CITY OF ALBUQUERQUE SIXTEENTH COUNCIL

COU	NCIL BILL NO. <u>F/S(2) O-04-72</u> ENACTMENT NO
SPON	SORED BY: MICHAEL CADIGAN
1	ORDINANCE
2	ADOPTING DEVELOPMENT IMPACT FEES FOR DRAINAGE FACILITIES
3	PURSUANT TO THE NEW MEXICO DEVELOPMENT FEES ACT OF 1993.
4	BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
5	ALBUQUERQUE:
6	Section 1. IMPACT FEES ORDINANCE.
7	Chapter 14 of the Revised Ordinances of Albuquerque, New Mexico, 1994,
8	is hereby amended to add a new article titled "IMPACT FEES" and a new Section
9	within that article titled "DRAINAGE FACILITIES IMPACT FEES ORDINANCE".
10	Section 2. SHORT TITLE.
11	This ordinance shall be known and cited as the "DRAINAGE FACILITIES
12	IMPACT FEES ORDINANCE."
13	Section 3. INTENT AND PURPOSES.
14	(A) This ordinance is intended to implement and comply with the New
15	Mexico Development Fees Act (NMSA 1978, § 5-8-1 et seq.) and shall be
16	interpreted to so comply.
17	(B) This ordinance is intended to assess and collect impact fees in an
18	amount based upon appropriate service units for drainage facilities in order to
19	finance such facilities, the demand for which is generated by new development in
20	the City. The purpose of this ordinance is to ensure the provision of an adequate
21	level of service for drainage facilities throughout the City so that new
22	development may occur in a manner consistent with the City's Planned Growth
23	Strategy and the Albuquerque/Bernalillo County Comprehensive Plan. The City
24	Council intends, by enactment of this ordinance, to require new development to
25	bear an amount not to exceed its proportionate share of the costs related to the

additional drainage facilities that are rationally related to such new development

in accordance with applicable law. The City is responsible for and will meet all
capital improvement needs associated with existing development in the City as
established by the level of service adopted in this ordinance. Only capital
improvement needs that are rationally related to new development in accordance
with applicable law will be paid by impact fees. Impact fees shall not exceed the
cost to pay for a proportionate share of the cost of system improvements based
upon service units needed to serve new development. Subject to the provisions
of this ordinance and the Development Fees Act (NMSA 1978, § 5-8-1 et seq.),
impact fees shall be spent on new or enlarged capital facilities and equipment
which benefit those developments which pay the fees. Impact fees may also be
spent on:

- (1) The estimated costs and professional fees paid for preparing and updating the Component Capital Improvements Plan (CCIP);
- (2) For costs and fees charged by qualified professionals who are not employees of the City for services directly related to the construction of capital improvements or facility expansions; and
- (3) For administrative costs associated with this ordinance for City employees who are qualified professionals. Such administrative costs shall not exceed three percent of the total impact fees collected, as provided by NMSA 1978, § 5-8-4.
 - Section 4. DEFINITIONS.

The following words, terms and phrases, when used in this ordinance shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

ADVISORY COMMITTEE means the standing committee required to be appointed under the Development Fees Act (NMSA 1978, § 5-8-1 et seq.).

AMAFCA means Albuquerque Metropolitan Area Flood Control Agency.

APPLICANT means a person, including any governmental entities, seeking subdivision or development approval, a building permit, a refund, a waiver or a credit, whichever is applicable.

ASSESSMENT means the determination of the amount of the impact fee. (See also COLLECTION.)

1	BUILDING PERMIT means the building permit required by the Uniform
2	Building Code, as adopted by the City.
3	CAPITAL IMPROVEMENTS means storm water, drainage and flood control
4	facilities.
5	CITY means the City of Albuquerque.
6	CITY CAPITAL IMPLEMENTATION PROGRAM (CIP) means the City's
7	Capital Improvements Program as set out and regulated by Section 2-12-1 R.O.
8	1994 et seq. The CIP is funded by General Obligation Bonds and includes
9	projects that support rehabilitation, deficiency remediation and growth. The CIP
0	will contain, as an additional component, the list of growth-supporting projects
1	that are funded by impact fees.
12	CITY COUNCIL means the duly constituted governing body of the City of
13	Albuquerque.
14	COLLECTION means the payment of the applicable impact fees. (See also
15	ASSESSMENT.)
16	COMPONENT CAPITAL IMPROVEMENTS PLAN (CCIP) means a plan
7	required by the Development Fees Act (NMSA 1978, Section 5-8-1 et seq.) that
8	identifies types of capital improvements or facility expansions for which impact
19	fees may be assessed. This component of the City's Capital Improvement Plan is
20	funded by impact fees and limited to projects that support growth.
21	COUNTY means the County of Bernalillo.
22	COMPREHENSIVE PLAN means the City of Albuquerque/Bernalillo County
23	Comprehensive Plan.
24	CREDIT means credit for the value of the construction, contribution or
25	dedication of system improvements or the contribution of money for system
26	improvements accepted by the City.
27	CREDIT-HOLDER means the person entitled to transfer, apply or seek
28	reimbursement for excess credits.
29	DEEMED COMPLETE means that an applicant has submitted an application
30	and requisite fees for a building permit and the City has accepted such
31	application and fees.
32	DEVELOPER means any person, corporation, organization or other legal

entity constructing or creating new development.

DEVELOPMENT means the division of land, reconstruction, redevelopment, conversion, structural alteration, relocation or enlargement of any structure; or any use, change of use or extension of the use of land, any of which increases the number of service units.

DEVELOPMENT AGREEMENT means a written agreement entered into between the City and a developer whereby the developer agrees to dedicate or construct capital improvements.

DEVELOPMENT APPROVAL means written authorization, such as approval of a subdivision application or issuance of a building permit, or other forms of official action required by the City prior to commencement of construction.

DEVELOPMENT SITE means the property under consideration for development at the time of application for a building permit.

