

REFERENCE TITLE: city; town; development fees

State of Arizona  
Senate  
Fiftieth Legislature  
First Regular Session  
2011

## **SB 1525**

Introduced by

Senators Pearce R, Allen, Driggs, Reagan; Representatives Burges, Dial, Fillmore, Gowan, Gray R, Judd, Kavanagh, Lesko, Montenegro, Proud, Smith D, Stevens, Ugenti, Vogt, Yee; Senators Antenori, Biggs, Bundgaard, Gould, Gray, Griffin, Klein, Melvin, Murphy, Pierce S, Shooter, Smith; Representatives Barton, Carter, Crandell, Harper, Jones, Mesnard, Olson, Pratt, Seel

AN ACT

AMENDING SECTION 9-463.05, ARIZONA REVISED STATUTES; RELATING TO CITY AND TOWN DEVELOPMENT FEES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-463.05, Arizona Revised Statutes, is amended to  
3 read:

4 9-463.05. Development fees; imposition by cities and towns;  
5 infrastructure improvements plan; annual report;  
6 advisory committee; limitation on actions;  
7 definitions

8 A. A municipality may assess development fees to offset costs to the  
9 municipality associated with providing ~~necessary public services to a~~  
10 ~~development, including the costs of infrastructure, improvements, real~~  
11 ~~property, engineering and architectural services, financing, other capital~~  
12 ~~costs and associated appurtenances, equipment, vehicles, furnishings and~~  
13 ~~other personalty~~ INFRASTRUCTURE IMPROVEMENTS TO A DEVELOPMENT, INCLUDING THE  
14 COSTS OF INFRASTRUCTURE, IMPROVEMENTS, REAL PROPERTY, ENGINEERING AND  
15 ARCHITECTURAL SERVICES, FINANCING AND PROFESSIONAL SERVICES REQUIRED FOR THE  
16 PREPARATION OR REVISION OF THE PORTION OF THE INFRASTRUCTURE IMPROVEMENTS  
17 NECESSARY FOR THE IMPOSITION OF A DEVELOPMENT FEE.

18 B. Development fees assessed by a municipality under this section are  
19 subject to the following requirements:

20 1. Development fees shall result in a beneficial use to ~~the~~ A  
21 development.

22 2. THE MUNICIPALITY SHALL CALCULATE THE DEVELOPMENT FEE BASED ON THE  
23 INFRASTRUCTURE IMPROVEMENTS PLAN ADOPTED PURSUANT TO THIS SECTION.

24 3. THE DEVELOPMENT FEE SHALL NOT EXCEED A PROPORTIONATE SHARE OF THE  
25 COST OF INFRASTRUCTURE IMPROVEMENTS, BASED ON SERVICE UNITS, NEEDED TO  
26 PROVIDE INFRASTRUCTURE IMPROVEMENTS TO A NEW DEVELOPMENT.

27 4. COSTS FOR INFRASTRUCTURE IMPROVEMENTS MADE NECESSARY BY NEW  
28 DEVELOPMENT SHALL BE BASED ON THE SAME LEVEL OF SERVICE PROVIDED TO EXISTING  
29 DEVELOPMENT IN THE SERVICE AREA.

30 5. DEVELOPMENT FEES MAY NOT BE USED FOR:

31 (a) CONSTRUCTION, ACQUISITION OR EXPANSION OF PUBLIC FACILITIES OR  
32 ASSETS OTHER THAN INFRASTRUCTURE IMPROVEMENTS OR FACILITY EXPANSIONS  
33 IDENTIFIED IN THE INFRASTRUCTURE IMPROVEMENTS PLAN.

34 (b) REPAIR, OPERATION OR MAINTENANCE OF EXISTING OR NEW INFRASTRUCTURE  
35 IMPROVEMENTS OR FACILITY EXPANSIONS.

36 (c) UPGRADING, UPDATING, EXPANDING, CORRECTING OR REPLACING EXISTING  
37 INFRASTRUCTURE IMPROVEMENTS TO SERVE EXISTING DEVELOPMENT IN ORDER TO MEET  
38 STRICTER SAFETY, EFFICIENCY, ENVIRONMENTAL OR REGULATORY STANDARDS.

39 (d) ADMINISTRATIVE, MAINTENANCE OR OPERATING COSTS OF THE  
40 MUNICIPALITY.

41 6. ANY DEVELOPMENT FOR WHICH A DEVELOPMENT FEE HAS BEEN PAID IS  
42 ENTITLED TO THE PERMANENT USE AND BENEFIT OF THE SERVICES FOR WHICH THE FEE  
43 WAS IMPOSED AND IS ENTITLED TO RECEIVE IMMEDIATE SERVICE FROM ANY EXISTING  
44 FACILITY WITH ACTUAL CAPACITY TO SERVE THE NEW SERVICE UNITS.

1           7. DEVELOPMENT FEES SHALL NOT BE COLLECTED UNLESS:

2           (a) THE COLLECTION IS MADE TO PAY FOR AN INFRASTRUCTURE IMPROVEMENT OR  
3 FACILITY EXPANSION THAT HAS BEEN IDENTIFIED IN THE INFRASTRUCTURE  
4 IMPROVEMENTS PLAN AND THE MUNICIPALITY COMMITS TO COMPLETE CONSTRUCTION AND  
5 HAVING THE SERVICE AVAILABLE WITHIN A REASONABLE PERIOD OF TIME CONSIDERING  
6 THE TYPE OF INFRASTRUCTURE IMPROVEMENT OR FACILITY EXPANSION TO BE  
7 CONSTRUCTED, BUT IN NO EVENT LONGER THAN FIVE YEARS.

8           (b) THE MUNICIPALITY AGREES TO RESERVE CAPACITY TO SERVE FUTURE  
9 DEVELOPMENT AND THE OWNER AND THE MUNICIPALITY ENTER INTO A WRITTEN AGREEMENT  
10 TO DO SO.

11           (c) THE MUNICIPALITY AGREES THAT THE OWNER OF A DEVELOPMENT MAY  
12 CONSTRUCT OR FINANCE THE INFRASTRUCTURE IMPROVEMENTS OR FACILITY EXPANSIONS  
13 AND ANY OF THE FOLLOWING APPLY:

14           (i) THE COSTS INCURRED OR MONEY ADVANCED ARE CREDITED AGAINST THE  
15 DEVELOPMENT FEES OTHERWISE DUE FROM A DEVELOPMENT.

