



# The Daily Courier

*Yavapai County's News and Information Center Since 1882*

## City Council defers impact fee decision

**By Cindy Barks**

The Daily Courier

**Wednesday, August 27, 2008**

PRESCOTT - In the ongoing debate over who should pay for growth-related water and sewer improvements, the [Prescott City Council](#) opted this week for a postponement.

By a 6-1 vote on Tuesday, the council agreed to give the local building community about eight weeks to come up with a plan that would be more palatable than the \$2,343 increase in water and sewer impact fees that was under consideration.

The debate dates back to October 2007, when the council hired consultant firm Economists.com to evaluate the city's current impact fees and determine whether an increase was necessary to cover the cost for necessary water and sewer improvements.

In April, the consultant proposed raising the impact fee for a new home by a combined \$2,343 for water and wastewater.

Although the council heard little opposition at that first meeting, the proposed rate increases generated a number of objections at the public hearing on the matter in July.

Local advocates for affordable housing and the building industry maintained that the declining local economy made this a bad time for an increase in impact fees.

This week, those objections continued, with building advocates asking the council for a postponement in the decision to allow for further study to come up with a plan that would soften the blow.

On the other hand, the council also heard from a number of residents who maintained that the impact fees would ensure that growth would pay for itself - regardless of the state of the economy.

Consultant Dan Jackson began the discussion by explaining the rationale for the proposed rate increases.

"When growth occurs, the city incurs costs," Jackson told the council. "The question from a policy standpoint is 'who pays that cost?'"

He maintained that if the council sets its impact fees at less than the maximum, "You are making the decision that the people who are already here are going to have to pay a little extra each month."

But Gary Hudder, a local contractor who serves as president of the Yavapai County Contractors Association, maintained that the current economic situation skews that argument.

"If there's no growth, there's no infrastructure," he said. "We're already in a cycle where growth is down."

Hudder and other building advocates maintained that adding more fees would worsen the situation.

"Growth won't pay for growth if there isn't any growth," Hudder said.

A number of people in the audience pushed for a delay of 45 to 90 days.

But local resident Leslie Hoy maintained that a postponement would accomplish little.

"It would be just 90 days more so the YCCA can continue to lobby you," Hoy told the council. "Nothing is going to change."

Hoy and several others contended that any change in the formula would put more of the burden on the existing residents.

"The citizens who are about to get stuck with the big bill are us, but we're not organized," Hoy said.

While Mayor [Jack Wilson](#) voiced opposition to putting more of the burden for growth on the existing residents, he accepted the proposal for a postponement.

But Councilman Robert Luzius, who cast the only vote against the postponement, voiced support for moving ahead now with the full impact-fee increases.

Councilman Bob Roecker, on the other hand, voiced fears that an increase in impact fees would "cut the neck of the goose here, and she's not going to lay anymore eggs."

And Councilwoman Lora Lopas had concerns that additional impact fees would affect efforts for affordable housing.

Ultimately, the council agreed to defer the matter until Oct. 21. Meanwhile, a committee of YCAA Executive Director Sandy Griffis, [Prescott Chamber of Commerce](#) Executive Director David Maurer, and Hoy will meet with city officials to discuss an alternate plan.

Contact the reporter at [cbarks@prescottaz.com](mailto:cbarks@prescottaz.com)

## Related Links

---

Content © 2008 Daily Courier/dCourier.com  
Software © 1998-2008 **1up! Software**, All Rights Reserved