) This Chapter assesses development fees to offset the costs to the city associated with providing necessary public services to a development. The fees shall:

- (1) Result in a beneficial use to the development;
- (2) Bear a rational relationship to the burden of the developer; and
- (3) Be assessed in a non-discriminatory manner.

(B) The development fees to be paid by each new development pursuant to this Chapter are to be proportional to the impact based on service units that the new development will have on the types of facilities for which the fees are charged.

(C) The city official with primary responsibility for administering this Chapter shall be referred to as the "Development Fee Administrator." The Development Fee Administrator shall be the Director of Development Services unless another person is so designated by the City Manager. The Development Fee Administrator may delegate authority conferred by this Chapter to other city staff.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-4 DEFINITIONS.

For the purpose of this Chapter the following definitions shall apply unless the context clearly indicates or requires a different meaning. Singular terms shall include their plural.

APPLICANT. A person who applies to the city for a construction or improvement permit.

APPURTENANCE. Any fixed machinery or equipment, structure or other fixture, including integrated hardware, software or other components, associated with a capital facility that are necessary or convenient to the operation, use, or maintenance of a capital facility, but excluding replacement of the same after initial installation.

AQUATIC CENTER. A facility primarily designed to host non-recreational competitive functions generally occurring within water, including, but not limited to, water polo games, swim meets, and diving events. Such facility may be indoors, outdoors, or any combination thereof, and includes all necessary supporting amenities, including but not limited to, locker rooms, offices, snack bars, bleacher seating, and shade structures.

ASSISTED LIVING. Establishments primarily providing either routine general protective oversight, assistance with activities necessary for independent living to mentally or physically limited persons, or establishments providing care for persons who are unable to care for themselves. By way of example, *Assisted Living* includes assisted living facilities, nursing homes, rest homes, chronic care homes, and convalescent homes.

CONSTRUCTION OR IMPROVEMENT PERMIT. Any permit issued by the city that authorizes vertical construction, increases square footage, authorizes changes to land use, or provides for the addition of a residential or non-residential point of demand to a water or wastewater system.

CAPITAL FACILITY. An asset having a useful life of 3 or more years that is a component of 1 or more categories of necessary public service provided by the city. A capital facility may include any associated purchase of real property, architectural and engineering services leading to the design and construction of buildings and facilities, improvements to existing facilities, improvements to or expansions of existing facilities, and associated financing and professional services. Wherever used herein, **INFRASTRUCTURE** shall have the same meaning as **CAPITAL FACILITIES**.

CATEGORY OF DEVELOPMENT. A specific category of residential, commercial, office, industrial, or institutional development against which a development fee is calculated and assessed. The city assesses development fees against the following categories of development: residential, commercial, office, industrial, and institutional.

CATEGORY OF NECESSARY PUBLIC SERVICE. A category of necessary public services for which the city is authorized to assess development fees, as further defined by A.R.S. § 9-463.05.

CITY. The City of Apache Junction, Arizona.

COMMERCIAL LAND USE. ~~The buying, selling, repair, leasing or storage of goods and services.~~ Establishments primarily selling merchandise, eating/drinking places, and entertainment uses. By way of example, commercial includes shopping centers, supermarkets, pharmacies, restaurants, bars, nightclubs, automobile dealerships, and movie theaters. This term shall not include manufacturing, distribution or general warehousing activities as a primary use.

CREDIT. A reduction in an assessed development fee resulting from developer contributions to, payments for, construction of, or dedications for capital facilities included in an Infrastructure Improvements Plan pursuant to A.R.S. § 9-463.05 (or as otherwise permitted by this Chapter).

CREDIT AGREEMENT. A written agreement between the city and the developer(s) of subject development that allocates credits to the subject development pursuant to Vol. II, § 7-1-15 of this Chapter. A credit agreement may be included as part of a development agreement pursuant to Vol. II, § 7-1-16 of this Chapter.

CREDIT ALLOCATION. A term used to describe when credits are distributed to a particular development or parcel of land after execution of a credit agreement, but are not yet issued.

CREDIT ISSUANCE. A term used to describe when the amount of an assessed development fee attributable to a particular development or parcel of land is reduced by applying a credit allocation.

DEVELOPER. An individual, group of individuals, partnership, corporation, limited liability company, association, municipal corporation, state agency, or other person or entity undertaking land development activity, and their respective successors and assigns.

DEVELOPMENT AGREEMENT. An agreement prepared in accordance with the requirements of Vol. II, §7-1-16 of this Chapter, A.R.S. § 9-500.05, and any applicable requirements of the city code.

DEVELOPMENT FEE REPORT. A written report developed pursuant to A.R.S. § 9-463.05 that identifies the methodology for calculating the amount of each development fee, explains the relationship between the development fee to be assessed and the cost per service unit calculated in the Infrastructure Improvements Plan, and which meets other requirements set forth in A.R.S. § 9-463.05.

DIRECT BENEFIT. A benefit to a service unit resulting from a capital facility that: (a) addresses the need for a necessary public service created in whole or in part by the service unit; and that (b) meets either of the following criteria: (i) the capital facility is located in the immediate area of the service unit and is needed in the immediate area of the service unit to maintain the level of service; or (ii) the capital facility substitutes for, or eliminates the need for a capital facility that would have otherwise have been needed in the immediate area of the service unit to maintain the city's level of service.

DWELLING, MULTIPLE OR 2+ UNIT LAND USE. A building containing 2 or more primary dwelling units on a single lot. Types of multiple residence dwellings include duplexes, garden apartments, and multi-story apartment buildings as well as a guest house.

DWELLING, SINGLE UNIT - MANUFACTURED HOMES LAND USE. A single unit dwelling unit located in a manufactured home park and designed exclusively for residential occupancy in conformance with the provisions of the Uniform Building Code adopted and amended by the city, and shall be interpreted as the creation of a new mobile home or recreational vehicle (as defined in A.R.S. § 41-2142(26)) space in a mobile home or recreational vehicle park. Mobile home includes both occupied and vacant mobile homes, to which no permanent rooms have been added. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer's lot, at the factory, or in storage are not counted in the housing inventory.

DWELLING, SINGLE UNIT OR SINGLE- FAMILY LAND USE. ~~A detached or attached building containing 1 single-family dwelling unit constructed on a single lot.~~

(1) Single-family detached is a one-unit structure detached from any other house, that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A one-family house that contains a business is considered detached if the building has open space on all four sides.

(2) Single-family attached (townhouse) is a one-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.

DWELLING UNIT. A house, apartment, mobile home or trailer, group of rooms, or single room occupied as separate living quarters or, if vacant, intended for occupancy as separate living quarters.

EQUIPMENT. Machinery, tools, materials, and other supplies, not including vehicles, that are needed by a capital facility to provide the level of service specified by the Infrastructure Improvements Plan but excluding replacement of the same after initial development of the capital facility.

EXCLUDED LIBRARY FACILITY. Library facilities for which development fees may not be charged pursuant to A.R.S. § 9-463.05.

EXCLUDED PARK FACILITY. Parks and recreational facilities for which development fees may not be charged pursuant to A.R.S. § 9-463.05.

FINANCING OR DEBT. Any debt, bond, note, loan, inter-fund loan, fund transfer, or other debt service obligation used to finance the development or expansion of a capital facility.

GENERAL PLAN. The most current version of the City of Apache Junction General Plan and all adopted amendments thereto.

GROSS DEVELOPMENT FEE. The total development fee to be assessed against a subject development on a per unit basis, prior to subtraction of any credits.

INDUSTRIAL LAND USE. ~~The excavation, transporting, distribution, manufacture, fabrication, processing, reduction or destruction of any article, substance or commodity, or any other treatment thereof in such manner as to change the form, character or appearance thereof, and including storage elevators, truck storage yards, warehouses, wholesale storage and other similar types of enterprise.~~ Establishments primarily engaged in the production, transportation, or storage of goods. By way of example, industrial includes manufacturing plants, distribution warehouses, trucking companies, utility substations, power generation facilities, and telecommunications buildings. By way of example, industrial includes manufacturing plants, distribution warehouses, trucking companies, utility substations, power generation facilities, and telecommunications buildings.

INFRASTRUCTURE IMPROVEMENTS PLAN. A document or series of documents that meet the requirements set forth in A.R.S. § 9-463.05, including those adopted pursuant to Vol. II, § 7-1-10 of this Chapter to cover any category or combination of categories of necessary public services.

INSTITUTIONAL LAND USE. ~~Public entity facilities and activities on real property.~~ Public and quasi-public buildings providing educational, social assistance, or religious services. By way of example, institutional includes schools, universities, churches, daycare facilities, and government buildings.

