

San Luis revives residential impact fees for water and sewer service

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San Luis, Ariz. - People who move into new homes here will no longer get a break from the city on the cost of hookups to water and sewer service.

The San Luis City Council has decided to re-establish the water and sewer impact fee charged for residential developments, effective this month.

The city has been subsidizing the cost of providing water and sewer connections to homes since 2005, when the former city council decided to suspend the residential impact fees. The city continued to charge impact fees for commercial development.

But city officials now say the residential fees must be restored to eliminate shortfalls in the budget of the city Water and Drainage Department.

"If we have an average of 300 new dwellings per year, whose impact fee should have been \$900, we calculate that we did not take in \$270,000" annually, said Olivia Jenkins, the director of the department.

The council also has directed that water usage by each department be paid from that department's budget. Previously, the usage was paid from the city's general fund and road budget, city officials said.

This story is reprinted from Bajo El Sol, The Sun's Spanish-language sister publication.