

CHAPTER 17

DEVELOPMENT IMPACT FEES

(1471,1790,1838,2100,2241,2356,2596,2658,2786,2909,3003,3041,3100,4706,5071,5189,5240,5341)

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5-17-1: FINDINGS AND PURPOSE:

The City Council of Mesa, Arizona, finds that: (3502)

- (A) Both population and employment within the City continue to grow creating demands for new residential and nonresidential development. (3502)
- (B) New development often overburdens existing public facilities, including water and wastewater systems, parks, libraries, fire facilities and equipment, public safety facilities and equipment, and stormwater drainage systems. (3502,4234,4239,4240,5071)
- (C) The protection of the health, safety, and general welfare of the citizens of the City requires that the public facilities of the City be expanded and improved to meet the demands of new development. (3502)
- (D) Under the City's current laws, taxes, fees, utility charges, and other forms of revenue collected from new development do not generate sufficient funds to provide those public facilities required to serve the new development. (3502)
- (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, libraries, fire facilities and equipment, public safety facilities and equipment, and stormwater drainage systems on those developments that create the need. (3502,4039,4234,4239,4240,4706,5071)
- (F) All types of development that are not explicitly exempted from the provisions of this ordinance generate demand for the types of facilities for which impact fees are being imposed pursuant to this Chapter. (3502,3875,4039)

- (G) The Impact Fee Study, as defined 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. (3502,3875,4706,5071)
- (H) The assumptions and service levels referenced in the Impact Fee Study were those in existence at the time the Impact Fee Study was completed. (3502,3875,4039,4706)
- (I) The Pledged Debt Analysis for Continuation of Impact Fees, as defined herein, sets forth the basis and analysis for the continuation of the City's current impact fees (as determined in the Impact Fee Study) for Water, Wastewater, Parks, Library, Fire, Public Safety and Storm Water facilities until sufficient funds have been collected to repay all of the debt amounts for which the fees were pledged, as authorized by SB 1525, Fiftieth Legislature, First Regular Session (2011). (5189)
- (J) The impact fees described in this Chapter are based on the Impact Fee Study and the Pledged Debt Analysis for Continuation of Impact Fees. (3502,3875,4039,5189)
- (K) The types of improvements to each type of public facility considered in the Impact Fee Study and the Pledged Debt Analysis will benefit all new development in the City, and it is therefore appropriate to treat the entire City as a single service area for purposes of assessing, collecting, and expending the impact fees for each type of facilities. (3502,3875,4039,4706,5189)
- (L) There is both a rational nexus and a rough proportionality between the development impacts created by each type of new development covered by this Chapter and the impact fees that each such development will be required to pay. (3502,3875,4039,4706,5189)
- (M) This Chapter allows for the continuation of development impact fees that the City adopted prior to January 1, 2012, and that were, and hereby are again, pledged to repay debt service obligations related to the construction of impact fee eligible facilities for Water, Wastewater, Parks, Library, Fire, Public Safety and Storm Water facilities as allowed by Arizona Revised Statutes ("A.R.S.") § 9-463.05. (3502,3875,4039,5189)
- (N) This Chapter creates a system of impact fees in compliance with the requirements of A.R.S. § 9-463.05. (3502,3875,4039,5189)

5-17-2: AUTHORITY AND APPLICABILITY:

- (A) This Chapter is enacted pursuant to the City's general police power, the authority granted to the City by the Arizona State Constitution, and A.R.S. § 9-463.05. (3502,3875,5189)
- (B) The provisions of this Chapter shall apply to all of the territory within the corporate limits of the City, and within the City's water and wastewater service areas. (3502,3875)
- (C) The City Manager or his designee is authorized to make determinations regarding the application, administration and enforcement of this Chapter. The application, administration, and enforcement of this Chapter shall comply with any applicable requirements of A.R.S. § 9-463.05. (4706,5189)

5-17-3: INTENT:

- (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, libraries, fire facilities and equipment, public safety facilities and equipment, and stormwater drainage systems as allowed by the Arizona State Constitution and A.R.S. § 9-463.05. (3502,3875,4039,4234,4239,4240,5071,5189)
- (B) This Chapter provides for the continuation of development impact fees (adopted by the City prior to January 1, 2012) for Water, Wastewater, Parks, Library, Fire, Public Safety and Storm Water facilities until sufficient funds have been collected to repay all of the debt amounts for which the fees were pledged as identified in the Pledged Debt Analysis for Continuation of Impact Fees, at such time, the collection of the impact fee for such impact fee category (each impact fee category being treated separately) shall automatically cease until a new or updated development impact fee is adopted in compliance with A.R.S. § 9-463.05. (3502,3875,4039,5189)
- (C) It is not the intent of this Chapter that any monies collected from any impact fee and deposited in an impact fee fund shall ever be commingled with monies from a different impact fee fund or ever be used for a type of public facility different from that for which the impact fee was paid. (3502,3875,4039,4706)