INDIVIDUAL ASSESSMENT. Alternate calculation of development fees performed at developer's direction using criteria approved by the Development Fee Administrator.

LAND USE ASSUMPTIONS. Projections of changes in land uses, densities, intensities and population for a service area over a period of at least 10 years, and developed pursuant to A.R.S. §9-463.05.

LEVEL OF SERVICE. A quantitative and/or qualitative measure of a necessary public service that is to be provided by the city to development in a particular service area, defined in terms of the relationship between service capacity and service demand, accessibility, response times, comfort or convenience of use, or other similar measures or combinations of measures. **LEVEL OF SERVICE** may be measured differently for different categories of necessary public services, as identified in the applicable Infrastructure Improvements Plan.

LIBRARY FACILITIES. A category of necessary public services in which literary, musical, artistic, or reference materials are kept (materials may be kept in any form of media such as electronic, magnetic, or paper) for non-commercial use by the public in a facility providing a direct benefit to development. Libraries do not include excluded library facilities, although a library may contain, provide access to, or otherwise support an excluded library facility.

LODGING. A place of lodging that provides sleeping accommodations and may include supporting facilities such as restaurants, cocktail lounges, meeting and banquet rooms or convention facilities, limited recreational facilities (pool, fitness room, etc.), and/or other retail and service shops.

MANUFACTURED HOME PARK. Any development providing rental spaces for occupancy on a non-permanent basis for manufactured homes and/or recreational vehicles.

MULTI-FAMILY LAND USE. Units in structures containing two or more housing units, further categorized as units in structures with "2, 3 or 4, 5 to 9, 10 to 19, 20 to 49 and 50 or more apartments."

NECESSARY PUBLIC SERVICES. The meaning prescribed in A.R.S. § 9-463.05(T)(7), as amended.

NONRESIDENTIAL LAND USES. Those defined according to the descriptions of land uses in the most current edition of Trip Generation, published by the Institute of Transportation Engineers, provided that retail uses not separately identified shall be classified in the shopping center category, and institutional uses not separately identified shall be classified in the general office category.

OFFICE LAND USE. A building or portion of a building wherein services are performed involving predominantly administrative, professional, or clerical operations.

OFFICE AND OTHER SERVICES. Establishments providing management, administrative, professional, or business services; personal and health care services. By way of example, Office and Other services includes banks, business offices, hotels and motels, and hospitals.

OFFSET. An amount which is subtracted from the overall costs of providing necessary public services to account for those capital components of infrastructure or associated debt that have been or will be paid for by a development through taxes, fees (except for development fees), and other revenue sources, pursuant to A.R.S. § 9-463.05.

PARKS AND RECREATIONAL FACILITIES. A category of necessary public services including but not limited to parks, multi-use recreational trails, swimming pools and related facilities and equipment located on real property not larger than 30 acres in area, as well as park facilities larger than 30 acres where such facilities provide a direct benefit. **PARKS AND RECREATIONAL FACILITIES** do not include excluded park facilities, although parks and recreational facilities may contain, provide access to, or otherwise support an excluded park facility.

PLEGDED. Where used with reference to a development fee, a development fee shall be considered "pledged" where it was identified by the city as a source of payment or repayment for financing or debt that was identified as the source of financing for a necessary public service for which a development fee was assessed pursuant to the then- applicable provisions of A.R.S. § 9-463.05.

POLICE FACILITIES. A category of necessary public services, including vehicles and equipment, that are used by law enforcement agencies to preserve the public peace, prevent crime, detect and arrest criminal offenders, protect the rights of persons and property, regulate and control motorized and pedestrian traffic, train sworn personnel, and/or provide and maintain police records, vehicles, equipment, and communications systems. **POLICE FACILITIES** do not include vehicles and equipment used to provide administrative services, or helicopters or airplanes, and any facility that is used for training officers from more than 1 station or substation.

QUALIFIED PROFESSIONAL. Any 1 of the following:

- (1) A professional engineer, surveyor, financial analyst or planner, or other licensed professional providing services within the scope of that person's education or experience related to city planning, zoning, or impact development fees and holding a license issued by an agency or political subdivision of the State of Arizona;
- (2) A financial analyst, planner, or other non-licensed professional that is providing services within the scope of the person's education or experience related to city planning, zoning, or impact development fees; or
- (3) Any other person operating under the supervision of 1 or more of the above.

RECREATIONAL VEHICLE. A recreational vehicle (as defined in A.R.S. § 41-2142(30)) is any living quarters occupied as a housing unit that does not fit the other categories (e.g., houseboats, railroad cars, campers, and vans). Recreational vehicles, boats, vans, railroad cars, and the like are included only if they are occupied as a current place of residence.

RECREATIONAL VEHICLE PARK. Facilities for the temporary storage, parking and maneuvering of recreational vehicles with adequate roads and stall sites, including sanitary and water facilities with locations provided on a day-to-day basis.

RESIDENTIAL LAND USE. A building or portion thereof designed exclusively for residential occupancy in conformance with the provisions of the Uniform Building Code adopted and amended by the city.

SERVICE AREA. Any specified area within the boundaries of the city within which:

- (1) The city will provide a category of necessary public services to development at a planned level of service; and
- (2) Within which: (i) a substantial nexus exists between the capital facilities to be provided and the development to be served; or (ii) in the case of library facilities or a park facility larger than 30 acres, a direct benefit exists between the library facilities or park facilities and the development to be served, each as prescribed in the Infrastructure Improvements Plan.
- (3) Some or all of the capital facilities providing service to a service area may be physically located outside of that service area provided that the required substantial nexus or direct benefit is demonstrated to exist.

SERVICE UNIT. A standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated pursuant to generally accepted engineering or planning standards for a particular category of necessary public services.

STREET FACILITIES. A category of necessary public services including arterial or collector streets or roads, traffic signals, rights-of-way, and improvements thereon, bridges, culverts, irrigation tiling, storm drains, and regional transportation facilities.

SUBJECT DEVELOPMENT. A land area linked by a unified plan of development, which must be contiguous unless the land area is part of a Development Agreement executed in accordance with Vol. II, § 7-1-16 of this Chapter.

SUBSTANTIAL NEXUS. A substantial nexus exists where the demand for a category of necessary public services that will be generated by a service unit can be reasonably quantified in terms of the burden it will impose on the available capacity of existing capital facilities, the need it will create for new or expanded capital facilities, and/or the benefit to the development from those capital facilities.

SWIMMING POOL. A public facility primarily designed and/or utilized for recreational non-competitive functions generally occurring within water, including, but not limited to, swimming classes, open public swimming sessions, and recreational league swimming/diving events. The facility may be indoors, outdoors, or any combination thereof, and includes all necessary supporting amenities.

USEFUL LIFE. The period of time in which an asset can reasonably be expected to be used under normal conditions, whether or not the asset will continue to be owned and operated by the city over the entirety of such period.

VEHICLE. Any device, structure, or conveyance utilized for transportation in the course of providing a particular category of necessary public services at a specified level of service, excluding helicopters and other aircraft.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-5 APPLICABILITY.

The collection of development fees shall apply to all new development in the city, unless excepted in accordance with Vol. II, § 7-1-13(C).

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-6 SERVICE AREAS.

(A) For the purpose of all development fees, the service area shall be all of the incorporated area of the city.

(B) Development fees shall be assessed only on new development located within the service area.

(C) Development fees collected within the service area shall be spent within the service area.

(D) The appropriateness of the designation and boundaries of the service area(s) shall be reviewed by the city as part of the development fee revision process pursuant to A.R.S. § 9-463.05. Following such review and a public hearing, the service area(s) may be amended.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-7 AUTHORITY FOR DEVELOPMENT FEES.

(A) The city may assess and collect a development fee for costs of necessary public services, including all professional services required for the preparation or revision of an Infrastructure Improvements Plan, Development Fee Report, development fee, and required reports or audits conducted pursuant to this Chapter. Development fees shall be subject to the following requirements:

(1) The city shall develop and adopt a Development Fee Report that analyzes and defines the development fees to be charged in each service area for each capital facility category, based on the Infrastructure Improvements Plan, pursuant to A.R.S. § 9-463.05.

(2) Development fees shall be assessed against all new residential, commercial, office, institutional, and industrial developments, provided that the city may assess different amounts of development fees against specific categories of development based on the actual burdens and costs that are associated with providing necessary public services to that category of development. No development fee shall exceed the cost per service unit for any category of development.

