



City of Maricopa

Legislation Text

File #: PH 24-02, **Version:** 1

The Mayor and City Council shall hear public comment regarding updated and/or new Development Impact Fees for the City of Maricopa, as listed in the recently approved Comprehensive Land Use Assumptions, Infrastructure Improvement Plan, and Development Impact Fee Analysis, dated December 2023.

The Mayor and City Council shall hear public comment regarding the City's updated Development Impact Fees.

Arizona Revised Statutes 9-463.05 provides the process for implementing development impact fees in Arizona. The first public step of this process is to present a Land Use Assumption and Infrastructure Improvement Plan ("LUA/IIP") for public comment. On September 19th, the City posted the draft LUA/IIP on its website and provided public notice of this public hearing. Although not required by statute, the City also held three separate stakeholder meetings, where the development community and the general public learned more about the Plan and asked clarifying questions. Responses to these questions were posted on the City's website. City Staff continued to work through questions with various parties, and adjusted the draft LUA/IIP to adjust to some of these requests. The City Council held a public hearing on the LUA/IIP on 11/21/23, and later approved the plan on 1/16/24. Per State Statute, the City posed a notice of its intent to assess development impact fees on the City Website on January 17th, 2024. Following this public hearing, the City Council will consider adoption of the new and updated fees at its regularly scheduled meeting on 4/2/24. If approved, the new fees would take affect after June 16th, 2024.

It is important to note that the Development Impact Fees are based on the land use assumptions and infrastructure improvement plan that was approved by the City Council in January. These fees are meant to offset the costs associated with providing necessary public services to new developments, including the costs of infrastructure and other improvements. These are fees charged directly to the developers, and are *not* taxes to current residents.

Finally, should the Development Impact Fees ultimately be approved as presented, Maricopa will continue to have one of the lowest Development Impact Fees in the region. In a review of seven growth cities in the area, if the proposed fees were adopted, Maricopa would continue to have the lowest fees of any of these communities. Also of note, many of these communities are currently undergoing a process to update (and increase) their Development Impact Fees to offset the increases in horizontal construction costs seen over the past five years. Some of these fees would reach as high as \$40,000 for a single-family home, whereas the proposed fees for a single-family home in Maricopa would typically be about \$8,500). Should these fees be adopted, Maricopa will continue to have fees far below most (if not all) high-growth communities in the Phoenix Metro area. For reference, a chart showing these comparison cities is attached to this agenda item.

This item will be presented by Benjamin Bitter, Deputy City Manager.

Staff recommends that the Mayor and City Council hear public comment regarding the City's proposed Development Impact Fees.