

# Update of Development Impact Fees and Plant Investment Fees

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Stakeholder Engagement Session

May 20, 2020



# Stakeholder Engagement Agenda

- Introductions
- Project Overview
  - › Stakeholder Engagement
  - › City Council Input and Decisions
- Impact Fee Fundamentals
  - › Concepts and Terms
  - › City of Greeley's Current Impact Fees
- Examples of Alternative Fee Schedules
- Survey of Fees in Comparable Communities



# DIF & PIF Project Team

- Raftelis' Denver Team
  - › Todd Cristiano – Project Director and Water/Sewer PIFs
  - › Dwayne Guthrie – Project Manager, Non-utility DIFs
  - › Andrew Rheem – Stormwater PIF
  - › Matt Wittern – Communications & Engagement Lead
- City of Greeley
  - › Main point of contact is Robert Miller
  - › Infrastructure types include:
    - Water and Wastewater
    - Stormwater and Transportation
    - Police
    - Fire
    - Parks and Trails



# Stakeholder Engagement

- Audiences: builder/developer community, engineering firms, boards/commissions
- Digital Engagement Meetings Via Zoom + Post-meeting Online Surveys:
  - > May
    - Goal: information session on demographics / development projections, gather input on current fees, discuss best practices, and survey of comparable communities
  - > July
    - Goal: present preliminary recommendations / draft fees and how prior feedback was incorporated



# City Council Engagement and Process

- April 14 – work session
- July 28 – work session - draft report
- August 25 – work session - final report
- September 1 – first reading
- September 15 – second reading



# Development Impact Fee Fundamentals

- Impact fees fund the growth share of public facilities needed to serve new development
- These one-time fees are typically collected prior to development and passed along to end users
- Can't be used for operations, maintenance, or replacement
- Three legal requirements
  - › Need (system not project-level improvements)
  - › Benefit (short range infrastructure)
  - › Proportionate

