

MEMO

FINANCE & ADMINISTRATIVE SERVICES DEPARTMENT

To: Vanessa Bueras, City Clerk
CC: Brenda S. Fischer, City Manager
From: Tom Duensing, Finance & Administrative Services Director
Date: September 27, 2012
RE: Annual Development Fees Report

Pursuant to the requirements of A.R.S. §9-463.05, the annual report accounting for the collection and use of system development fees for the fiscal year ending June 30, 2012 accompanies this memo.

State Statute requires the filing of this report with the City Clerk no later than ninety days following the end of the fiscal year. State Statute also requires copies be made available to the public on request and be posted on the City's website. The report has been posted on the Finance & Administrative Services web page. The information presented is unaudited and is indicated as such on each page of the financial information.

As a result of the passage of SB 1525, signed into law on April 26, 2011 which updated ARS §9-463.05, the City is required to make adjustments to its development fee program. The changes required by SB 1525 are implemented in two phases. Phase one became effective January 1, 2012 and required an updated development fee schedule. Phase two becomes effective August 1, 2014 and will require a new development fee program structure. The rate schedules included with this report reflect the phase one adjustments.

Rate Schedule from December 20, 2010 to December 31, 2011

	Parks, Recreation & Trails	Library	Fire	Police	General Government	Transportation	Total
Residential (Per Unit)							
Single Family	\$313	\$86	\$ -	\$127	\$180	\$2,712	\$3,418
Multi-Family	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Nonresidential (Per Square Foot)							
Com / Shop Ctr 0-100,000 SF	N/A	N/A	\$ -	\$0.29	\$0.16	\$4.67	\$5.12
Com / Shop Ctr 100,000-200,000 SF	N/A	N/A	\$ -	\$0.22	\$0.14	\$4.19	\$4.55
Office / Institutional (all sizes)	N/A	N/A	\$ -	\$0.08	\$0.21	\$4.06	\$4.35
Business Park	N/A	N/A	\$ -	\$0.09	\$0.20	\$2.29	\$2.58
Light Industrial	N/A	N/A	\$ -	\$0.05	\$0.15	\$1.25	\$1.45
Warehousing	N/A	N/A	\$ -	\$0.04	\$0.06	\$0.64	\$0.74
Manufacturing	N/A	N/A	\$ -	\$0.03	\$0.11	\$0.68	\$0.82

Current Schedule from January 1, 2012 to June 30, 2012

	Parks, Recreation & Trails	Library	Fire	Police	General Government	Transportation	Total
Residential (Per Unit)							
Single Family	\$1,323	\$17	\$836	\$68	N/A	\$2,589	\$4,833
Multi-Family	\$1,062	\$14	\$672	\$55	N/A	\$1,799	\$3,602
Nonresidential (Per Square Foot)							
Com / Shop Ctr 0-100,000 SF	N/A	N/A	\$ 3.22	\$0.71	N/A	\$4.30	\$8.23
Com / Shop Ctr 100,000-200,000 SF	N/A	N/A	\$ 2.89	\$0.64	N/A	\$3.86	\$7.39
Office / Institutional (all sizes)	N/A	N/A	\$ 1.24	\$0.57	N/A	\$3.77	\$5.58
Business Park	N/A	N/A	\$ 1.44	\$0.32	N/A	\$2.12	\$3.88
Light Industrial	N/A	N/A	\$ 0.79	\$0.17	N/A	\$1.16	\$2.12
Warehousing	N/A	N/A	\$ 0.40	\$0.09	N/A	\$0.59	\$1.08
Manufacturing	N/A	N/A	\$ 0.43	\$0.10	N/A	\$0.64	\$1.17
Total (per room)	N/A	N/A	\$ 636	\$141	N/A	\$936	\$1,713

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

Residential and Non-Residential Permits and Fees

Residential permits issued	166
Residential fee revenue	\$ 744,263.00
Non-residential permits issued	4
Hotel - 80 Rooms	\$ 86,320.00
Light/industrial - 3,000 sq. ft.	\$ 4,350.00
Light/industrial - 1,180 sq. ft.	\$ 1,711.00
Commercial/shopping center - 13,214 sq. ft.	<u>\$ 67,655.68</u>
Non-residential fee revenue	\$ 160,036.68
Total Revenue	\$ 904,299.68
Refunds	<u>-</u>
Net Revenue	<u><u>\$ 904,299.68</u></u>