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: (3502,4039)

APPLICANT: A person who applies to the City for a permit. (4039)

BUILDING AREA: For fees assessed on the basis of square feet, building area shall be calculated as follows:

Building area shall include all areas within the surrounding exterior walls, measured to the outside of such walls, exclusive of vent shafts and courts. Building area shall also include areas of buildings within the horizontal projection of the roof or floor above, which do not have surrounding exterior walls but exceed three feet (3') in horizontal dimension. Building area shall also include basements, if provided, and outdoor patios without roofs for restaurants, bars or similar occupancies (per Title 4 Chapter 2 of the Mesa City Code). (4706,5189)

CHANGE IN USE: A development that modifies the housing type, meter size, or land use type applicable to the lot. (3547,3875,4039,5189)

CONNECTION: The physical tie-in of a private water or wastewater service or system to the City's public water or wastewater system. (3502,3875)

DEVELOPMENT: Any construction or expansion of a building, structure, or use, any change in use of a building or structure, or any change in the use of land. (3502,4039)

DWELLING UNIT: A room or group of rooms within a building containing cooking accommodations and designed to be used for living purposes. The term dwelling unit shall include an apartment, but shall not include a hotel room, guest room in a boarding house, or other transient occupancy by any one (1) person or group of persons for a period of less than thirty (30) calendar days or accessory living quarters. (3502,4706)

HOTEL/MOTEL: A facility containing 6 or more commercial guest rooms utilized for short term transient occupancy which provides continuous on-site management. The term shall include those facilities subject to the Transient Lodging Tax provided in Sections 5-10-444 and 5-10-447 of the Mesa City Code, but shall not include nursing or convalescent homes, boarding houses, bed and breakfast establishments, or apartment buildings. (3875,5189)

HOUSING TYPE: The categories of housing types as set forth in Table 1 attached to this Chapter. (4039,4706)

IMPACT FEES: The water impact fee, wastewater impact fee, park impact fee, library impact fee, fire impact fee, public safety impact fee, and stormwater impact fee. (3502,4234,4239,4240,5071)

IMPACT FEE FUNDS: The water impact fee fund, wastewater impact fee fund, park impact fee fund, library impact fee fund, fire impact fee fund, public safety impact fee fund, and stormwater drainage impact fee fund. (3502,4234,4239,4240,5071)

IMPACT FEE STUDY: The *Impact Fee Study for the City of Mesa, Arizona* prepared by Duncan-Associates dated May, 2007. (3875,4039,4234,4239,4240,4706)

IMPACT FEE TABLES: Table 1 attached to this Chapter and included in this Chapter by reference. (3502,3875,5071)

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. (3502)

KEY PUBLIC FACILITY: One (1) or more elements of the City's water and wastewater systems, parks, libraries, fire facilities, public safety facilities, and stormwater drainage systems included in the calculations of the development impact fees in the Impact Fee Study. (3502,3875,4234,4239,4240,5071)

LAND USE TYPE: The categories of land use type as set forth in Table 1 attached to this Chapter. (4039,4359,4706)

LOT: A piece or parcel of land separated from other pieces or parcels by description, as in a subdivision or on a recorded survey map, or by metes and bounds, for purposes of sale, lease or separate use. (4039,5189)

MANUFACTURED HOME: Same as "mobile home." A structure transportable in one (1) or more sections which, (1) in the traveling mode, is eight (8) body feet or more in width or forty (40) body feet or more in length or, when erected on site, is three hundred twenty (320) or more square feet, (2) is built on a permanent chassis, and (3) is designed to be used as a dwelling, with or without permanent foundation, when connected to utilities. This term shall not include a recreational vehicle as defined in this Chapter. (3502,3875,4706)

METER SIZE: The category of meter size as set forth in Table 1 and Table 2 attached to this Chapter. (4039)

MULTI-RESIDENCE DWELLING: A dwelling unit in a building containing two (2) or more dwelling units, including units that are situated over one another. (3502,5189)

NON-RESIDENTIAL: All land uses (which includes commercial and industrial), except single residence detached dwellings, single residence attached dwellings, multi-residence dwellings, manufactured homes, recreational vehicles or similar uses. (4706,5189)

