

AGENDA ITEM #: _____

DATE: January 27, 2020

CAR #: 2020-6792



CITY COUNCIL ACTION REPORT

SUBJECT: Adopt Development Impact Fee Study and Development Fees and Amending Article 9-8 of the Goodyear City Code

STAFF PRESENTER(S): Lauri Wingenroth, Finance Manager-Budget and Research

OTHER PRESENTER(S): None

Summary: Approve the Development Impact Fee study and Ordinance revisions to complete the process to extend existing Development Impact Fees for Fire, Police, and Streets only into the Northwest Rainbow Valley area. There is no change in the existing impact fees. If approved, the fees become effective on April 13, 2020.

Recommendation:

1. ADOPT RESOLUTION NO. 2020-2024 APPROVING AND ADOPTING DEVELOPMENT IMPACT FEE STUDY; APPROVING DEVELOPMENT FEES AND THE METHODOLOGY IN THE CALCULATION OF THE DEVELOPMENT IMPACT FEE STUDY; PROVIDING FOR CORRECTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.
2. ADOPT ORDINANCE NO. 2020-1461 AMENDING ARTICLE 9-8 – DEVELOPMENT FEES OF CHAPTER 9 OF THE GOODYEAR CITY CODE; PROVIDING FOR AN EFFECTIVE DATE; PROVIDING FOR THE REPEAL OF CONFLICTING CODES AND ORDINANCES; PROVIDING FOR PRESERVATION OF EXISTING RIGHTS AND OBLIGATIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR CORRECTION OF SCRIVENERS ERRORS.

Fiscal Impact: This action extends the service area for the application of Police, Fire and Streets development impact fees to include the Northwest Rainbow Valley Area. It does not change any existing development impact fees or require new projects or types of infrastructure improvements.

Background and Previous Actions

Arizona Revised Statute 9-463.05 provides for the imposition of development impact fees. The current development impact fees, which were adopted on December 3, 2018 by Resolution 2019-1918 and Ordinance 2019-1416 and became effective April 1, 2019, did not include assumptions for new development in the area known as Northwest Rainbow Valley.

The city is experiencing development interest from Properties south of Pecos Road and the city

entered into a development agreement to expand the impact fee service areas for Police, Fire, and Streets to the area known as Northwest Rainbow Valley Road. The city hired Raftelis Financial Consultants, Inc. to perform an impact fee study update for the Northwest Rainbow Valley (NWRV) area. The update did not result in any changes to impact fees in the existing service or geographic areas. The update determined development in the NWRV area would pay the same Police impact fee that is charged in the program-wide service area, and the same Fire and Street impact fees that are charged in the South Service area.

Pursuant to state law, the following actions have been taken to comply with the statutory requirements for the adoption of development impact fees:

Date(s)	Activity
July 1, 2019	Draft Land Use Assumptions (LUA) and Infrastructure Improvements Plan (IIP) posted
September 9, 2019	Public Hearing Held
October 28, 2019	Resolution 2019-2006 adopted adopting LUA and IIP and providing notice of intent to assess development fees given
October 29, 2019	LUA, IIP and Development Impact Fees (DIF) and notice of intent to assess public meeting Posted
December 16, 2019	Public hearing on DIF
January 27, 2020	Adopt DIF (<i>today's action</i>)
April 13, 2020	DIF Effective Date

Staff Analysis

The Goodyear City Code and Arizona state law provide for the type of infrastructure that can be included, how plans and fees are to be developed, how fees are applied and when, and a specific set of steps and timelines for adoption. There are also other provisions such as auditing and reporting requirements in the statutes.

In general, two directly linked processes are involved to establish these fees:

- Develop and adopt a LUA and IIP
- Adopt development impact fees

The fees are to follow the LUA and IIP which proportionately allocates the cost of growth required infrastructure to each land use type. Adopting fees that deviate from the amounts required to support the plan must be replaced by other City resources to ensure the growth demanded infrastructure can be completed. The fees reflected in the development impact fee study proportionately allocates the cost of growth required infrastructure to each land use type.

Finally, in implementing the fees a statutorily required, exemption from the application of the new fees of up to 24 months in length will apply to eligible developments. The current development fees will apply during this exemption period. For residential developments, the moratorium period is linked to an approved final plat and first building permit issued and for non-residential it is based on final site plan approval or if no site plan is required, from the date of an approved final subdivision plat.

The adoption of the new fees requires minor amendments to the Article 9-8 of the Goodyear City Code to provide for the application of the existing fees to the Northwest Rainbow Valley area.

Attachments

Resolution 2020-2024

Exhibit to Resolution (2019 Development Impact Fee Study – Land Use Assumptions and Infrastructure Improvement Plan, dated October 28, 2019)

Ordinance 2020-1461