

ORDINANCE NO. 5071

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AMENDING THE MESA CITY CODE TITLE 5 BUSINESS REGULATIONS, CHAPTER 17, DEVELOPMENT IMPACT FEES TO ELIMINATE THE GENERAL GOVERNMENT AND CULTURAL FACILITIES IMPACT FEES, TO ELIMINATE ANNUAL ADJUSTMENTS FOR INFLATION, AND TO REQUIRE AN ANNUAL REPORT. PENALTIES AS ESTABLISHED IN SECTION 5-17-11.

WHEREAS, the City Council of the City of Mesa approved the Impact Fee Study for the City of Mesa, dated May 14, 2007, and adopted its current Development Impact Fees Ordinance on June 4, 2007; and

WHEREAS, Senate Bill 1525, approved by the Fiftieth Arizona Legislature, First Regular Session, on April 19, 2011 and signed into law by the Governor on April 26, 2011 ("SB 1525"), included changes to the Development Fee Statutes; and

WHEREAS, the changes to the Development Fee Statutes in SB 1525 provide limitations in assessing or collecting Development Impact Fees for certain excluded uses, or portions thereof, after January 1, 2012; and

WHEREAS, the City has determined for its Development Impact Fees related to such excluded uses that the general government and cultural facilities Development Impact Fees may no longer be collected as of January 1, 2012, and that the remainder of the City's Development Impact Fees are permitted to be collected after January 1, 2012 at the rate currently assessed; and

WHEREAS, the City desires through this Ordinance to amend the portions of the Mesa City Code relating to Development Impact Fees so as to no longer collect general government and cultural facilities Development Impact Fees after January 1, 2012, and to eliminate annual adjustments for inflation in compliance with SB 1525.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

Text written in **BOLD ALL CAPS** indicates new language.
~~Strikethrough~~ fonts indicate deletions.

SECTION 1. That Section 5-17-1 of the Mesa City Code, entitled Findings and Purpose, is hereby amended by amending Subsections B, E, and G as follows:

- (B) New development often overburdens existing public facilities, including water and wastewater systems, parks, ~~cultural facilities~~, libraries, fire facilities and equipment, public safety facilities and equipment, ~~general government facilities~~, and stormwater drainage systems.
- (E) An equitable development impact fee system, as established by this chapter, enables the City

to impose a more proportionate share of the costs of required improvements to the water and wastewater systems, parks, ~~cultural facilities~~, libraries, fire facilities and equipment, public safety facilities and equipment, ~~general government facilities~~, and stormwater drainage systems on those developments that create the need.

- (G) The Impact Fee Study, as defined herein, ~~and automatic annual adjustments adopted as established herein~~, sets forth reasonable methodologies and analyses for determining the impacts of various types of development on the City's public facilities, and for determining the cost of acquiring land and the cost of acquiring or constructing facilities and equipment necessary to serve new development.

SECTION 2. That Section 5-17-3 of the Mesa City Code, entitled Intent, is hereby amended by amending Subsection A as follows:

- (A) The intent of this Chapter is to ensure that new development bears a proportionate share of the cost of improvements to the City's water and wastewater systems, parks, ~~cultural facilities~~, libraries, fire facilities and equipment, public safety facilities and equipment, ~~general government facilities~~, and stormwater drainage systems; to ensure that the proportionate share for each type of public facility does not exceed the cost of providing that type of public facility to the new development that paid the impact fee; and to ensure that funds collected from new developments are actually used to construct public facilities that benefit such new developments.

SECTION 3. That Section 5-17-4 of the Mesa City Code, entitled Definitions, is hereby amended by amending the definitions of "Impact Fees," "Impact Fee Funds," "Impact Fee Tables," and "Key Public Facility" as follows:

5-17-4: DEFINITIONS:

The following words and phrases, whenever used in this Chapter, shall have the meanings respectively ascribed to them in this Section unless from the context a different meaning is clearly intended:

. . . .