PERSON: Any person, partnership, firm, company, limited liability entity or corporation. (4039,5189)

PERMIT: Any permit authorized to be issued pursuant to the provisions of Chapter 1, of Title 4 and Chapters 6 and 8 of Title 9 of the Mesa City Code. (4039,4706)

PLEGGED DEBT ANALYSIS FOR CONTINUATION OF IMPACT FEES: The *Pledged Debt Analysis for Continuation of Impact Fees for the City of Mesa, Arizona* prepared by Duncan-Associates dated April 16, 2013. (5189)

RECREATIONAL VEHICLE: A vehicle-type unit that is one (1) of the following: (1) a portable camping trailer mounted on wheels and constructed with collapsible partial side walls that fold for towing by another vehicle and unfold for camping; (2) a motor home designed to provide temporary living quarters for recreational, camping, or travel use, and built on or permanently attached to a self-propelled motor vehicle chassis or on a chassis cab or van that is an integral part of the completed vehicle; (3) a park trailer built on a single chassis, mounted on wheels, designed to be connected to utilities necessary for operation of installed fixtures and appliances, and having a gross trailer area of not less than three hundred twenty (320) square feet and not more than four hundred (400) square feet when it is set up, but excluding fifth wheel trailers; or (4) a travel trailer mounted on wheels, designed to provide temporary living quarters for recreational, camping, or travel use, or a size or weight that may or may not require special highway movement permits when towed by a motorized vehicle, and having a trailer area of less than three hundred twenty (320) square feet, and specifically including fifth wheel trailers. (3502,4706)

SINGLE-RESIDENCE ATTACHED DWELLING: A one- (1-) family dwelling in a row of at least two (2) such units in which each unit is separated from any other unit by one (1) or more vertical common fire-resistant walls extending from ground to roof, each unit has its own front and rear access to the outside, and no unit is situated over another unit. (3502)

SINGLE-RESIDENCE DETACHED DWELLING: A building containing one (1) dwelling unit and that is not attached to any other dwelling by any means and is surrounded by open space or yards on all four (4) sides. This term shall include a manufactured home situated on a separately platted lot. (3502)

STORMWATER DRAINAGE IMPACT FEE MAP: The Stormwater Drainage Impact Fee Map attached to this Chapter and included herein. (4706)

SQUARE FEET: Each unit of building area equal to one hundred and forty-four (144) square inches. (3875,4234,4706)

5-17-5: IMPOSITION OF IMPACT FEES:

- (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, library impact fee, fire impact fee, public safety 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. (3502,3875,4039, 4234,4239,4240,4706,5071)

- (B) Timing of Payment. Any person required by this Chapter to pay one (1) or more impact fees, shall pay each impact fee required by this Chapter to the City prior to, or in conjunction with, the issuance of any such permit, or prior to the completion of any connection to the City's water and wastewater systems; and no such permits shall be issued and no such connections shall be made until each impact fee required by this Chapter has been paid. All impact fees paid pursuant to this Chapter shall be promptly deposited in the appropriate impact fee funds described in Section 5-17-7. (3502,3875,4039,4706)
- (C) Calculation of Impact Fees from Impact Fee Tables.
1. The City Manager, or his designee, shall determine the amount of each required impact fee through the use of the impact fee table set forth in this Chapter. (3502,3875,4706,5189)
 2. Land Use Type. The City Manager, or his designee, shall determine the land use type for each development based on the land use or land uses applicable to the lot to be developed in its entirety. If a lot consists of two (2) or more separate areas with different land uses applicable to each separate area, then the impact fee shall be determined by adding up all the fees that would be applicable for each land use type in each separate area. Determinations of the land use type may be appealed to the City Manager or his designee. (3502,4039,4234,4706,5189)
 3. Meter Size. The City Manager, or his designee, shall determine the meter size for each lot based on the actual meter size installed on each lot. If the exact meter size is not listed in a table, then the City shall use the next largest meter size in such table. If a lot consists of two (2) or more separate areas with separate meters in each separate area, then the impact fee shall be determined by adding up all the fees that would be applicable for each meter size in each separate area. (3502,4039,4706,5189)
 4. Calculation of Square Footage. In assessing the development impact fees for the nonresidential land use type, any determination of square footage shall be in whole units, with any fractions thereof being rounded up to the next square foot. (4234,4706)
 5. Existing development credits. Impact fees for development projects involving an addition to or remodeling of an existing facility, change of use, change of housing type, change of meter size or other modification or redevelopment of a previously developed lot or building with a valid certificate of occupancy shall be calculated as follows:

The applicable impact fees for each proposed housing type, land use type and meter size as set forth in the current impact fee tables minus the applicable impact fees for each existing or previous housing type, land use type and meter size as set forth in the current impact fee tables. Calculated amounts equal to or less than zero dollars (\$0.00) shall result in no additional impact fee for that specific impact fee or fees. Unused credit amounts shall not be refunded to the owner or applicant, but shall run with the land until utilized in full. (4706)
 6. If a manufactured home housing type is located on a separately platted lot, the impact fees shall be calculated as for single residence detached dwelling. If a manufactured home housing type is located on a recreational vehicle park space, the impact fees shall be calculated as for manufactured home/recreational vehicle. (4706)

5-17-6: EXEMPTIONS FROM IMPACT FEES:

- (A) General Exemptions. The following types of development shall be exempt from payment of specified impact fees otherwise due pursuant to this Chapter. Except for claim(s) resulting from unforeseen conditions, the City Manager, or his designee, shall evaluate every permit application for applicability of the exemption criteria as follows: (3502,3547,3875,4039,4359,4706,5189)
1. Facilities located within the City and owned by the City will be exempt from payment of impact fees if the proposed facility will produce no additional demand for a specific necessary public service. The City Manager, or his designee, will evaluate such proposed facilities for applicability of the demonstration of no additional demand pursuant to this Chapter. (3502,4706,5189)
 2. Public schools, school districts and Charter Schools located within Mesa shall be exempt from payment of all impact fees in accordance with Arizona Revised Statutes, Section 9-500.18, except applicable water and wastewater impact fees. (4706,5189)
 3. Water and wastewater impact fees shall not be charged for the installation of fire protection systems or lines, provided that such system or line is not served by a water meter. (3502,4039,4706)
 4. Separate water meters installed for irrigation purposes only shall not be included in the calculation of the wastewater impact fee. (3502,4706)
 5. Separate water meters installed for irrigation purposes only that meet one (1) of the following conditions shall not be included in the calculation of the water impact fee: (3502,4039,4706)
 - (a) Dwelling units for which applicable impact fees were assessed and paid on a dwelling-unit basis; or (3502,4039)
 - (b) Dwelling units for which first connection preceded the assessment of development fees; or (3502,4039)
 - (c) Residential subdivision developments where water meters are installed in common areas of said developments to provide landscape irrigation; or (4234)
 - (d) Commercial or industrial developments for which water development fees were assessed and paid prior to July 1, 1993; or (3502,4039,4234)
 - (e) Commercial or industrial developments for which first connection preceded the assessment of development fees. (3502,4039,4234)
 6. Separate water meters installed in a residential subdivision development that is: (4234,4706)
 - (a) Used for common amenities (i.e., swimming pools, clubhouses, recreation buildings, etc.) and (4234)
 - (b) Solely dedicated for the noncommercial use of the subdivision residents shall not be included in the calculation of the water impact fees when applicable impact fees for dwelling units were assessed and paid on a dwelling/unit or space/lot basis. (4234)
 7. A development shall be exempt from stormwater drainage impact fees if the development is located within the areas of the "Stormwater Drainage Impact Fee Map" designated either as "exempt" or "potentially exempt" from stormwater drainage impact fees. (4706,5189)

- (B) **Demonstration of No Additional Demand for Facilities.** A development may be exempted from payment of specific impact fees otherwise due pursuant to this Chapter if the proposed development will produce no additional demand for a specific key public facility than what was generated from such lot or location prior to the proposed development. The City Manager, or his designee, shall evaluate every permit application for applicability of the demonstration of no additional demand for facilities for the types of impact fees pursuant to this Chapter. (3502,3875,4039,4359,4706,5189)
- (C) **Exemption Determination.** The City Manager, or his designee, shall determine the validity of any claim for exemption pursuant to the criteria set forth in this Section. (3502,3766,3875,4039,4706)

5-17-7: IMPACT FEE FUNDS:

- (A) **Creation of Impact Fee Funds.** The following impact fee funds are hereby created as interest-bearing accounts separate and distinct from the general fund of the City: (3502,3875,5189)
1. Water Impact Fee Fund. (3502,5189)
 2. Wastewater Impact Fee Fund. (3502,5189)
 3. Park Impact Fee Fund. (3502,5189)
 4. (RESERVED) (5071)
 5. Library Impact Fee Fund. (3502,5189)
 6. Fire Impact Fee Fund. (3502,4039,5189)
 7. Police Impact Fee Fund. (3502,4234,5189)
 8. (RESERVED) (5071)
 9. Stormwater Drainage Impact Fee Fund. (4240,5189)
- (B) Each such impact fee fund shall contain only those impact fees collected pursuant to this Chapter for the types of key public facilities reflected in the title of the fund plus any interest which may accrue from time to time on such amounts. (3502,3875,4039,4706)
- (C) The monies in each impact fee fund shall be used only: (3502,3875)
1. To repay all of the debt amounts for which the fees have been pledged as described in the Pledged Debt Analysis for Continuation of Impact Fees; (5189)
 2. As described in Section 5-17-8 (refunds); or (3502,5189)
 3. As described in Section 5-17-9 (credits). (3502,5189)

5-17-8: REFUNDS OF DEVELOPMENT IMPACT FEES PAID:

- (A) The City Manager, or his designee, is hereby authorized and directed to correct any error in the assessment and collection of impact fees detected within twenty-four months of the date of the payment of the impact fees, including assessing additional impact fee amounts or issuing a refund from the appropriate impact fee fund(s). (3502,4706,5189)
- (B) If an applicant has paid an impact fee required by this Chapter and has obtained any of the types of permits listed in Section 5-17-5, and the permit for which the impact fee was paid later expires or is revoked, then the applicant who paid such impact fee shall be entitled to a refund of the impact fee paid. A refund will include interest to the extent required by A.R.S. § 9-463.05. In order to be eligible to receive such refund, the applicant who paid such impact fee shall be required to submit a request for such refund within thirty (30) days after the expiration or revocation of the permit for which the impact fee was paid. (3502,3875,4039,4706,5189)
- (C) After an impact fee has been paid pursuant to this Chapter, no refund of any part of such impact fee shall be made if the development for which the impact fee was paid is later demolished, destroyed, or is altered, reconstructed, or reconfigured so as to reduce the size of the development, the number of units in the development, or the amount of traffic generated by the development. (3502,3875,4039)

5-17-9: CREDITS AGAINST IMPACT FEES:

- (A) Credits Against Impact Fees. (3502,5189)
 - 1. Impact Fee Credits. The City will provide a credit toward the payment of a development impact fee for a required or agreed upon dedication of public sites, improvements and other necessary public services or facility expansions included in the City's infrastructure improvement plan and for which the fee is assessed. The credit will be provided to the extent the public sites, improvements and other necessary public services or facility expansions are provided by the developer requesting the credits. The City will provide credits or reimbursements from development impact fees under A.R.S § 9-463.05(B)(7)(c)(i). The City will provide credits when required by A.R.S. § 9-463.05. Credits will only be provided if and to the extent such credits comply with A.R.S. § 9-463.05. (3502,3875,5189)
 - 2. Oversized Water and Wastewater Improvements. Credits shall not be issued for water and wastewater oversize improvements. Oversized improvements may be handled using development agreements as outlined in Sections 9-6-4(F) and 9-8-3(I) of the Mesa City Code. (3502,3547,4706,5189)
- (B) Procedure. In order to obtain a credit against an impact fee otherwise due, an applicant must submit a written offer to dedicate to the City specific parcels of qualifying land or to acquire or construct specific key public facilities in accordance with all applicable State or City design and construction standards, identify the project in the City's Infrastructure Improvement Plan for which the credit is sought and must specifically request a credit against such impact fee. Such written request must be made on a form provided by the City, must contain a statement under oath of the facts that qualify the applicant to receive a credit, must be accompanied by documents evidencing those facts, and must be filed not later than the time when an applicant applies for the first permit of a type listed in Section 5-17-5(A) that creates an obligation to pay the type of impact fee against which the credit is requested, or the applicant's claim for the credit shall be waived. (3502,5189)

