



City of Prescott
Community Development
201 S. Cortez
Prescott AZ 86303

11/13/24

RE: January 1, 2025, Development Impact Fee Update.

On January 1, 2025, City of Prescott Development Impact Fees will be increasing. Projects that are submitted to the City prior to January 1, 2025 will pay the impact fees in effect at the time of submittal if they meet one of two conditions.

Condition 1: The development is subject to the provisions of ARS 9-463.05(F).

Arizona Revised Statutes restricts the increase of development impact fees for twenty-four months after final approval of a commercial, industrial, or multi-family project, and twenty-four months after the first permit is issued in a residential development. This affects a limited number of subdivisions including Bradshaw Hills, Deep Well Ranch Parcel 1.48, Hidden Hills Phases 1A and 1B, Pinnacle at Prescott Lakes Phases 2B and 2C, and South Ranch Unit 1A and 2A. This may not be a comprehensive list of subdivisions. The City of Prescott Public Works Department is responsible for the final determination of a development's eligibility.

Condition 2: City policy PC-TEMP 2024 Impact Fees. The policy allows for the assessment of 2024 Development Impact Fees if the project is applied for prior to January 1, 2025 and the permit issued prior to July 1, 2025. To qualify for the 2024 impact fees, the project must be submitted to the City through the eTrakit portal by December 31, 2024. The submittal must include 100% Construction Drawings and all supporting documents and calculations. Plans submitted to the City that are not complete and submitted solely to beat the deadline and take advantage of the 2024 Impact Fees will be voided.

Christmas Clause: In an effort to assist our customers during the busy holiday season, within the above referenced City Policy is another opportunity for project teams to take advantage of the 2024 Development Impact Fee amounts. If the project documents are near completion and could be submitted, but known deficiencies exist, the current permit package can be submitted to the City along with a notarized letter from the property owner. The required letter will be provided by the City and is intended to ensure the owner is aware of the conditions that are required in order to take advantage of the time extension in the policy. The plan set and supporting documents as they exist

must also be submitted through the permitting portal along with a second letter noting the deficiencies. The final plan set, ready for review, must be submitted prior to January 31, 2025, and the permit issued prior to July 1, 2025. This extension is intended to allow design professionals to get their plans right prior to submittal. When the final submittal comes in for review, the original and final submittal will be compared. If the plans match, the project will be accepted for review. If the project has changed, the submittal will be voided, and the project will be subject to the 2025 Impact Fees.

The property owner is encouraged to set up an AEC Account through the City of Prescott Permitting Website. The AEC account does not cost money and will allow the owner to track the progress of reviews and submittals through the review and issuance process.

Projects that are subject to additional permits must have those permits issued in conjunction with or prior to building permit issuance. A courtesy check will be performed when the project is initially submitted to determine if a Fire Sprinkler Plan or Engineered Grading Plan will be required. The design professional can also reach out to the Public Works Department or Fire Department prior to submitting to receive their determination.

As the year comes to a close and the holidays approach, we hope this extension allows our partners in the design community time to relax and enjoy the season with friends and family.

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