## Verde Independent

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## Impact fee rules to have little effect on Cottonwood, yet ...

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Staff Reporter

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COTTONWOOD -- New legislation limits the free hand cities and towns in Arizona have had to impose impact fees. The law, patterned after a conservative Texas law, takes away what has been an almost unregulated discretion about what to charge and how much. Impact fees have been allowed since 1982 in Arizona to accommodate impacts of expanding growth on a community.

The law requires a substantial connection to link a project the city wants to fund to the residential area that would be taxed.

The new law also makes it off limits, for the first time ever, for cities to impose impact fees for cultural facilities and general governmental functions, like a new city hall.

It does leave in place existing laws that say fees are appropriate for new fire and police stations and water and sewer system improvements.

The City of Prescott, for example, imposes impact fees for parks, recreation, police, fire, streets and library services.

The City of Cottonwood, by comparison, imposes fees only for water and waste water utility expansion, said to be appropriate.

However, Cottonwood has been trying to budget for a growth study.



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Cities and towns must establish an infrastructure improvement plan to show what is needed for growth over a period of time. Most of those must be completed by 2014.

Administrative Services Manager Rudy Rodriguez says of the Growth Study, "We want people to sit down with us and brainstorm ideas. We want to favor both the city and developers, but also to

make sure current residents not burdened with new infrastructure costs ... Cottonwood is one of the few cities that have impact fees on only water and wastewater. We don't want to put a bigger burden on developers."

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