DRAINAGE FACILITY means storm water, drainage and flood control facilities.

EFFECTIVE DATE means six months after publication of the adopted ordinance.

ENCUMBERED means impact fee funds committed for a specified capital improvement on a specified time schedule which does not exceed seven years from the date of payment of the impact fees.

EXCESS CREDITS means that portion of the credit granted for system improvements which exceeds the value of the impact fees otherwise due from the development.

FACILITY EXPANSION means the expansion of the capacity of an existing facility (in service units) that serves the same function as an otherwise necessary new capital improvement, in order that the existing facility may serve new development. The term does not include the repair, maintenance, modernization or expansion of an existing facility to improve service to existing development.

FIRST IN, FIRST OUT means expenditures of impact fee revenues reflecting the chronological order in which the impact fee revenues were collected.

GROSS FLOOR AREA means the sum of all the floor areas of a building, measured from the exterior of outer supporting walls, including all accessory buildings on the same lot.

IMPACT FEE means a charge or assessment imposed by the City on new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions rationally related to new development in accordance with applicable law. The term includes amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction, development fees and any other fee that functions as described by this definition. The term does not include hook-up fees, dedication of rights-of-way or easements or construction or dedication of on-site water distribution, wastewater collection or drainage facilities, or streets, sidewalks or curbs if the dedication or construction is required by a previously adopted valid ordinance or regulation and is rationally related to new development in accordance with applicable law.

IMPACT FEES ADMINISTRATOR means the person designated to administer the impact fee program established by this ordinance.

INDEPENDENT FEE DETERMINATION means a finding by the impact fees administrator that an independent fee study does or does not meet the requirements for such a study as established by this chapter and, if the requirements are met, the fee calculated by the impact fees administrator therefrom.

INDEPENDENT FEE STUDY means the engineering, financial and/or economic documentation prepared by an applicant in accordance with Section 18 to allow an individual determination of an impact fee other than by use of the applicable fee schedule.

LAND USE means the primary category of use for any principal or accessory building, structure or use located on a development site.

LAND USE ASSUMPTIONS (LUA) means the land use assumptions adopted or as may be amended by the City Council, pursuant to Section 14-13-5-2 ROA 1994.

LEVEL OF SERVICE (LOS) means a standardized measure of capacity provided by a system of public facilities as further described in Section 7 (G) herein.

NEW DEVELOPMENT means the division of land; reconstruction, redevelopment, conversion, structural alteration, relocation or enlargement of

any structure; or any use, change of use or extension of the use of land; any of which increases the number of service units.

OFFSET means the amount by which an impact fee is reduced to fairly reflect the credits applied for system improvements.

OWNER OF RECORD means the persons having legal and equitable title to the property as recorded in the real property records of the County.

PROJECT IMPROVEMENTS means site specific improvements or facilities that are planned, designed or built to provide service for a specific development project and that are necessary for the use of the occupants or users of that project, and that do not provide additional service units as defined for each impact fee category. The addition of service units shall control a determination of whether an improvement or facility is a project improvement or a system improvement, and the physical location of the improvement or facility, on-site or off-site, shall not be considered determinative of whether it is a project improvement or a system improvement. No improvement or facility specifically identified in the CCIP shall be considered a project improvement. If an improvement or facility provides or will provide new service units the improvement or facility shall not be considered a project improvement.

PROPORTIONATE SHARE means that portion of the cost of system improvements which is reasonably and fairly related to the service demands and needs of new development.

QUALIFIED PROFESSIONAL means a professional engineer, surveyor, financial analyst or planner providing services within the scope of his/her license, education or experience.

REFUND means reimbursement of impact fees to the owner of record of property for which impact fees have been paid.

SERVICE AREAS means geographically defined areas within the City that have been designated in the CCIP in which development potential may create the need for capital improvements to be funded by drainage facilities impact fees.

SERVICE AREAS MAP means a map of service areas in which impact fees are imposed. A map illustrating the service areas for the capital improvements covered by this ordinance is attached hereto as Appendix A and incorporated by reference.

SERVICE UNIT means a standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards for a particular category of capital improvements or facility expansions. For drainage facilities impact fees, one service unit = one impervious acre.

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SINGLE-FAMILY means a building arranged or designed to be occupied by one family, including mobile homes, the structure having only one dwelling unit.

SYSTEM IMPROVEMENTS means the addition or provision of new service units as defined for each impact fee category.

SYSTEM IMPROVEMENTS COSTS means costs incurred to provide system improvements needed to serve new development including, but not limited to, the costs of system capacity and/or system impact studies, planning, design and construction, land acquisition, land improvement, design and engineering related thereto, including the cost of constructing or reconstructing system improvements or facility expansions including, but not limited to, the construction contract price, surveying and engineering fees, related land acquisition costs and expenses incurred for qualified staff or any qualified engineer, planner, architect, landscape architect, or financial consultant for preparing or updating the capital improvements program and administrative costs not to exceed three percent of the total amount of the impact fees collected. Projected interest charges and other finance costs may be included if the development impact fees are to be used for the payment of principal and interest on bonds, notes, or other financial obligations issued by or on behalf of the City to finance system improvements, but such costs do not include routine and periodic maintenance expenditures, personnel training and other operating costs.

SYSTEM STUDIES means any study, analysis or report, or portion thereof, required by the City to determine the system improvements for new development.

WAIVED means to relinquish or abandon a claim or right.

Section 5. AUTHORITY OF ORDINANCE.

The City is authorized to impose impact fees under the Development Fees Act (NMSA 1978, § 5-8-1 et seq.). The provisions of this ordinance shall not be construed to limit the power of the City to use any other methods or powers

otherwise available for accomplishing the purposes set forth in this ordinance, either in substitution or in conjunction with this ordinance, provided that such methods or powers are not inconsistent with or prohibited by this ordinance or the Development Fees Act.