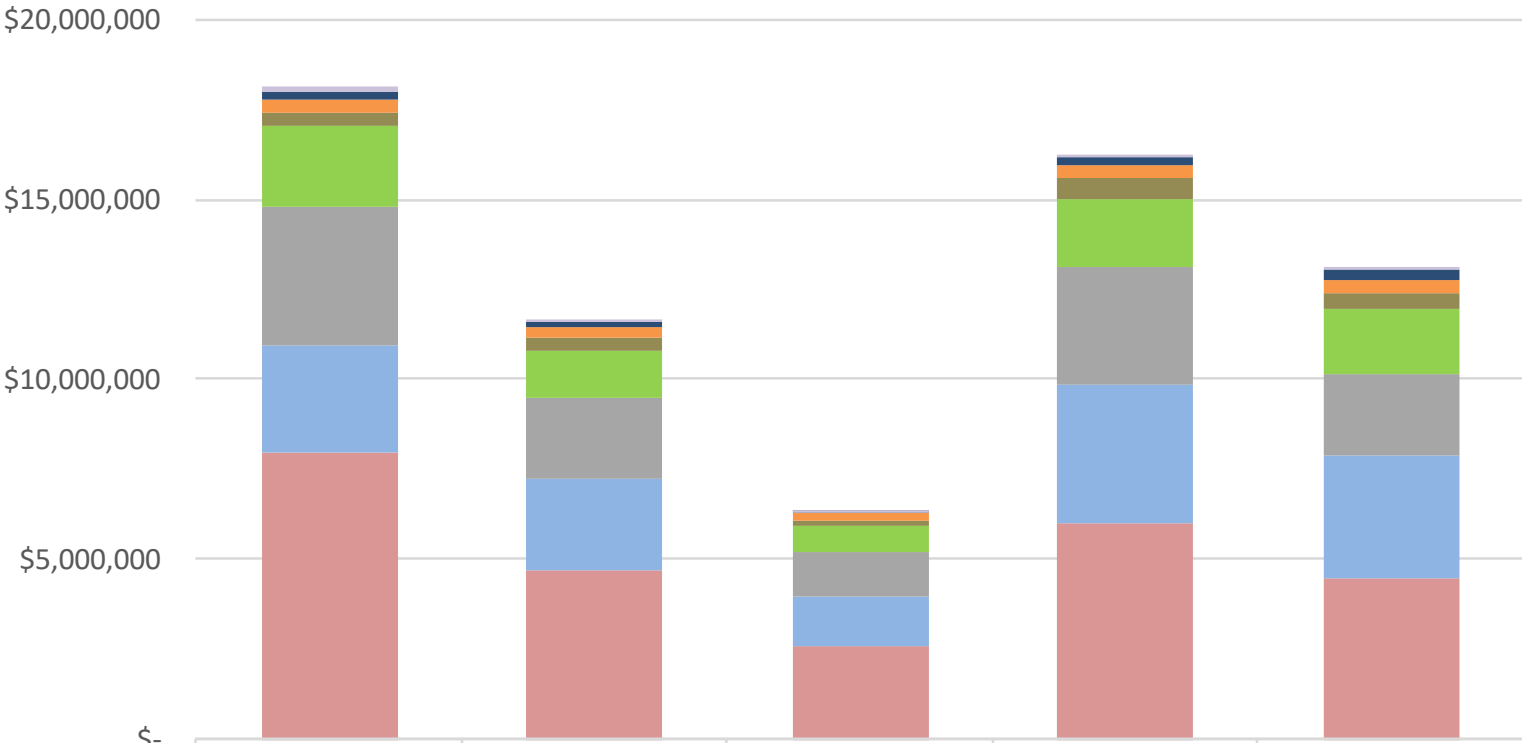


# Why cities choose impact fees to fund growth-related infrastructure

- Maintains level of service for residents and businesses
- Minimizes need for broad-based revenues (user charges or general taxes)
- Current residents do not want to subsidize growth (nexus study)
- Predictable funding for system improvements shared by all new development



# Greeley Impact Fee Revenue History



	2015	2016	2017	2018	2019
Police	115,283	90,789	42,841	110,145	115,294
Trail	231,689	146,625	62,645	217,331	284,513
Stormwater	355,938	280,949	165,734	320,265	347,158
Fire	393,924	365,215	177,858	553,987	462,904
Park	2,266,652	1,305,774	679,020	1,891,970	1,794,680
Sewer	3,810,853	2,246,610	1,234,693	3,323,450	2,243,300
Street	2,969,146	2,549,213	1,442,409	3,798,831	3,434,227
Water	7,979,901	4,669,986	2,563,715	6,027,277	4,450,604





# Public Safety and Parks DIF Schedule



Type of Fee	Unit	2019 Fee
<b>Police Development Fee</b>		
Single Family Detached	Dwelling	\$135
Multi-Family	Dwelling	\$102
Mobile Home Park	Site	\$142
Retail/Commercial	1,000 Sq Ft	\$165
Office	1,000 Sq Ft	\$78
Industrial	1,000 Sq Ft	\$32
Warehouse	1,000 Sq Ft	\$17
Public/Industrial	1,000 Sq Ft	\$59
Oil and Gas Well	Well Head	\$67
<b>Fire Development Fee</b>		
Single Family Detached	Dwelling	\$603
Multi-Family	Dwelling	\$452
Mobile Home Park	Site	\$632
Retail/Commercial	1,000 Sq Ft	\$738
Office	1,000 Sq Ft	\$346
Industrial	1,000 Sq Ft	\$137
Warehouse	1,000 Sq Ft	\$66
Public/Industrial	1,000 Sq Ft	\$264
Oil and Gas Well	Well Head	\$301
<b>Park Development Fee</b>		
Single Family Detached	Dwelling	\$3,131
Multi-Family	Dwelling	\$2,349
Mobile Home Park	Site	\$3,287
<b>Trails Development Fee</b>		
Single Family Detached	Dwelling	\$434
Multi-Family	Dwelling	\$326
Mobile Home Park	Site	\$456



