



Top News

5-2 vote makes impact fees reality in Yuma

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--See Image(s) Below--

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Even after a 30 percent reduction from the originally proposed amount, Yuma will still have some of the highest impact fees in the state.

The Yuma City Council voted 5-2 in favor of the 70 percent option for citywide development fees, also called impact fees, at its meeting Wednesday night. Councilman Paul Johnson and Councilwoman Ema Lea Shoop voted against it.

But not everyone was pleased with the decision, which will go into effect in 90 days.

More than 20 people raised red and blue signs saying things such as "No public benefit, no public funds" as they asked the council to adopt the 100 percent option.

"Your vote tonight will define your priorities and who you stand with," Rodney Martin, the group's organizer, told the council.

Carol Engler, a mayoral candidate in the upcoming city election, said the council ignored the study conducted by TischlerBise — fiscal, economic and planning consulting firm — because "it didn't come out the way you wanted."

But Councilman Gerry Giss said the city wasn't ignoring the study, which cost taxpayers \$145,500.

"This is a starting point for the first time impact fees in the history of Yuma," he said. "We have gone from zero to well above the (state's) average."

Mayor Larry Nelson said these fees are "fair and equitable" for future homeowners.

"Developers are not paying these fees. Your clients are paying these fees," he told Engler. "We will tonight pass a selective tax on a selective group of people."

Impact fees, also known as development fees, are one-time payments to cover the cost of capital improvements. Currently, there isn't a citywide fee.

The new fees are calculated in eight categories according to the size of residential and commercial development. The fees are charged to finance eight categories within city government: Parks and recreation, transportation, fire/emergency medical services, police, arts and culture, general government, public works and sanitation.

Now new Yuma homeowners will pay \$4,251 more than without impact fees. This is still more than the unofficial state average.

In an unscientific comparison, Chris Cullinan of TischlerBise found that the average development fee on a single family home in Arizona is \$3,277. The highest in the state is \$7,447 in Peoria. The lowest is \$630 in Show Low.

If the council would have adopted the 100 percent option, the fee would have been \$6,073, the second highest in the state.

Johnson said the 70 percent option will mean either higher taxes for all city residents or a decrease in city services.

The 70 percent option is expected to generate about \$15.3 million in revenue in the first three years. In comparison, at 100 percent, the fee would generate \$21.9 million in the same time period.

"We are shifting the fair cost from the people that move here to the people who already live here and have paid taxes," Johnson said.

Wednesday's decision ends a debate that has been going for more than a year.

In February 2004, the council appointed the Citizen Impact Fee Advisory Committee, whose purpose was to develop a proposal, take public input and give a recommendation to the council.

After months of discussion, the committee recommended that the council adopt the 70 percent option or alternative B. This option is 70 percent of the maximum amount that the city can legally charge.

But the Yuma City Council voted 4-3 in favor of the 100 percent or maximum amount at its meeting on Aug. 3.

Then at the last meeting on Aug. 17, Giss said he changed his mind and offered an amendment to the resolution. He brought back the 70 percent option, which was approved with a 5-2 vote.

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HOW THEY VOTED

How the Yuma City Council voted on the citywide impact fees:

- Mayor Larry Nelson: yes
- Ema Lea Shoop: no
- Gerry Giss: yes
- Scott Johnson: yes
- Al Krieger: yes
- Bobby Brooks: yes
- Paul Johnson: no

ALSO ON THE AGENDA

The Yuma City Council also approved the following items:

- The final plat for Reflections subdivision, located at the northeast corner of 32nd Street and 28th drive
- Residential rehabilitation program guidelines
- Development agreement with Carpe Diem Academy for interim use of property located at 899 E. Plaza Circle
- Development agreement with AlSCO, Inc., an industrial laundry company, which will rebate \$70,000 in construction sales taxes and property taxes for five years. Thirty-one new jobs are expected to be created.



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