IMPACT FEES: The water impact fee, wastewater impact fee, park impact fee, ~~cultural facilities impact fee~~, library impact fee, fire impact fee, public safety impact fee, ~~general government impact fee~~, and stormwater impact fee.

IMPACT FEE FUNDS: The water impact fee fund, wastewater impact fee fund, park impact fee fund, ~~cultural facilities impact fee fund~~, library impact fee fund, fire impact fee fund, public safety impact fee fund, ~~general government impact fee fund~~, and stormwater drainage impact fee fund.

IMPACT FEE STUDY: The *Impact Fee Study for the City of Mesa, Arizona* prepared by Duncan-Associates dated May, 2007.

IMPACT FEE TABLES: Tables 1 ~~through 7~~ attached to this Chapter and included in this Chapter by reference.

IMPROVEMENT: Planning, land acquisition, engineering design, construction inspection,

on-site construction, off-site construction, equipment purchases, and financing costs associated with new or expanded facilities, buildings, and equipment that expand the capacity of a key public facility.

KEY PUBLIC FACILITY: One (1) or more elements of the City's water and wastewater systems, parks, ~~cultural facilities~~, libraries, fire facilities, public safety facilities, ~~general government facilities~~, and stormwater drainage systems included in the calculations of the development impact fees in the Impact Fee Study.

. . . .

SECTION 4. That Section 5-17-5 of the Mesa City Code, entitled Imposition of Impact Fees, is hereby amended by amending Subsection A as follows:

- (A) **Impact Fees Required.** Any person who obtains a building permit, a right-of-way permit, or any other permit, is required to pay the applicable water impact fee, wastewater impact fee, park impact fee, ~~cultural facilities impact fee~~, library impact fee, fire impact fee, public safety impact fee, ~~general government facilities impact fee~~, and stormwater drainage impact fee unless the type of development described in the permit is specifically exempted by this Chapter. In addition, any person who seeks a connection to the City water system shall pay a water impact fee, and any person who seeks a connection to the City wastewater system shall pay a wastewater impact fee, regardless of whether the development to be connected requires a building permit or other permit.

