

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 22

DATE: November 4, 2003

STAFF: Alan Krcmarik

SUBJECT

First Reading of Ordinance No. 148, 2003, Amending the Code of the City of Fort Collins to Increase the Capital Improvement Expansion Fee, Street Oversizing Fee and Neighborhood Parkland Fee to Reflect Inflation in Associated Costs of Services.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

In 2002 (the last full audited year), the City collected \$3.8 million of Capital Improvement Expansion fees, \$2 million of Neighborhood Parkland fees, and \$3.2 million of Street Oversizing fees. For 2004, with the increases for inflation and construction costs, the City estimates that it will collect \$3.3 million of Capital Improvement Expansion fees, \$1.3 million of Neighborhood Parkland fees, and \$3.7 million of Street Oversizing fees. The fees are collected when building permits are issued for projects. The decreases are due to the expectation that building permits, on which the fees are based, will be lower in 2004 than they were in 2002 and the estimates for 2003. At year-end of 2003, staff estimates that the total available balance in the Capital Improvement Expansion Fund will be approximately \$18.2 million. The Neighborhood Parkland Fund will have about \$1.8 million. The Street Oversizing Fund is estimated to have nearly \$1.3 million at the end of the year.

EXECUTIVE SUMMARY

Ordinance No. 148, 2003, increases the fee schedules for the Capital Improvement Expansion Fees and Neighborhood Parkland Fee by the estimated change in the 2003 Denver-Boulder-Greeley Consumer Price Index. Costs in the Capital Improvement Expansion Fees ("CIEF") Study and the fee schedule for the Neighborhood Parkland Fees were calculated using costs from 1995. The City Code requires that increases keep up with annual inflation. The fees were last adjusted in late 2002. This Ordinance increases the CIEF and the neighborhood parkland fees by the projected increase in the CPI-U of 2.00%, and the Street Oversizing fees by 1.7%, which reflects the projected increase reported in the Engineering News Record.

BACKGROUND

In May of 1996, Council adopted Ordinance No. 51, 1996, which established capital improvement expansion fees for Library, Community Parkland, Police, Fire, and General Government services. The purpose of the fees is to have new development pay a proportionate share of the capital improvements and equipment that will be necessary to provide services to the development. The Code provisions approved by the Ordinance provide for the annual adjustment of the fees to keep up with inflation, using the Denver-Boulder (now Denver-Boulder-Greeley) Consumer Price Index.

The City has imposed a Parkland Fee for neighborhood parks since 1968. In August of 1996, Council adopted Ordinance No. 105, 1996, which conformed the Neighborhood Parkland Fee to the housing size differentials in the Capital Improvement Expansion Fee ordinance, and updated the fee schedule to reflect pre-1996 inflation. The Neighborhood Parkland fees were adjusted for inflation in 1997-2002, along with the Capital Improvement Expansion Fees. Based on the Denver-Boulder-Greeley Consumer Price Index for all urban consumers, the inflation level since the last annual adjustment is an increase of 2.00%. This Ordinance adjusts the fee schedules in Chapter 7.5 and Chapter 23 of the Code to account for inflation. In the Ordinance, all amounts for the capital improvement expansion fees have been rounded to the nearest dollar.

ORDINANCE NO. 148, 2003
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING THE CODE OF THE CITY OF FORT COLLINS
TO INCREASE THE CAPITAL IMPROVEMENT EXPANSION FEE,
STREET OVERSIZING FEE AND NEIGHBORHOOD PARKLAND FEE
TO REFLECT INFLATION IN ASSOCIATED COSTS OF SERVICES

WHEREAS, the City of Fort Collins is a home rule municipality having the full right of self-government in local and municipal matters under the provisions of Article XX, Section 6 of the Colorado Constitution; and

WHEREAS, among the home rule powers of the City is the power to regulate, as a matter of purely local concern, the development of real property within the City; and

WHEREAS, the City of Fort Collins Comprehensive Plan shows that the rate of future growth and development in Fort Collins will require a substantial expansion in capital library, community park, police, fire, and general government facilities, and related capital equipment, if its level of service standards for such facilities are to be maintained; and

WHEREAS, the City Council has determined that future growth and new development should contribute its proportionate share of providing such capital improvements; and

WHEREAS, the City Council has broad legislative discretion in determining the appropriate funding mechanisms for financing the construction of public facilities in the City; and

WHEREAS, based on the foregoing, the City Council adopted Ordinance No. 51, 1996, establishing certain capital improvement expansion fees; and

WHEREAS, City Code Section 7.5-18 provides for annual fee increases in the capital improvement expansion fees corresponding to the increases in the Denver-Boulder-Greeley Consumer Price Index for all urban consumers; and

WHEREAS, in September, 1968, Council adopted Ordinance No. 38, 1968, which established the original Neighborhood Parkland Fee to fund the acquisition and development of parkland, which ordinance has since been amended on several occasions to adjust the fee and to refine related procedures and requirements; and