- (C) Calculation of Credit. The credit due to an applicant shall be calculated and documented as follows: (3502,5189)
1. The value of land dedicated or donated shall, at the applicant's option, be valued at (a) one hundred percent (100%) of the most recent assessed value for such land as shown in the records of the County Assessor, or (b) that fair market value based on the appraised land value of the parent parcel on the date of transfer of ownership to the City, as determined by a certified appraiser who was selected and paid for by the applicant, and who used generally accepted appraisal techniques. If the City disagrees with the appraised value, the City may engage another appraiser at the City's expense, and the value shall be an amount equal to the average of the two (2) appraisals. If either party rejects the average of the two (2) appraisals, a third appraisal shall be obtained, with the cost of such third appraisal being shared equally by the property owner and the City. The third appraiser shall be selected by the first two (2) appraisers, and the third appraisal shall be binding on both parties. Credits may not exceed the cost identified in the Infrastructure Improvement Plan for which a development fee was assessed. (3502,5189)
 2. In order to receive credit for qualifying acquisition or construction of eligible public facilities, the applicant shall comply with the public bidding process as required by Section 5-17-9(H) of the Mesa City Code. Credits may not exceed the cost identified in the Infrastructure Improvement Plan for which a development fee was assessed and may not exceed the actual costs the applicant incurred in acquisition or construction. (3502,3547,4706,5189)
- (D) Effective Date. Approved credits shall become effective at the following times: (3502,5189)
1. Approved credits for land dedications shall become effective when the land has been conveyed to the City in a form acceptable to the City and at no cost to the City and has been accepted by the City. When such conditions have been met, the City shall note that fact in its records. Upon request of the applicant, the City shall issue a letter stating the amount of credit available. (3502)
 2. Approved credits for the acquisition or construction of key public facilities shall generally become effective when (1) all required construction has been completed and has been accepted by the City, (2) a suitable maintenance and warranty bond has been received and approved by the City, (3) all design, construction, inspection, testing, bonding, and acceptance procedures have been completed in compliance with all applicable City and State procedures. When such conditions have been met, the City shall note that fact in its records. Upon request of the applicant, the City shall issue a letter stating the amount of credit available. (3502,3875)
- (E) Credits Used for Same Impact Fee Category. Approved credits may be used only to reduce the amount of impact fees due from the applicant for the same impact fee category for which the applicant dedicated land or acquired or constructed a key public facility until the amount of the credit is exhausted. Approved credits shall not be paid to the applicant in cash or in credits against any impact fee for a different type impact fee category or against any other monies due from the applicant to the City, and shall not constitute a liability of the City, except as described in Section 5-17-9(G). Each time a request to use approved credits is presented to and approved by the City, the City shall reduce the amount of the applicable impact fee otherwise due from the applicant, and shall note in the City records the amount of credit remaining, if any. Upon request of the applicant, the City shall issue a letter stating the number of credits available. (3502,5189)

- (F) Sale of the Development. In the event that the development for which credits have been issued is sold to different owners, the credits usable by each new owner shall be calculated in terms of a percentage of the impact fees that would otherwise be due from the entire development. If the total amount of development is not known, the maximum potential development under existing development regulations shall be assumed. This percentage reduction will be applied to all impact fees assessed within the development until the total amount of the credits is exhausted or the development is completed, whichever occurs first. In the event that the impact fee tables are amended to increase the fees prior to completion of the development, the percentage reduction shall be applied only to the impact fees that were in place at the time the credits were issued, and the adjusted impact fee to be charged shall be the sum of the reduced original impact fee plus the amount by which the fees were increased. (3502,4039,5189)
- (G) Rights to Credits. Except as provided below in this Subsection, the right to claim credits shall run with the land and may be claimed only by owners of property within the development for which the land was dedicated or the key public facility of the same type was acquired or constructed. Credits issued for a particular development shall not be transferable or assignable to another development, except the City may agree to a transfer or assignment as allowed in A.R.S. § 9-463.05(B)(7)(c)(iii) in a signed development agreement between the City and the original developer. (3502,3547,3875,5189)
- (H) Use of Public Bidding Process. In order to receive a credit for the acquisition or construction of eligible public improvements (other than land dedication), the developer shall comply with A.R.S. § 34-101 et seq. and the City of Mesa's public bidding process as administered by the City. (3502,4706,5189)

5-17-10: MISCELLANEOUS PROVISIONS:

