

**ORDINANCE NO. 2023-\_\_\_\_\_**

**AN ORDINANCE TO ENACT IMPACT FEES FOR POLICE AND FIRE PROTECTION.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PRAIRIE GROVE, ARKANSAS, THAT:**

Section One: Title. This Ordinance shall be known as the 2023 Development Impact Fee Ordinance.

Section Two: Authority. A.C.A. §14-56-103 authorizes municipalities to enact development impact fees to help fund expenditures reasonably attributable to the use and occupancy of development.

Section Three: Adoption of Capital Plan. The City Council hereby adopts the attached Capital Plan for the City, which shall form the basis for the calculation of the adopted Development Impact Fees.

Section Four: Development Impact Fees. From and after the effective date of this Ordinance, a new Chapter 15.25 shall be added to the Prairie Grove Municipal Code to read as follows:

**CHAPTER 15.25 DEVELOPMENT IMPACT FEES**

**15.25.01 Definitions.**

**Development:** Any residential, commercial, office, business or industrial development within the city limits of Prairie Grove.

**Development Unit:** For residential development, each single-family residence is a development unit. For multi-family residential development, each separate unit shall constitute a development unit. (e.g. a duplex is two development units; a 10-unit apartment complex is 10 development units). For business/commercial/industrial developments, each is a minimum of one development unit. Every 2500 square feet of operating space in excess of the first 2500 square feet is an additional development unit, excluding stock rooms, warehousing or storage space (e.g. 2500 sq feet = 1 du, 2501 sq feet = 2 du; 9000 sq feet = 4 du).

#### **15.25.02 Development Impact Fees Imposed.**

Whenever any new development occurs within the Prairie Grove City Limits, the person developing such property shall pay Development Impact Fees for both Police and Fire Protection as follows:

- A. Police Impact Fee of \$275.00/development unit.
- B. Fire Impact Fee of \$275.00/development unit.

The Development Impact Fees shall be paid prior to the issuance of a Certificate of Occupancy for the development.

#### **15.25.03 Use of Impact Fees.**

- A. A Police Impact Fee Account and a Fire Impact Fee Account shall be created and all impact fees collected shall be deposited into the respective accounts.
- B. The funds in each impact fee account shall be used exclusively for the provision of additional police and or fire protection services. All monies expended shall be considered to have been spent in a first-in/first-out basis.

#### **15.25.04 Refunds.**

Any monies in the impact fee accounts that have not been spent within seven (7) years of being collected shall be refunded to the current owner of the property for which the fee was paid, with any accrued interest.

- A. Notice of the right to a refund, including the amount of the refund and the procedure for applying for and receiving the refund, shall be sent or served in writing to the present owners of the property within thirty (30) days of the date the refund becomes due. Mailing written notice via regular mail to the present owner of record as shown by Washington County records shall be sufficient to satisfy this requirement.
- B. Refunds shall be made on a pro-rata basis when multiple fees are refunded or if only partially refunded.

Section Five: Effective Date. This Ordinance shall become effective January 1, 2024.

Section Six: Repealing Clause. Ordinances or parts thereof in force at the time that this ordinance shall take effect that are in conflict herewith, are hereby repealed.

Section Seven: Saving Clause. Nothing herein shall be deemed to affect any rights or obligations existing at the time of the passage of this ordinance.

Section Eight:        Severability Clause. In the event any portion of this ordinance is declared inoperative or invalid as a result of a statute or judicial decision, then only that portion expressly so declared to be inoperative or invalid shall be affected thereby and all other provisions hereof shall remain in full force and effect.

Approved this 16th day of October 2023.

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David Faulk, Mayor

(Attest)

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Christine Kelly, Clerk

**City of Prairie Grove**  
**Capital Plan and Level of Service Standards**  
**October 16, 2023**

**Definitions:**

Development Unit (DU) : A residential unit or commercial unit that creates additional impact on City Services. For purposes of this plan, a residential unit shall be established as a single-family unit that is stand alone, or part of a multifamily development, where the total number of units is used to define the impact.

A commercial unit shall be calculated as a single operated and managed business unit, whether it be a stand-alone business or part of a bigger commercial complex such as a mall or compartmentalized commercial building. Commercial units shall be calculated as 1 unit per 2500 square foot of commercial retail space not including stock rooms, warehousing, or storage.

Impact: The additional cost of operating city services due to the increase in development units, less anticipated additional revenues, fees, and taxes, that the DU should generate.

Impact Assessment: For purposes of these standards and calculations, impact shall be assessed to development at 50% of the cost of the direct costs of the Impact.

**POLICE – Level of Service Standard**

Goal is to provide at least 1 certified police officer for 500 residents including appropriate facilities and equipment for those officers, including patrol officers, administrative officers and supervisors, and animal control. (see calculation sheet)

Capital Plan:

Additional officers:

(Salary & Benefits, \$56,000 - \$65,000; average \$60,500)	Impact per development
Unit: \$290.40	

Additional Equipment:

(Police Cars and equipment; \$49,000 per vehicle; 1 car needed per 1 employees)	Impact
per development unit: \$235.25	

(Additional police equipment, computers, safety equipment, support; \$4,000 per employee)  
Impact per DU: \$19.20

Total Impact per development unit including the adjustment for the impact assessment:  
 $\$544.80 * .5 = \mathbf{\$272.40}$

## **FIRE – Level of Service Standard**

Goal is to provide at least 1 certified firefighters for 1000 residents including appropriate facilities and equipment for those officers, including amin positions . (see calculation sheet)

Capital Plan:

Additional officers:

(Salary & Benefits, \$56,000 - \$65,000; average \$60,500)

Impact per development

Unit: \$145.20

Additional Equipment:

(Fire Truck Allocation and Fire equipment; \$850,000 for each additional equipped truck with a truck needed for each additional 5000 persons)

Impact per development unit:

\$408.00

Total Impact per development unit including the adjustment for the impact assessment: \$519.6

\* .5 = **\$276.60**

## **CALCULATIOON SHEET**

Impact per Development Unit

Police – 500 residents per officer

- Development unit calculation: 2.4 persons per residence:  $500/2.4 = 208.33$
- Salary impact:  $\$60,500/208.33 = \$290.40$
- Vehicle impact:  $\$49,000/1 = \$49,000$  per employee;  $\$49,000/208.33 = \$235.20$
- Additional equipment impact:  $\$4000/208.33 = \$19.20$

Total Impact Fee Police  $\$544.80 \times 50\% = \$272.40$

FIRE – 1000 residents per firefighter

- Development unit calculation Salaries: 2.4 persons per residence:  $1000/2.4 = 416.66$
- Salary Impact:  $46500/416.66 = \$145.20$
- Development calculation trucks and equipment;  $5000/2.4$  (residents per unit) = 2083.33
- Equipment and Vehicle Impact:  $\$850,000$  per 5000 population;  $\$850,000/2083.33 = \$408$

Total Impact Fee Fire  $\$553.2 \times 50\% = \$276.60$