# Storm Drainage and Transportation Fees

<b>Storm Drainage Development Fee</b>		
Single Family residential	Dwelling	\$392
Multifamily residential	Dwelling	\$282
Mobile Home Park	Site	\$392
Retail, per site square foot of impervious surface	Per Sq Ft	\$0.109
Commercial, per site square foot of impervious surface	Per Sq Ft	\$0.109
Industrial, per site square foot of impervious surface	Per Sq Ft	\$0.109
Oil and Gas	Well Head	\$216
<b>Transportation Development Fee</b>		
Single Family Detached	Dwelling	\$4,194
Multi-Family	Dwelling	\$2,708
Mobile Home Park	Site	\$1,256
Retail/Commercial	1,000 Sq Ft	\$5,551
Office	1,000 Sq Ft	\$4,909
Industrial	1,000 Sq Ft	\$1,699
Warehouse	1,000 Sq Ft	\$1,584
Public/Industrial	1,000 Sq Ft	\$2,749
Oil and Gas Well	Well Head	\$1,932



# Example of Alternative DIF Schedule by Dwelling Size

Small, Medium, and Large would be adjusted to fit Greeley

<b>Townwide Service Area</b> <b>Berthoud, CO</b>	<b>Road</b>	<b>Parks &amp; Recreation</b>	<b>Public Facilities</b>	<b>PROPOSED TOTAL</b>	<b>Existing Total</b>	<b>Increase or Decrease</b>	<b>% Change</b>
<i>Residential (per dwelling) by Size Range (square feet of heated living space)</i>							
1,250 or less	\$2,382	\$2,984	\$718	\$6,084	\$5,452	\$632	12%
1,251 to 2,700	\$3,400	\$4,220	\$1,015	\$8,635	\$7,781	\$854	11%
2,701 or more	\$4,181	\$5,174	\$1,245	\$10,600	\$7,781	\$2,819	36%
<i>Nonresidential (per 1,000 square foot of building)</i>							
Industrial	\$1,099	\$0	\$4,029	\$5,128	\$3,168	\$1,960	62%
Retail/Restaurant	\$4,602	\$0	\$5,784	\$10,386	\$11,296	(\$910)	-8%
All Other Nonresidential	\$2,159	\$0	\$7,341	\$9,500	\$4,121	\$5,379	131%



# Greeley Water and Sewer PIFs

Water Tap Size	Water PIF <i>inside city</i>	Sewer PIF <i>inside city</i>
3/4	\$10,500	\$6,000
1	\$17,700	10,000
1 1/2	\$35,700	\$19,900
2	\$57,200	\$31,900
3	\$125,000	\$69,800
4	\$216,600	\$119,700
6	\$450,000	\$249,300

These plant investment fees are valid until February 28, 2021.



# Examples of Alternative PIF Approaches

Little Thompson Water District



**Utilities**  
 electric · stormwater · wastewater · water  
 PO Box 580  
 Fort Collins, CO 80522  
 970.212.2900  
 V/TDD: 711  
 utilities@fcgov.com  
 fcgov.com/utilities

## WATER PLANT INVESTMENT FEE (PIF) SCHEDULE <sup>1</sup> Updated January 1, 2020

The Water Plant Investment Fee (PIF) is a one-time development fee collected to pay for growth related capital expansion costs of water supply, storage, transmission, treatment and distribution facilities. The fee varies with the number of dwelling units and the lot area served for residential users, and with the size of the water meter for non-residential users. City Code requires that each building have its own water service tap. Payment of the PIF is made at Neighborhood and Building Services upon issuance of a building permit.

### RESIDENTIAL WATER PIF <sup>2</sup>: SINGLE FAMILY, DUPLEX & MULTI-FAMILY

Single Family (3/4" tap)	\$ 730	+ \$0.39 per sq.ft. of lot area = PIF
Single Family (1" tap)	\$1,237	+ \$0.39 per sq.ft. of lot area = PIF <sup>3</sup>
Duplex & Multi-Family	\$ 550 (per L.U.)	+ \$0.29 per sq.ft. of lot area = PIF

\*Water Meter – same as non-residential water meter prices listed below

**Note:** When calculating Water PIF's for Multi-Family Subdivisions, net acreage of the development is divided among the total number of living units to arrive at an approximate lot size per living unit (L.U.).

