





IMPACT FEES GET REVIEW

By Cindy Barks

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PRESCOTT - Come July 11, a new round of water and sewer impact fees is due to take effect in the <u>City of Prescott</u>.

But before that happens, the Prescott City Council will discuss the matter again.

At its Tuesday study session, the council will revisit the decision it made in October 2008 to add about \$2,235 to the city's water and sewer impact fees for an average-sized new home (up from about \$11,841).

The meeting will take place at 3 p.m. Tuesday at Prescott City Hall, 201 S. Cortez St. The impact fee issue will be one of about two dozen items the council will consider at the meeting, which also includes a closed-door executive session.

City Manager Steve Norwood explained that City Council members asked to bring the impact-fee increase back, after hearing a recent appeal from Prescott Chamber of Commerce Executive Director David Maurer about the effects the impact fee increase could have on the local building industry. The matter also came up at the council's budget workshop on May 21.

Norwood pointed out that the six-month deferral that council members approved in October already had resulted in a loss to the city of about \$180,000. Another six-month deferral would result in more than \$800,000 in additional losses, he added.

Even though the city has processed few recent building permits for new homes, Norwood said a number of multi-family projects are in the works, which also would pay higher rates under the impact-fee increase.

The city is proposing the impact-fee increases to help pay for necessary improvements to its water and sewer systems.

In other action, the council will:

• Consider a possible amendment to the existing intergovernmental agreement the city has with the <u>Arizona Department of Transportation</u> to provide for cost-sharing of right-of-way enhancement and sidewalk improvements for the interchange at highways 89 and 69.

According to a city memo on the matter, right-of-way enhancements along Sheldon and Gurley streets, as well as a sidewalk to connect Sheldon to the new multi-use path, were not part of the existing agreement.

Now, "there is a need to restore pedestrian connectivity from Sheldon Street to the VA Hospital..." stated the memo.

ADOT estimates the cost at \$360,000, including sidewalk, right-of-way enhancements, lighting, irrigation, traffic control and engineering.

The two entities are considering splitting the cost, with the city taking on \$180,000 of the cost.

• Conduct a closed-door executive session at the end of the public study session to consider two long-discussed legal matters: the Salt River Valley Water Users' Association vs. the City of Prescott; and Asphalt Paving & Supply, Inc. vs. Granite Dells Estates and the City of Prescott.

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