- (A) Interest. Interest earned on monies in any impact fee fund shall be considered part of such fund, and shall be subject to the same restrictions on use applicable to the impact fees deposited in such fund. (3502)
- (B) First-In/First-Out Accounting. Monies in each impact fee fund shall be considered to be spent in the order collected, on a first-in/first-out basis. (3502)
- (C) Maintenance. Monies from any impact fee fund shall not be spent for periodic or routine maintenance of any facility of any type or to cure deficiencies in public facilities existing on November 1, 1998. (3502,3875,4039)
- (D) No Restriction on Development Conditions. Nothing in this Chapter shall restrict the City from requiring an applicant to construct reasonable project improvements required to serve the applicant's development, whether or not such improvements are of a type for which credits are available under Section 5-17-9. (3502,3875,4039)
- (E) Records. The City shall maintain accurate records of the impact fees paid, including the name of the person paying such impact fees, the development for which the impact fees were paid, the date of payment of each impact fee, the amounts received in payment for each impact fee, and any other matters that the City deems appropriate or necessary to the accurate accounting of such impact fees. Records shall be available for review by the public during normal business hours and with reasonable advance notice. (3502,4039)
- (F) Temporary Rate Freeze for New and Increased Fees in the Future. If the City adopts new or increased development impact fees, the new impact fee or the increased portion of the modified impact fee shall not be assessed against a development for the period of the time as provided for and defined in A.R.S. § 9-463.05(F) and (T)(4). (3502,3875,4706,5189)

- (G) Mistake or Misrepresentation. If a development impact fee has been calculated and paid based on a mistake or misrepresentation, it shall be recalculated. Any amounts overpaid by an applicant shall be refunded by the City to the applicant within thirty (30) days after the City's acceptance of the recalculated amount, with interest earned by the City since the date of such overpayment. Any amounts underpaid by the applicant shall be paid to the City within thirty (30) days after the City's acceptance of the recalculated amount, with interest that would have been earned by the City from the date of such underpayment. In the case of an underpayment to the City, the City shall not issue any additional permits or approvals for the development for which the impact fee was previously underpaid until such underpayment is corrected, and if amounts owed to the City are not paid within such thirty- (30-) day period, the City may also rescind any permits issued in reliance on the previous payment of such impact fee and refund such fee to the then current owner of the land. (3502,4039,5189)
- (H) Discretion to Reduce Impact Fees. In order to promote the economic development of the City or the public health, safety, and general welfare of its residents, the City Council may agree to pay some or all of the impact fees imposed on a proposed development from other funds of the City that are not restricted to other uses. Any such decision to pay impact fees on behalf of an applicant shall be at the discretion of the City Council and shall be made pursuant to goals and objectives expressed by the City Council to promote such development. (3502,4039,5189)
- (I) Appeals. Any determination made by any official of the City charged with the administration of any part of this Chapter may be appealed to the City Manager, or his designee. The determination of the City Manager, or his designee, may be appealed to the City Council committee that is designated by the City to hear such appeals. All appeals must include a written notice of appeal that contains an explanation of why the appellant feels that the determination was in error. The written notice of appeal must be filed with the City Clerk within thirty (30) days after the determination for which the appeal is being filed. The determination of the City Council committee shall be final. (3502,3547,3875,5189)
- (J) Biennial Audit. The City shall conduct a biennial certified audit in accordance with A.R.S. § 9-463.05(G)(2) if and to the extent applicable to the continuation of the impact fees for the payment of pledged debt amounts and as required for any future adopted impact fees. (3502,3875,5189)
- (K) 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. (3502,3547, 3875,4706,5071,5189)

5-17-11: VIOLATION; PENALTY:

Furnishing false information to any official or agent of the City charged with the administration of this Chapter on any matter relating to the administration of this Chapter, including without limitation the furnishing of false information regarding the expected size, use, or impacts from a proposed development, shall be a violation of this Chapter. Any person, firm, or corporation that violates any of the provisions of this Chapter shall be guilty of a misdemeanor. Upon conviction, persons shall be punished by a fine not to exceed two thousand five hundred dollars (\$2,500), or by imprisonment for a period not to exceed six (6) months, or by both such fine and imprisonment. Upon conviction, firms or corporations shall be punished by a fine not to exceed twenty thousand dollars (\$20,000). Each violation shall be considered a separate offense, punishable as described above. (3502,3875)

