



The Daily Courier

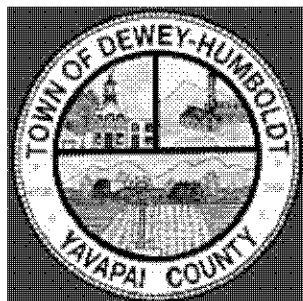
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D-H says yes to impact fees plan

By Doug Cook

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Although the recession has hit the construction industry hard, driving down the number of building permits issued in cities and town across Arizona, economic forecasters predict the sector will begin bouncing back as early as January 2010.

Keeping that in mind on Tuesday, the Dewey-Humboldt Town Council, with a 6-1 vote, approved a notice of intent to assess a revised package of impact fees for new residential and commercial development.

Municipalities use impact fees, which are not taxes, to offset the cost of building new infrastructure, including roads, brought on by growth.

Town Manager William Emerson said Wednesday that the fees likely will not go into effect until the end of December and cover a three-year period, from 2009-2012. Every three years, the town will reassess the fees to keep them aligned with actual growth.

"We are doing our impact fees now so developers are not surprised," he said. "These fees will prevent the rest of the town's infrastructure from being overused. In the past, we had only one impact fee for transportation. These other fees will match the additional burden."

Over the next 60 days, the public will have the opportunity to comment on the fees. From there, it will take another 30 days before council adopts an ordinance and another 75 days after that before the fees go into effect.

So far this year, D-H code enforcement/community outreach coordinator Gregory Arrington said the town has issued 26 building permits. Even though it's only August, that figure is significantly lower than the 95 permits the town distributed in 2008 and the 148 it handed out two years ago.

"We're putting in place the right model so we're able to respond to development when it happens," Emerson said. "We want to match revenue to the needs of new development."

Councilman Terry Nolan, who voted against the motion, said the impact fees will keep new businesses from coming to Dewey-Humboldt. He added that this will benefit Prescott and Prescott Valley, which do not currently charge impact fees for commercial development. He suggested restoring the

town's sales tax to 2 percent, rather than the 1 percent it is presently, to pay for growth.

"Are we going to lock the town up?" Nolan said. "Commercial development will go to Prescott Valley, Prescott or the county."

However, most D-H council members say the town does not contend with Prescott or Prescott Valley for jobs.

"We're competing for 'quality of life' in a residential environment for people to retire," Emerson said.

Added Mayor Len Marinaccio, "It's in our vision statement that 'growth pays for growth.' Money spent on improvements should be tied to growth."

On Tuesday Emily Parkinson, a planning consultant with TischlerBise in Bethesda, Md., took council members through D-H's Infrastructure Improvements Plan and Development Fee Study, which her firm prepared for the town.

Based on land uses described in the town's 2009 General Plan, Parkinson said her firm predicts Dewey-Humboldt's current population of 4,481 will increase to nearly 15,000 by 2031, when build-out is expected to occur.

Councilman David Nystrom wondered whether the town's impact fees, which are conservative estimates, might not cover expenses if the population estimates are inaccurate.

"The fees should cover future development," Parkinson said.

Emerson said Baby Boomers, as they retire, will account for much of the town's future growth.

"The land is largely subdivided for the smallest size throughout most of town, so it is easier for them to buy lots," he said.

As growth occurs into the middle of the next decade, the town anticipates needing to build a new library and town hall, which would include space for a municipal court. It also is likely to develop a community center and a park as well as open space and trails.

Impact Fees in Dewey-Humboldt

What they mean, from Town Manager William Emerson's perspective ...

- Existing residents will not be paying for new residents or new businesses.
- Growth will pay for growth in a fair and equitable way.
- The town will be able to prevent the "wrong" kind of residential or commercial development.

Proposed Impact Fees in D-H

Reflects Total Amount

- **Single-family detached home with a .75-inch water meter:** \$2,963

- **10,000-square-foot commercial development with a 2-inch water meter:** \$30,548
- **50,000-square-foot office development with a 2-inch water meter:** \$82,819
- **Light industrial development of 100,000 square feet with 2-inch water meter:** \$76,461

Demographics in D-H - 2009*

- Housing units: 1,991
- Population: 4,481
- Jobs: 627

* *Data from the Department of Economic Security*

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