

<u>POTENTIAL REVENUE</u>				
		<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>
<u>One Time Fees</u>				
Impact Fees	=	\$1,011.00	\$1,011.00	\$1,011.00
"Utility Service" Agreement Fees*	=	\$2,933.00	\$2,933.00	\$2,933.00
Payment In-Lieu of Public Street Construction	=	\$61,370.00	\$0.00	?
Total One Time Fees		\$65,314.00	\$3,944.00	?
<u>Annual Revenue</u>				
State Shared Revenue	=	\$0.00	\$0.00	\$0.00
Water				
In Maricopa County		\$550.00	\$550.00	\$550.00
Solid Waste	=	---	---	---
Annual Revenue		\$550.00	\$550.00	\$550.00

* "Utility Service" agreement fees, as identified in the Terms and Conditions for the Sale of Utilities

RECOMMENDATION

As allowed under Section 9-8-4 of Mesa's City Code, the Deputy City Manager has reviewed the property owner's request and recommends Option 3.

Option No. 3 – Require the property owners to enter into a Utility Service Agreement with Mesa, which requires compliance with modified City of Mesa's development standards (design and construction of public street construction on E. Plymouth only) and payment of fees prior to the connection of the identified property to the City's public water system. The Deputy City Manager has identified modifications to Right of Way and Offsite Improvements (reduced street construction) as permitted under Section 9-8-4 of the Mesa City Code. This option is not consistent with the City of Mesa Terms and Conditions...but would be an exemption as allowed under Section 23 (C).

The requirement to develop to Mesa standards, in Option No. 1, 2 and 3 shall be understood to mean all development standards, including, but not limited to:

1. Conformance to Mesa's General Plan designation.
2. Site development to City of Mesa standards including grading / drainage and solid waste facilities.
3. Payment of all fees associated with water service and meter including water impact fees.
4. Payment of Utility Service Agreement fee equal to the sum of all other City of Mesa Development Impact Fees for Single Residential Detached properties.

Fiscal Impact

Prior Mesa City Councils established that the design and construction of public street improvements shall be the responsibility of those developing. Any reduction or the elimination of this obligation potentially places the burden of future road improvement costs upon the citizens of Mesa.

The table below shows estimated potential gross revenue Mesa will receive under each option. The following estimate of Fees is calculated based on current City of Mesa schedules of fees and charges. This exhibit is for estimating purposes only. Final fees and charges will be calculated and assessed based upon the City of Mesa schedules of fees and charges in effect at the time of actual connection to Mesa's public water and/or wastewater mainlines. Collection of said fees and charges would occur with either the issuance of permit(s) for connection to Mesa's public water and/or wastewater mainlines or purchase of a City of Mesa water meter, whichever comes first.

The following estimate of Development Impact Fees and Outside City Limits Development Service Fee are calculated based on current City of Mesa schedules of fees and charges. This exhibit is for estimating purposes only. Final fees and charges will be calculated and assessed based upon the City of Mesa schedules of fees and charges in effect at the time of actual connection to Mesa's public water and/or wastewater mainlines. Collection of said fees and charges would occur with either the issuance of permit(s) for connection to Mesa's public water and/or wastewater mainlines or purchase of a City of Mesa water meter, whichever comes first.

NOTE: For latest update refer to:
[www.cityofmesa.org/finance/Budget/default Schedule of Fees and Charges.asp](http://www.cityofmesa.org/finance/Budget/default%20Schedule%20of%20Fees%20and%20Charges.asp)
 Click on Building Safety.

ESTIMATE OF FEES & PAYMENT IN LIEU OF CONSTRUCTION

Single Detached Dwelling			
Public Water Impact Fee			\$1,011.00
Public Waste Water Impact Fee	Not Available		\$0.00
O/S CL SVC Agreement - Non Utility			\$130.00
O/S City Limits Development Service Fee =			
Amount Equal to Police Impact Fee			\$341.00
Amount Equal to Fire Impact Fee			\$235.00
Amount Equal to Park Impact Fee			\$962.00
Amount Equal to Cultural Facilities Impact Fee			\$237.00
Amount Equal to Library Impact Fee			\$424.00
Amount Equal to General Government Facility Impact Fee			\$446.00
Amount Equal to Stormwater Drainage Impact Fee			<u>\$158.00</u>
			\$2,803.00
Right-of-Way Payment In Lieu of Construction of Improvements - N. 77th St	305.21 LF X	\$100.00	\$30,521.00
Right-of-Way Payment In Lieu of Construction of Improvements - E. Plymouth	305.16 LF X	\$100.00	<u>\$30,516.00</u>
			\$64,981.00

ESTIMATE OF FEES

\$64,981.00

Note: The above estimate does not include any of the following types of fees and charges, which may also be applicable.