16           (ii) THE MUNICIPALITY REIMBURSES THE OWNER FOR THOSE COSTS FROM THE  
17 DEVELOPMENT FEES PAID FROM OTHER DEVELOPMENTS THAT WILL USE THOSE  
18 INFRASTRUCTURE IMPROVEMENTS OR FACILITY EXPANSIONS.

19           (iii) FOR THOSE COSTS INCURRED THE MUNICIPALITY ALLOWS THE OWNER TO  
20 ASSIGN THE CREDITS FROM THE DEVELOPMENT FEES OTHERWISE DUE FROM A DEVELOPMENT  
21 TO OTHER DEVELOPMENTS IN THE SAME SERVICE AREA.

22           8. PROJECTED INTEREST CHARGES AND OTHER FINANCE COSTS MAY BE INCLUDED  
23 IN DETERMINING THE AMOUNT OF DEVELOPMENT FEES ONLY IF THE MONIES ARE USED FOR  
24 THE PAYMENT OF PRINCIPAL AND INTEREST ON THE PORTION OF THE BONDS, NOTES OR  
25 OTHER OBLIGATIONS ISSUED TO FINANCE CONSTRUCTION OF INFRASTRUCTURE  
26 IMPROVEMENTS OR FACILITY EXPANSIONS IDENTIFIED IN THE INFRASTRUCTURE  
27 IMPROVEMENTS PLAN.

28           ~~2-~~ 9. Monies received from development fees assessed pursuant to this  
29 section shall be placed in a separate fund and accounted for separately and  
30 may only be used for the purposes ~~authorized by this section~~ FOR WHICH THE  
31 DEVELOPMENT FEE WAS IMPOSED AS SHOWN BY THE INFRASTRUCTURE IMPROVEMENTS PLAN.  
32 Monies received from a development fee identified in an infrastructure  
33 improvements plan adopted or ~~amended~~ UPDATED pursuant to subsection D of this  
34 section shall be used to provide the same category of ~~necessary public~~  
35 ~~service~~ INFRASTRUCTURE IMPROVEMENTS OR FACILITY EXPANSIONS for which the  
36 development fee was assessed for the benefit of the same SERVICE area, as  
37 defined in the infrastructure improvements plan, ~~within~~ IN which the  
38 development fee was assessed. Interest earned on monies in the separate fund  
39 shall be credited to the fund.

40           ~~3-~~ 10. The schedule for payment of fees shall be provided by the  
41 municipality. Based on the cost identified in the infrastructure  
42 improvements plan, the municipality shall provide a credit toward the payment  
43 of a development fee for the required or agreed to dedication of public  
44 sites, improvements and other ~~necessary public services~~ INFRASTRUCTURE  
45 IMPROVEMENTS OR FACILITY EXPANSIONS included in the infrastructure

1 improvements plan and for which a development fee is assessed, to the extent  
2 the public sites, improvements and ~~necessary public services~~ INFRASTRUCTURE  
3 IMPROVEMENTS OR FACILITY EXPANSIONS are provided by the developer. The  
4 developer of residential dwelling units shall be required to pay development  
5 fees when construction permits for the dwelling units are issued, or at a  
6 later time if specified in a development agreement pursuant to section  
7 9-500.05. If a development agreement provides for fees to be paid at a time  
8 later than the issuance of construction permits, the deferred fees shall be  
9 paid no later than fifteen days after the issuance of a certificate of  
10 occupancy. The development agreement shall provide for the value of any  
11 deferred fees to be supported by appropriate security, including a surety  
12 bond, letter of credit or cash bond.

13 ~~4. The amount of any development fees assessed pursuant to this~~  
14 ~~section must bear a reasonable relationship to the burden imposed on the~~  
15 ~~municipality to provide additional necessary public services to the~~  
16 ~~development.~~

17 11. ANY CONSTRUCTION OF, CONTRIBUTIONS TO OR DEDICATION OF ON-SITE OR  
18 OFF-SITE FACILITIES, IMPROVEMENTS OR REAL OR PERSONAL PROPERTY WITH OFF-SITE  
19 BENEFITS THAT ARE NOT REQUIRED TO SERVE DEVELOPMENT, THAT ARE IN EXCESS OF  
20 MINIMUM MUNICIPAL STANDARDS ESTABLISHED BY A PREVIOUSLY ADOPTED ORDINANCE AND  
21 THAT ARE REQUIRED BY A MUNICIPALITY AS A CONDITION OF DEVELOPMENT APPROVAL  
22 SHALL BE CREDITED AGAINST THE DEVELOPMENT FEE OTHERWISE DUE FROM NEW  
23 DEVELOPMENT. THE CREDIT SHALL INCLUDE THE VALUE OF:

24 (a) THE DEDICATION OR IMPROVEMENT OF LAND, RIGHTS-OF-WAY, EASEMENTS  
25 AND ANY PAYMENTS IN LIEU OF THAT DEDICATION OR IMPROVEMENT.

26 (b) CONSTRUCTION, DEDICATION OR IMPROVEMENT OF FACILITIES FOR WHICH  
27 DEVELOPMENT FEES ARE ASSESSED PURSUANT TO THIS SECTION.

28 12. AS DETERMINED PURSUANT TO SUBSECTION E, PARAGRAPH 7 OF THIS  
29 SECTION, the municipality shall forecast the contribution to be made in the  
30 future in cash or by taxes, fees, assessments or other sources of revenue  
31 derived from the property owner towards the capital costs of the ~~necessary~~  
32 ~~public service~~ INFRASTRUCTURE IMPROVEMENTS covered by the development fee and  
33 THAT CONTRIBUTION shall ~~include these contributions in determining the extent~~  
34 ~~of the burden imposed by the development~~ BE CREDITED AGAINST ANY DEVELOPMENT  
35 FEES ASSESSED ON A DEVELOPMENT.

36 ~~5-~~ 13. If development fees are assessed by a municipality, ~~such~~ THE  
37 fees shall be assessed in a ~~nondiscriminatory~~ manner THAT DOES NOT  
38 DISCRIMINATE BASED ON THE NATURE OF THE DEVELOPMENT. IF A MUNICIPALITY  
39 AGREES TO WAIVE ANY OF THE DEVELOPMENT FEES ASSESSED ON A DEVELOPMENT, THE  
40 MUNICIPALITY SHALL REIMBURSE THE DEVELOPMENT FEE ACCOUNTS FOR THE AMOUNT THAT  
41 WAS WAIVED AND NOTIFY THE ADVISORY COMMITTEE OF THE WAIVER AND REIMBURSEMENT.