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		Parks Impact Fee Fund #1
Fund Balance 7/1/11		\$ 98,126.84
Revenues:		
Investment Earnings		418.42
Development Impact Fees		
Collected	\$	-
Refunds	\$	-
Net Development Impact Fees		-
Total Revenue		418.42
Expenditures:		
None		-
Total Expenditures		-
Fund Balance June 30, 2012		\$ 98,545.26

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

			Libraries Impact Fee Fund #1
Fund Balance 7/1/11		\$	756,455.50
Revenues:			
Investment Earnings			3,303.06
Development Impact Fees			
Collected	\$	-	
Refunds		-	
Net Development Impact Fees			-
Total Revenue			3,303.06
Expenditures:			
None			-
Total Expenditures			-
Fund Balance June 30, 2012		\$	759,758.56

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		Public Safety Impact Fee Fund
Fund Balance 7/1/11	\$	936,108.98
Revenues:		
Investment Earnings		1,513.34
Development Impact Fees		
Collected	\$	-
Refunds		-
Net Development Impact Fees		<u>-</u>
Total Revenue		<u>1,513.34</u>
Expenditures:		
City Services/Public Safety Complex - Land & Improvements		<u>126,108.96</u>
Total Expenditures		<u>126,108.96</u>
Fund Balance June 30, 2012	\$	<u><u>811,513.36</u></u>

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		General Government Impact Fee Fund #1
Fund Balance 7/1/11	\$	5,199,547.35
Revenues:		
Investment Earnings		8,600.04
Development Impact Fees Collected	\$	-
Refunds		-
Net Development Impact Fees		<u>-</u>
Total Revenue		8,600.04
Expenditures:		
City Services/Public Safety Complex - Design		1,264,878.89
City Services/Public Safety Complex - Land & Improvements		<u>517,878.49</u>
Total Expenditures		<u>1,782,757.38</u>
Fund Balance June 30, 2012	\$	<u><u>3,425,390.01</u></u>

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

	Transportation Impact Fee Fund #1
Fund Balance 7/1/11	\$ 19,624,846.51
Revenues:	
Investment Earnings	34,925.91
Development Impact Fees	
Collected	\$ -
Refunds	-
Net Development Impact Fees	-
Total Revenue	34,925.91
Expenditures:	
Honeycutt Road from SR347 to MCG Highway - Widening Design	15,590.66
MCG Highway Interim Improvements - Signals	70,193.60
Bowlin Road Half Street Improvements - Improvements	391,812.17
Honeycutt Road at Seven Ranches (South) - Design	15,773.00
Honeycutt Road from SR347 to MCG Highway - Land	10,812.47
MCG Highway Interim Improvements - Design	3,743.34
Total Expenditures	507,925.24
Fund Balance June 30, 2012	\$ 19,151,847.18

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		Parks Impact Fee Fund #2
Fund Balance 7/1/11		\$ 10,331.05
Revenues:		
Investment Earnings		48.50
Development Impact Fees		
Collected	\$ 178,208.00	
Refunds		
Net Development Impact Fees		<u>178,208.00</u>
Total Revenue		178,256.50
Expenditures:		
None		<u>-</u>
Total Expenditures		<u>-</u>
Fund Balance June 30, 2012		<u><u>\$ 188,587.55</u></u>

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		Libraries Impact Fee Fund #2
Fund Balance 7/1/11	\$	2,838.56
Revenues:		
Investment Earnings		5.91
Development Impact Fees		
Collected	\$	5,651.00
Refunds		
Net Development Impact Fees		<u>5,651.00</u>
Total Revenue		5,656.91
Expenditures:		
None		
Total Expenditures		<u>-</u>
Fund Balance June 30, 2012	\$	<u><u>8,495.47</u></u>