WHEREAS, with the adoption in August, 1993, of Ordinance No. 82, 1993, the Council directed the City Manager to annually review the Neighborhood Parkland Fee and submit to the Council proposed inflation-related increases based on the Denver-Boulder-Greeley Consumer Price Index; and

WHEREAS, on August 20, 1996, Council adopted Ordinance No. 105, 1996, which conformed the Neighborhood Parkland Fee to the housing size differentials in the Capital Improvement Expansion Fee ordinance, and updated the amount of the fee to reflect pre-1996 inflation; and

WHEREAS, the Code and ordinances of the City authorize the annual adjustment of all Capital Improvement Expansion Fees, including the Neighborhood Parkland Fee, for inflation; and

WHEREAS, in July, 1998, the Council approved the adjustment of the Library Capital Improvement Expansion Fee for the increased level of Library Services associated with the addition of the Harmony Library with the adoption of Ordinance No. 121, 1998; and

WHEREAS, in November 1998, the Council adopted Ordinance No. 205, 1998, adjusting the Capital Improvement Expansion Fees, including the Neighborhood Parkland Fee, for inflation from 1997, effective January 1, 1999; and

WHEREAS, in November 1999, the Council adopted Ordinance No. 171, 1999, adjusting the Capital Improvement Expansion Fees, including the Neighborhood Parkland Fee, for inflation from 1998, effective January 1, 2000; and

WHEREAS, in June 2000, the Council adopted Ordinance No. 58, 2000, adjusting the Community Parkland Capital Improvement Expansion Fee and the Neighborhood Parkland Fee to compensate for the increase in the cost of raw water; and

WHEREAS, in November 2000, the Council adopted Ordinance No. 155, 2000, adjusting the Capital Improvement Expansion Fees, including the Neighborhood Parkland Fee, for inflation from 1999, effective January 1, 2000; and

WHEREAS, in January 2001, the Council adopted Ordinance No. 190, 2000, adjusting the Street Oversizing Capital Improvement Expansion Fees for increases in the cost of street construction and adjustments for the number of trips generated by various land uses; and

WHEREAS, in September 2001, the City of Fort Collins Water Utility increased the cost of raw water to \$6,500 per acre-foot of water from \$3,000 per acre foot; and

WHEREAS, in November 2001, the Council adopted Ordinance No. 191, 2001, adjusting the Capital Improvement Expansion Fees, including the Neighborhood Parkland Fee, for inflation from 1999, effective January 1, 2000; and

WHEREAS, based on the Bureau of Labor Statistics most recent Denver-Boulder-Greeley Consumer Price Index for all urban consumers, staff projects that the Index will reflect an inflation increase of 2.00 percent since the last annual adjustment of the fees in 2002; and

WHEREAS, based on the Engineering News Record, the cost of constructing street improvements has increased 1.70 percent since the last adjustment of the street Oversizing Capital Improvement Expansion fee.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the fee schedule in Section 7.5-27(a) of the Code of the City of Fort Collins, establishing the Library Capital Improvement Expansion Fee, is hereby amended to read as follows:

700 sq. ft and under	\$ 255.00 260.00
701 to 12,00 sq. ft.	361.00 368.00
1,201 to 1,700 sq. ft.	425.00 433.00
1,701 to 2,200 sq. ft.	489.00 498.00
2,201 sq. ft. and over	595.00 606.00

Section 2. That the fee schedule in Section 7.5-28(a) of the Code of the City of Fort Collins, establishing the Community Parkland Capital Improvement Expansion Fee, is hereby amended to read as follows:

700 sq. ft and under	\$ 850.00 866.00
701 to 1,200 sq. ft.	1,204.00 1,227.00
1,201 to 1,700 sq. ft.	1,416.00 1,443.00
1,701 to 2,200 sq. ft.	1,629.00 1,659.00
2,201 sq. ft. and over	1,983.00 2,020.00

Section 3. That the fee schedule in Section 7.5-29(a) of the Code of the City of Fort Collins, establishing the Police Capital Improvement Expansion Fee, is hereby amended to read as follows:

700 sq. ft and under	\$ 63.00 64.00
701 to 1,200 sq. ft.	89.00 91.00
1,201 to 1,700 sq. ft.	105.00 107.00
1,701 to 2,200 sq. ft.	121.00 123.00
2,201 sq. ft. and over	147.00 150.00
Commercial buildings (per 1,000 square feet)	129.00 132.00
Industrial buildings (per 1,000 square feet)	35.00 36.00

Section 4. That the fee schedule in Section 7.5-30(a) of the Code of the City of Fort Collins, establishing the Fire Protection Capital Improvement Expansion Fee, is hereby amended to read as follows:

700 sq. ft and under	\$ 91.00 93.00
701 to 1,200 sq. ft.	129.00 132.00
1,201 to 1,700 sq. ft.	152.00 155.00
1,701 to 2,200 sq. ft.	175.00 178.00
2,201 sq. ft. and over	213.00 217.00
Commercial buildings (per 1,000 square feet)	188.00 191.00
Industrial buildings (per 1,000 square feet)	52.00 53.00

