

#42  
MAR 05 2007

MEMO TO: Mayor and City Council

FROM: Michael D. House, City Attorney *MDH*

SUBJECT: Ordinance No. 3901

DATE: March 2, 2007

Councilmember Martin Sepulveda has requested that Ordinance No. 3901 be added as an action item to the Council agenda for March 5, 2007. This proposed ordinance would adopt the development fee increases recommended by City staff except for those relating to community and neighborhood parks and public buildings. The fees for those three fee categories would be set at 50% of the increase recommended by City staff until certain issues raised by the development community are resolved. At that time, a new ordinance will be brought forward. Please note that if the new ordinance raises fees, the City will have to comply with statutory notice and hearing procedures. Those procedures include 60-day notice and a public hearing at least 14 days before adoption.

MDH/rl

Attachment

ORDINANCE NO. 3901

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AMENDING SECTION 38-13 OF THE CODE OF THE CITY OF CHANDLER TO UPDATE SYSTEM DEVELOPMENT CHARGES.

WHEREAS, new development imposes increased and excessive demands on City facilities and infrastructure needed to provide necessary public services; and

WHEREAS, City staff has provided an update to the previous fee studies which show the level of fees/charges needed to generate sufficient funds to provide public facilities and infrastructure to serve new development; and

WHEREAS, the City projects new development to continue which will place ever-increasing demands on the City to provide public facilities and infrastructure to serve new developments; and

WHEREAS, to the extent that new development places demands upon public facilities and infrastructure, those demands should be satisfied by shifting the responsibility for financing such public facilities and infrastructure from the public to the development creating the demands; and

WHEREAS, development fees/charges collected pursuant to this Chapter 38 of the City Code may not be used to cure existing deficiencies in public facilities and infrastructure.

BE IT ORDAINED by the City Council of the City of Chandler, Arizona that Section 38-13 of the Code of the City of Chandler, Arizona is hereby amended to read as follows:

**38-13. Current development fees/charges.**

System development charges/fees are hereby established as follows:

*Water System Development Charges:*

Single-family (per dwelling unit) . . . . . ~~\$3,573.00~~ 3,959.00 |

Multi-family (per dwelling unit) . . . . . ~~1,803.00~~ 1,998.00 |

Commercial/industrial . . . . . (See Table A)

*Water Resource System Development Charges:<sup>(1)</sup>*

Single-family (per dwelling unit) . . . . . ~~672.00~~ 745.00 |

Multi-family (per dwelling unit) . . . . . ~~367.00~~ 407.00 |

Commercial/industrial . . . . . (See Table A)

*Wastewater System Development Charges/Trunkline:<sup>(2)</sup>*

Single-family (per dwelling unit) . . . . . ~~276.00~~ 285.00 |

Multi-family (per dwelling unit) . . . . . ~~162.00~~ 167.00 |

Commercial/industrial . . . . . (See Table A)

*Wastewater System Development Charges/Treatment:<sup>(2)</sup>*

Single-family (per dwelling unit) . . . . . ~~2,214.00~~ 2,281.00 |

Multi-family (per dwelling unit) . . . . . ~~1,303.00~~ 1,343.00 |

Commercial/industrial . . . . . (See Table A)

*Reclaimed Water System Development Charges:<sup>(2)</sup>*

Single-family (per dwelling unit) . . . . . ~~1,297.00~~ 1,336.00 |

Multi-family (per dwelling unit) . . . . . ~~764.00~~ 787.00 |

Commercial/industrial . . . . . (See Table A)