42 ~~6-~~ 14. In determining and assessing a development fee applying to  
43 land in a community facilities district established under title 48, chapter  
44 4, article 6, the municipality shall take into account all public  
45 infrastructure provided by the district and capital costs paid by the

1 district for ~~necessary public services~~ INFRASTRUCTURE IMPROVEMENTS and shall  
2 not assess a portion of the development fee based on the infrastructure or  
3 costs.

4 C. A municipality shall give at least ~~sixty~~ THIRTY days' advance  
5 notice of intention to assess a ~~new or modified~~ development fee and shall  
6 release to the public a written report ~~that identifies the methodology for~~  
7 ~~calculating the amount of the development fee, explains the relationship~~  
8 ~~between the development fee and the infrastructure improvements plan,~~  
9 ~~includes documentation that supports the assessment of a new or modified~~  
10 ~~development fee and identifies any index or indices to be used for automatic~~  
11 ~~adjustment of the development fee pursuant to subsection G of this section~~  
12 ~~and the timing of those adjustments~~ OF THE LAND USE ASSUMPTIONS AND  
13 INFRASTRUCTURE IMPROVEMENTS PLAN ADOPTED PURSUANT TO SUBSECTION D OF THIS  
14 SECTION AND POST THE REPORT ON ITS WEBSITE. The municipality shall conduct a  
15 public hearing on the proposed ~~new or modified~~ development fee at any time  
16 after the expiration of the ~~sixty~~ THIRTY day notice of intention to assess a  
17 ~~new or modified~~ development fee and at least thirty days ~~prior to~~ BEFORE the  
18 scheduled date of adoption of the new or modified fee by the governing body.  
19 WITHIN SIXTY DAYS AFTER THE DATE OF THE PUBLIC HEARING ON THE PROPOSED  
20 DEVELOPMENT FEE, A MUNICIPALITY SHALL APPROVE OR DISAPPROVE THE IMPOSITION OF  
21 THE DEVELOPMENT FEE. A MUNICIPALITY SHALL NOT ADOPT AN ORDINANCE, ORDER OR  
22 RESOLUTION APPROVING A DEVELOPMENT FEE AS AN EMERGENCY MEASURE. A  
23 development fee assessed pursuant to this section shall not be effective  
24 until seventy-five days after its formal adoption by the governing body of  
25 the municipality. Nothing in this subsection shall affect any development  
26 fee adopted ~~prior to~~ BEFORE July 24, 1982.

27 D. Before the assessment of a ~~new or modified~~ development fee, the  
28 governing body of the municipality shall adopt or ~~amend~~ UPDATE an  
29 infrastructure improvements plan FOR A DESIGNATED SERVICE AREA. The  
30 municipality shall conduct a public hearing on the LAND USE ASSUMPTION AND  
31 infrastructure improvements plan at least thirty days before the adoption or  
32 ~~amendment~~ UPDATE of the plan. The municipality shall release the plan to the  
33 public, POST THE PLAN ON ITS WEBSITE, INCLUDING IN THE POSTING ITS LAND USE  
34 ASSUMPTIONS, THE TIME PERIOD OF THE PROJECTIONS, A DESCRIPTION OF THE  
35 INFRASTRUCTURE IMPROVEMENTS INCLUDED IN THE INFRASTRUCTURE IMPROVEMENTS PLAN  
36 AND A MAP OF THE SERVICE AREA TO WHICH THE LAND USE ASSUMPTIONS APPLY, make  
37 available to the public the documents used to prepare the ASSUMPTIONS AND  
38 plan and provide public notice at least sixty days before the public hearing,  
39 subject to the following:

40 ~~1. An infrastructure improvements plan may be adopted concurrently~~  
41 ~~with the report required by subsection C of this section, and the~~  
42 ~~municipality may provide for and schedule the notices and hearings required~~  
43 ~~by this subsection together with the notices and hearings required by~~  
44 ~~subsection C of this section.~~

1           ~~2. A municipality may amend an infrastructure improvements plan~~  
2 ~~without a public hearing if the amendment addresses only elements of~~  
3 ~~necessary public services that are included in the existing infrastructure~~  
4 ~~improvements plan. The municipality shall provide public notice of those~~  
5 ~~amendments at least fourteen days in advance of their effective date.~~

6           1. THE LAND USE ASSUMPTIONS AND INFRASTRUCTURE IMPROVEMENTS PLAN SHALL  
7 BE APPROVED OR DISAPPROVED WITHIN SIXTY DAYS AFTER THE PUBLIC HEARING ON THE  
8 LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN AND AT LEAST THIRTY DAYS  
9 BEFORE THE REPORT REQUIRED BY SUBSECTION C OF THIS SECTION. A MUNICIPALITY  
10 SHALL NOT ADOPT AN ORDINANCE, ORDER OR RESOLUTION APPROVING THE LAND USE  
11 ASSUMPTIONS OR INFRASTRUCTURE IMPROVEMENTS PLAN AS AN EMERGENCY MEASURE.

12           2. AN INFRASTRUCTURE IMPROVEMENTS PLAN SHALL BE DEVELOPED BY QUALIFIED  
13 PROFESSIONALS USING GENERALLY ACCEPTED ENGINEERING AND PLANNING PRACTICES  
14 PURSUANT TO SUBSECTION E OF THIS SECTION.

15           3. A MUNICIPALITY SHALL UPDATE THE LAND USE ASSUMPTIONS AND  
16 INFRASTRUCTURE IMPROVEMENTS PLAN AT LEAST EVERY FIVE YEARS. THE INITIAL FIVE  
17 YEAR PERIOD BEGINS ON THE DAY THE INFRASTRUCTURE IMPROVEMENTS PLAN IS  
18 ADOPTED. THE MUNICIPALITY SHALL REVIEW AND EVALUATE ITS CURRENT LAND USE  
19 ASSUMPTIONS AND SHALL CAUSE AN UPDATE OF THE INFRASTRUCTURE IMPROVEMENTS PLAN  
20 TO BE PREPARED PURSUANT TO THIS SECTION.