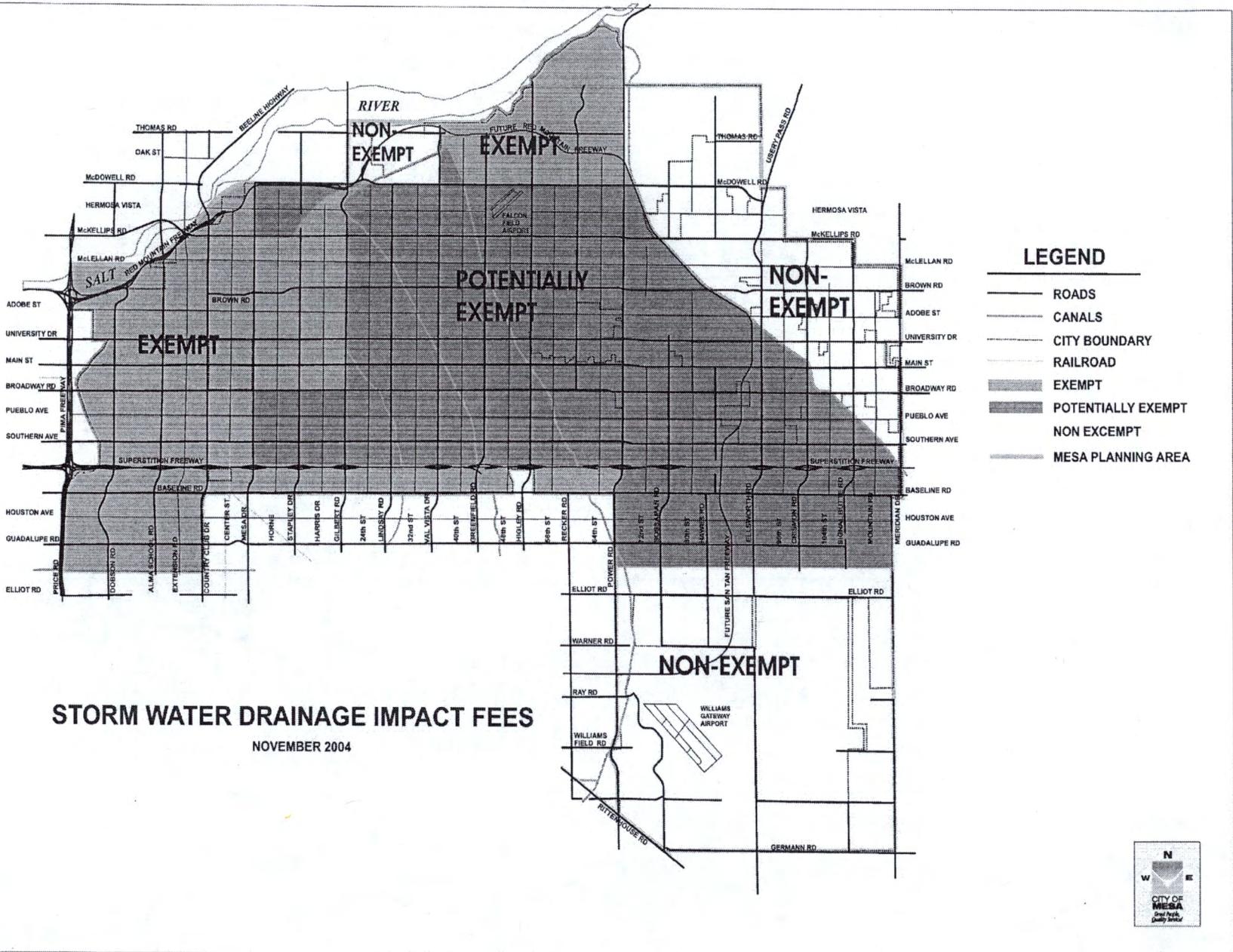
SECTION 5. That Section 5-17-7 of the Mesa City Code, entitled Impact Fee Funds, is hereby amended by amending Subsection A as follows:

- (A) **Creation of Impact Fee Funds.** The following impact fee funds are hereby created as interest-bearing account distinct from the general fund of the City.
1. Water Impact Fee Fund – designated as “022”;
 2. Wastewater Impact Fee Fund – designated as “023”;
 3. Park Impact Fee Fund – designated as “453”;
 4. **(RESERVED) Cultural Facilities Impact Fee Fund** — designated as “454”
 5. Library Impact Fee Fund – designated as “455”;
 6. Fire Impact Fee Fund – designated as “452”;
 7. Public Safety Impact Fee Fund – designated as “451.”
 8. **(RESERVED) General Government Facilities Impact Fee Fund** — designated as “457”
 9. Stormwater Drainage Impact Fee Fund - designated as "456."

SECTION 6. That Section 5-17-10 of the Mesa City Code, entitled Miscellaneous Provisions, is hereby amended by amending Subsection L thereof as follows:

- (L) ~~Adjustments for Inflation. The impact fee amounts shown in each impact fee table may be adjusted annually to reflect the effects of inflation on those costs set forth in the Impact Fee Study. Beginning on July 1, 2008, and on July 1 of each following year unless and until the impact fee tables are otherwise revised or replaced by City Council, each fee amount set forth in each table may be adjusted by multiplying such amount by the appropriate factors in the "Construction Cost Index" and the "Building Cost Index" as established and published by the *Engineering News Record* for the elapsed period since the effective date of the last adjustment. Adjustments in fees shall become effective upon approval by City Council.~~ **ANNUAL REPORT. WITHIN 90 DAYS OF THE END OF EACH FISCAL YEAR, THE CITY SHALL FILE WITH THE CITY CLERK AN ANNUAL REPORT ACCOUNTING FOR THE COLLECTION AND USE OF THE FEES FOR EACH SERVICE AREA AND SHALL POST THE REPORT ON ITS WEBSITE IN ACCORDANCE WITH A.R.S. § 9-463.05(N) AND (O), AS AMENDED.**