- **Utility Service Fees and Meter Fees – 1" water Service is Existing**
- **Buy-Ins - NA**
- **Rights-Of-Way Permit Fees**
- **Maricopa County Fees**
- **Real Estate Fees**

City of Mesa fees can be found in the latest edition of the "Schedule of Fees and Charges".

The following estimate of Fees In Lieu of Development Impact Fees are calculated based on current City of Mesa schedules of fees and charges. This exhibit is for estimating purposes only. Final fees and charges will be calculated and assessed based upon the City of Mesa schedules of fees and charges in effect at the time of actual connection to Mesa's public water mainlines. Collection of said fees and charges would occur with either the issuance of permit(s) for connection to Mesa's public water mainlines.

NOTE: For the latest Schedule of Fees and Charges, please refer to www.cityofmesa.org/government/pdf/City_fees.pdf.

ESTIMATE OF FEES IN LIEU OF DEVELOPMENT IMPACT FEES

Single Residence Detached Dwelling:		
Residential Development Fee		\$130.00
Police Impact Fee		\$226.00
Fire Impact Fee		\$145.00
Park Impact Fee		\$962.00
Cultural Facilities Impact Fee		\$128.00
Library Impact Fee		\$424.00
General Government Facility Impact Fees		\$446.00
Storm Water Drainage Impact Fees		\$158.00
Public Water Impact Fee		\$1,011.00
Public Waste Water Impact Fee	Not Available	\$0.00
ESTIMATE OF FEES		\$3,630.00

Note: The above estimate does not include any of the following types of fees and charges, which may also be applicable.

Utility Service Fees and Meter Fees – 1" Water Service Existing

For the latest Schedule of Fees and Charges, please refer to www.cityofmesa.org/government/pdf/City_fees.pdf.

- **Private Line Buy-Ins – NA**
- **Rights-Of-Way Permit Fees**
- **Maricopa County Fees**
- **Real Estate Fees**

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Fiscal Impact

The table below shows estimated potential gross revenue Mesa will receive under each option. The following estimate of Fees is calculated based on current City of Mesa schedules of fees and charges. This exhibit is for estimating purposes only. Final fees and charges will be calculated and assessed based upon the City of Mesa schedules of fees and charges in effect at the time of actual connection to Mesa's public water and/or wastewater mainlines. Collection of said fees and charges would occur with either the issuance of permit(s) for connection to Mesa's public water and/or wastewater mainlines or purchase of a City of Mesa water meter, whichever comes first.

		<u>POTENTIAL REVENUE</u>	
		<u>Option 1</u>	<u>Option 2</u>
<u>One Time Fees</u>			
Impact Fees	=	\$1,011.00	\$1,011.00
"Utility Service" Agreement Fees*	=	\$2,933.00	\$2,933.00
Payment In-Lieu of Public Street Construction		\$19,750.00	\$19,750.00
Total One Time Fees		\$23,694.00	\$23,694.00
 <u>Annual Revenue</u>			
State Shared Revenue		\$665.00	\$0.00
Water Fees			
In Mesa		\$550.00	---
In Maricopa County		---	\$550.00
Solid Waste	=	\$260.00	N/A
Annual Revenue		\$1,475.00	\$550.00

* "Utility Service" agreement fees, as identified in the Terms and Conditions for the Sale of Utilities

RECOMMENDATION

The Deputy City Manager has reviewed the property owner's request and recommends Option 2.

Options.

Option No. 1 – Require the annexation of the property prior to connecting to Mesa's public water system. Following annexation the property would be required to develop to Mesa's standards and connection to the water system then permitted. This option is consistent with the City of Mesa's **Terms and Conditions for the Sale of Utilities** as adopted by the City Council. This property is not presently able to annex as it is not contiguous with existing City limits.