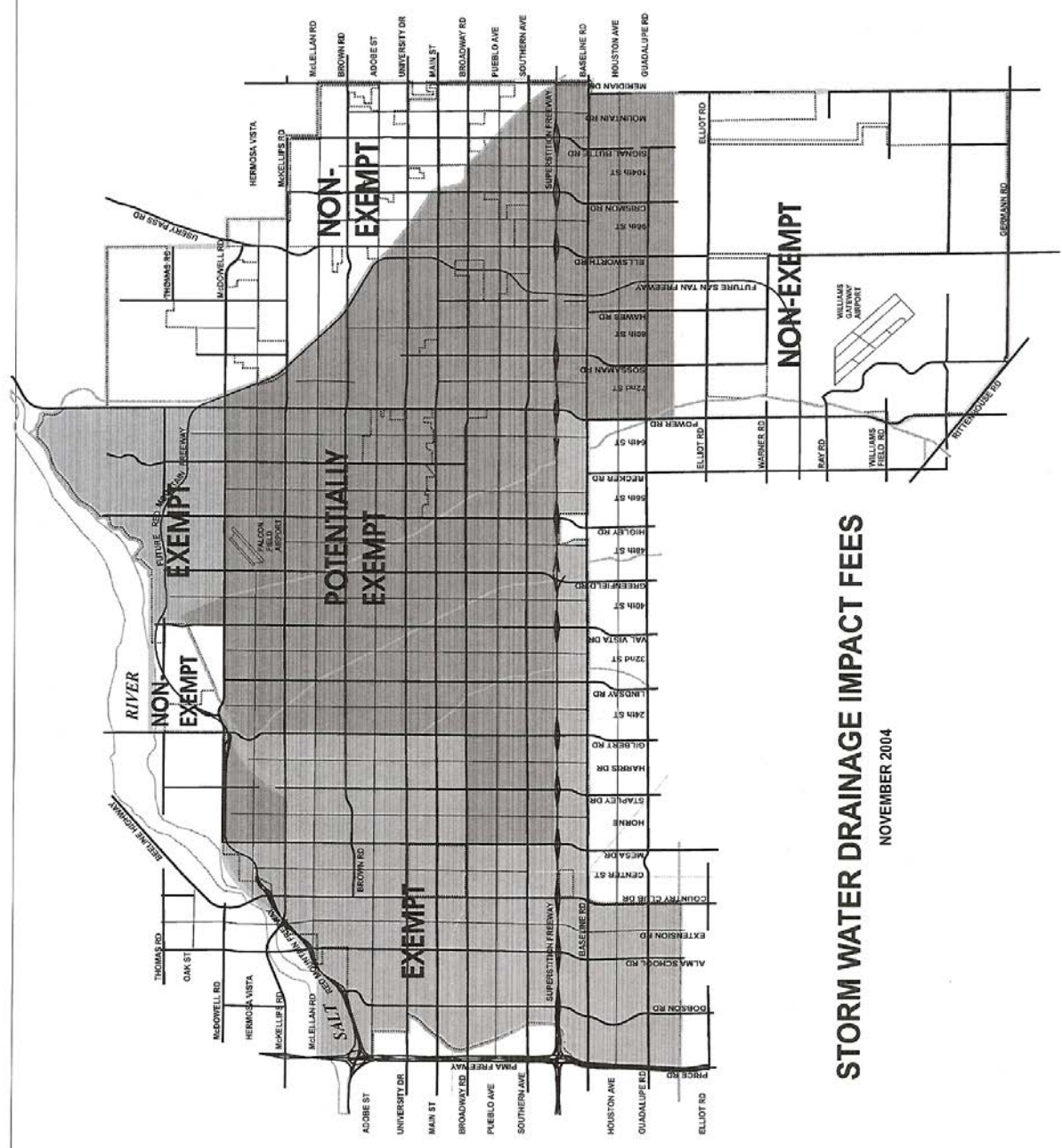
**TABLE 1
MESA DEVELOPMENT IMPACT FEES**

DESCRIPTION	UNIT	IMPACT FEE CATEGORIES							TOTAL	
		WATER	WASTE WATER	FIRE	PUBLIC SAFETY	STORM WATER				
RESIDENTIAL LAND USES:										
Single Residence										
Detached	dwelling	\$2,220	\$2,659	\$272	\$402	\$366				\$5,919
Manufactured Home (on platted lot)	dwelling	\$2,220	\$2,659	\$272	\$402	\$366				\$5,919
Single Residence Attached	dwelling	\$1,265	\$1,516	\$230	\$388	\$195				\$3,594
Multi-Residence	dwelling	\$1,265	\$1,516	\$230	\$388	\$195				\$3,594
Manufactured Home or Recreational Vehicle	pad/ space	\$577	\$691	\$146	\$84	\$195				\$1,693
NON-RESIDENTIAL LAND USES:										
Hotel/Motel	room	see water meter sizes		\$108	\$159	\$119				
Non-Residential	1 sq ft	see water meter sizes		\$0.215	\$0.318	\$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							



LEGEND

- ROADS
- CANALS
- CITY BOUNDARY
- RAILROAD
- EXEMPT
- POTENTIALLY EXEMPT
- NON EXEMPT
- MESA PLANNING AREA



STORM WATER DRAINAGE IMPACT FEES

NOVEMBER 2004