Section 6. APPLICABILITY OF ORDINANCE.

This ordinance shall be applicable to all development that occurs within the corporate jurisdiction of the City, as may be amended in the future, and shall apply uniformly within each service area.

Section 7. FINDINGS AND DECLARATIONS.

The City Council hereby finds and declares that:

- (A) The City is committed to the funding and provision of drainage facilities necessary to cure any deficiencies that may exist in already developed areas of the City.
- (B) Such facilities shall be provided by the City using existing funding sources allocated for such facilities, other than impact fees, including, but not limited to, the general fund, general obligation bonds, special assessment districts and metropolitan redevelopment districts.
- (C) New development causes and imposes increased demands on public facilities, including drainage facilities.
- (D) The City Council appointed an advisory committee, pursuant to NMSA 1978, § 5-8-37, to review land use assumptions (LUA), and the component capital improvements plan (CCIP). The advisory committee reviewed the LUA and the CCIP.
- (E) The land use assumptions, incorporated in this ordinance by reference, indicate that new development will continue and will place increasing demands on the City to provide drainage facilities.
- (F) New development should pay an amount not to exceed its proportionate share of the capital costs related to the additional drainage facilities needed to accommodate that new development.
- (G) The City Council hereby adopts the following standards for a minimum level of service (LOS) for drainage facilities: The LOS for drainage facilities is flood protection in the 100 year design-storm.

(H) The City Council, after careful consideration of the matter, hereby finds and declares that it is in the best interest of the general welfare of the City and its residents to impose impact fees upon new development in order to finance drainage facilities in the designated service areas for which demand is created by the new development.

- (I) The City Council further finds and declares that impact fees provide a reasonable method of assessing new development to ensure that such new development pays a portion of the costs of drainage facilities that are rationally related to the new development in accordance with applicable law.
- (J) The City Council further finds and declares that such impact fees are equitable, and impose a fair assessment on new development by requiring that new development pay a portion of the cost, and deems it advisable to adopt this ordinance as set forth.
- (K) The City Council further finds that there exists a rational relationship between the capital costs of providing drainage facilities at the level of service adopted and the impact fees imposed on development under this ordinance.
- (L) The City Council further finds that there exists a rational relationship between the impact fees to be collected pursuant to this ordinance and the expenditure of those funds on capital costs related to drainage facilities as limited and restricted by this ordinance.
- (M) The City Council further finds and declares that this ordinance is consistent with both the procedural and substantive requirements of the New Mexico Development Fees Act (NMSA 1978, § 5-8-1 et seq.).
- (N) The City Council has carefully considered the Report prepared by Integrated Utilities Group, Inc. for the City of Albuquerque titled "Drainage Impact Fee Study Final Report" dated September 2004, and as amended November 2004, and further finds that said Report sets forth reasonable and equitable methodology and assumptions consistent with the New Mexico Development Fees Act for the formulation and imposition of a Drainage Facilities Development Impact Fee Program for the City of Albuquerque.

Section 8. LAND USE ASSUMPTIONS.

The land use assumptions provide a projection of changes in land uses, densities, intensities and population within planning information areas over at

least a five-year period. The City Council hereby incorporates by reference the land use assumptions set forth in Section 14-3-5-2, ROA 1994, as amended. The land use assumptions shall be reviewed and updated, if necessary, in conjunction with the update of the CCIP.

Section 9. COMPONENT CAPITAL IMPROVEMENTS PLAN.

- (A) The component capital improvements plan (CCIP) identifies types of capital improvements or facility expansions for which impact fees may be assessed. The CCIP is a component of the local infrastructure capital improvements program (CIP) and lists the growth-supporting projects that will be funded by impact fees. The CIP sets forth an inventory of existing capital improvements deficiencies and growth needs, planned capital projects and sources of funding for these projects, which sources may include revenues other than impact fees. The CCIP consists of capital improvements plans for drainage facilities that support the infrastructure demands created by growth.
- (B) The City Council hereby adopts by reference the CCIP, attached hereto as Appendix C, approved by the City Council at the same hearing at which this ordinance is adopted, particularly as it relates to the allocation of a fair share of the costs of new facilities for drainage facilities to be borne by new users of such facilities and the levels of service to be provided to the citizens of the City for these facilities. Henceforth, the City Council shall adopt and revise the CCIP at the same time and via the same process that it adopts and revises the CIP.
- (C) The CCIP shall be updated at least every two years from the effective date of this ordinance in conjunction with the CIP ordinance. Updates of the land use assumptions shall occur at least every five years from the effective date of this ordinance. Appropriate revisions and amendments to the impact fees schedules and this ordinance shall be made following either form of update, if necessary.

Section 10. ADVISORY COMMITTEE.

The advisory committee is a standing committee established pursuant to Section 14-13-1-4 ROA 1994. The advisory committee shall meet at the direction of the City Council. The functions of the advisory committee shall include:

- (A) Advise and assist the City in adopting land use assumptions;
- (B) Review the CCIP and file written comments;

- 1 (C) Monitor and evaluate implementation of the CCIP;
- 2 (D) File annual written reports with respect to the progress of the CCIP
 3 and report to the City any perceived inequities in implementing the plan or
 4 imposing the impact fees;
 - (E) Advise the City of the need to update or revise the land use assumptions, CCIP and impact fees; and
 - (F) Any other tasks the City Council may direct the advisory committee to perform.
- 9 Section 11. ESTABLISHMENT OF SERVICE AREAS.

Service areas for drainage facilities are established as follows (as depicted on the map attached hereto as Appendix A and incorporated herein by reference).

Section 12. PRESUMPTION OF MAXIMUM IMPACT.

New development shall be presumed to have maximum impact on the necessary drainage facilities at the level of service established by this ordinance.

Section 13. IMPOSITION.