(3) No development fees shall be charged, or credits issued, for any capital facility that does not fall within 1 of the categories of necessary public services for which development fees may be assessed as identified in Vol. II, § 7-1-10 of this Chapter.

(4) Costs for necessary public services made necessary by new development shall be based on the same level of service provided to existing development in the same service area. Development fees may not be used to provide a higher level of service to existing development or to meet stricter safety, efficiency, environmental, or other regulatory standards to the extent that these are applied to existing capital facilities that are serving existing development.

(5) Development fees may not be used to pay the city's administrative, maintenance, or other operating costs.

(6) Projected interest charges and financing costs can only be included in development fees to the extent they represent principal and/or interest on the portion of any financing or debt used to finance the construction or expansion of a capital facility identified in the Infrastructure Improvements Plan.

(7) All development fees shall meet the requirements of A.R.S. § 9-463.05.

(B) The Development Fee Report shall summarize the costs of capital facilities necessary to serve new development on a per service unit basis as defined and calculated in the Infrastructure Improvements Plan, including all required offsets, and shall recommend a development fee structure for adoption by the city. The actual development fees to be assessed shall be disclosed and adopted in the form of development fee schedules described in this Chapter.

(C) Defined terms in any previously established fee schedule shall be interpreted according to the ordinance in effect at the time of their adoption.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-8 FUND ACCOUNTING FOR DEVELOPMENT FEES.

(A) The City Finance Department shall establish a separate accounting fund in which the development fees collected for a particular type of capital facility within the service area shall be credited. Such fees shall be invested by the city and the yield on those fees, at the actual rate of return to the city, shall be credited to such accounting fund periodically in accordance with the accounting policies of the city. The funds need not be segregated from other city monies for banking purposes.

(B) (1) Any yield on such accounting fund into which the fees are deposited shall accrue to that fund and shall be used for the purposes specified for that fund.

(2) Development fees and any interest thereon collected pursuant to this Chapter shall be spent to provide capital facilities associated with the same category of necessary public services in the same service area for which they were collected, including costs of financing or debt used by the city to finance such capital facilities and other costs authorized by this Chapter that are included in the Infrastructure Improvements Plan.

(C) The City Finance Department shall maintain and keep financial records for the accounting fund showing the revenues to the fund and the disbursements from that fund, in accordance with normal city accounting practices. The records of the fund shall be open to public inspection in the same manner as other financial records of the city.

(D) The city shall issue as part of the report required in Vol. II, §7-1-20 of this Chapter an unaudited accounting of all development fee funds.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-9 LAND USE ASSUMPTIONS.

(A) The Infrastructure Improvements Plan shall be consistent with the city's current land use assumptions for each service area and each category of necessary public services as adopted by the city pursuant to A.R.S. § 9-463.05.

(B) The land use assumptions shall be renewed, updated, developed, adopted, and modified subject to the procedures required by A.R.S. § 9-463.05.

~~(Ord. 1472, passed 8-5-2019)~~

§ 7-1-10 INFRASTRUCTURE IMPROVEMENTS PLAN.

(A) The Infrastructure Improvements Plan shall be developed by qualified professionals and may be based upon or incorporated within the city's Capital Improvements Plan, when/if available, and/or other capital facilities plans.

(B) (1) The Infrastructure Improvements Plan shall comply with the requirements of A.R.S. §9-463.05, and shall:

(2) Specify the categories of necessary public services for which the city will impose a development fee, which may include any or all of the following:

- (a) Street facilities.
- (b) Police.
- (c) Parks and recreational facilities.
- (d) Libraries.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-11 ADOPTION AND MODIFICATION PROCEDURES.

The Infrastructure Improvements Plan shall be adopted or amended subject to the procedures required by A.R.S. § 9-463.05.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-12 TIMING FOR THE RENEWAL AND UPDATING OF THE INFRASTRUCTURE IMPROVEMENTS PLAN AND THE LAND USE ASSUMPTIONS.

All necessary renewals and updates of the Infrastructure Improvements Plan and land use assumptions shall comply with procedures required by A.R.S. § 9-463.05.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-13 COLLECTION OF DEVELOPMENT FEES.

(A) Development fees, together with administrative charges assessed pursuant to division (A)(5) of this section, shall be calculated and collected prior to issuance of permission to commence development, specifically:

(1) Except as set forth in division (A)(2) below, the development fees for all new development shall be calculated and collected in conjunction with the application for the first building permit or electrical permit, certificate of compliance or occupancy, or other permit subsequent to development plan approval for such development, whichever occurs first in time. However, in no case shall the Development Fee Administrator allow prepayment of development fees in order to avoid higher fees which the council has passed but have yet to go into effect. At the time the development fees are paid in full, a permit shall be issued.

(2) For other uses not ultimately requiring a building permit, electrical permit, certificate of compliance or occupancy, or other permit, the fee shall be calculated and collected at such time as determined by the Development Fee Administrator. However, in no case shall the Development Fee Administrator allow prepayment of development fees in order to avoid higher fees which the council has passed but have yet to go into effect. At the time the development fees are paid in full, a permit shall be issued.

(3) If the building permit is for a change in the type of building use, an increase in square footage, or a change to land use, the development fee shall be assessed on the additional service units resulting from the expansion or change, and following the development fee schedule applicable to any new use type.

(4) No building permit or certificate of occupancy shall be issued if a development fee is not paid as directed in the previous division.

(5) For issued permits that expire or are voided, development fees and administrative charges shall be as follows:

(a) If the original permittee is seeking to renew an expired or voided permit, and the development fees paid for such development have not been refunded, then the permittee shall pay the difference between any development fees paid at the time the permit was issued and those in the fee schedule at the time the permit is reissued or renewed.

(b) If a new or renewed permit for the same development is being sought by someone other than the original permittee, the new permit applicant shall pay the full development fees specified in the fee schedule in effect at the time that the permits are reissued or renewed. If the original permittee has assigned its rights under the permits to the new permit applicant, the new permit applicant shall pay development fees as if it were the original permittee.

(B) Development fees for mobile/manufactured home and recreational vehicle parks including campgrounds shall be assessed for the entire development, based on the number of manufactured home and recreational vehicle spaces and camping spaces created at the time of application for the first building, electrical or other permit for the development. No additional development fees shall be assessed on subsequent building or electrical permits in the manufactured home or recreational vehicle park unless additional spaces are created. Development fees for mobile/manufactured homes and campgrounds placed on single parcels shall be assessed in the same manner as site-built or conventional homes.

(C) Development fees shall not be owed under any of the following conditions:

(1) Development fees have been paid for the development and the permit(s) which triggered the collection of the development fees have not expired or been voided.

(2) Modifications requiring approval are made to existing development, or vacant property that previously accommodated any legally established development and do not: (a) add new service units; (b) increase the impact of previous or existing service units on existing or future capital facilities; or (c) change the land-use type of the previous or existing development to a different category of development for which a higher development fee would have been due. To the extent that any modification does not meet the requirements of this division, the development fee due shall be the difference between the development fee that was or would have been due on the previous or existing development and the development fee that is due on the development as modified.

(3) Placing on a lot or parcel in the city a temporary construction trailer or office, but only for the life of the building permit issued for the construction served by the trailer or office.

(4) Expansion, upgrade or repair of a legally established existing residential dwelling unit or structure.

(5) Construction or installation of a development on vacant property that previously accommodated any legally established development, subject to the terms of division (C)(2) above.

(6) Any development, including but not limited to the mere subdivision of land, installation of utilities, or the use of land for limited recreational, filling or dredging purposes which, in the opinion of the Development Fee Administrator, will not result in a net increase of more than 1 one-way average daily trip.

(D) New developments in the city shall be temporarily exempt from increases in development fees that result from the adoption of new or modified development fee schedules as follows:

(1) *Residential uses.* On or after the day that the first building permit is issued for a single unit residential development, the city shall, at the permittee's request, provide the permittee with an applicable development fee schedule that shall be in force for a period of 24 months beginning on the day that the first building permit is issued, and which shall expire at the end of the first business day of the 25th month thereafter. During the effective period of the applicable development fee schedule, any building permit issued for the same single unit residential development shall not be subject to any new or modified development fee schedule.

(2) *Commercial, office, industrial, institutional, and 2+ unit dwelling unit structures.* On or after the day that the final approval, as defined in A.R.S. § 9-463.05(T)(4), is issued for a commercial, office, industrial, institutional or 2+ unit development, the city shall provide an applicable development fee schedule that shall be in force for a period of 24 months beginning on the day that final development approval of a site plan or final subdivision plat is given, and which shall expire at the end of the first business day of the 25th month thereafter. During the effective period of the applicable development fee schedule, any building permit issued for the same development shall not be subject to any new or modified development fee schedule.

