



Administrative Policy  
**WATER IMPACT FEES**  
Water Division – A608

Effective Date:

August 2010

Revised Date:

June 2014

## **WATER IMPACT FEE PAYMENT PLANS**

### **Summary**

A Water Development Fee (WDF) is paid by the developer to the Town of Payson (Town) for construction or renovation of single or multi-family residences commercial and industrial projects. The fee is set by Town Council action and varies throughout the Town depending on the projected water demand and existing credits of the property, if any, and whether public water system mains are within 500 feet of the project. The total amount of the fee is due and payable to the Town before issuance of the building permit for the project.

However, the Town may enter into an agreement between the Town and the developer for the payment of the applicable WDF over a period of time as follows:

### **Definitions**

EDU - Equivalent Dwelling Units

### **Time Payment Agreement Terms**

1. For the construction of a single-family home the WDF is due and payable when a building permit is issued.
2. For commercial, industrial, and multifamily projects, the Town may enter into an agreement for the deferred collection of the development impact fees subject to the following:
  - a. Such agreements shall not exceed **60 months**;
  - b. Such agreements shall be approved by the **Town Manager**;
  - c. Payments on the outstanding balance of such agreement shall be made monthly or annually; and
  - d. **No interest shall accrue** or be payable if the development impact fees are paid in full within 60 months and in accordance with the terms of the agreement.
3. For commercial, industrial, and multifamily projects requiring **5 or more EDU's**, the Town may enter into an agreement for the deferred collection of development impact fees subject to the following:
  - a. Such agreements shall not exceed **120 months**;
  - b. Such agreements shall be approved by the **Town Council**;
  - c. Payments on the outstanding balance of such agreement shall be made monthly or annually; and



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- d. The **interest rate, if any, that shall be charged** on the outstanding development impact fees shall be determined by the **Town Council**.
4. For commercial, industrial, and multifamily projects requiring **more than 10 EDU's**, the Town may enter into an agreement for the deferred collection of development impact fees subject to the following:
  - a. Such agreements shall not exceed **120 months**;
  - b. Such agreements shall be approved by the **Town Council**;
  - c. Payments on the outstanding balance of such agreement shall be made monthly or annually. The agreement **may allow for the deferral of the first payment for up to 36 months**; and
  - d. **The interest rate, if any, that shall be charged** on the outstanding development impact fees shall be determined by the **Town Council**.
5. Any agreement for the deferral of development impact fees pursuant to this section shall be in a form approved by the Town Attorney, shall comply with State Law, and shall be secured by any assurances deemed necessary by the Town.

**References**

Resolution 2774 and Ordinance 847, passed May 15, 2014, effective August 1, 2014

Ordinance 848, passed May 15, 2014, effective August 1, 2014