

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 15

DATE: April 20, 1999

STAFF: Frank Bruno/
Sherrie Temple

SUBJECT:

First Reading of Ordinance No. 51, 1999, Appropriating Unanticipated Revenue in the Sales and Use Tax Fund for a Rebate of Development Fees to Advanced Energy Industries, Inc.

RECOMMENDATION:

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT:

Funds for the purpose of this rebate have been reserved in the General Fund since adoption of Ordinance No. 102, 1995.

EXECUTIVE SUMMARY:

On July 18, 1995, Council adopted Ordinance No. 102, 1995 approving and authorizing the rebate of development fees associated with the construction of a 55,000 square foot manufacturing facility for Advanced Energies, Inc. Fees were estimated to be \$61,701. Council approved a rebate not to exceed \$135,000.

On October 20, 1998, Council adopted Ordinance No. 189, 1998 which amended Ordinance 102, 1995 to exclude the rebate of building permit and plan review fees, and to reduce the total maximum rebate payment to Advanced Energy. Section 5-326 of the City Code specifically limited the rebate of fees to impact fees and should not have included building permit or plan check fees.

On February 16, 1999, Council adopted Ordinance No. 31, 1999 terminating the Development Impact Fee Rebate Program. However, rebates that had been previously approved for Advanced Energy and Symbios Logic were considered to be "in process" and thus remain eligible for rebate.

The purpose of this Ordinance is to appropriate \$61,701 from reserves in the General Fund for Rebate to Advanced Energy.

The fees that were originally estimated, actually paid and that are now eligible for rebate are shown below:

Type of Fee	Estimated Fee	Actual Fee	Fee Amount Eligible For Rebate
Building Permit Fee	\$ 9,863	\$ 10,170	None
Plan Check Fee	5,059	4,302	None
Street Oversizing Fee	24,443	23,634	\$ 23,634
Water Plant Investment Fee	20,300	12,700	12,700
Sewer Plan Investment Fee	15,100	9,100	9,100
Water Rights Requirement	14,400	9,000	9,000
Storm Drainage Fee	None	7,243	7,243
Electrical Development Fee	41,893	None	None
Construction Water Charge	None	24	24
Total Fees	\$131,058	\$76,173	\$61,701

ORDINANCE NO. 51, 1999
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE
SALES AND USE TAX FUND FOR A REBATE OF DEVELOPMENT
FEES TO ADVANCED ENERGY INDUSTRIES, INC.

WHEREAS, by its adoption of Ordinance No. 102, 1995, the Council approved and authorized a rebate of development fees associated with the construction of a new 55,000 square foot manufacturing facility for Advanced Energy Industries, Inc. (A-E); and

WHEREAS, by its adoption of Ordinance No. 189, 1998, the Council amended Ordinance 102, 1995 to reduce the development fee granted in Ordinance No. 102, 1995 to comply with Section 5-326 of the City Code which specifically limits the rebate of fees to impact fees; and

WHEREAS, by its adoption of Ordinance No. 31, 1999, the Council repealed Article VII, Chapter 5 of the City Code in order to terminate the Development Impact Fee Rebate Program, except as applicable to Development Fee Rebates currently in process; and

WHEREAS, A-E was granted a rebate of fees prior to Ordinance No. 31, 1999; and

WHEREAS, Ordinance No. 102, 1995, required that no rebate payment be made prior to the City receiving \$300,000, which sum represents twice the estimated amount needed by the City to maintain the public infrastructure to be constructed in the vicinity of the site over a twenty (20) year period; and

WHEREAS, A-E has paid City fees and taxes in connection with its new facility in the amount of \$521,191, an amount well in excess of the \$300,000; and

WHEREAS, the total amount of development fees to be rebated to A-E is \$61,701; and

WHEREAS, the funds necessary to pay said rebate amount are available in Prior Year Reserves in the General Fund; and

WHEREAS, Article V, Section 9 of the City Charter, permits the Council, upon recommendation of the City Manager, may appropriate by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that there is hereby appropriated for expenditure from Prior Year Reserves in the General Fund the sum of SIXTY ONE THOUSAND SEVEN HUNDRED AND ONE DOLLARS (\$61,701) for the rebate of development fees to Advanced Energy Industries, Inc.

Introduced and considered favorably on first reading and ordered published this 20th day of April, A.D. 1999, and to be presented for final passage on the 4th day of May, A.D. 1999.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading this 4th day of May, A.D. 1999.

Mayor

ATTEST:

City Clerk