(3) *Other development.* Any category of development not covered under divisions (D)(1) and (2) of this section shall pay development fees according to the fee schedule that is current at the time of collection as specified in division (A) of this section.

(4) *Changes to Site Plans and Subdivision Plats.* Notwithstanding the other requirements of this division, if changes are made to a development's final Site Plan or subdivision plat that will increase the number of service units after the issuance of a previously adopted and then-in effect development fee schedule, the city may assess any new or modified development fees against the additional service units. If the city reduces the amount of an applicable development fee during the period that a previously adopted and then-in effect development fee schedule is in force, the city shall assess the lower development fee.

(E) *Option to pursue special fee determination.* Where a subject development is of a type that does not closely fit within a particular category of development appearing on an adopted development fee schedule, or where a subject development has unique characteristics such that the actual burdens and costs associated with providing necessary public services to that development will differ substantially from that associated with other developments in a specified category of development, the city may require the applicant to provide the Development Fee Administrator or authorized designee with an alternative development fee analysis. Based on a projection of the actual burdens and costs that will be associated with the subject development, the alternative development fee analysis may propose a unique fee for the development based on the application of an appropriate service unit factor to the applicable cost per service unit, or may propose that the development be covered under the development fee schedule governing a different and more analogous category of development. The Development Fee Administrator or authorized designee shall review the alternative impact fee analysis and shall make a determination as to the development fee to be charged. Such decision shall be appealable pursuant to Vol. II, § 7-1-17 of this Chapter. The Development Fee Administrator or authorized designee may require the applicant to pay an administrative fee to cover the actual costs of reviewing the special fee determination application.

(F) *Individual assessment of development fees.* If any applicant believes that the impact of the proposed development will be substantially less than would be indicated by using the fee schedule, the person may request to perform an individual assessment of the impact of the proposed development at his or her own cost. A request for an individual assessment must be made before submitting an application for a building permit.

(1) The individual assessment shall be subject to the following special standards and procedures:

- (a) Street facilities development fees (as set forth in Vol. II, Article 7-2);
- (b) Police facilities development fees (as set forth in Vol. II, Article 7-3);
- (c) Parks and recreational facilities development fees (as set forth in Vol. II, Article 7-4);
- (d) Library facilities development fees (as set forth in Vol. II, Article 7-5); and

(2) If the Development Fee Administrator accepts the computations of the individual assessment under this Chapter, the applicable fee shall be determined from the individual assessment.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-14 EXPENDITURE OF DEVELOPMENT FEES.

(A) Development fees may only be spent on qualifying improvements, as follows:

- (1) Street facilities development fees shall be spent as set forth in Vol. II, §7-2-3;
- (2) Police facilities development fees shall be spent as set forth in Vol. II, §7-3-3;
- (3) Parks and recreational facilities development fees shall be spent as set forth in Vol. II, §7-4-3;
- (4) Library facilities development fees shall be spent as set forth in Vol. II, §7-5-3;

(B) *Time limit.* Development fees collected after ~~October 21, 2019~~ **October 31, 2022** shall be used within 10 years of the date upon which they were collected for all categories of necessary public services.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-15 DEVELOPMENT FEE CREDITS AND CREDIT AGREEMENTS.

(A) *Eligibility of capital facility.* All development fee credits must meet the following requirements:

(1) One of the following is true:

(a) The capital facility, or the financial contribution toward a capital facility that will be provided by the developer and for which a credit will be issued, must be identified in an adopted Infrastructure Improvements Plan and Development Fee Report as a capital facility for which a development fee was assessed; or

(b) The applicant must demonstrate to the satisfaction of the city that, given the class and type of improvement, the subject capital facility should have been included in the Infrastructure Improvements Plan in lieu of a different capital facility that was included in the Infrastructure Improvements Plan and for which a development fee was assessed. If the subject capital facility is determined to be eligible for a credit in this manner, the city shall amend the Infrastructure Improvements Plan to: (i) include the subject replacement facility; and (ii) delete the capital facility that will be replaced.

(2) Credits shall not be available for any infrastructure provided by a developer if the cost of such infrastructure will be repaid to the developer by the city through another agreement or mechanism. To the extent that the developer will be paid or reimbursed by the city for any contribution, payment, construction, or dedication from any city funding source including an agreement to reimburse the developer with future collected development fees pursuant to Vol. II, § 7-1-16 of this Chapter, any credits claimed by the developer shall be: (a) deducted from any amounts to be paid or reimbursed by the city; or (b) reduced by the amount of such payment or reimbursement.

(B) *Eligibility of subject development.* To be eligible for a credit, the subject development must be located within the service area of the eligible capital facility.

(C) *Calculation of credits.*

(1) Credits will be based on that portion of the costs for an eligible capital facility identified in the adopted Infrastructure Improvements Plan for which a development fee was assessed pursuant to the Development Fee Report. If the gross development fee for a particular category of necessary public service is adopted at an amount lower than the cost per service unit, the amount of any credit shall be reduced in proportion to the difference between the cost per service unit and the gross development fee adopted. A credit shall not exceed the actual costs the applicant incurred in providing the eligible capital facility.

(2) Credits will be based on the included costs in the calculation of the cost per service unit for each category of necessary public service, including costs of land acquisition, improvements, engineering and architectural services, studies leading to design, design, construction, financing, and administrative costs, as well as projected costs of inflation.

(D) *Allocation of credits.* Before any credit can be issued to a subject development (or portion thereof), the credit must be allocated to that development by executing a credit agreement between the developer and the city stating the total amount of the credits resulting from provision of an eligible capital facility.

(1) It is the responsibility of the developer to request allocation of development fee credits through an application for a credit agreement (which may be part of a Development Agreement entered into pursuant to Vol. II, § 7-1-16 of this Chapter).

(2) If a building permit is issued, and a development fee is paid prior to execution of a Credit Agreement for the subject development, no credits may be allocated retroactively to that permit. Credits may be allocated to any remaining permits for the subject development in accordance with this Chapter.

(3) If the entity that provides an eligible capital facility sells or relinquishes a development (or portion thereof) that it owns or controls prior to execution of a Credit Agreement or Development Agreement, credits resulting from the eligible capital facility will only be allocated to the development if the entity legally assigns such rights and responsibilities to its successor(s) in interest for the subject development.

(4) If multiple entities jointly provide an eligible capital facility, all entities must enter into a single Credit Agreement with the city, and any request for the allocation of credit within the subject development(s) must be made jointly by the entities that provided the eligible capital facility.

(E) *Credit Agreement.* Credits shall only be issued pursuant to a Credit Agreement executed in accordance with division (D) of this section. The City Manager or authorized designee is authorized by this Chapter to enter into a Credit Agreement with the controlling entity of a subject development, subject to the following:

(1) The developer requesting the Credit Agreement shall provide all information requested by the city to allow it to determine the value of the credit to be applied.

(2) An application for a Credit Agreement shall be submitted to the city by the developer within one year of the date on which ownership or control of the capital facility passes to the city.

(3) The developer shall submit a draft Credit Agreement to the City Manager or authorized designee(s) for review. The draft Credit Agreement shall include, at a minimum, all of the following information and supporting documentation:

(a) A legal description and map depicting the location of the subject development for which credit is being applied. The map shall depict the location of the capital facilities that have been or will be provided.

(b) An estimate of the total service units that will be developed within the subject development depicted on the map and described in the legal description.

(c) A list of the capital facilities, associated physical attributes, and the related costs as stated in the Infrastructure Improvements Plan.

(d) Documentation showing the date(s) of acceptance by the city, if the capital facilities have already been provided.

(e) The total amount of credit to be applied within the subject development and the calculations leading to the total amount of credit.

(f) The credit amount to be applied to each service unit within the subject development for each category of necessary public services.

(4) Calculation and payment of credits not involving transfer of land, non-contiguous parcels, or delayed fee payments shall be approved by the City Manager or authorized designee(s). Credit Agreements for all other subject development shall be approved by the City Manager prior to its execution. The City Manager's determination of the credit to be allocated is final.

(5) Upon execution of the Credit Agreement by the city and the applicant, credits shall be deemed allocated to the subject development.

(6) Any amendment to a previously approved credit agreement must be initiated within 2 years of the city's final acceptance of the eligible capital facility for which the amendment is requested.

(7) Any Credit Agreement approved as part of a Development Agreement shall be amended in accordance with the terms of the Development Agreement and Vol. II, § 7-1-16 of this Chapter.