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		Police Impact Fee Fund
Fund Balance 7/1/11		\$ 4,605.60
Revenues:		
Investment Earnings		12.20
Development Impact Fees		
Collected	\$ 21,108.06	
Refunds		
Net Development Impact Fees		<u>21,108.06</u>
Total Revenue		21,120.26
Expenditures:		
None		<u>-</u>
Total Expenditures		<u>-</u>
Fund Balance June 30, 2012		<u><u>\$ 25,725.86</u></u>

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		Fire Impact Fee Fund
Fund Balance 7/1/11		\$ -
Revenues:		
Investment Earnings		17.91
Development Impact Fees		
Collected	\$ 104,500.00	
Refunds		
Net Development Impact Fees		<u>104,500.00</u>
Total Revenue		104,517.91
Expenditures:		
None		<u>-</u>
Total Expenditures		<u>-</u>
Fund Balance June 30, 2012		<u><u>\$ 104,517.91</u></u>

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		General Government Impact Fee Fund #2
Fund Balance 7/1/11		\$ 7,027.24
Revenues:		
Investment Earnings		13.95
Development Impact Fees		
Collected	\$ 12,361.24	
Refunds		
Net Development Impact Fees		<u>12,361.24</u>
Total Revenue		12,375.19
Expenditures:		
None		<u>-</u>
Total Expenditures		<u>-</u>
Fund Balance June 30, 2012		<u><u>\$ 19,402.43</u></u>

**City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012
(Unaudited)**

		Transportation Impact Fee Fund #2
Fund Balance 7/1/11	\$	110,511.09
Revenues:		
Investment Earnings		16.93
Development Impact Fees		
Collected	\$	582,471.38
Refunds		
Net Development Impact Fees		<u>582,471.38</u>
Total Revenue		582,488.31
Expenditures:		
None		<u>-</u>
Total Expenditures		<u>-</u>
Fund Balance June 30, 2012	\$	<u><u>692,999.40</u></u>

City of Maricopa
Development Fees Report
for Fiscal Year Ended June 30, 2012

Project Information

Parks DIF

There were no parks impact fee expenditures in fiscal year ended (FYE) June 30, 2012. The latest development impact fee study indicates the intent to repay new development's share of the Recreation/Aquatics Center and Regional Park/Sports Complex projects.

Library DIF

There were no library impact fee expenditures in FYE June 30, 2012. Future DIF revenues will be spent on construction of a library facility.

Police DIF

The Public Safety and Police DIF funds can be utilized for police facilities and non-administrative police vehicles & related equipment. Funds for FYE June 30, 2012 were used to fund a portion of the City Services/Public Safety Complex. Future DIF revenues will be spent on a portion of the City Services/Public Safety complex and for the purchase of police vehicles.

Fire DIF

Fire DIF is a new fee category effective January 1, 2012. These funds can be used for non-administrative fire facilities including all appurtenances, equipment and vehicles. There were no expenditures for FYE June 30, 2012. Future planned projects include fire equipment and vehicles.

General Government DIF

Effective January 1, 2012, the City no longer assesses General Governmental impact fees. Prior General Government DIF collections will be used to design and construction of the new City Services/Public Safety Complex started in FY10-11 and is expected to be complete in FY13-14. Total project estimated costs in FY12-13 and FY13-14 (estimated project completion) is estimated at \$17.5 million and includes land purchase, design, construction and FF&E. Impact fee funding is provided by General Government DIF, Public Safety DIF, and General Fund capital reserves.

General Government DIF	\$3,606,436
Public Safety DIF	\$434,975
General Fund reserves	\$13,522,688

Transportation DIF

Transportation DIF infrastructure projects can be used for Facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the City, traffic signals and right-of-way and improvements thereon.

Honeycutt Road from SR347 to MCG Highway – The total estimate for this project is \$4,295,000 and consisting of land acquisition and preparation, design and construction. Project is expected to be substantially completed in FY13-14.

MCG Highway Interim Improvements – This is a master description for a series of projects to improve the MCG Highway over the next fifteen years. Budgeted amount for FY11-12 was \$3,300,000. The DIF funded project was for a completion of a traffic signal at MCG Highway and White & Parker Road.

Bowlin Road Half Street Improvements – This project consisted of half street improvements on Bowlin Road for the Central Arizona College/City Complex frontage.

Other project expenditures were for approved DIF eligible projects.