- (A) Any developer engaging in new development after the effective date of this ordinance shall pay impact fees in the manner and in the amounts required in this ordinance, unless otherwise specified in this Section. No building permit shall be issued for development within the City unless the impact fees are assessed and collected pursuant to this ordinance.
- (B) Payment of impact fees specified in this Section shall constitute full and complete payment of the project's proportionate share of system improvements for which such fee was paid and shall constitute compliance with the requirements of this ordinance.
- (C) Notwithstanding any other provision of this ordinance, applications for building permits which have been filed and deemed complete by the City prior to the effective date of this ordinance shall not be subject to impact fees established pursuant to this ordinance. Notwithstanding this exemption, such projects shall be subject to any and all fees applicable prior to the effective date, whether assessed and paid prior to or subsequent to the effective date of this ordinance.
- (D) Notwithstanding any other provision of this ordinance, development approvals resulting in vested rights acquired prior to the enactment date of this

ordinance are deemed to have satisfied the requirements of this ordinance and no additional impact fees shall be assessed or collected against such properties under this ordinance. Vested rights arising from approvals shall expire if a building permit has not been issued within two years from the date of the approval and impact fees may be assessed and collected thereafter.

- (E) Nothing in this ordinance shall prevent the City from requiring a developer to construct reasonable project improvements in connection with the new development.
- (F) Nothing in this ordinance shall prevent the City from requiring a developer to construct reasonable system improvements necessitated by and attributable to the new development as a condition of development approval or pursuant to a development agreement with the City, provided that services are not available from existing facilities with actual capacity to serve the new development. If the system improvement is on the CCIP, the City shall grant applicable credits to the developer for constructing such system improvements.
- (G) Nothing in this ordinance shall abrogate the City's authority to require the applicant to prepare necessary studies, analyses or reports required as a part of the development approval process.
- (H) Nothing in this ordinance shall prevent the City from rejecting an application for development if it determines that such development is inconsistent with adopted City plans, regulations or ordinances.
- (I) The impact fees established pursuant to this ordinance shall be phased in the following manner:
 - (1) At the effective date, fees are assessed at 34%.
 - (2) Six months after the effective date, fees are assessed at 67%.
- 26 (3) Eighteen months after the effective date, fees are assessed at 27 100%.

Section 14. ASSESSMENT AND COLLECTION.

- (A) The impact fees administrator or his/her designee shall calculate and assess the impact fees at the earliest possible time.
- (1) For land that is platted or replatted on or after the effective date, the impact fees shall be assessed for development no later than at the time that the subdivision plat is recorded.

(2) For land that was platted or replatted prior to the effective date or for development that occurs on existing lots of record, the impact fees shall be assessed at the time of development approval, plan check or issuance of a building permit.

- (3) For land that was platted or replatted prior to the effective date, or for development that occurs on existing lots of record wherein the owner has already paid or constructed the required off-site improvements within the prior thirty six (36) months, such payment or construction shall be credited against the impact fees to be assessed as long as the improvement paid for or constructed is on the CCIP.
- (B) The assessment of impact fees shall be in writing and shall be valid for a period of at least four years.
- (C) Notwithstanding the provisions of this Section, the assessment of impact fees may be revised if the number of service units in the specific development increases, provided that such revision shall be limited to the impact fees for the additional service units.
 - (D) The impact fees administrator, or his/her designee, shall calculate and assess all other impact fees as follows:
 - (1) Determine the applicable service area;
 - (2) Determine the applicable land use category;
- (E) If the assessment occurs at the time of subdivision plat or site plan approval, the assessment may be based on the applicable fee schedule.
- (F) If an application proposes a use that does not directly match an existing land use category upon which fees are based, the impact fees administrator shall assign the proposed use to the existing land use category that most closely resembles the proposed use.
- (G) When new development for which an application for a building permit has been made includes two or more buildings, structures or other land uses in any combination, including two or more uses within a building or structure, the total impact fee assessment shall be the sum of the fees for each and every building, structure, or use, including each and every use within a building or structure or, an independent fee determination may be conducted.

- (H) When a change of use, plat or replat, redevelopment or modification of an existing use or building requires the issuance of a building permit, the impact fee shall be based on the difference between the impact fee calculated for the previous use and the impact fee calculated for the proposed use. Should a redevelopment or modification of an existing use or building that requires the issuance of a building permit but does not involve a change in use result in a net increase in gross floor area, the impact fee shall be based on the net increase, if the service units are calculated on gross floor area. Should a change of use, redevelopment or modification of an existing use or building result in a net decrease in gross floor area or calculated impact fee, no refund or credit for past impact fees paid shall be made or created.
- (I) In addition to the cost of new or expanded system improvements needed to serve new development, the impact fee shall also include the proportionate cost of existing system improvements, but only to the extent that such drainage facilities have excess capacity and new development as well as existing development will be served by such facilities.
- (J) The impact fees administrator shall retain a record of the impact fees assessment. A copy shall be provided to the applicant on the forms prescribed by the City. A notice of impact fees assessment for the site shall be recorded in the appropriate real property title records of the County Clerk.
- (K) The impact fees shall be due and payable at the time of issuance of a building permit. Impact fees for mobile homes shall be collected at the time of issuance of a building permit or issuance of a certificate of occupancy.
 - Section 15. SCHEDULE.

The following drainage facilities impact fees (as set forth on the Schedule attached hereto as Appendix B) incorporated herein by reference, are hereby imposed upon all new development in the City.

Section 16. USE OF FEES COLLECTED.

(A) The funds collected pursuant to this ordinance shall be used solely for the purpose of planning, design, land acquisition, construction, expansion and development of system improvements for the service area from which the impact fees were collected.