(F) *Issuance of credits.* Credits allocated pursuant to division (D) of this section may be issued and applied toward the gross development fees due from a development, subject to the following conditions:

(1) Credits issued for an eligible capital facility may only be applied to the development fee due for the applicable category of necessary public services, and may not be applied to any fee due for another category of necessary public services.

(2) Credits shall only be issued when the eligible capital facility from which the credits were derived has been accepted by the city or when adequate security for the completion of the eligible capital facility has been provided in accordance with all terms of an executed Development Agreement.

(3) Where credits have been issued pursuant to division (F)(2) of this section, a development fee due at the time a building permit is issued shall be reduced by the credit amount stated in or calculated from the executed Credit Agreement. Where credits have not yet been issued, the gross development fee shall be paid in full, and a refund of the credit amount shall be due when the developer demonstrates compliance with division (F)(2) of this section in a written request to the city.

(4) Credits, once issued, may not be rescinded or reallocated to another permit or parcel, except that credits may be released for reuse on the same subject development if a building permit for which the credits were issued has expired or been voided and is otherwise eligible for a refund under Vol. II, § 7-1-19(A)(2)(a) of this Chapter.

(5) Notwithstanding the other provisions of this Vol. II, §7-1-15, credits issued prior to ~~January 1, 2019~~ **October 31, 2022** may only be used for the subject development for which they were issued. Such credits may be transferred to a new owner of all or part of the subject development in proportion to the percentage of ownership in the subject development to be held by the new owner.

~~(Ord. 1471, passed 8-6-2019)~~

§ 7-1-16 DEVELOPMENT AGREEMENTS.

Development Agreements containing provisions regarding development fees, development fee credits, and/or disbursement of revenues from development fee accounts shall comply with the following:

(A) *Development agreement required.* A development agreement is required to authorize any of the following:

(1) To issue credits prior to the city's acceptance of an eligible capital facility.

(2) To allocate credits to a parcel that is not contiguous with the subject development and that does not meet the requirements of Vol. II, § 7-1-15(E)(7) of this Chapter.

(3) To reimburse the developer of an eligible capital facility using funds from development fee accounts.

(4) To allocate different credit amounts per service unit to different parcels within a subject development.

(5) For a single unit residential dwelling unit, to allow development fees to be paid at a later time than the issuance of a building permit as provided in this section.

(B) *General requirements.* All Development Agreements shall be prepared and executed in accordance with A.R.S. § 9-500.05 and any applicable requirements of the City Code. Except where specifically modified by this section, all provisions of Vol. II, § 7-1-15 of this Chapter shall apply to any Credit Agreement that is authorized as part of a Development Agreement.

(C) *Early credit issuance.* A Development Agreement may authorize the issuance of credits prior to acceptance of an eligible capital facility by the city when the Development Agreement specifically states the form and value of the security (i.e. bond, letter of credit, and the like) to be provided to the city prior to issuance of any credits. The city shall determine the acceptable form and value of the security to be provided.

(D) *Non-contiguous credit allocation.* A Development Agreement may authorize the allocation of credits to a non-contiguous parcel only if all of the following conditions are met:

(1) The non-contiguous parcel is in the same service area as that served by the eligible capital facility.

(2) The non-contiguous parcel receives a necessary public service from the eligible capital facility.

(3) The Development Agreement specifically states the value of the credits to be allocated to each parcel and/or service unit, or establishes a mechanism for future determination of the credit values.

(E) *Uneven credit allocation.* The Development Agreement must specify how credits will be allocated amongst different parcels on a per-service unit basis, if the credits are not to be allocated evenly. If the Development Agreement is silent on this topic, all credits will be allocated evenly amongst all parcels on a per-service unit basis.

(F) *Use of reimbursements.* Funds reimbursed to developers from development fee accounts for construction of an eligible capital facility must be utilized in accordance with applicable law for the use of city funds in construction or acquisition of capital facilities, including A.R.S. §§ 34-201 *et seq.*

(G) *Deferral of fees.* A Development Agreement may provide for the deferral of payment of development fees for a residential development beyond the issuance of a building permit; provided that a development fee may not be paid later than the 15 calendar days after the issuance of the certificate of occupancy for that dwelling unit. The Development Agreement shall provide for the value of any deferred development fees to be supported by appropriate security, including a surety bond, letter of credit, or cash bond.

(H) *Waiver of fees.* If the city agrees to waive any development fees assessed on development in a Development Agreement, the city shall reimburse the appropriate development fee account(s) for the amount that was waived pursuant to A.R.S. § 9-463.05.

(I) *No obligation.* Nothing in this section obligates the city to enter into any Development Agreement or to authorize any type of Credit Agreement permitted by this section.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-17 RELIEF PROCEDURES AND HEARINGS.

The developer who owes, has paid a development fee, or disagrees with the offset amount determined by the Development Fee Administrator, may appeal to the City Manager in accordance with the following procedures:

(A) *Form of appeal.* Such appeal must be filed with the Development Fee Administrator in writing: either within 30 calendar days after the date the city notified the developer of an assessment or offset determination; or within 30 calendar days after the developer paid the development fee.

(B) *Fees during pendency.* Any building permit issued before the appeal is filed shall be considered stayed until after the appeal process has concluded. Any work in progress completed during the appeal process shall be performed at the developer's own risk. Failure to pay the development fees as determined on appeal shall result in the withholding by the city of the certificate of occupancy for the subject development.

(C) The City Manager must render a decision within 30 calendar days after the appeal is received by the Development Fee Administrator. The City Manager's failure to render a decision within the 30 calendar days, absent a continuance request by the developer, shall result in the developer's position prevailing over the city's. The developer shall be notified of the City Manager's decision in writing within 30 calendar days after the appeal is received by the Development Fee Administrator.

(D) *Final decision.* The decision of the City Manager shall be considered the final administrative decision of the city. Any further appeals shall be pursuant to A.R.S. § 12-901 *et seq.*

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-18 DEVELOPMENT FEE AS SUPPLEMENTAL REGULATION TO OTHER FINANCING METHODS.

(A) Except as herein otherwise provided, development fees are in addition to any other requirements, taxes, fees or assessments imposed by the city on development or the issuance of building permits or certificates of occupancy which are

imposed on and due against property within the jurisdiction of the city. Development fees are intended to be consistent with the city's General Plan, Capital Improvements Program, Land Development Code, and other city policies, ordinances and resolutions by which the city seeks to ensure the provision of capital facilities in conjunction with development.

(B) In addition to the use of development fees, the city may finance qualifying capital facilities through the issuance of bonds, the formation of assessment districts or any other authorized mechanism, in a manner and subject to such limitations as provided by law.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-19 REFUNDS OF DEVELOPMENT FEES.

(A) *Refunds.* A refund (or partial refund) will be paid to any current owner of property within the city who submits a written request to the city and demonstrates that:

(1) The permit(s) that triggered the collection of the development fee have expired or been voided prior to the commencement of the development for which the permits were issued and the development fees collected have not been expended, encumbered, or pledged for the repayment of financing or debt; or

(2) The owner of the subject development or its predecessor in interest paid a development fee for the applicable capital facility on or after ~~October 21, 2019~~ **October 31, 2022**, and one of the following conditions exists:

(a) The capital facility designed to serve the subject development has been constructed, has the capacity to serve the subject development and any development for which there is reserved capacity, and the service which was to be provided by that capital facility has not been provided to the subject development from that capital facility or from any other infrastructure.

(b) After collecting the fee to construct a capital facility, the city fails to complete construction of the capital facility within the time period identified in the Infrastructure Improvements Plan, as it may be amended, and the corresponding service is otherwise unavailable to the subject development from that capital facility or any other infrastructure.

(c) For a category of necessary public services, any part of a development fee is not spent within 10 years of the city's receipt of the development fee.

(d) The development fee was calculated and collected for the construction cost to provide all or a portion of a specific capital facility serving the subject development and the actual construction costs for the capital facility are less than the construction costs projected in the Infrastructure Improvements Plan by a factor of 10% or more. In such event, the current owner of the subject development shall, upon request as set forth in this division (A), be entitled to a refund for the difference between the amounts of the development fee charged for and attributable to such construction cost and the amount the development fee would have been calculated to be if the actual construction cost had been included in the Development Fee Report. The refund contemplated by this section shall relate only to the costs specific to the construction of the applicable capital facility and shall not include any related design, administrative, or other costs not directly incurred for construction of the capital facility that are included in the development fee as limited by A.R.S. § 9-463.05.