Section 5. That the fee schedule in Section 7.5-31(a) of the Code of the City of Fort Collins, establishing the General Government Capital Improvement Expansion Fee, is hereby amended to read as follows:

700 sq. ft and under	\$ 116.00 118.00
701 to 1,200 sq. ft.	164.00 167.00
1,201 to 1,700 sq. ft.	193.00 196.00
1,701 to 2,200 sq. ft.	222.00 225.00
2,201 sq. ft. and over	270.00 274.00
Commercial buildings (per 1,000 square feet)	209.00 213.00
Industrial buildings (per 1,000 square feet)	58.00 59.00

Section 6. That Section 7.5-71(b) of the Code of the City of Fort Collins, regarding the Neighborhood Parkland Fee is hereby amended to read as follows:

Sec. 7.5-71. Collection of neighborhood parkland fee.

(b) The amount of the fee established in this Section shall be determined for each dwelling unit as follows:

700 sq. ft. and under	\$ 763.00 778.00
701 to 1,200 sq. ft.	1,081.00 1,102.00
1,201 to 1,700 sq. ft.	1,272.00 1,296.00
1,701 to 2,200 sq. ft.	1,463.00 1,490.00
2,201 sq. ft. and over	1,781.00 1,814.00

Section 7. That Section 7.5-32 of the Code of the City of Fort Collins, regarding the Street Oversizing Capital Improvement Expansion Fee is hereby amended to read as follows:

STREET OVERSIZING CAPITAL EXPANSION FEE SCHEDULE

	Average Weekday Vehicle Trips		Transportation Impact Fee Rate
Residential	<u>Per Housing Unit</u>		
SF Detached	9.55		\$1,9732,006
MF and Other Housing	6.59		\$1,3611,384
Hotel/Motel	8.70		\$1,7971,828
Apartment	6.12		\$1,2641,286
Retirement Community	3.30		\$682693
Assisted Living	4.52		\$934949
Congregate Care Facility	2.15		\$444452
Residential Condominium	5.86		\$1,2101,231
Duplex	7.18		\$1,4831,508
Townhome	5.86		\$1,2101,231
Mobile Home	4.92		\$1,0161,034
	Average Weekday Vehicle Trips		
Non Residential	<u>Per 1,000 Sq.Ft.</u>		
Comm/Shopping Center			
1000K GLA	32.09		\$3,863.93
500K GLA	38.65		\$4,654.73
200K GLA	54.50		\$6,566.67
50K GLA	91.65		\$7,587.71
Movie Theater	77.79		\$9,369.52
Fitness/Racquet Club	17.14		\$2,222.25
Day Care	79.26		\$3,494.07
Government Office	68.93		\$8,929.07
Post Office	86.78		\$11,2211.42
Building Materials/Lumber	39.71		\$4,784.86
Specialty Retail	40.68		\$4,894.98
Discount Club	41.80		\$5,035.11
Nursery(Garden Center)	36.08		\$4,674.75
Sit Down Restaurant	130.34		\$10,7810.96
Fast Food Restaurant w/ Driveup	496.12		\$25,0725.49
Car Sales	37.50		\$4,854.93
Service Station	168.56	/pump	\$8,516,708,661.46
Wholesale Tire Store	20.36		\$2,632.68
Self Service Car Wash	5.79	/stall	\$292,55297.52
Supermarket	111.51		\$9,229.38
Convenience Market	737.99		\$37,2937.92
Furniture Store	5.06		\$1,021.04
Bank	189.95		\$8,939.08
Drive-In Bank	265.21		\$13,4013.63
Insurance Building	11.45		\$1,481.51
Manufacturing	3.85		\$0,780.79
Warehousing	4.96		\$1,001.02
Light Industrial	6.97		\$1,411.43
Mini-Warehouse	2.50		\$0,510.51
Business Park	14.37		\$2,902.95

General Office			
200K GFA	11.54		\$2,332.37
50K GFA	16.31		\$3,303.35
10K GFA	24.39		\$4,935.01
Recreational	3.64	/ac	\$735,667 48.17
City Park	3.66	/ac	\$739,707 52.28
Golf Course	5.04	/ac	\$1,018,611,035 92
Elementary School	1.02	/student	\$206,152 09.65
Church/Synagogue	9.11		\$1,841 87
Library	54.00		\$10,911 1.10
Hospital	16.78		\$3,393 45
Nursing Home	2.60	/bed	\$524,875 33.79
Medical Clinic	31.45		\$6,366 46

** Note: Rate calculation for each item based on the product of Number of Weekday Trips, Trip Adjustment Factor, and Cost Per Unit of Trip.*

Section 8. That the fee adjustments imposed under this Ordinance shall be applicable to all building permits issued on or after January 1, 2004.

Introduced, considered favorably on first reading, and ordered published this 4th day of November, A.D. 2003, and to be presented for final passage on the 18th day of November, A.D. 2003.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading this 18th day of November, A.D. 2002.

Mayor

ATTEST:

City Clerk