- (B) The City shall be entitled to expend up to three percent of the impact fees collected annually to offset the permissible administrative costs associated with the collection and use of such funds.
- (C) The City may issue bonds, revenue certificates and other obligations of indebtedness in such manner and subject to such limitations as may be provided by law in furtherance of the provision of capital improvement projects. Funds pledged toward retirement of bonds, revenue certificates or other obligations of indebtedness for such projects may include impact fees and other City revenues as may be allocated by the City Council. The impact fees paid pursuant to this ordinance, however, shall be restricted to use solely and exclusively for financing directly, or as a pledge against bonds, revenue certificates and other obligations of indebtedness for the cost of capital improvements or facility expansions as specified in this section.

Section 17. EXEMPTIONS.

- (A) The following types of new development shall be exempt from the impact fees imposed pursuant to this ordinance:
- (1) Any addition or expansion to a building which does not increase the number of service units in the building.
- (2) Any accessory building for a subordinate or incidental use to a dwelling unit on residential property, which building does not constitute a dwelling unit.
- (3) Any reconstruction of a destroyed or partially destroyed building, provided that the destruction of the building occurred other than by willful razing or demolition. The exemption only applies to the replacement of the previous facility. A change of land use or increase in dwelling units shall be addressed through Section 14.
 - (B) Applications for exemptions.
- (1) An applicant for an exemption from impact fees shall have the burden of claiming and proving that a development project qualifies for any of the exemptions listed in this Section prior to the issuance of a building permit. Such exemptions shall be granted or denied in writing by the impact fees administrator or his/her designee, subject to appeal pursuant to Section 22.

- (2) An application for an exemption shall be made on forms provided by the City. An application not filed before the issuance of a building permit shall be deemed waived.
- (3) The City may adopt administrative procedures and guidelines to implement exemptions granted pursuant to this Section.

Section 18. INDEPENDENT FEE DETERMINATION.

An independent determination of impact fees may be made as follows:

- (A) An applicant for development approval may elect to have an independent determination of the impact fees due for their development project in accordance with this Section. Any applicant who makes this election shall prepare and submit to the impact fees administrator an independent fee study for the development project for which development approval is sought.
- (B) All independent fee studies shall be prepared for review and submitted to the impact fees administrator no later than the time of application for a building permit. Any submission not so made shall be deemed waived.
- (C) Each independent fee study shall comply in all respects with the requirements of this Section and be organized in a manner that will allow the impact fees administrator to readily ascertain such compliance.
- (D) Each independent fee study shall comply with all other written specifications as may be required by the impact fees administrator from time to time.
- (E) The impact fees administrator shall determine the appropriate impact fees based on the results of the independent fee study and the applicable impact fee schedule established in Section 15.
- (F) Any impact fee calculated in accordance with this Section and approved and certified in writing by the impact fees administrator shall be valid for four years following the certification. Following such period, a new application for an independent fee study must be made. Any change in the submitted development plan that in any material way affects said fee calculation shall void the certification of the fee.
- (G) An independent determination of impact fees will be required under the following conditions:

A development is proposed that will exceed the population or employment forecasts (for the data analysis subzone(s) in which the proposed development is located) in the adopted land use assumptions. In these cases an independent fee determination will be required for all infrastructure categories and the City may establish a separate service area, establish appropriate impact fees and add facilities as necessary to the CCIP. The proposed fees, service area, and additions to the CCIP will be included in a development agreement which shall be approved by the Albuquerque City Council.

Section 19. ADMINISTRATION OF THE FEES.

- (A) Collection of impact fees by the impact fees administrator or his/her designee. The impact fees administrator or his/her designee shall be responsible for collection of the impact fees. Upon receipt of impact fees, the impact fees administrator or his/her designee shall place such funds into separate accounts as specified in this ordinance. All such funds shall be deposited in interest-bearing accounts in a bank authorized to receive deposits of City funds. Interest earned by each account shall be credited to that account and shall be used solely for the purposes specified for funds of such account.
- (B) Establishment and maintenance of records. The impact fees administrator or his/her designee shall establish and maintain accurate financial records for the impact fees collected pursuant to this ordinance which shall clearly identify for each impact fee payment the payor of the impact fee, the specific development project for which the fee was paid, the date of receipt of the impact fee, the amount received, the category of capital improvement for which the fee was collected, and the applicable service area. The financial records shall show the disbursement of all impact fees, including the date and purpose of each disbursement.
- (C) Annual reports. The impact fees administrator or his/her designee shall prepare and present to the City Council an annual report describing the amount of any impact fees collected, encumbered and used during the preceding year by category of capital improvement and service area.
- (D) Public inspection. The records of the accounts shall be available for public inspection and copying at the City during ordinary City business hours.

(E) Expenses of administration. An amount not to exceed three percent of the total of all impact fees collected may be allocated and applied for administration of this ordinance for City employees who are qualified professionals.

Section 20. REFUNDS.

- (A) The current owner of record of property on which an impact fee has been paid shall be entitled to a refund of such fee if:
- (1) The current owner of record of the property submits an application for refund within one year of the event giving rise to the right to claim a refund.
- (2) All or a portion of the impact fees paid by the development are not spent within seven years after the date of payment. The determination of whether the impact fees paid by a development have been spent shall be determined using a first in, first out accounting standard if a portion of the impact fees paid by the development are not spent within seven years after the date of payment.
- (3) Existing City facilities of the type for which the impact fees have been paid are available to provide service to the development, but service from such facilities is not provided by the City.
- (4) Existing City facilities of the type for which the impact fees have been paid are not available to the development, and the construction of improvements that would serve the development are not completed and available to provide service to the development within seven years from the date of payment of the impact fees.
- (B) An application for refund must be submitted to the impact fees administrator or his/her designee on a form provided by the City for such purpose and must contain information and documentation sufficient to permit the impact fees administrator to determine whether the refund claimed is proper and, if so, the amount of such refund. A refund not applied for within the time period specified or not submitted in the manner specified shall be deemed deferred.
- (C) In no event shall an applicant be entitled to a refund for impact fees assessed and paid to recover the costs of excess capacity in existing system improvements.