(B) *Earned interest.* A refund of a development fee shall include any interest actually earned on the refunded portion of the development fee by the city from the date of collection to the date of refund. There is no duty however for the city to invest the funds in an interest bearing account. All refunds shall be made to the record owner of the property at the time the refund is paid.

(C) *Refund to government.* If a development fee was paid by a governmental entity, any refund shall be paid to that governmental entity.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-20 OVERSIGHT OF DEVELOPMENT FEE PROGRAM.

(A) *Annual report.* The city shall file with the City Clerk an unaudited annual report as required by all applicable laws.

(B) *Biennial audit.* The city shall conduct a biennial audit as required by A.R.S. § 9-463.05.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-1-21 CALCULATION OF DEVELOPMENT FEES BASED ON FEE SCHEDULE.

(A) Unless an applicant requests an individual assessment as set forth in Vol. II, §7-1-13(F), the development fees shall be calculated for the proposed development based on any plan approval and/or permit allowing the use, according to the applicable fee schedule.

(B) The following development fee schedules have been adopted by City Council Ordinance No. ~~1472~~ **1521** and are incorporated herein by reference:

- (1) Street facilities development fee schedule (see Vol. II, Article 7-2 of this Chapter);
- (2) Police facilities development fee schedule (see Vol. II, Article 7-3 of this Chapter);
- (3) Parks and recreational facilities development fee schedule (see Vol. II, Article 7-4 of this Chapter); and

(4) Library Facilities development fee schedule (see Vol. II, Article 7-5 of this Chapter).

(C) The units of development specified in the fee schedule shall be interpreted as follows:

(1) A dwelling unit shall be interpreted as dwelling unit as defined in Vol. II, §7-1-4 of this Chapter, provided that it shall also be interpreted as the creation of a new manufactured home or recreational vehicle space in a manufactured home or recreational vehicle park or a guest house; and

(2) Building square footage shall be measured in terms of gross floor area, measured from the outside surfaces of the building walls and shall include any outside sales area whether under roof or not or outside covered storage area for industrial and commercial uses.

(D) For categories of uses not specified in the applicable development fee schedule, the Development Fee Administrator shall apply the category of use set forth in the applicable fee schedule that the Development Fee Administrator deems to be most similar to the proposed use.

(E) If any plan or permit approval for the proposed development indicates a mix of uses in the development, the development fees shall be calculated separately for each use and the results aggregated.

(F) For an addition, or to remodel or replace existing structures, or for a change of use to an existing structure, the development fee to be paid shall be the difference, if any, between:

(1) The fee, if any, that would be payable for existing development on the site or, in the case of demolition or removal of a structure, the previous development on the site; and

(2) The fee, if any, that would be payable for the total development on the site after the new development.

(G) After receiving a written request of an applicant, the Development Fee Administrator shall provide an estimate of the current development fee based on the data provided by the applicant. However, this estimate does not establish any vested rights to build or develop the property.

~~(Ord. 1472, passed 8-6-2019)~~

ARTICLE 7-2: STREET FACILITIES DEVELOPMENT FEES

Section

7-2-1 Street facilities development fee schedule

7-2-2 Individual assessments of street facilities development fees

7-2-3 Use of street facilities development fees

§ 7-2-1 STREET FACILITIES DEVELOPMENT FEE SCHEDULE.

Street facilities development fees shall be paid in accordance with Vol. II, Appendix 7-A at the conclusion of Chapter 7.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-2-2 INDIVIDUAL ASSESSMENTS OF STREET FACILITIES DEVELOPMENT FEES.

(A) The street facilities development fees may be calculated based upon individual assessment. An individual assessment shall be at the cost of the applicant and shall be prepared by a qualified traffic engineer firm or other qualified professional as approved by the Development Fee Administrator.

(B) The individual assessment shall include, without limitation, the following elements:

(1) A projection of the number of vehicular trips entering and departing from the project during an average weekday;

(2) If the site is already developed, and some or all of the existing development will be replaced by the completed project, a calculation of the number of vehicular trips for that portion of the existing development which will be replaced by the completed project;

(3) The percentage of trips which are "primary trips" (as opposed to "pass-by trips" or "diverted-link trips" for which the project is not the primary destination);

(4) The average length of those trips on the city's major roadway system;

(5) The assumptions and conclusions from which any projections are made; if the assumptions or conclusions are derived from the current edition of the Institute of Transportation Engineers (ITE) manual or other standard reference materials, the materials shall be identified and appropriate excerpts or specific references provided; otherwise, the reasoning underlying the assumptions and conclusions shall be clearly stated in writing; and

(6) Such information as the Development Fee Administrator shall reasonably request.

(C) The streets facilities development fee per development unit shall be calculated according to the following formula(s):

Cost per Development Unit	
Streets Level Of Service and Capital Costs	Cost Per Vehicle Mile Traveled (VMT)
Cost Per VMT Arterial Improvements	\$113.40 \$293.28
Development Fee Study Cost Report	\$0.42 \$1.23
GROSS CAPITAL COST	\$113.82 \$294.51

	[A]				
	Ave Weekday VMT Per Development Unit		Cost per VMT		Proposed Development Fee
Unit Type			(Per Housing Unit)		
Single Family	5.60 11.04	X	\$113.82 \$294.51	=	\$3,151 \$3,250
Multi-Family	4.49 6.04	X	\$113.82 \$294.51	=	\$2,117 \$1,779
Recreational Vehicle	4.40 6.04	X	\$113.82 \$294.51	=	\$2,117 \$1,779

Unit Type	Ave Weekday VMT Per Development Unit		Cost per VMT [F]		Proposed Development Fee
			(Per Square Foot of Floor Area)		
Commercial	53.99 16.04		\$113.82 \$294.51		\$6.14 \$4.72
Office/ Institutional & Other Services	20.57 6.94		\$113.82 \$294.51		\$2.34 \$2.04
Industrial	10.48 3.12		\$113.82 \$294.51		\$1.19 \$0.92
Institutional	4.55		\$294.51		\$1.34
Lodging (per room)	5.25		\$294.51		\$1,545
Assisted Living (per bed)	1.66		\$294.51		\$490

Where:

FEE	= VMT x Net cost per VMT.
VMT	= Average Weekday Trip Ends x Adjustment Factor x Average Miles per System Trip x Trip Length Weighting Factors.
Weekday Trip Ends per 1,000 Sq. Ft.	= vehicle trips per 1,000 sq. ft. of nonresidential development as defined in the ITE Manual.
Trip Adjustment Factor	= percentage of all trip ends that represent destination trips as defined in the ITE Manual.
Average Miles per System Trip	= 6.76 2.05 for residential units, 4.22 1.28 for industrial development, 4.33 1.31 for commercial, 4.22 1.28 for office/ institutional and other services, and 1.28 for institutional, and unless the Applicant provides convincing evidence that another factor is more appropriate for the proposed development.
Trip Length Weighting Factor	= average trip length ratio by land use type as defined in the National Household Travel Survey.
Net Cost per VMT	= \$113.82 \$294.51, unless the Applicant provides convincing evidence that another net cost factor is more appropriate for the proposed development.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-2-3 USE OF STREET FACILITIES DEVELOPMENT FEES.

(A) The revenues from street facilities development fees collected within the service area and accrued interest on such revenues shall be used to finance project costs of qualifying major street facilities improvements, as determined by the City Council, provided that the improvements are shown in the approved Infrastructure Improvements Plan as described in Vol. II, § 7-1-10 of this Chapter, and are located within the same service area.

(B) Qualifying street facilities are limited to improvements to the city's major roadway system. The city's major roadway system consists of all city-maintained roadways or portions thereof that are classified as collectors or arterials by the city's adopted Street Classification Plan on file within the Public Works Department.

(C) Qualifying improvement costs include project engineering costs; the construction cost of improvement, including but not limited to street travel lanes, public pedestrian and bicycle pathways, turning and deceleration lanes, lighting, signalization, signage, drainage and landscaping improvements that are required for the roadway improvement to function effectively; and the principal, interest and other financing costs of bonds, notes or other obligations issued by or on behalf of the city to finance qualified improvements. Such revenues may also fund the cost of consultants used in updating the street facilities portion of the Capital Improvements Program and in updating the street facilities development fee computations.