21           4. WITHIN SIXTY DAYS AFTER COMPLETION OF THE UPDATED LAND USE  
22 ASSUMPTIONS AND INFRASTRUCTURE IMPROVEMENTS PLAN, THE MUNICIPALITY SHALL  
23 SCHEDULE AND PROVIDE NOTICE OF A PUBLIC HEARING TO DISCUSS AND REVIEW THE  
24 UPDATE AND SHALL DETERMINE WHETHER TO AMEND THE ASSUMPTIONS AND PLAN.

25           5. A MUNICIPALITY SHALL HOLD A PUBLIC HEARING TO DISCUSS THE PROPOSED  
26 AMENDMENTS TO THE LAND USE ASSUMPTIONS, THE INFRASTRUCTURE IMPROVEMENTS PLAN  
27 OR THE DEVELOPMENT FEE. THE LAND USE ASSUMPTIONS AND THE INFRASTRUCTURE  
28 IMPROVEMENTS PLAN, INCLUDING THE AMOUNT OF ANY PROPOSED CHANGES TO THE  
29 DEVELOPMENT FEE PER SERVICE UNIT, SHALL BE MADE AVAILABLE TO THE PUBLIC ON OR  
30 BEFORE THE DATE OF THE FIRST PUBLICATION OF THE NOTICE OF THE HEARING ON THE  
31 AMENDMENTS.

32           6. THE NOTICE AND HEARING PROCEDURES PRESCRIBED IN PARAGRAPH 1 OF THIS  
33 SUBSECTION APPLY TO A HEARING ON THE AMENDMENT OF LAND USE ASSUMPTIONS, AN  
34 INFRASTRUCTURE IMPROVEMENTS PLAN OR A DEVELOPMENT FEE. WITHIN SIXTY DAYS  
35 AFTER THE DATE OF THE PUBLIC HEARING ON THE AMENDMENTS, A MUNICIPALITY SHALL  
36 APPROVE OR DISAPPROVE THE AMENDMENTS TO THE LAND USE ASSUMPTIONS,  
37 INFRASTRUCTURE IMPROVEMENTS PLAN OR DEVELOPMENT FEE. A MUNICIPALITY SHALL NOT  
38 ADOPT AN ORDINANCE, ORDER OR RESOLUTION APPROVING THE AMENDED LAND USE  
39 ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENTS PLAN OR DEVELOPMENT FEE AS AN  
40 EMERGENCY MEASURE.

41           7. THE ADVISORY COMMITTEE ESTABLISHED UNDER SUBSECTION G OF THIS  
42 SECTION SHALL FILE ITS WRITTEN COMMENTS ON ANY PROPOSED OR UPDATED LAND USE  
43 ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENTS PLAN AND DEVELOPMENT FEES BEFORE THE  
44 FIFTH BUSINESS DAY BEFORE THE DATE OF THE PUBLIC HEARING ON THE PROPOSED OR  
45 UPDATED ASSUMPTIONS, PLAN AND FEES.

1 8. IF, AT THE TIME AN UPDATE AS PRESCRIBED IN PARAGRAPH 3 OF THIS  
2 SUBSECTION IS REQUIRED, THE MUNICIPALITY DETERMINES THAT NO CHANGES TO THE  
3 LAND USE ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENTS PLAN OR DEVELOPMENT FEES  
4 ARE NEEDED, THE MUNICIPALITY MAY AS AN ALTERNATIVE TO THE UPDATING  
5 REQUIREMENTS OF THIS SUBSECTION PUBLISH NOTICE OF ITS DETERMINATION ON ITS  
6 WEBSITE AND INCLUDE THE FOLLOWING:

7 (a) A STATEMENT THAT THE MUNICIPALITY HAS DETERMINED THAT NO CHANGE TO  
8 THE LAND USE ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENTS PLAN OR DEVELOPMENT FEE  
9 IS NECESSARY.

10 (b) A DESCRIPTION AND MAP OF THE SERVICE AREA IN WHICH THE UPDATING  
11 HAS BEEN DETERMINED TO BE UNNECESSARY.

12 (c) A STATEMENT THAT BY A SPECIFIED DATE, WHICH SHALL BE AT LEAST  
13 SIXTY DAYS AFTER THE DATE OF PUBLICATION OF THE FIRST NOTICE, A PERSON MAY  
14 MAKE A WRITTEN REQUEST TO THE MUNICIPALITY REQUESTING THAT THE LAND USE  
15 ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENTS PLAN OR DEVELOPMENT FEE BE UPDATED,  
16 AND THAT THE MUNICIPALITY MAY ACCEPT OR REJECT THE REQUEST BY FOLLOWING THE  
17 REQUIREMENTS PRESCRIBED IN THIS SUBSECTION.

18 (d) A STATEMENT IDENTIFYING THE PERSON OR ENTITY TO WHOM THE WRITTEN  
19 REQUEST FOR AN UPDATE SHOULD BE SENT.

20 9. IF, BY THE DATE SPECIFIED PURSUANT TO PARAGRAPH 8 OF THIS  
21 SUBSECTION, A PERSON REQUESTS IN WRITING THAT THE LAND USE ASSUMPTIONS,  
22 INFRASTRUCTURE IMPROVEMENTS PLAN OR DEVELOPMENT FEE BE UPDATED, THE  
23 MUNICIPALITY SHALL CAUSE, ACCEPT OR REJECT AN UPDATE OF THE ASSUMPTIONS AND  
24 PLAN TO BE PREPARED PURSUANT TO THIS SUBSECTION.

25 E. For ~~each necessary public service~~ INFRASTRUCTURE IMPROVEMENTS that  
26 ~~is~~ ARE the subject of a development fee, the infrastructure improvements plan  
27 shall INCLUDE:

28 ~~1. Estimate future necessary public services that will be required as~~  
29 ~~a result of new development in the area, as defined in the infrastructure~~  
30 ~~improvements plan, within which the development fee will be assessed and the~~  
31 ~~basis for the estimate, including a comparison of the necessary public~~  
32 ~~services provided to existing development and the necessary public services~~  
33 ~~to be provided to new development.~~

34 ~~2. Forecast the costs of infrastructure, improvements, real property,~~  
35 ~~financing, other capital costs and associated appurtenances, equipment,~~  
36 ~~vehicles, furnishings and other personalty that will be associated with~~  
37 ~~meeting those future needs for necessary public services.~~

38 ~~3. Forecast the revenue sources that will be available to fund the~~  
39 ~~necessary public services and estimate the time required to finance and~~  
40 ~~provide the necessary public services.~~

