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### **7.1 Purpose**

Huntsville Town finds that new construction of dwelling units, additions to dwelling units, and commercial buildings (referred herein as development) places demands on municipal government to provide them services often requiring expansion of existing public facilities. In order to provide an equitable source of funding for these new services and facilities, under the guidelines established by the Utah State Legislature Huntsville Town has established a municipal infrastructure improvement program which charges a proportionate share of the costs of services and facility improvements to those who are creating the demand for these services and improvements.

### **7.2 Use of Impact Fees**

Impact fees may only be used for financing capital facility improvements needed due to demand caused by new growth.

Impact fees may not be used for:

- A. Operations and maintenance. Impact fees may not be used to pay salaries or to pay for day-to-day costs or simple replacement of existing equipment.
- B. Facilities not needed to serve new development or which do not benefit from new development: impact fees may not be used to finance improvements that will not serve the new development. There must be a reasonable connection between the need for additional facilities due to new development and spending the fees collected and benefits received by the development paying the fee.

### **7.3 Applicability**

The Huntsville Town Building Official shall require the applicant for a Building Permit pay a Development Impact Fee at the rate currently in effect. The total impact fee shall be paid separately from any other fees and shall be paid prior to the issuance of the Building Permit.

### **7.4 Impact Fees Established by the Huntsville Town Council**

The Huntsville Town Council shall establish the impact fee schedule and shall review and revise, if necessary, the impact fee schedule at least annually to reflect changes in planned improvements, current budget levels, and compliance to Huntsville Town General Plan and the Huntsville Town Capital Improvement Plan. The impact fee schedule shall indicate the improvements to be financed, the anticipate schedule of construction, and the characteristics of new development by which the impact fee shall be calculated. Prior to the establishment or revision of the impact fee schedule, the Huntsville Town Council shall hold a public hearing on the proposed fees.

The amount of the impact fee shall be reasonably related to the development's share of the cost of the facilities improvements made necessary by the development or if the improvements were previously constructed at municipal expense prior to the development. The fee must be reasonably related to the portion or percentage of the improvement used by the development.

An impact fee shall be established by resolution and assessed at the time of connection to the culinary water system. This fee shall be specifically for the purpose of contributing to the cost of the Culinary Water Capital Improvement Project. These impact fees shall be assessed of culinary water connections and building permits within the

incorporated limits of Huntsville Town and shall in no way limit culinary water connections or other fees assessed outside of the corporate limits of Huntsville Town.

#### **7.5 Segregation of Impact Fees from the General Fund**

The Huntsville Town Building Official shall record the name of the individual paying the impact fee, the assessor's map and lot number(s) for the property for which the impact fee is being paid, the amount of the fee paid for each facility for which fees are collected, and the date the impact fee was paid.

Upon collection of an impact fee, the Huntsville Town Building Official shall transfer the funds to the Huntsville Town Treasurer who shall deposit the impact fees in special non-lapsing accounts dedicated for funding the improvements for which the fee is collected.

Impact fee funds shall be maintained separately from and not be combined with other municipal revenues. Other fees or assessments unrelated to the aforementioned impact fee shall be exempt from this ordinance and its restrictions.

#### **7.6 Refund of Impact Fees**

Huntsville Town shall refund impact fees, or that portion of impact fees, actually paid that exceed Huntsville Town's actual costs or that were not expended or encumbered within six years of the date they were collected. The Huntsville Town Council shall establish the procedure for refunding impact fees or portions of impact fees not expended. Unexpended fees shall be returned to the owner of record at the time a refund is warranted.

This Impact Fees Ordinance shall take effect upon approval by the Huntsville Town Council.

PASSED and ADOPTED this 17th day of April 2008.

\_\_\_\_\_  
Mayor, James C. McKay

ATTEST:

Dated this 17th day of April 2008.

\_\_\_\_\_  
Clerk/Recorder, Gail Ahlstrom

Vote of the Town Council	yea	nay
Council Member Ferre	___	___
Council Member Johnson	___	___
Council Member Sorenson	<u>excused</u>	___
Council Member Truett	___	___
Mayor McKay	___	___