### Residential Taps

Meter Size	Plant Investment Fee (PIF)	Installation Fee <sup>(1)</sup>	Cash-in-Lieu of Raw Water Dedication Requirement <sup>(2,3)</sup>	Total Cost of Tap
5/8" Inside Use	\$6,000	\$3,000	\$14,400	\$23,400
5/8" Urban	\$7,000	\$3,000	\$28,000	\$38,000
5/8" Standard	\$11,000	\$3,000	\$56,000	\$70,000

- (1) If the service line and meter pit have already been installed by the developer, the installation fee is reduced to \$450.
- (2) If the water rights dedication has been made by the developer, the water rights dedication has been satisfied and there is no cash-in-lieu of water rights required. Not all lots are eligible to pay cash-in-lieu of dedicating water rights. See Section 1506.4 Schedule D for more raw water dedication information.
- (3) The Cash-in-Lieu price is based on recent sale prices for water sources allowable for dedication, such that the District may purchase the raw water dedication requirement for lots allowed to utilize the Cash-in-Lieu option. The current price for Cash-in-Lieu is \$80,000 per acre-foot.



# Fee Comparison per Residential Unit

Development Impact Fees per Detached Residential Unit								
<i>Jurisdiction</i>	<i>Total</i>	<i>Streets</i>	<i>Stormwater</i>	<i>Parks</i>	<i>Fire</i>	<i>Police</i>	<i>Schools</i>	<i>Other</i>
Fort Collins	\$19,864	\$6,865	\$2,286	\$5,869	\$603	\$337	\$1,546	\$2,358
Loveland	\$17,235	\$2,578	\$569	\$6,802	\$895	\$913	\$1,382	\$4,096
Johnstown	\$14,551	\$3,533		\$1,194	\$1,982	\$733	\$4,372	\$2,737
Eaton	\$11,694	\$8,196		\$829		\$131	\$1,798	\$740
Evans	\$11,573	\$4,604	\$833	\$4,887	\$957	\$292		
Windsor	\$11,117	\$4,227	\$882	\$6,008				
Timnath	\$9,491	\$2,003	\$560	\$3,669		\$659	\$1,800	\$800
Greeley	\$8,420	\$3,973	\$371	\$3,377	\$571	\$128		
Severance	\$7,638	\$2,100	\$1,000	\$1,600			\$1,938	\$1,000
Milliken	\$4,984	\$2,000	\$525	\$950		\$260	\$924	\$325

Development Impact Fees per Multi-family Dwelling								
<i>Jurisdiction</i>	<i>Total</i>	<i>Streets</i>	<i>Stormwater</i>	<i>Parks</i>	<i>Fire</i>	<i>Police</i>	<i>Schools</i>	<i>Other</i>
Fort Collins	\$18,885	\$8,961	\$762	\$5,319	\$546	\$305	\$901	\$2,091
Loveland	\$12,310	\$1,801	\$250	\$4,727	\$622	\$635	\$946	\$3,329
Windsor	\$9,252	\$2,683	\$561	\$6,008				
Evans	\$8,535	\$3,745		\$3,816	\$747	\$228		
Eaton	\$7,993	\$5,984		\$829		\$131	\$309	\$740
Timnath	\$7,691	\$2,003	\$560	\$3,669		\$659		\$800
Johnstown	\$7,646	\$2,363		\$1,016	\$1,314	\$624		\$2,329
Greeley	\$6,891	\$3,565	\$267	\$2,534	\$428	\$97		
Milliken	\$4,673	\$2,000	\$525	\$950		\$260	\$613	\$325
Severance	\$4,628	\$1,600		\$1,600			\$428	\$1,000

Source: Raftelis research for data on Evans, Eaton, Johnstown, Milliken, Timnath, and Severance. Fort Collins, Loveland, and Windsor from National Impact Fee Survey (Duncan Associates 2019).