*Fire Fees:<sup>(6)</sup>*

Residential (per dwelling unit)<sup>(3)</sup> . . . . . ~~362.00~~ 564.00 |

Commercial (per square foot) . . . . . ~~0.20~~ 0.33 |

Industrial (per square foot) . . . . . ~~0.20~~ 0.33 |

*Police Fees:<sup>(6)</sup>*

Residential (per dwelling unit)<sup>(3)</sup> . . . . . ~~296.00~~ 241.00 |

Commercial (per square foot) . . . . . ~~0.17~~ 0.14 |

Industrial (per square foot) . . . . . ~~0.17~~ 0.14 |

*Library Fees:*

Single-family (per dwelling unit) . . . . . 0.00

Multi-family (per dwelling unit) . . . . . 0.00

Commercial (per square foot) . . . . . 0.00

Industrial (per square foot) . . . . . 0.00

*Arterial Street Fees:*<sup>(4)</sup>

Single-family (per dwelling unit) . . . . . ~~2,353.00~~ 2,896.00 |

Multi-family (per dwelling unit) . . . . . ~~1,546.00~~ 1,904.00 |

Retail (per square foot)<sup>(5)</sup> . . . . . ~~5.63~~ 6.93 |

Office (per square foot) . . . . . ~~3.46~~ 4.26 |

Industrial (per square foot) . . . . . ~~2.49~~ 3.07 |

Public/quasi-public<sup>(6)</sup> . . . . . ~~0.69~~ 0.86 |

*Community Parks Fees:*

Single-family (per dwelling unit) . . . . . ~~1,400.00~~ 2,788.00 |

Multi-family (per dwelling unit) . . . . . ~~805.00~~ 1,604.00 |

Commercial (per square foot) . . . . . 0.00

Industrial (per square foot) . . . . . 0.00

*Public Building Fees:*<sup>(6)</sup>

Residential (per dwelling unit)<sup>(3)</sup> . . . . . ~~294.00~~ 434.00 |

Commercial (per square foot) . . . . . ~~0.17~~ 0.25 |

Industrial (per square foot) . . . . . ~~0.17~~ 0.25 |

*Neighborhood Parks Fees:*

Single-family (per dwelling unit) . . . . . ~~850.00~~ 1,667.00 |

Multi-family (per dwelling unit) . . . . . ~~489.00~~ 959.00 |

Commercial (per square foot) . . . . . 0.00

Industrial (per square foot) . . . . . 0.00

(1) Assessed in off-project areas and nonmember areas only.

(2) No reclaimed water or wastewater fees for water-only connections (landscape).

(3) Residential includes both single-family and multi-family.

(4) Assessed in any area south of Frye Road, east of McClintock Road, and north of Frye Road, east of Arizona Avenue, except property which is both north of Knox Road and west of the Southern Pacific Railroad tracks.

(5) City will contribute an additional ~~five six~~ six dollars and ~~sixty-ninety-three~~ sixty-nine cents (\$5.63 6.93) per square foot for retail space for a total of ~~eleven-thirteen~~ eleven dollars and ~~twenty-eighty-six~~ thirty cents (\$11.26 13.86) per square foot for retail. For retail space that generates < 3 trips per 1,000 square foot of retail space at PM peak according to the ITE Trip Generation Manual, the fee will be ~~two-three~~ two dollars and ~~eighty-one-forty-six~~ eighty cents (\$2.81 3.46) per square foot, with the City contributing ~~eight-ten~~ eight dollars and ~~forty-five~~ forty cents (\$8.45 10.40) per square foot of retail.

(6) Pursuant to ARS 9-500.18, the fire, police and general government fees shall not be collected from a school district or charter school. In addition, arterial street impact fees shall not be collected from a school district.

TABLE A

COMMERCIAL/INDUSTRIAL SYSTEM CHARGES

Meter Size, inches	Type	Water System	Water Resource <sup>(1)</sup>	Wastewater System Trunkline	Wastewater System Treatment	Reclaimed Water <sup>(2)</sup>
<del>5/8 x 3/4</del>	Disc	<del>---</del> \$3,573.00	<del>---</del> \$858.00	<del>---</del> \$276.00	<del>---</del> \$2,214.00	<del>---</del> \$1,297.00
<del>3/4</del>	Disc	<del>---</del> 5,360.00	<del>---</del> 1,313.00	<del>---</del> 414.00	<del>---</del> 3,320.00	<del>---</del> 1,946.00
<del>1-0</del>	Disc	<del>---</del> 8,933.00	<del>---</del> 2,093.00	<del>---</del> 690.00	<del>---</del> 5,534.00	<del>---</del> 3,243.00
<del>1-1/2</del>	Disc	<del>---</del> 17,865.00	<del>---</del> 5,644.00	<del>---</del> 1,380.00	<del>---</del> 11,068.00	<del>---</del> 6,485.00
<del>2-0</del>	Disc	<del>---</del> 28,584.00	<del>---</del> 9,672.00	<del>---</del> 2,208.00	<del>---</del> 17,709.00	<del>---</del> 10,376.00
<del>3-0</del>	Compound	<del>---</del> 57,168.00	(3)	<del>---</del> 4,416.00	<del>---</del> 35,419.00	<del>---</del> 20,752.00
<del>4-0</del>	Compound	<del>---</del> 89,325.00	(3)	<del>---</del> 6,900.00	<del>---</del> 55,341.00	<del>---</del> 32,425.00
<del>6-0</del>	Compound	<del>---</del> 178,651.00	(3)	<del>---</del> 13,800.00	<del>---</del> 110,683.00	<del>---</del> 64,850.00
<del>8-0</del>	Compound	<del>---</del> 285,841.00	(3)	<del>---</del> 20,080.00	<del>---</del> 177,093.00	<del>---</del> 103,760.00
<del>2-0</del>	Turbine	<del>---</del> 28,584.00	<del>---</del> 12,864.00	<del>---</del> 2,208.00	<del>---</del> 17,709.00	<del>---</del> 10,376.00
<del>3-0</del>	Turbine	<del>---</del> 62,528.00	(3)	<del>---</del> 4,830.00	<del>---</del> 38,739.00	<del>---</del> 22,698.00
<del>6-0</del>	Turbine	<del>---</del> 223,313.00	(3)	<del>---</del> 17,250.00	<del>---</del> 138,354.00	<del>---</del> 81,063.00
<del>8-0</del>	Turbine	<del>---</del> 321,571.00	(3)	<del>---</del> 24,840.00	<del>---</del> 199,229.00	<del>---</del> 116,730.00