41 1. A DESCRIPTION OF THE EXISTING INFRASTRUCTURE IMPROVEMENTS IN THE  
42 SERVICE AREA AND THE COSTS TO UPGRADE, UPDATE, IMPROVE, EXPAND OR REPLACE THE  
43 IMPROVEMENTS TO MEET EXISTING NEEDS AND USAGE AND STRICTER SAFETY,  
44 EFFICIENCY, ENVIRONMENTAL OR REGULATORY STANDARDS, WHICH SHALL BE PREPARED BY

1 A QUALIFIED PROFESSIONAL ENGINEER LICENSED TO PERFORM THE PROFESSIONAL  
2 ENGINEERING SERVICES IN THIS STATE.

3 2. AN ANALYSIS OF THE TOTAL CAPACITY, THE LEVEL OF CURRENT USAGE AND  
4 COMMITMENTS FOR USAGE OF CAPACITY OF THE EXISTING INFRASTRUCTURE  
5 IMPROVEMENTS, WHICH SHALL BE PREPARED BY A QUALIFIED PROFESSIONAL ENGINEER  
6 LICENSED TO PERFORM THE PROFESSIONAL ENGINEERING SERVICES IN THIS STATE.

7 3. A DESCRIPTION OF ALL OR THE PARTS OF THE INFRASTRUCTURE  
8 IMPROVEMENTS OR FACILITY EXPANSIONS AND THEIR COSTS NECESSITATED BY AND  
9 ATTRIBUTABLE TO DEVELOPMENT IN THE SERVICE AREA BASED ON THE APPROVED LAND  
10 USE ASSUMPTIONS, WHICH SHALL BE PREPARED BY A QUALIFIED PROFESSIONAL ENGINEER  
11 LICENSED TO PERFORM THE PROFESSIONAL ENGINEERING SERVICES IN THIS STATE.

12 4. A DEFINITIVE TABLE ESTABLISHING THE SPECIFIC LEVEL OR QUANTITY OF  
13 USE, CONSUMPTION, GENERATION OR DISCHARGE OF A SERVICE UNIT FOR EACH CATEGORY  
14 OF INFRASTRUCTURE IMPROVEMENTS OR FACILITY EXPANSIONS AND AN EQUIVALENCY OR  
15 CONVERSION TABLE ESTABLISHING THE RATIO OF A SERVICE UNIT TO VARIOUS TYPES OF  
16 LAND USES, INCLUDING RESIDENTIAL, COMMERCIAL AND INDUSTRIAL.

17 5. THE TOTAL NUMBER OF PROJECTED SERVICE UNITS NECESSITATED BY AND  
18 ATTRIBUTABLE TO NEW DEVELOPMENT IN THE SERVICE AREA BASED ON THE APPROVED  
19 LAND USE ASSUMPTIONS AND CALCULATED PURSUANT TO GENERALLY ACCEPTED  
20 ENGINEERING AND PLANNING CRITERIA.

21 6. THE PROJECTED DEMAND FOR INFRASTRUCTURE IMPROVEMENTS OR FACILITY  
22 EXPANSIONS REQUIRED BY NEW SERVICE UNITS FOR A PERIOD NOT TO EXCEED TEN  
23 YEARS.

24 7. A FORECAST OF REVENUES GENERATED BY NEW SERVICE UNITS OTHER THAN  
25 DEVELOPMENT FEES, WHICH SHALL INCLUDE ESTIMATED STATE-SHARED REVENUE, HIGHWAY  
26 USERS REVENUE, FEDERAL REVENUE, AD VALOREM PROPERTY TAXES, GRANTS, DONATIONS,  
27 CONSTRUCTION CONTRACTING OR SIMILAR EXCISE TAXES AND THE CAPITAL RECOVERY  
28 PORTION OF UTILITY FEES ATTRIBUTABLE TO DEVELOPMENT IN THE SERVICE AREA BASED  
29 ON THE APPROVED LAND USE ASSUMPTIONS, AND A PLAN TO CREDIT THESE  
30 CONTRIBUTIONS AGAINST DEVELOPMENT AS REQUIRED IN SUBSECTION B, PARAGRAPH 12  
31 OF THIS SECTION.

32 F. ~~Except for adjustments pursuant to subsection G of this section,~~ A  
33 municipality's development fee ordinance shall provide that a new development  
34 fee or an increased portion of a modified development fee shall not be  
35 assessed against a development for ~~twenty-four~~ SIXTY months after the date of  
36 the municipality's final approval of the development if no ~~material changes~~  
37 ~~are~~ INCREASE IN THE NUMBER OF SERVICE UNITS IS made to the site plan or  
38 subdivision plat that was the subject of the final approval. The ~~twenty-four~~  
39 SIXTY month period shall not be extended by a renewal or amendment of the  
40 site plan or the final subdivision plat that was the subject of the final  
41 approval. The municipality shall issue, on request, a written statement of  
42 the development fee schedule applicable to the development.

43 G. ~~A municipality may automatically adjust a development fee on an~~  
44 ~~annual basis without a public hearing if the adjustment is based on a~~  
45 ~~nationally recognized index applicable to the cost of the necessary public~~



~~1 service that is the subject of the development fee and the adjustment  
2 mechanism is identified in the report required by subsection C of this  
3 section. The municipality shall provide public notice of those adjustments  
4 at least thirty days in advance of their effective date.~~

5 G. BEFORE THE ADOPTION OF PROPOSED OR UPDATED LAND USE ASSUMPTIONS,  
6 INFRASTRUCTURE IMPROVEMENTS PLAN AND DEVELOPMENT FEES AS PRESCRIBED IN  
7 SUBSECTION D OF THIS SECTION, THE MUNICIPALITY SHALL APPOINT AN  
8 INFRASTRUCTURE IMPROVEMENTS ADVISORY COMMITTEE, SUBJECT TO THE FOLLOWING  
9 REQUIREMENTS:

10 1. THE ADVISORY COMMITTEE SHALL BE COMPOSED OF AT LEAST FIVE MEMBERS  
11 WHO ARE APPOINTED BY THE GOVERNING BODY OF THE MUNICIPALITY. AT LEAST FORTY  
12 PER CENT OF THE MEMBERS OF THE ADVISORY COMMITTEE MUST BE REPRESENTATIVES OF  
13 THE REAL ESTATE, DEVELOPMENT OR BUILDING INDUSTRIES, AND AT LEAST TWENTY PER  
14 CENT OF THE MEMBERS OF THE COMMITTEE MUST BE FROM THE HOME BUILDING INDUSTRY.  
15 MEMBERS SHALL NOT BE EMPLOYEES OR OFFICIALS OF THE MUNICIPALITY.