SECTION 7. That Table 1 in Title 5 Chapter 17 of the Mesa City Code, entitled Mesa Development Impact Fees, is hereby amended as follows (see following pages):



**TABLE 1
MESA DEVELOPMENT IMPACT FEES**

DESCRIPTION	UNIT	IMPACT FEE CATEGORIES									TOTAL	TOTAL
		WATER	WASTE WATER	PARKS	LIBRARY FACILITIES	CULTURAL FACILITIES	FIRE	PUBLIC SAFETY	GENERAL GOV'T	STORM WATER		
RESIDENTIAL LAND USES:												
Single Residence												
Detached	dwelling	\$2,220	\$2,659	\$1,122	\$464	\$218	\$272	\$402	\$598	\$366	\$8,321	\$7,505
Manufactured Home (on platted lot)												
	dwelling	\$2,220	\$2,659	\$1,122	\$464	\$218	\$272	\$402	\$598	\$366	\$8,321	\$7,505
Single Residence Attached	dwelling	\$1,265	\$1,516	\$802	\$332	\$156	\$230	\$388	\$377	\$195	\$5,261	\$4,728
Multi-Residence	dwelling	\$1,265	\$1,516	\$802	\$332	\$156	\$230	\$388	\$377	\$195	\$5,261	\$4,728
<hr/>												
Manufactured Home or Recreational Vehicle	pad/ space	\$577	\$691	\$690	\$286	\$134	\$146	\$84	\$435	\$195	\$3,238	\$2,669
NON-RESIDENTIAL LAND USES:												
Hotel/Motel	room	see water meter sizes		n/a	n/a	n/a	\$108	\$159	\$163	\$119		
Non-Residential	sq ft	see water meter sizes		n/a	n/a	n/a	\$0.215	\$0.318	\$0.326	\$0.238		
3/4" (water meter size)	meter	\$2,220	\$2,659									
1"	meter	\$5,550	\$6,648									
1 1/2"	meter	\$11,100	\$13,295									
2"	meter	\$17,760	\$21,272									
3"	meter	\$35,520	\$42,544									
4"	meter	\$55,500	\$66,475									
6"	meter	\$111,000	\$132,950									
8"	meter	\$177,600	\$212,720									
10"	meter	\$255,300	\$305,785									

SECTION 8: RECITALS. The recitals above are fully incorporated in this Ordinance by reference.

SECTION 9: USE OF DISCONTINUED FEES. The general government and cultural facilities impact fees collected before January 1, 2012, shall be used as permitted by A.R.S. § 9-463.05 (as amended by SB 1525).

SECTION 10: CONTINUATION OF FEES. The City has determined that the City of Mesa Impact Fees (other than general government and cultural facilities impact fees) may be collected after January 1, 2012 at the rate currently assessed.

SECTION 11: EFFECTIVE DATE. The effective date of this ordinance shall be 30 days following adoption by the Mesa City Council.

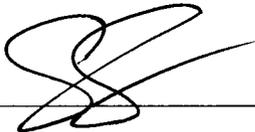
SECTION 12: PRESERVATION OF RIGHTS AND DUTIES. The repealing provisions of this ordinance do not affect the rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of the repeal.

SECTION 13: SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this ordinance or any part of the material adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 14: PENALTY. Penalties shall be as prescribed in section 5-17-11 of the Mesa City Code.

PASSED AND ADOPTED by the Council of the City of Mesa, Maricopa County, Arizona, this 5th day of December, 2011.

APPROVED:



Mayor

ATTEST:



City Clerk

