



MEMORANDUM

DATE: March 3, 2010

TO: The Honorable Mayor and
Council Members


FROM: Richard Miranda
Deputy City Manager

SUBJECT: Impact Fee Adjustments

The City's Impact Fee Ordinance allows for an annual adjustment every March. Adjustments are tied to both the Consumer Price Index and the Construction Cost Index.

Given the current state of the development and construction economy, I concur with the Planning & Development Services Director's recommendation that impact fee adjustments not be made in 2010.

Please contact me or Ernie Duarte at 791-5612 if you have any questions. Thank you.

RM:ed:dk

cc: Mike Letcher, City Manager
Sean McBride, Assistant City Manager
Ernie Duarte, Planning & Development Services
Jim Vogelsberg, P.E. – Impact Fee Administrator

Attachment – Concurrence memo dated February 22, 2010



MEMORANDUM

Date: February 22, 2010

To: Richard Miranda,
Deputy City Manager


From: Ernie Duarte, Director
Planning & Development Services

Subject: Impact Fee Adjustments

Section 23A-81(2) of the Tucson Code provides for an annual impact fee adjustment in March of each year based on the previous year's change in the Construction Cost Index (CCI) for Roads and Parks, and a combination of the Construction Cost Index and Consumer Price Index (CPI) for Police, Fire, and Public Facilities.

The CPI for 2009 increased 1.05 % and the CCI increased 2.7 %. By City ordinance, any annual rate adjustment must be capped at 5%.

Given the lack of significant increases in either the CPI or CCI, combined with our current development and economic downturn, it is my recommendation that impact fees for the remainder of 2010 remain at their current level and the impact fee schedule not be adjusted.

If you have any questions, please contact Jim Vogelsberg, P.E., Impact Fee Administrator at 837-4926. Thank you.

Concur: 
Richard Miranda, Deputy City Manager

Date: 
3.1.10