16 2. THE ADVISORY COMMITTEE SERVES IN AN ADVISORY CAPACITY AND SHALL:  
17 (a) ADVISE AND ASSIST THE MUNICIPALITY IN ADOPTING LAND USE  
18 ASSUMPTIONS AND DETERMINE WHETHER THE ASSUMPTIONS ARE IN CONFORMANCE WITH THE  
19 GENERAL PLAN OF THE MUNICIPALITY.

20 (b) REVIEW THE INFRASTRUCTURE IMPROVEMENTS PLAN AND FILE WRITTEN  
21 COMMENTS.

22 (c) MONITOR AND EVALUATE IMPLEMENTATION OF THE INFRASTRUCTURE  
23 IMPROVEMENTS PLAN.

24 (d) EVERY YEAR FILE REPORTS WITH RESPECT TO THE PROGRESS OF THE  
25 INFRASTRUCTURE IMPROVEMENTS PLAN AND REPORT TO THE MUNICIPALITY ANY PERCEIVED  
26 INEQUITIES IN IMPLEMENTING THE PLAN OR IMPOSING THE DEVELOPMENT FEE.

27 (e) ADVISE THE MUNICIPALITY OF THE NEED TO UPDATE OR REVISE THE LAND  
28 USE ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENTS PLAN AND DEVELOPMENT FEE.

29 3. THE MUNICIPALITY SHALL MAKE AVAILABLE TO THE ADVISORY COMMITTEE ANY  
30 PROFESSIONAL REPORTS WITH RESPECT TO DEVELOPING AND IMPLEMENTING THE  
31 INFRASTRUCTURE IMPROVEMENTS PLAN.

32 4. THE MUNICIPALITY SHALL ADOPT PROCEDURAL RULES FOR THE ADVISORY  
33 COMMITTEE TO FOLLOW IN CARRYING OUT THE COMMITTEE'S DUTIES.

34 H. AN OWNER OF REAL PROPERTY IS ENTITLED TO A REFUND OF A DEVELOPMENT  
35 FEE OR ANY PART OF A DEVELOPMENT FEE THAT IS NOT SPENT IF:

36 1. ON THE REQUEST OF AN OWNER OF THE PROPERTY ON WHICH A DEVELOPMENT  
37 FEE HAS BEEN PAID, THE MUNICIPALITY REFUNDS THE DEVELOPMENT FEE IF EXISTING  
38 FACILITIES ARE AVAILABLE AND SERVICE IS NOT PROVIDED OR THE MUNICIPALITY HAS,  
39 AFTER COLLECTING THE FEE WHEN SERVICE IS NOT AVAILABLE, FAILED TO COMPLETE  
40 CONSTRUCTION WITHIN A REASONABLE PERIOD OF TIME CONSIDERING THE TYPE OF  
41 INFRASTRUCTURE IMPROVEMENT OR FACILITY EXPANSION TO BE CONSTRUCTED BUT IN NO  
42 EVENT LATER THAN FIVE YEARS AFTER THE DATE OF PAYMENT.

43 2. ANY PART OF THE DEVELOPMENT FEE IS NOT SPENT AS AUTHORIZED BY THIS  
44 SECTION WITHIN FIVE YEARS AFTER THE DATE OF PAYMENT.

1           3. ON COMPLETION OF THE INFRASTRUCTURE IMPROVEMENTS OR FACILITY  
2 EXPANSIONS IDENTIFIED IN THE INFRASTRUCTURE IMPROVEMENTS PLAN, THE  
3 MUNICIPALITY RECALCULATES THE DEVELOPMENT FEE USING THE ACTUAL COSTS OF THE  
4 INFRASTRUCTURE IMPROVEMENTS OR FACILITY EXPANSION. IF THE DEVELOPMENT FEE  
5 CALCULATED BASED ON ACTUAL COSTS IS LESS THAN THE DEVELOPMENT FEE PAID,  
6 INCLUDING ANY SOURCES OF FUNDING NOT ANTICIPATED IN THE INFRASTRUCTURE  
7 IMPROVEMENTS PLAN, THE MUNICIPALITY SHALL REFUND THE DIFFERENCE IF THE  
8 DIFFERENCE EXCEEDS THE DEVELOPMENT FEE PAID BY MORE THAN TEN PER CENT, BASED  
9 ON ACTUAL COSTS.

10           I. A REFUND SHALL BEAR INTEREST CALCULATED FROM THE DATE OF COLLECTION  
11 TO THE DATE OF REFUND AT A RATE PURSUANT TO SECTION 44-1201, SUBSECTION A.  
12 ALL REFUNDS SHALL BE MADE TO THE RECORD OWNER OF THE PROPERTY AT THE TIME THE  
13 REFUND IS PAID. IF THE DEVELOPMENT FEE IS PAID BY A GOVERNMENTAL ENTITY, THE  
14 REFUND SHALL BE PAID TO THE GOVERNMENTAL ENTITY. THE OWNER OF REAL PROPERTY  
15 ON WHICH A DEVELOPMENT FEE HAS BEEN PAID OR A MEMBERSHIP ORGANIZATION  
16 REPRESENTING THE OWNER OF REAL PROPERTY OR A GOVERNMENTAL ENTITY THAT HAS  
17 PAID A DEVELOPMENT FEE HAS STANDING TO SUE FOR A REFUND.