(D) Monies collected as street facilities development fees shall not be used to pay for any of the following:

- (1) Construction, acquisition or expansion of public facilities other than qualifying street facilities improvements;
- (2) Retirement of debt incurred for street facilities constructed prior to March 1, 1997;
- (3) Street facilities improvements, such as acceleration or deceleration lanes, that primarily serve, or are needed to mitigate the impacts of an individual development;
- (4) Repair, operation or maintenance of existing streets;
- (5) City personnel and consultants hired for purposes other than those expressly permitted under divisions (A) and (B) above;
- (6) Streets and related transportation improvements that are within or adjacent to, and intended to serve only, a specific development such as a new residential subdivision; or
- (7) Acquisition of land or right-of-way. Land costs are not included in the street facilities development fee calculations and no development fee funds shall be expended on right-of-way acquisition, nor shall offsets against street facilities development fees be provided for dedication of right-of-way.

~~(Ord. 1472, passed 8-6-2019)~~

ARTICLE 7-3: POLICE FACILITIES DEVELOPMENT FEES

Section

7-3-1 Police facilities development fee schedule

7-3-2 Individual assessments of police facilities development fees

7-3-3 Use of police facilities development fees

§ 7-3-1 POLICE FACILITIES DEVELOPMENT FEE SCHEDULE.

Police facilities development fees shall be paid in accordance with Vol. II, Appendix 7-A at the conclusion of Vol. II, Chapter 7.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-3-2 INDIVIDUAL ASSESSMENTS OF POLICE FACILITIES DEVELOPMENT FEES.

(A) The police facilities development fee may be calculated based upon individual assessment. An individual assessment shall be at the cost of the applicant and shall be performed by a qualified professional as approved by the Development Fee Administrator.

(B) The individual assessment shall include, without limitation, the data sources and calculations used to derive the ratio of service unit to land use for the type of proposed development. The police facilities development fee per development unit shall be calculated according to the following formula:

<i>Police Facilities Residential Level Of Service and Capital Costs</i>	<i>Per Person</i>
Facilities	\$127.20 \$381.06
Vehicles and Equipment	\$88.13 \$107.65
Communications Equipment	\$40.44 \$29.28
Development Fee Study Report	\$4.54 \$0.60
TOTAL CAPITAL COST	\$260.31 \$518.59

<i>Police Facilities Residential Development Fee Schedule</i>					
<i>Unit Type</i>	<i>Persons per Housing Unit [1]</i>		<i>Cost per Person</i>		<i>Development Fee</i>
Single Family	2.34 2.37	X	\$260.31 \$518.59	=	\$609 \$1,229
Multi-Family	2.28 1.86	X	\$260.31 \$518.59	=	\$594 \$965
Recreational Vehicle	1.77 1.83	X	\$260.31 \$518.59	=	\$461 \$949

Police Facilities Nonresidential Level Of Service and Capital Costs	Per Nonres Trip
Facilities	\$54.80 \$204.55
Vehicles and Equipment	\$36.72 \$58.10
Communications Equipment	\$17.84 \$15.80
Development Fee Study Report	\$0.23 \$0.37
TOTAL CAPITAL COST	\$109.59 \$278.82

Police Facilities Nonresidential Development Fee Schedule					
Nonresidential Land Use	Avg. Weekday Vehicle Trips [1]		Cost per Nonres Trip		Development Fee
	per 1,000 SF				
Commercial	12.48 12.21	X	\$109.59 \$278.82	=	\$1.37 \$3.40
Office & Other Services	4.87 5.42	X	\$109.59 \$278.82	=	\$0.53 \$1.51
Industrial	2.48 2.44	X	\$109.59 \$278.82	=	\$0.27 \$0.68
Institutional	3.55	X	\$278.82	=	\$0.99
Lodging (per room)	4.00	X	\$278.82	=	\$1,115
Assisted Living (per bed)	1.30	X	\$278.82	=	\$362

[1] Development Fee Land Use Assumptions

Where:

Persons per Household	= the average number of persons per occupied housing unit of the proposed housing type.
Vehicle Trips	= Weekday Trip Ends per 1,000 Sq. Ft. x Trip Adjustment Factor as defined in the ITE Manual.
Weekday Trip Ends per 1,000 Sq. Ft.	= vehicle trips per 1,000 sq. ft. of nonresidential development as defined in the ITE Manual.
Trip Adjustment Factor	= percentage of all trip ends that represent destination trips as defined in the ITE Manual.
Net Cost per Person	= \$260.34 \$518.59 unless the Applicant provides convincing evidence that another net cost factor is more appropriate for the proposed development.
Net Cost per Non-Residential Vehicle Trip	= \$109.59 \$278.82 unless the Applicant provides convincing evidence that another net cost factor is more appropriate for the proposed development.

(C) The Development Fee Administrator shall determine the fee based on the review of the individual assessment and the guidelines and formula described in division (B) of this section.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-3-3 USE OF POLICE FACILITIES DEVELOPMENT FEES.

(A) The revenues from police facilities development fees collected within the service area and accrued interest on such revenues shall be used to finance project costs of qualifying police facilities improvements, as determined by the City Council, provided that the improvements are shown in the approved Infrastructure Improvements Plan as described in Vol. II, § 7-1-10 of this Chapter, and are located within the same service area.

(B) Qualifying police facilities improvements are limited to capital improvements to the city's public safety building,

acquisition of land for or construction of police facilities, acquisition of capital equipment required for police operations, or other similar improvements, including the principal, interest and other financing costs of bonds, notes or other obligations issued by or on behalf of the city to finance qualified improvements. Such revenues may also fund the cost of consultants used in updating the police facilities portion of the Capital Improvements Program and in updating the police facilities development fee computations.

(C) Monies collected as police facilities development fees shall not be used to pay for any of the following:

- (1) Construction, acquisition or expansion of public facilities other than qualifying police facilities improvements;
- (2) Retirement of debt incurred for police facilities constructed prior to March 1, 1997;
- (3) Repair, operation, maintenance or replacement of existing police facilities or capital equipment; and
- (4) City personnel and consultants hired for purposes other than those expressly permitted under division (A) and (B) above.

~~(Ord. 1472, passed 8-6-2019)~~

ARTICLE 7-4: PARKS AND RECREATIONAL FACILITIES DEVELOPMENT FEES

Section

7-4-1 Parks and recreational facilities development fee schedule

7-4-2 Individual assessments of parks and recreational facilities development fees

7-4-3 Use of park and recreational facilities development fees

§ 7-4-1 PARKS AND RECREATIONAL FACILITIES DEVELOPMENT FEE SCHEDULE.

Parks and recreational facilities development fees shall be paid in accordance with Vol. II, Appendix 7-A at the conclusion of Vol. II, Chapter 7.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-4-2 INDIVIDUAL ASSESSMENTS OF PARKS AND RECREATIONAL FACILITIES DEVELOPMENT FEES.

(A) The parks and recreational facilities development fee may be calculated based upon individual assessment. An individual assessment shall be at the cost of the applicant and shall be performed by a qualified professional as approved by the Development Fee Administrator.

(B) The individual assessment shall include, without limitation, the data sources and calculations used to derive the ratio of service unit to land use for the type of proposed development. The parks and recreational facilities development fee per development unit shall be calculated according to the following formula:

Parks and Recreational Facilities Level of Service and Infrastructure Costs	Per Person
Park Amenities	\$218.93 \$569.26
Trails	\$271.84 \$144.84
Development Fee Study Report	\$8.29 \$6.33
TOTAL CAPITAL COST	\$499.03 \$720.43

Parks and Recreational Facilities Development Fee Schedule					
Unit Type	Persons per Household [1]		Cost per Person		Development Fee
Single Family	2.34 2.37	X	\$499.03 \$720.43	=	\$1,168 \$1,707
Multi-Family	2.28 1.86	X	\$499.03 \$720.43	=	\$1,138 \$1,340
Recreational Vehicle	4.77 1.83	X	\$499.03 \$720.43	=	\$883 \$1,318

[1] Development Fee Land Use Assumptions

Parks and Recreational Facilities Level of Service and Infrastructure Costs	Per Job
Park Amenities	\$35.03 \$117.02
Trails	\$41.82 \$22.93
Development Fee Study Report	\$0.39 \$0.31
TOTAL CAPITAL COST	\$77.24 \$140.26

Parks and Recreational Facilities Development Fee Schedule					
Nonresidential Land Use	Jobs [1]		Cost per Job		Development Fee
	per 1,000 SF				
Commercial	2.34 2.12	X	\$77.24 \$140.26	=	\$0.18 \$0.30
Office & Other Services	2.97 3.26	X	\$77.24 \$140.26	=	\$0.23 \$0.46
Industrial	0.34 1.57	X	\$77.24 \$140.26	=	\$0.03 \$0.22
Institutional	2.86	X	\$140.26	=	\$0.40
Lodging (per room)	0.56	X	\$140.26	=	\$79
Assisted Living (per bed)	0.61	X	\$140.26	=	\$86

[1] Trip Generation, Institute of Transportation Engineers, ~~10th~~ 11th Edition (2017
2021).