# Comparison of Nonresidential Fees

Industrial Fees per 1,000 Square Feet of Floor Area						
Jurisdiction	Total	Streets	Stormwater	Fire	Police	Other
Fort Collins	\$4,041	\$2,130	\$1,399	\$119	\$66	\$327
Johnstown	\$3,540	\$1,920		\$630	\$250	\$740
Timnath	\$3,243	\$2,464	\$267		\$231	\$281
Loveland	\$3,238	\$1,890	\$708	\$60	\$518	\$62
Evans	\$3,116	\$1,580	\$1,216	\$250	\$70	
Eaton	\$3,043	\$3,000			\$43	
Windsor	\$2,808	\$2,220	\$588			
Severance	\$2,000	\$2,000				
Greeley	\$1,841	\$1,609	\$72	\$130	\$30	
Milliken	\$620		\$320		\$100	\$200

Commercial Fees per 1,000 Square Feet of Floor Area						
Jurisdiction	Total	Streets	Stormwater	Fire	Police	Other
Eaton	\$12,990	\$12,760			\$230	
Fort Collins	\$12,541	\$8,961	\$1,399	\$508	\$284	\$1,389
Loveland	\$9,387	\$7,910	\$452	\$290	\$300	\$435
Evans	\$8,316	\$5,810	\$1,216	\$1,000	\$290	
Johnstown	\$7,240	\$4,920		\$900	\$680	\$740
Windsor	\$6,987	\$5,590	\$1,397			
Milliken	\$6,676	\$6,056	\$320		\$100	\$200
Greeley	\$6,175	\$5,248	\$72	\$699	\$156	
Timnath	\$5,952	\$4,954	\$267		\$330	\$401
Severance	\$3,000	\$3,000				

Office Fees per 1,000 Square Feet of Floor Area						
Jurisdiction	Total	Streets	Stormwater	Fire	Police	Other
Fort Collins	\$9,559	\$6,539	\$839	\$508	\$284	\$1,389
Eaton	\$6,101	\$6,000			\$101	
Windsor	\$5,985	\$5,147	\$838			
Loveland	\$5,327	\$3,550	\$752	\$290	\$300	\$435
Greeley	\$5,124	\$4,650	\$72	\$328	\$74	
Johnstown	\$4,570	\$2,980		\$600	\$250	\$740
Timnath	\$3,243	\$2,464	\$267		\$231	\$281
Milliken	\$3,029	\$2,509	\$320			\$200
Evans	\$3,010	\$2,510		\$390	\$110	
Severance	\$2,000	\$2,000				

Source: Raftelis research for data on Evans, Eaton, Johnstown, Milliken, Timnath, and Severance. Fort Collins, Loveland, and Windsor from National Impact Fee Survey (Duncan Associates 2019).



# Comparison of Water/Sewer PIFs

Water Fees by Meter Size				
Jurisdiction	0.75"	1.00"	1.50"	2.00"
Evans	\$14,231	\$23,765	\$47,388	\$75,850
Milliken	\$14,230	\$23,716	\$47,433	\$75,892
Severance	\$12,200			
Greeley	\$10,500	\$17,700	\$35,799	\$57,200
Windsor	\$9,400	\$15,228	\$35,908	\$59,126
Fort Collins	\$8,790	\$23,060	\$45,610	\$78,820
Loveland	\$8,000	\$19,130	\$36,080	
Eaton	\$6,500	\$11,050	\$21,450	\$34,450
Johnstown	\$6,347	\$10,248	\$19,893	\$31,950
Timnath				

Sewer Fees by Meter Size				
Jurisdiction	0.75"	1.00"	1.50"	2.00"
Loveland	\$ 8,630	\$ 19,880	\$ 36,520	
Fort Collins	\$ 7,710	\$ 17,190	\$ 32,350	\$ 67,120
Milliken	\$ 6,833	\$ 11,388	\$ 22,777	\$ 36,443
Severance	\$ 6,500			
Greeley	\$ 6,000	\$ 10,000	\$ 19,900	\$ 31,900
Evans	\$ 5,535	\$ 9,951	\$ 18,539	\$ 29,775
Johnstown	\$ 5,280	\$ 7,650	\$ 14,850	\$ 23,850
Windsor	\$ 4,400	\$ 7,128	\$ 16,808	\$ 27,676
Eaton	\$ 3,000	\$ 5,095	\$ 9,892	\$ 15,886
Timnath				