Option No. 2 – Require the property owners to enter into a Utility Service Agreement with Mesa without requiring prior annexation. The Utility Service Agreement would require compliance with all City of Mesa's development standards, payment of appropriate fees prior to the connection of the identified property to the City's public water system. This option is not consistent with the City of Mesa Terms and Conditions...but would be an exemption as allowed under Section 23 (C).

The requirement to develop to Mesa standards, in Option No. 1 and 2, shall be understood to mean all development standards, including, but not limited to:

1. Construction of development in conformance with Mesa's General Plan designation.
2. Design, permitting and installation of water main and service for proposed project connecting to existing main on E. Oasis St. and extending to his east property line.
3. Dedication of adjacent Rights-of-Ways and Payment In-Lieu of Construction of E. Oasis street improvements. The identified Payment In-Lieu of Construction is based upon the current cost estimate of \$100.00 / linear foot, prepared by the City Engineer and approved by the Deputy City Manager in January 2007.
4. Site development to City of Mesa standards including grading / drainage, landscaping and solid waste facilities.
5. Payment of all fees associated with plan review, permitting, water services / meters and services.
6. Payment of Public Water impact fee.
7. Payment of fees identified in Utility Service Agreement, equal to all of the other City of Mesa Development Impact Fees for Single Residential Detached properties.

<u>POTENTIAL REVENUE</u>		<u>Option 1</u>	<u>Option 2 or 3</u>
<u>One Time Fees - 39 Units Single Residential Attached</u>			
Impact Fees	=	\$51,129.00	\$51,129.00
"Utility Service" Agreement Fees*	=	\$77,961.00	\$77,961.00
Total One Time Fees		\$129,090.00	\$129,090.00
 <u>Annual Revenue</u>			
State Shared Revenue		\$25,991.00	\$0.00
Water and Wastewater Fees			
In Mesa		\$34,000.00	---
In Maricopa County		---	\$37,000.00
Solid Waste	=	\$10,099.44	---
Annual Revenue		\$70,090.44	\$37,000.00

* "Utility Service" agreement fees, as identified in the Terms and Conditions for the Sale of Utilities

RECOMMENDATION

The Deputy City Manager has reviewed the property owner's request and based on the 2002 Settlement Agreement, recommends Option 3.

Option No. 3 – Require the property owners to enter into a Utility Service Agreement and with a general release of claims and not require prior annexation. The Deputy City Manager has identified the proposed 39-unit Townhome development as acceptable. The Utility Service Agreement would require compliance with the maximum unit density identified, City of Mesa’s development standards outlined below and payment of fees prior to the connection of the identified property to the City’s public water system. This option is not consistent with the City of Mesa Terms and Conditions...but would be an exemption as allowed under Section 23 (C).

The requirement to develop to Mesa standards, in Option No. 3, shall be understood to mean all development standards, including, but not limited to:

1. Townhome development not to exceed 39 units. Although not in conformance to Mesa's General Plan designation, the proposed development helps move the area into greater conformity to the Plan than exists today.
2. Design, permitting and installation of water and wastewater mains, services and fire hydrants for proposed project connecting to existing mains on S. 97th St.
3. Dedication of adjacent Rights-of-Ways and construction of E. Main St. and S. 97th St improvements to Mesa standards (pavement, curb, gutter, sidewalk and street lighting)
4. Site development to City of Mesa standards including grading / drainage and solid waste facilities.
5. Development to comply with Chapter 15 of the Mesa Zoning Ordinance.
6. Payment of all fees associated with plan review, permitting, water services / meters and wastewater services.
7. Payment of Public Water and Wastewater impact fees.
8. Payment of fees identified in Utility Service Agreement, equal to all of the other City of Mesa Development Impact Fees for Single Residential Attached properties.

Fiscal Impact

The table below shows estimated potential gross revenue Mesa will receive under each option. The following estimate of Fees is calculated based on current City of Mesa schedules of fees and charges. This exhibit is for estimating purposes only. Final fees and charges will be calculated and assessed based upon the City of Mesa schedules of fees and charges in effect at the time of actual connection to Mesa’s public water and/or wastewater mainlines. Collection of said fees and charges would occur with either the issuance of permit(s) for connection to Mesa’s public water and/or wastewater mainlines or purchase of a City of Mesa water meter, whichever comes first.