18           J. A DEVELOPMENT FEE THAT IS IN PLACE ON THE EFFECTIVE DATE OF THIS  
19 AMENDMENT TO THIS SECTION SHALL BE REPLACED BY A DEVELOPMENT FEE IMPOSED  
20 UNDER THIS SECTION ON OR BEFORE AUGUST 1, 2012. ANY MUNICIPALITY HAVING A  
21 DEVELOPMENT FEE THAT HAS NOT BEEN REPLACED UNDER THIS SECTION ON OR BEFORE  
22 AUGUST 1, 2012 IS LIABLE TO ANY PARTY WHO, AFTER THE EFFECTIVE DATE OF THIS  
23 AMENDMENT TO THIS SECTION, PAYS A DEVELOPMENT FEE THAT EXCEEDS THE MAXIMUM  
24 PERMITTED UNDER THIS SECTION BY MORE THAN TEN PER CENT FOR AN AMOUNT EQUAL TO  
25 TWO TIMES THE DIFFERENCE BETWEEN THE MAXIMUM DEVELOPMENT FEE ALLOWED AND THE  
26 ACTUAL DEVELOPMENT FEES IMPOSED, PLUS ANY REASONABLE ATTORNEY FEES AND COURT  
27 COSTS. ANY DEVELOPMENT FEE MONIES IN THE DEVELOPMENT FEE ACCOUNTS COLLECTED  
28 BEFORE AUGUST 1, 2012:

29           1. SHALL BE USED TOWARDS THE SAME CATEGORY OF INFRASTRUCTURE  
30 IMPROVEMENTS AS AUTHORIZED BY THIS SECTION.

31           2. IF DEVELOPMENT FEES ARE IN A FUND FOR A PURPOSE NOT AUTHORIZED BY  
32 THIS SECTION, SHALL BE DISTRIBUTED EVENLY AMONG THE CATEGORIES OF  
33 INFRASTRUCTURE IMPROVEMENTS AUTHORIZED BY THIS SECTION.

34           K. A MORATORIUM SHALL NOT BE PLACED ON DEVELOPMENT FOR THE SOLE  
35 PURPOSE OF AWAITING COMPLETION OF ALL OR ANY PART OF THE PROCESS NECESSARY TO  
36 DEVELOP, ADOPT OR UPDATE DEVELOPMENT FEES.

37           L. ANY PERSON OR GOVERNMENTAL ENTITY THAT HAS PAID A DEVELOPMENT FEE,  
38 OR MEMBERSHIP ORGANIZATION REPRESENTING A PERSON THAT HAS PAID A DEVELOPMENT  
39 FEE, HAS STANDING TO SUE UNDER THIS SECTION. IN ANY JUDICIAL ACTION  
40 INTERPRETING THIS SECTION, ALL POWERS CONFERRED ON MUNICIPAL GOVERNMENTS IN  
41 THIS SECTION SHALL BE NARROWLY CONSTRUED.

42           ~~H.~~ M. Each municipality that assesses development fees shall submit  
43 an annual report accounting for the collection and use of the fees FOR EACH  
44 SERVICE AREA. The annual report shall include the following:

- 1           1. The amount assessed by the municipality for each type of  
2 development fee.
- 3           2. The balance of each fund maintained for each type of development  
4 fee assessed as of the beginning and end of the fiscal year.
- 5           3. The amount of interest or other earnings on the monies in each fund  
6 as of the end of the fiscal year.
- 7           4. The amount of development fee monies used to repay:
- 8           (a) Bonds issued by the municipality to pay the cost of a capital  
9 improvement project that is the subject of a development fee assessment,  
10 INCLUDING THE AMOUNT NEEDED TO REPAY THE DEBT SERVICE OBLIGATIONS ON EACH  
11 FACILITY FOR WHICH DEVELOPMENT FEES HAVE BEEN IDENTIFIED AS THE SOURCE OF  
12 FUNDING AND THE TIME FRAMES IN WHICH THE DEBT SERVICE WILL BE REPAYED.
- 13           (b) Monies advanced by the municipality from funds other than the  
14 funds established for development fees in order to pay the cost of a capital  
15 improvement project that is the subject of a development fee assessment, THE  
16 TOTAL AMOUNT ADVANCED BY THE MUNICIPALITY FOR EACH FACILITY, THE SOURCE OF  
17 THE MONIES ADVANCED AND THE TERMS UNDER WHICH THE MONIES WILL BE REPAYED TO  
18 THE MUNICIPALITY.
- 19           5. The amount of development fee monies spent on each capital  
20 improvement project that is the subject of a development fee assessment and  
21 the physical location of each capital improvement project.
- 22           6. The amount of development fee monies spent for each purpose other  
23 than a capital improvement project that is the subject of a development fee  
24 assessment.
- 25           ~~I~~ N. Within ninety days following the end of each fiscal year, each  
26 municipality shall submit a copy of the annual report to the city clerk AND  
27 POST THE REPORT ON THE MUNICIPALITY'S WEBSITE. Copies shall be made  
28 available to the public on request. The annual report may contain financial  
29 information that has not been audited.
- 30           ~~J~~ O. A municipality that fails to file the report AND POST THE  
31 REPORT ON THE MUNICIPALITY'S WEBSITE AS required by this section shall not  
32 collect development fees until the report is filed AND POSTED.
- 33           ~~K~~ P. Any action to collect a development fee shall be commenced  
34 within two years after the obligation to pay the fee accrues.
- 35           ~~L~~ Q. For the purposes of this section:
- 36           1. "DEDICATION" MEANS THE ACTUAL CONVEYANCE DATE OR THE DATE THE  
37 IMPROVEMENT, FACILITIES OR REAL OR PERSONAL PROPERTY IS PLACED INTO SERVICE,  
38 WHICHEVER OCCURS FIRST.
- 39           2. "DEVELOPMENT" MEANS:
- 40           (a) THE SUBDIVISION OF LAND.
- 41           (b) THE CONSTRUCTION, RECONSTRUCTION, CONVERSION, STRUCTURAL  
42 ALTERATION, RELOCATION OR ENLARGEMENT OF ANY STRUCTURE THAT ADDS OR INCREASES  
43 THE NUMBER OF SERVICE UNITS.
- 44           (c) ANY USE OR EXTENSION OF THE USE OF LAND THAT INCREASES THE NUMBER  
45 OF SERVICE UNITS.

1           3. "FACILITY EXPANSION" MEANS THE EXPANSION OF THE CAPACITY OF AN  
2 EXISTING FACILITY THAT SERVES THE SAME FUNCTION AS AN OTHERWISE NEW  
3 INFRASTRUCTURE IMPROVEMENT IN ORDER THAT THE EXISTING FACILITY MAY SERVE NEW  
4 DEVELOPMENT. FACILITY EXPANSION DOES NOT INCLUDE THE REPAIR, MAINTENANCE,  
5 MODERNIZATION OR EXPANSION OF AN EXISTING FACILITY TO BETTER SERVE EXISTING  
6 DEVELOPMENT.

7           ~~1.~~ 4. "Final approval" means:

8           (a) For a nonresidential or multifamily development, the approval of a  
9 site plan or, if no site plan is submitted for the development, the approval  
10 of a final subdivision plat.