- (D) Within 30 days from the date of receipt of an application for refund, the impact fees administrator or his/her designee must provide the applicant, in writing, with a decision on the refund request including the reasons for the decision. If a refund is due the applicant, the City shall issue a refund payment to the applicant within 30 days of the impact fees administrator's written decision on the refund request.
- (E) The applicant may appeal the determination of the impact fees administrator within 30 days of such determination, as provided in Section 22.
- (F) A refund shall bear interest calculated from the date of collection of the impact fee to the date of refund at the statutory rate as set forth in NMSA 1978, § 56-8-3.
- (G) The impact fees administrator shall review the impact fee revenues collected and expenditures made by service area seven years following the effective date and annually thereafter. If revenues exceed expenditures by more than ten percent, the City shall refund a pro rata share of the difference to the owner of record of each property for which impact fees have been paid within the previous seven years in the service area due a refund.

Section 21. CREDITS.

The City shall grant credit against impact fees imposed pursuant to this ordinance under the following circumstances:

- (A) Credits shall be granted against drainage facilities impact fees imposed pursuant to this ordinance for the value of any construction of improvements or contribution or dedication of land, easements or money for system improvements or system studies made by a developer or his/her predecessor in title or interest as a condition of development approval or pursuant to a development agreement with the City for drainage improvements which are, or upon completion will be, owned and operated by AMAFCA.
- (B) Credits shall be granted only for the value of any construction of improvements or contribution or dedication of land, easements or money for system improvements or system studies listed on the CCIP made by a developer or his/her predecessor in title or interest as a condition of development approval or pursuant to a development agreement with the City, or for payments made or to be made pursuant to the terms of any special assessment district (SAD), Public

Improvement District (PID), Subdivision Improvement Agreement (SIA), Business Improvement District (BID), Metropolitan Redevelopment District (MRD) or other program by which off-site system improvements are paid or constructed, as long as the projects are listed on the CCIP.

- (C) Credits shall only be granted for system improvements listed on the CCIP or system studies listed on the CCIP for the same category of system improvements and within the same service areas for which impact fees are imposed pursuant to this ordinance.
- (D) Credits shall only be granted for contributions, dedications or improvements accepted by the City. Cash contributions shall be deemed accepted when payment is received and accepted by the City. Land or easements shall be deemed accepted when conveyed or dedicated to and accepted by the City. All conveyances and dedications of land or easements shall be conveyed to the City free and clear of all liens, claims and encumbrances. Improvements shall be deemed accepted when:
- (1) The construction of the creditable improvement is complete and accepted by the City;
- (2) A suitable maintenance and warranty bond or letter of credit is received and approved by the City; and
- (3) All design, construction, testing, bonding and acceptance procedures are verified by the City to be in strict compliance with the current City standards as shown by a certificate of completion and acceptance issued by the City Engineer.
- (E) Notwithstanding Subsection (D) of this Section, the City may, by agreement, grant credits for system improvements which have not been completed if the applicant for such credits provides the City with acceptable security to ensure completion of the system improvements in the form of a performance bond, irrevocable letter of credit, or escrow agreement or other form of security payable to or for the benefit of the City in an amount determined by the impact fees administrator to be equal to 120 percent of the estimated completion cost of the system improvements, including land acquisition costs and planning and design costs. The value of such system improvements for

computing credits shall be their estimated completion cost, based on 1 2 documentation acceptable to the City. 3 (F) No credits shall be granted for: 4 (1) System improvements that fail to meet applicable City 5 standards: 6 (2) Project improvements: 7 (3) The construction of local on-site facilities required by zoning, 8 subdivision, or other City regulation intended to serve only a particular 9 development; 10 (4) System improvements made in excess of the level of service 11 established in this ordinance unless such system improvements are listed on the 12 CCIP and are required as a condition of development approval; or 13 (5) Any study, analysis or report, or portion thereof, required by the 14 City to determine the project improvements for a development project. 15 Development agreements for system improvements may be 16 negotiated and entered into between the City and a developer, subject to the 17 following requirements: 18 (1) A developer may offer to construct, contribute, dedicate or pay 19 the cost of a capital improvement included as a project in the CCIP; 20 The City may accept such offer on terms satisfactory to the (2) 21 City; 22 (3) The terms of the agreement shall be memorialized in a written 23 agreement between the City and the developer prior to the issuance of a building 24 permit; 25 **(4)** The agreement shall establish the estimated value of the 26 system improvements, the schedule for initiation and completion of the system 27 improvements, a requirement that the system improvements be completed to 28 accepted City standards, and such other terms and conditions as deemed 29 necessary by the City; and 30 The City must review the system improvements plan, verify (5) 31 costs and time schedules, determine if the system improvements are eligible 32 system improvements, determine if the completed improvement meets applicable

City standards, calculate the applicable impact fees otherwise due, determine the

amount of the credits for such system improvements to be applied to the 1 2 otherwise applicable impact fees, and determine if excess credits are created. 3 (H) Credits for system improvements shall be applied for as follows: 4 Credits shall be applied for no later than the time of (1) application for a building permit on forms provided by the City. Credits not 5 6 applied for within such time period shall be deemed waived. 7 Credits created pursuant to a development agreement with the 8 City entered into between the City and a developer from and after the effective 9 date shall be applied for no later than the time the development agreement is 10 approved by the City. 11 The value of credits and the calculation of excess credits shall be **(I)** 12 determined by the impact fees administrator, in writing, subject to appeal 13 pursuant to Section 22. 14 (J) The value of credits for system improvements shall be computed as 15 follows: The value of cash contributions shall be based on the face 16 (1) 17 value of the cash payment at the time of payment to the City: 18 (2) The value of unimproved land or easements shall, at the 19 option of the applicant, be: 20 The fair market value of the land or easement prior to (a) 21 any increase in value resulting from development approval demonstrated by an 22 appraisal prepared by an appraiser acceptable to the City. 23 (b) The acquisition cost of the land or easement to the 24 developer or his/her predecessor in title or interest demonstrated by 25 documentation acceptable to the City. 26 (3) The value of system improvements shall, at 27 the option of the applicant, be: 28 The fair market value of the completed system (a) 29 improvement at the time of acceptance by the City demonstrated by an appraisal 30 prepared by an appraiser acceptable to the City; 31 The actual construction cost of the completed system (b)

improvement, including planning and design costs, demonstrated by

documentation acceptable to the City.

