1	SENATE BILL 650
2	46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003
3	INTRODUCED BY
4	Cisco McSorley
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10	AN ACT
11	RELATING TO LOCAL GOVERNMENTS; AMENDING THE DEVELOPMENT FEES
12	ACT TO INCLUDE SCHOOLS AND LIBRARIES AS PAYABLE CAPITAL
13	I MPROVEMENTS.
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15	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
16	Section 1. Section 5-8-2 NMSA 1978 (being Laws 1993,
17	Chapter 122, Section 2) is amended to read:
18	"5-8-2. DEFINITIONSAs used in the Development Fees
19	Act:
20	A. "affordable housing" means any housing
21	development built to benefit those whose income is at or below
22	eighty percent of the area median income and who will pay no
23	more than thirty percent of their gross monthly income towards
24	such housing;
25	B. "approved land use assumptions" means land use
	. 144591. 1

<u>underscored mterial = new</u> [bracketed mterial] = delete assumptions adopted originally or as amended under the
 Development Fees Act;

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C. "assessment" means a determination of the amount of an impact fee;

D. "capital improvement" means any of the following
facilities that have a life expectancy of ten or more years
and, except for the facilities specified in Paragraph (5) of
this subsection, are owned and operated by or on behalf of a
municipality or county:

(1) water supply, treatment and distribution
 facilities; wastewater collection and treatment facilities; and
 storm water, drainage and flood control facilities;

(2) roadway facilities located within the service area, including roads, bridges, bike and pedestrian trails, bus bays, rights of way, traffic signals, landscaping and any local components of state and federal highways;

(3) buildings for fire, police and rescue and essential equipment costing ten thousand dollars (\$10,000) or more and having a life expectancy of ten years or more; [and]

(4) parks, recreational areas, open spacetrails and related areas and facilities; <u>and</u>

(5) school buildings and essential equipment costing ten thousand dollars (\$10,000) or more and having a life expectancy of ten years or more;

E. "capital improvements plan" means a plan .144591.1

- 2 -

required by the Development Fees Act that identifies capital improvements or facility expansion for which impact fees may be assessed;

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F. "county" means a county of any classification;

G. "facility expansion" means the expansion of the capacity of an existing facility that serves the same function as an otherwise necessary new capital improvement, in order that the existing facility may serve new development. [The term] "Facility expansion" does not include the repair, maintenance, modernization or expansion of an existing facility to better serve existing development [including schools and related facilities];

H. "hook-up fee" means a reasonable fee for
 connection of a service line to an existing gas, water, sewer
 or municipal or county utility;

I. "impact fee" means a charge or assessment imposed by a municipality or county on new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development. [The term] "Impact fee" 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] "Impact fee" does not include hook-up fees, dedication of rights of way or easements or construction . 144591.1

- 3 -

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 necessitated by and attributable to the new development;

J. "land use assumptions" includes a description of the service area and projections of changes in land uses, densities, intensities and population in the service area over at least a five-year period;

K. "municipality" means any incorporated city, town or village, whether incorporated under general act, special act or special charter, and H class counties, including any home rule municipality or H class county chartered under the provisions of Article 10, Section 6 of the constitution of New Mexico;

L. "new development" means the subdivision of land; reconstruction, redevelopment, conversion, structural alteration, relocation or enlargement of any structure; or any use or extension of the use of land; any of which increases the number of service units;

M "qualified professional" means a professional engineer, surveyor, financial analyst or planner providing services within the scope of his license, education or experience;

N. "roadway facilities" means arterial or collector .144591.1

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streets or roads that have been designated on an officially adopted roadway plan of the municipality or county, including bridges, bike and pedestrian trails, bus bays, rights of way, traffic signals, landscaping and any local components of state or federal highways;

0. "service area" means the area within the corporate boundaries or extraterritorial jurisdiction of a municipality or the boundaries of a county to be served by the capital improvements or facility expansions specified in the capital improvements plan designated on the basis of sound planning and engineering standards; and

P. "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."

Section 2. Section 5-8-5 NMSA 1978 (being Laws 1993, Chapter 122, Section 5) is amended to read:

"5-8-5. ITEMS NOT PAYABLE BY FEE.--Impact fees shall not be imposed or used to pay for:

A. construction, acquisition or expansion of public facilities or assets that are not capital improvements or facility expansions identified in the capital improvements plan;

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B. repair, operation or maintenance of existing or new capital improvements or facility expansions; 2

upgrading, updating, expanding or replacing С. existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental or regulatory standards;

7 D. upgrading, updating, expanding or replacing 8 existing capital improvements to provide better service to 9 existing development;

10 administrative and operating costs of a Ε. municipality or county except as provided in Paragraph (4) of 12 Subsection A of Section [4 of the Development Fees Act] 5-8-4 13 NMSA 1978;

F. principal payments or debt service charges on bonds or other indebtedness except as allowed by Section [4-of the Development Fees Act] 5-8-4 NMSA 1978; or

[libraries] community centers, [schools] G. projects for economic development and employment growth, affordable housing or apparatus and equipment of any kind except capital improvements defined in Paragraph (3) of Subsection [\mathcal{C}] <u>D</u> of Section [$\frac{2}{2}$ of the Development Fees Act] 5-8-2 NMSA 1978. "

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