11           (b) For a single family residential development, the approval of a  
12 final subdivision plat.

13           5. "INFRASTRUCTURE IMPROVEMENT" MEANS ANY OF THE FOLLOWING FACILITIES  
14 THAT HAVE A LIFE EXPECTANCY OF TEN OR MORE YEARS AND THAT ARE OWNED AND  
15 OPERATED BY OR ON BEHALF OF THE MUNICIPALITY:

16           (a) WATER FACILITIES, INCLUDING THE SUPPLY, TRANSPORTATION, TREATMENT,  
17 PURIFICATION AND DISTRIBUTION OF WATER.

18           (b) WASTEWATER FACILITIES, INCLUDING COLLECTION, INTERCEPTION,  
19 TRANSPORTATION, TREATMENT AND DISPOSAL OF WASTEWATER.

20           (c) STREET FACILITIES LOCATED IN THE SERVICE AREA, INCLUDING ARTERIAL  
21 OR COLLECTOR STREETS OR ROADS THAT HAVE BEEN DESIGNATED ON AN OFFICIALLY  
22 ADOPTED PLAN OF THE MUNICIPALITY AND RIGHTS-OF-WAY AND IMPROVEMENTS THEREON.

23           (d) FIRE AND POLICE FACILITIES, INCLUDING ALL APPURTENANCES FOR THOSE  
24 FACILITIES. FIRE AND POLICE FACILITIES DO NOT INCLUDE A FACILITY OR PORTION  
25 OF A FACILITY THAT IS USED TO REPLACE SERVICES THAT WERE ONCE PROVIDED  
26 ELSEWHERE IN THE MUNICIPALITY, VEHICLES AND EQUIPMENT USED TO PROVIDE  
27 ADMINISTRATIVE SERVICES, HELICOPTERS OR AIRPLANES OR A FACILITY THAT IS USED  
28 FOR TRAINING FIREFIGHTERS OR OFFICERS FROM MORE THAN ONE STATION OR  
29 SUBSTATION.

30           (e) PARK AND RECREATIONAL FACILITIES ON REAL PROPERTY NOT LARGER THAN  
31 THIRTY ACRES IN AREA. PARK AND RECREATIONAL FACILITIES DO NOT INCLUDE  
32 AMUSEMENT PARKS, AQUARIUMS, AUDITORIUMS, ARENAS, ARTS AND CULTURAL  
33 FACILITIES, BANDSTAND AND ORCHESTRA FACILITIES, BATHHOUSES, BOATHOUSES,  
34 CLUBHOUSES, COMMUNITY CENTERS GREATER THAN THREE THOUSAND SQUARE FEET IN  
35 FLOOR AREA, ENVIRONMENTAL EDUCATION CENTERS, EQUESTRIAN FACILITIES, GOLF  
36 COURSE FACILITIES, GREENHOUSES, LAKES, MUSEUMS, SWIMMING POOLS, THEME PARKS,  
37 WATER RECLAMATION OR RIPARIAN AREAS, WETLANDS, ZOO FACILITIES OR SIMILAR  
38 RECREATIONAL FACILITIES.

39           (f) ANY FACILITY THAT WAS FINANCED AND THAT MEETS ALL OF THE FOLLOWING  
40 REQUIREMENTS:

41           (i) WAS INCLUDED IN A PREVIOUSLY ADOPTED INFRASTRUCTURE IMPROVEMENT  
42 PLAN.

43           (ii) DEVELOPMENT FEES WERE PLEDGED TO REPAY DEBT SERVICE OBLIGATIONS  
44 THAT WERE USED TO CONSTRUCT THE FACILITY.

1 (iii) CONSTRUCTION WAS COMPLETED ON THE FACILITY BEFORE DECEMBER 31,  
2 2010.

3 ~~2.~~ 6. "Infrastructure improvements plan" means one or more written  
4 plans that individually or collectively identify each ~~public-service~~  
5 INFRASTRUCTURE IMPROVEMENT OR FACILITY EXPANSION that is proposed to be the  
6 subject of a development fee and otherwise complies with the requirements of  
7 this section, and may be the municipality's capital improvements plan.

8 7. "LAND USE ASSUMPTIONS" MEANS PROJECTIONS OF CHANGES IN LAND USES,  
9 DENSITIES, INTENSITIES AND POPULATION FOR A SPECIFIED SERVICE AREA OVER A  
10 PERIOD OF AT LEAST TEN YEARS AND PURSUANT TO THE GENERAL PLAN OF THE  
11 MUNICIPALITY.

12 8. "QUALIFIED PROFESSIONAL" MEANS A PROFESSIONAL ENGINEER, SURVEYOR,  
13 FINANCIAL ANALYST OR PLANNER PROVIDING SERVICES WITHIN THE SCOPE OF THE  
14 PERSON'S LICENSE, EDUCATION OR EXPERIENCE.

15 9. "SERVICE AREA" MEANS ANY SPECIFIED AREA WITHIN THE BOUNDARIES OF A  
16 MUNICIPALITY IN WHICH DEVELOPMENT WILL BE SERVED BY INFRASTRUCTURE  
17 IMPROVEMENTS OR FACILITY EXPANSIONS AND WITHIN WHICH DEVELOPMENT IS SERVED  
18 DIRECTLY AND BENEFITED BY THE INFRASTRUCTURE IMPROVEMENTS OR FACILITY  
19 EXPANSIONS AS PRESCRIBED IN THE INFRASTRUCTURE IMPROVEMENTS PLAN. SERVICE  
20 AREA DOES NOT INCLUDE ANY AREA THAT MAKES UP THE ENTIRE AREA OF A  
21 MUNICIPALITY, EXCEPT FOR MUNICIPALITIES WITH A POPULATION OF LESS THAN TEN  
22 THOUSAND PERSONS.

23 10. "SERVICE UNIT" MEANS A STANDARDIZED MEASURE OF CONSUMPTION, USE,  
24 GENERATION OR DISCHARGE ATTRIBUTABLE TO AN INDIVIDUAL UNIT OF DEVELOPMENT  
25 CALCULATED PURSUANT TO GENERALLY ACCEPTED ENGINEERING OR PLANNING STANDARDS  
26 FOR A PARTICULAR CATEGORY OF INFRASTRUCTURE IMPROVEMENTS OR FACILITY  
27 EXPANSIONS.