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(4) The value of system studies shall be the cost of the study demonstrated by documentation acceptable to the City.

- (5) An applicant for credits shall be responsible for providing at his/her own expense the appraisals, construction and acquisition cost documentation and other documentation necessary for the valuation of credits by the impact fees administrator. The City shall not be obligated to grant credits to any applicant who cannot provide such documentation in such form as the impact fees administrator may require.
- (6) In lieu of the appraisals referred to in Subsections (I)(2)(a) and (I)(3)(a) of this Section, the impact fees administrator may accept an appraisal prepared by an appraiser acceptable to the City that demonstrates the combined fair market value of land, easements or completed improvements at the time of acceptance by the City, less the increase in land value resulting from development approval.
- (7) The impact fees administrator may accept an appraisal that was prepared contemporaneously with the original contribution, dedication or construction of a system improvement if he/she determines that such appraisal is reasonably applicable to the computation of the credit due.
- (8) The impact fees administrator retains the right to obtain, at the City's expense, additional engineering and construction cost estimates and/or property appraisals that may, at the impact fees administrator's option, be used to determine the value of credits.
- (K) Credits granted for system improvements and system studies shall be applied as follows:
- (1) Credits shall be given in the year the project appears in the CCIP.
 - (2) Credits shall be applied first to offset the impact fees otherwise due for the development project for which the credit was granted. If the value of the credit exceeds the impact fees otherwise due, the excess credits shall become the property of the applicant, subject to the requirements of this ordinance.
 - (3) Credits shall only be applied to offset impact fees for projects within the same service area for which the credit was granted. Credits shall not

be used to offset impact fees for other categories of system improvements or for other service areas.

- (4) If an applicant is entitled to excess credits, the impact fees administrator shall issue a certificate of excess credit to the applicant which denotes the dollar amount of the excess credit, the category of system improvement and service area to which the excess credit may be applied, the name of the applicant as the original credit-holder and a description of the development project for which the credit was granted, and the year in which the credit will become available. The certificate of excess credit shall be signed by both the impact fees administrator and the credit-holder. The impact fees administrator shall retain a copy of the certificate of excess credit and the credit-holder shall be given the original certificate.
- **(5)** Excess credits shall be freely transferable in accordance with 14 the provisions of this ordinance.
- **(6)** The credit-holder of excess credits may do any of the following:
 - (a) Apply all or part of the excess credits to offset impact fees due for new development for the same category of system improvements within the same service area for which the credit was granted;
 - (b) Transfer all or part of the certificate of excess credits to another person who shall become the credit-holder upon written notice to the impact fees administrator, subject to the same rights and restrictions as the original credit-holder, in addition to additional restrictions that apply to transferred excess credits; and/or
 - (c) Request reimbursement from the City for all or part of the amount of the excess credits from revenue generated by impact fees paid by new development for system improvements within the same service category and service area for which the credit was granted.
 - (7) Excess credits shall be subject to the following restrictions:
 - (a) Excess credits shall not accrue interest and shall not be considered public money, public funds or public credit within the meaning of any law or ordinance relating to public money, public funds or public credit.

- (b) Excess credits shall not be reimbursed from the City 's general fund or from any other City funding source other than impact fees paid by new development for system improvements within the same service category and service area for which the credit was granted.
- (c) The City shall, upon request from the credit-holder of excess credits, after acceptance by the City of the project creating credits, provide reimbursements for excess credits on a first in, first out basis and shall not be obligated to provide reimbursements in the event there is no unencumbered account balance in the City's impact fee account for the appropriate service category and service area.
 - (d) Except as otherwise provided in this ordinance, excess credits shall not constitute a liability of the City and the City shall not be obligated to reimburse excess credits.
 - (e) Excess credits transferred from the original creditholder may be applied to offset up to 100 percent of the impact fees otherwise due from new development for system improvements within the same service category and service area for which the credit was granted.
- 18 (f) Excess credits must be applied for, used, sold, or 19 redeemed, if at all, within seven (7) years after their issuance. 20 Section 22. ADMINISTRATIVE APPEALS.
 - (A) Notice of appeal; filing; fee.

An applicant who chooses to appeal the assessment or calculation of impact fees; determination of exemptions, credits, excess credits; or other decision of the impact fees administrator shall submit a notice of appeal and payment of a nonrefundable processing fee to the impact fees administrator or his/her designee within 30 days following the date of the decision or determination of the impact fees administrator giving rise to the appeal.

(B) Bond.

If the notice of appeal is accompanied by a bond or other sufficient surety satisfactory to the City Attorney, in an amount equal to the impact fee assessed, the City Building Official or his/her duly designated agent shall issue the building permit.

(C) Staying of impact fee collection; requirement.

The filing of a notice of appeal shall not stay the collection of the impact fee unless a bond or other sufficient surety has been filed.

(D) Action by Environmental Planning Commission.

Appeals shall be considered by the Environmental Planning Commission in accordance with the rules and regulations of that administrative body. Upon hearing such appeals, the Environmental Planning Commission may affirm, change or modify the decision of the impact fees administrator or, in lieu thereof, make such other or additional determination as it deems proper. The decision of the Environmental Planning Commission upon the appeal shall be in writing, concurred in by a majority of the members present, which shall forthwith transmit a copy of the decision to the applicant and to the impact fees administrator.

(E) Appeal of Environmental Planning Commission's decision.