Where:

Persons per Household	= the average number of persons per occupied housing unit of the proposed housing type.
Jobs	= Employment per 1,000 Sq. Ft. as defined in the ITE Manual.
Net Cost per Person	= \$499.03 \$720.43 unless the Applicant provides convincing evidence that another net cost factor is more appropriate for the proposed development.
Net Cost per Job	= \$77.24 \$140.26 unless the Applicant provides convincing evidence that another net cost factor is more appropriate for the proposed development.

(C) The Development Fee Administrator shall determine the fee based on the review of the individual assessment and the guidelines and formula described in division (B) of this section.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-4-3 USE OF PARK AND RECREATIONAL FACILITIES DEVELOPMENT FEES.

(A) The revenues from parks and recreational facilities development fees collected within the service area and accrued interest on the revenues shall be used to finance project costs of qualifying parks and recreational facilities improvements, as determined by the City Council, provided that the improvements are shown in the approved Infrastructure Improvements Plan as described in Vol. II, § 7-1-10 of this Chapter, and are located within the same service area.

(B) Qualifying parks and recreational facilities improvements are limited to park site development costs, including grading, utilities, landscaping, lighting, fencing, signage and construction of parking facilities; acquisition, construction and installation of parks and recreational facilities and equipment; or other similar improvements, including the principal, interest and other financing costs of bonds, notes or other obligations issued by, or on behalf of, the city to finance qualified improvements. Such revenues may also fund the cost of consultants used in updating the parks and recreational facilities portion of the Capital Improvements Program and in updating the parks and recreational facilities development fee computations.

(C) Monies collected as parks and recreational facilities development fees shall not be used to pay for any of the following:

- (1) Construction, acquisition or expansion of public facilities other than qualifying parks and recreational facilities improvements;
- (2) Retirement of debt incurred for parks and recreational facilities constructed prior to March 1, 1997;
- (3) Repair, operation, maintenance or replacement of existing parks and recreational facilities or capital equipment; and
- (4) City personnel and consultants hired for purposes other than those expressly permitted under divisions (A) and (B) above.

~~(Ord. 1472, passed 8-6-2019)~~

ARTICLE 7-5: LIBRARY FACILITIES DEVELOPMENT FEES

Section

7-5-1 Library facilities development fee schedule

7-5-2 Individual assessment of library facilities development fees

7-5-3 Use of library facilities development fees

§ 7-5-1 LIBRARY FACILITIES DEVELOPMENT FEE SCHEDULE.

Library facilities development fees shall be paid in accordance with Vol. II, Appendix 7-A at the conclusion of Vol. II, Chapter 7.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-5-2 INDIVIDUAL ASSESSMENTS OF LIBRARY FACILITIES DEVELOPMENT FEES.

(A) The library facilities development fee may be calculated based upon individual assessment. An individual assessment shall be at the cost of the applicant and shall be performed by a qualified professional as approved by the Development Fee Administrator.

(B) The individual assessment shall include, without limitation, the data sources and calculations used to derive the ratio of service unit to land use for the type of proposed development. The development fee per development unit shall be calculated according to the following formula:

Library Facilities Level of Service and Infrastructure Costs	Per Person
Library Debt Facilities	\$425.97 \$231.82
Development Fee Study Report	\$3.27 \$0.43
TOTAL CAPITAL COST	\$429.24 \$232.25

Library Facilities Development Fee Schedule					
Unit Type	Persons per Household [1]		Cost per Person		Development Fee
Single Family	2.34 2.37	X	\$429.24 \$232.25	=	\$1,000 \$550
Multi-Family	2.28 1.86	X	\$429.24 \$232.25	=	\$979 \$432
Recreational Vehicle	4.77 1.83	X	\$429.24 \$232.25	=	\$760 \$425

[1] Development Fee Land Use Assumptions

Library Facilities Level of Service and Infrastructure Costs	Per Job
Library Debt Facilities	\$72.46 \$47.66
Development Fee Study Report	\$0.15 \$0.11
TOTAL CAPITAL COST	\$72.61 \$47.77

Libraries Facilities Nonresidential Development Fee Schedule					
Nonresidential Land Use	Jobs [1]		Cost per Job		Development Fee
	per 1,000 SF				
Commercial	2.34 2.12		\$72.61 \$47.77		\$0.17 \$0.10
Office & Other Services	2.97 3.26		\$72.61 \$47.77		\$0.22 \$0.16
Industrial	1.63 1.57		\$72.61 \$47.77		\$0.12 \$0.07
Institutional	2.86		\$47.77		\$0.14
Lodging (per room)	0.56		\$47.77		\$27
Assisted Living (per bed)	0.61		\$47.77		\$29

[1] Trip Generation, Institute of Transportation Engineers, ~~10th~~ 11th Edition (~~2017~~ 2021).

Where:

Persons per Household	= the average number of persons per occupied housing unit of the proposed housing type.
Jobs	= Employment per 1,000 Sq. Ft. as defined in the ITE Manual.
Net Cost per Person	= \$429.24 \$232.25 unless the Applicant provides convincing evidence that another net cost factor is more appropriate for the proposed development.
Net Cost per Job	= \$72.61 \$47.77 unless the Applicant provides convincing evidence that another net cost factor is more appropriate for the proposed development.

- (C) The Development Fee Administrator shall determine the fee based on the review of the individual assessment and the guidelines and formula described in divisions (A) and (B) of this section.

~~(Ord. 1472, passed 8-6-2019)~~

§ 7-5-3 USE OF LIBRARY FACILITIES DEVELOPMENT FEES.

(A) The revenues from library facilities development fees collected within the service area and accrued interest on such revenues shall be used to finance project costs of qualifying library facilities improvements, as determined by the City Council, provided that the improvements are shown in the approved Infrastructure Improvements Plan as described in Vol. II, § 7-1-10 of this Chapter, and are located within the same service area.

(B) Qualifying library facilities improvements are limited to acquisition of library sites; library site development costs, including grading, utilities, landscaping, lighting, fencing, signage and construction of parking facilities; acquisition, construction and installation of library facilities and equipment; or other similar improvements, including the principal, interest and other financing costs of bonds, notes or other obligations issued by or on behalf of the city to finance qualified improvements. The revenues may also fund the cost of consultants used in updating the library facilities portion of the Capital Improvements Program and in updating the library facilities development fee computations.

(C) Monies collected as library facilities development fees shall not be used to pay for any of the following:

- (1) Construction, acquisition or expansion of public facilities other than qualifying library facilities improvements;
- (2) Retirement of debt incurred for library facilities constructed prior to March 1, 1997;
- (3) Repair, operation, maintenance or replacement of existing library facilities or capital equipment; and
- (4) City personnel and consultants hired for purposes other than those expressly permitted under divisions (A) and (B) above.

~~(Ord. 1472, passed 8-6-2019)~~

APPENDIX 7-A: DEVELOPMENT FEE SCHEDULE

	<i>Library</i>	<i>Parks & Recreation</i>	<i>Police</i>	<i>Streets</i>	<i>Total Development Fee</i>
Residential	Per Housing Unit				
Single Family	\$1,004 \$550	\$1,168 \$1,707	\$609 \$1,229	\$3,151 \$3,250	\$5,932 \$6,736
Multi-Family	\$979 \$432	\$1,138 \$1,340	\$594 \$965	\$2,117 \$1,779	\$4,827 \$4,516
Recreational Vehicles	\$760 \$425	\$883 \$1,318	\$461 \$949	\$2,117 \$1,779	\$4,220 \$4,471
Nonresidential	Per Square Foot of Floor Area				
Commercial	\$0.17 \$0.10	\$0.18 \$0.30	\$1.37 \$3.40	\$6.14 \$4.72	\$7.86 \$8.52
Office & Other Services	\$0.22 \$0.16	\$0.23 \$0.46	\$0.53 \$1.51	\$2.34 \$2.04	\$3.32 \$4.17
Industrial	\$0.12 \$0.07	\$0.03 \$0.22	\$0.27 \$0.68	\$1.19 \$0.92	\$1.61 \$1.89
Institutional	\$0.14 \$0.14	\$0.40 \$0.40	\$0.99 \$0.99	\$1.34 \$1.34	\$2.87 \$2.87
Lodging (per room)	\$27	\$79	\$1,115	\$1,545	\$2,766
Assisted Living (per bed)	\$29	\$86	\$326	\$490	\$967

(Ord. 1472, passed 8-6-2019)