

The Daily Courier

Sunday, March 14, 2010

Prescott City Council mulls refunding impact fees

By [Cindy Barks](#)

The Daily Courier

Sunday, March 14, 2010

PRESCOTT - A possible refund of some city impact fees, and the purchase of new kiosks to collect parking fees at city recreational sites will be among the issues the [Prescott City Council](#) will discuss this week.

At its study session at 3 p.m. Tuesday, the council will consider an ordinance that would turn back a portion of the money that the city collected from sewer and water impact fee increases that went into effect on July 11, 2009.

A city memo on the matter points out that the action is necessary because of the moratorium that the state Legislature approved on Aug. 12, 2009, restricting new or increased impact fees.

Because the Legislature made the moratorium retroactive to June 29, 2009, it affects the fees that the city had started collecting for water and wastewater impact fees.

Further complicating the matter was the fact that the League of Arizona Cities and Towns challenged the moratorium in court, but ultimately was unsuccessful.

In total, the city estimates that it should refund about \$71,000 to builders that paid impact fees on 23 permits. The refunds would amount to the difference between the city's new fees and its previous fees.

City Manager Steve Norwood said the city has been setting the new impact fee revenue aside because of the "likelihood" of having to refund it.

The city memo on the proposed ordinance maintains that the state's two-year moratorium on wastewater impact fees would hurt the city's ability to provide the necessary services.

"Since the two-year impact fees moratorium will be in effect through June 29, 2011, the issuance of each city building permit during this period which creates new demand on the water and/or wastewater systems of the city can be viewed as having a financial impact," the memo states.

It adds: "Generally speaking, the city will be prevented from recovering the full cost of serving the new demand."

In other action, the council will:

- Consider buying three or four Digital Payment Technologies kiosks to allow for automated payment of parking fees at Goldwater, Willow and Watson lakes, and possibly the Peavine Trail.

Norwood pointed out that the city currently charges \$2 parking fees at the lakes, but the system is "on the honor system."



Even so, he said, the system generates about \$70,000 per year.

The kiosks would make paying the fees easier by allowing for use of debit and credit cards, as well as cash and coin. In addition, Norwood said, the city's volunteer park rangers would be available to help enforce the fees.

Norwood estimates that installation of the new kiosks could as much as double the current \$70,000 in revenue from the parking areas. He emphasized, however, that the city would not be raising rates at the lakes.

The parking fee would remain at \$2.

Along with the three lake kiosks, the council also will consider adding a kiosk at the parking lot for the Peavine Trail off of Sundog Ranch Road. Several council members have voiced support at recent meetings for charging for the trail access.

The city estimates the cost of four kiosks at \$75,000.

- Hear a report from Water Resources Specialist Leslie Graser on the city's annual water report for 2009 to the Arizona Department of Water Resources.
- Consider an agreement with the Prescott Area Arts and Humanities Council for as much as \$30,000.

The meeting will take place at Prescott City Hall, 201 S. Cortez St.

Related Links:

">Content © 2010

">Software © 1998-2010 **Iup! Software**, All Rights Reserved