Either the applicant or the impact fees administrator may appeal the decision of the Environmental Planning Commission to the City Council within 30 days following the decision of the Environmental Planning Commission.

(F) Final decision by City Council.

The City Council shall consider the appeal in accordance with the rules and regulations of that governing body. The decision of the City Council shall, in all instances, be the final administrative decision and shall be subject to judicial review in accordance with applicable law.

Section 23. PROMULGATION OF RULES

- (A) The Mayor is responsible for the promulgation of rules necessary to fulfill the intent of this ordinance. Authorized rules shall be published in the Development Process Manual and shall have the same effect as the provisions within this ordinance. The following process shall be observed hereafter in rulemaking pursuant to this ordinance.
- (B) Prior to the adoption, amendment or repeal of any rule, the Mayor shall, at least 30 days prior to the proposed action:
- (1) Publish notice of the proposed action in a daily newspaper of general circulation in the City; and
- (2) Notify any person or group filing written request, such request to be renewed yearly to assure notice of proposed action which may affect that person or group, notification being by mail or other method to the last address

- specified by the person or group. A fee may be charged those requesting notice to cover reasonable city costs.

 (3) The notice of proposed action shall:

 (a) State the manner in which data, views or arguments may
 - be submitted to the Mayor by any interested person;

 (b) Describe the substance of the proposed action or state the subjects and issues involved; and
- 8 (c) Include specific reference to the division of this article 9 under which the rule is proposed.
 - (C) All interested persons shall be given reasonable opportunity to submit data, views, and arguments concerning any proposed rule change. If the Mayor finds that oral presentation is unnecessary or impracticable, the Mayor may require that the presentation be made in writing. The Mayor shall consider fully all submissions related to the proposed rule change. All persons making a presentation, verbally or in writing, shall promptly be given a copy of the decision, by mail or otherwise.
 - (D) Each rule or set of rules adopted is effective upon recording as an adopted rule with the City Clerk and promulgated as an amendment of the Development Process Manual or as specified in the rule itself.
 - (E) Regarding filing of rules and copying:

- (1) The Mayor shall promptly record with the City Clerk one copy of each proposed rule, adopted final rule, or amendment or repeal therof, including all rules existing on the effective date of this ordinance.
- (2) The Mayor shall promptly publish each final rule or amendment, or repeal thereof, including all rules existing on the effective date of this ordinance, as amendments to the Development Process Manual.
- (3) The City Clerk shall maintain and update as necessary an index of adopted rules on file in the Clerk's office and shall make copies of the rules available to the public. The City Clerk shall allow the public to make copies of rules recorded in the Clerk's office. A reasonable fee may be charged
- Section 24. EFFECT OF IMPACT FEE ON ZONING AND SUBDIVISION REGULATIONS.

This ordinance shall not affect, in any manner, the permissible use of property, density of development, design and improvement standards and requirements, or any other aspect of the development of land or provision of capital improvements subject to the zoning and subdivision regulations of the City, which shall be operative and remain in full force and effect without limitation with respect to all such development.

Section 25. IMPACT FEE AS ADDITIONAL AND SUPPLEMENTAL REQUIREMENT TO CITY REGULATIONS.

The impact fee is additional and supplemental to, and not in substitution of, any any non-financial requirements imposed by the City on the development of land or the issuance of building permits. Payment of the impact fee shall not waive or otherwise alter compliance with zoning or other City requirements. It is intended to be consistent with and to further the objectives and policies of the comprehensive plan and other City policies, ordinances and resolutions by which the City seeks to ensure the provision of public facilities in conjunction with the development of land.

Section 26. REVIEW AND AMENDMENT.

The advisory committee shall review, update and propose any amendments to the land use assumptions and the impact fees at least every five years from the effective date. The advisory committee shall be consulted during such review and file its written comments concerning any amendments with the City Council. The City Council shall take action on any proposed amendments consistent with the provisions of the Development Fees Act.

Section 27. EVALUATION.

The Council shall evaluate the Drainage Facilities Impact Fees Ordinance within one year of its effective date.

Section 28. PENALTY FOR VIOLATION OF ORDINANCE.

The City shall have the power to sue in law or equity for relief in civil court to enforce this ordinance including, but not limited to, injunctive relief to enjoin and restrain any person from violating the provisions of this ordinance and to recover such damages as may be incurred by the implementation of specific corrective actions. Knowingly furnishing false information to the City on any matter relating to the administration of this ordinance shall constitute an

1	actionable violation. The impact fees administrator may revoke or withhold the
2	issuance of any building permit or other development permits if the provisions of
3	this ordinance have been violated by the owner or his/her assigns. Subject to
4	applicable law, the City shall have the right to inspect the lands affected by this
5	ordinance and shall have the right to issue cease and desist orders, stop work
6	orders and other appropriate citations for violations.
7	Section 29. ENFORCEMENT OF ORDINANCE.
8	The enforcement of this ordinance will be the responsibility of the impact
9	fees administrator and such City personnel as he/she may designate from time to
10	time.
11	Section 30. COMPILATION.
12	This Ordinance shall be incorporated in and compiled as part of the
13	Revised Ordinances of Albuquerque, New Mexico (1994).
14	Section 31. REPEALER.
15	All ordinances, code sections or parts thereof in conflict herewith are
16	hereby repealed to the extent of the conflict.
17	Section 32. SEVERABILITY.
18	Should any sentence, section, clause, part or provision of this ordinance
19	be declared by a court of competent jurisdiction to be invalid, the same shall not
20	affect the validity of the ordinance as a whole, or any part thereof, other than the
21	part declared to be invalid.
22	Section 33. LIBERAL CONSTRUCTION.
23	The provisions of this ordinance are hereby found and declared to be in
24	furtherance of the public health, safety, and welfare and convenience, and shall
25	be liberally construed to effectively carry out its purposes.
26	Section 34. EFFECTIVE DATE.
27	This ordinance shall become effective six months after publication by title
28	and general summary.
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