Meter Size, inches	Type	Water System	Water Resource <sup>(1)</sup>	Wastewater System Trunkline	Wastewater System Treatment	Reclaimed Water <sup>(2)</sup>
5/8 x 3/4	Disc	\$3,959.00	\$951.00	\$285.00	\$2,281.00	\$1,336.00
3/4	Disc	5,939.00	1,455.00	427.00	3,420.00	2,005.00
1-0	Disc	9,898.00	2,320.00	711.00	5,701.00	3,341.00
1 1/2	Disc	19,795.00	6,254.00	1,422.00	11,401.00	6,680.00
2-0	Disc	31,672.00	10,717.00	2,275.00	18,241.00	10,688.00
3-0	Compound	63,343.00	(3)	4,549.00	36,482.00	21,375.00
4-0	Compound	98,973.00	(3)	7,107.00	57,002.00	33,398.00

6-0	Compound	<u>197,946.00</u>	(3)	<u>14,214.00</u>	<u>114,004.00</u>	<u>66,796.00</u>
8-0	Compound	<u>316,712.00</u>	(3)	<u>22,743.00</u>	<u>182,406.00</u>	<u>106,873.00</u>
2-0	Turbine	<u>31,672.00</u>	<u>14,254.00</u>	<u>2,275.00</u>	<u>18,241.00</u>	<u>10,688.00</u>
3-0	Turbine	<u>69,282.00</u>	(3)	<u>4,975.00</u>	<u>39,902.00</u>	<u>23,379.00</u>
6-0	Turbine	<u>247,431.00</u>	(3)	<u>17,768.00</u>	<u>142,505.00</u>	<u>83,495.00</u>
8-0	Turbine	<u>356,301.00</u>	(3)	<u>25,586.00</u>	<u>205,206.00</u>	<u>120,232.00</u>

(1) Assessed in off-project areas and nonmember areas only.

(2) No reclaimed water or wastewater fees for water-only connections (landscape).

For meters eight (8) inches and larger, the water system, wastewater system and reclaimed water development charges shall be based on the following formula:

$$\text{Development Charge} = (5/8 \times 3/4 \text{ Charge}) \times (\text{Safe Maximum Operating Capacity (GPM)} / 20(\text{GPM}))$$

(3) The water resource charge fee for meters three (3) inches and larger shall be determined based on the City Engineer's projected water use using the following formula:

$$\text{Development Charge} = (\text{Single-family Water Resource Charge}) \times \text{Average Projected Water Use (GPD)} / 417 (\text{GPD})$$

INTRODUCED AND TENTATIVELY approved by City Council of the City of Chandler, Arizona, this \_\_\_ day of \_\_\_\_\_, 2007.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this \_\_\_ day of \_\_\_\_\_, 2007.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

**CERTIFICATION**

I HEREBY CERTIFY that the above and foregoing Ordinance No. 3901 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on \_\_\_\_ day of \_\_\_\_\_, 2007 and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

MDH  
CITY ATTORNEY