

City of Commerce City

Development Impact Fee Study Update

April 17, 2023



What is a Development Impact Fee?

One-time charge



Imposed at building permit stage



Imposed on all development projects within a defined geographic area



Funds facilities to serve new development



Impact Fees – Basic Methodology

1. Estimate existing development and future growth
2. Identify facility standards
3. Determine facility needs and costs
4. Allocate cost share to accommodate growth
5. Identify alternative funding needs
6. Calculate fee by allocating costs per unit of development

Impact Fee Categories

- Government Facilities
- Public Works Facilities
- Parks, Trail and Golf Course
- Police Facilities

Land Use Scenario

Projected
Population at
Buildout:
180,000

Development	2021	2042	Increase
Residents	68,205	139,942	71,737
Dwelling Units			
Single Family	16,538	33,994	14,998
Multifamily	<u>2,418</u>	<u>4,961</u>	<u>4,971</u>
Total	18,986	38,955	19,969
Employment			
Commercial	9,192	17,513	8,321
Office	4,265	8,126	3,861
Industrial	<u>19,225</u>	<u>36,629</u>	<u>17,404</u>
Total	32,682	62,268	29,586
Building Square Feet			
Commercial	4,327	8,243	3,917
Office	1,310	2,496	15,028
Industrial	<u>16,601</u>	<u>31,629</u>	<u>15,028</u>
Total	22,238	42,369	20,131

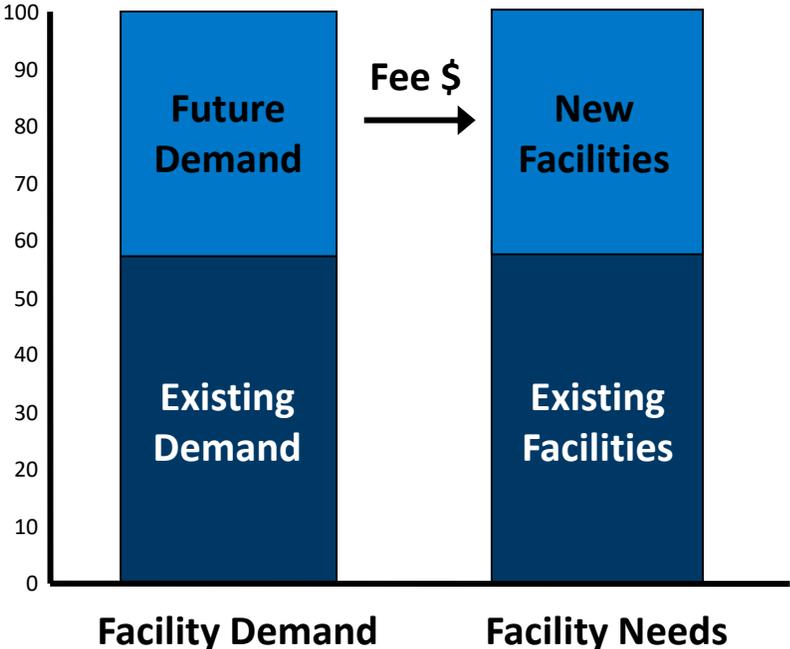
Cost Allocation Methods: *WHAT Facilities Serve WHO*



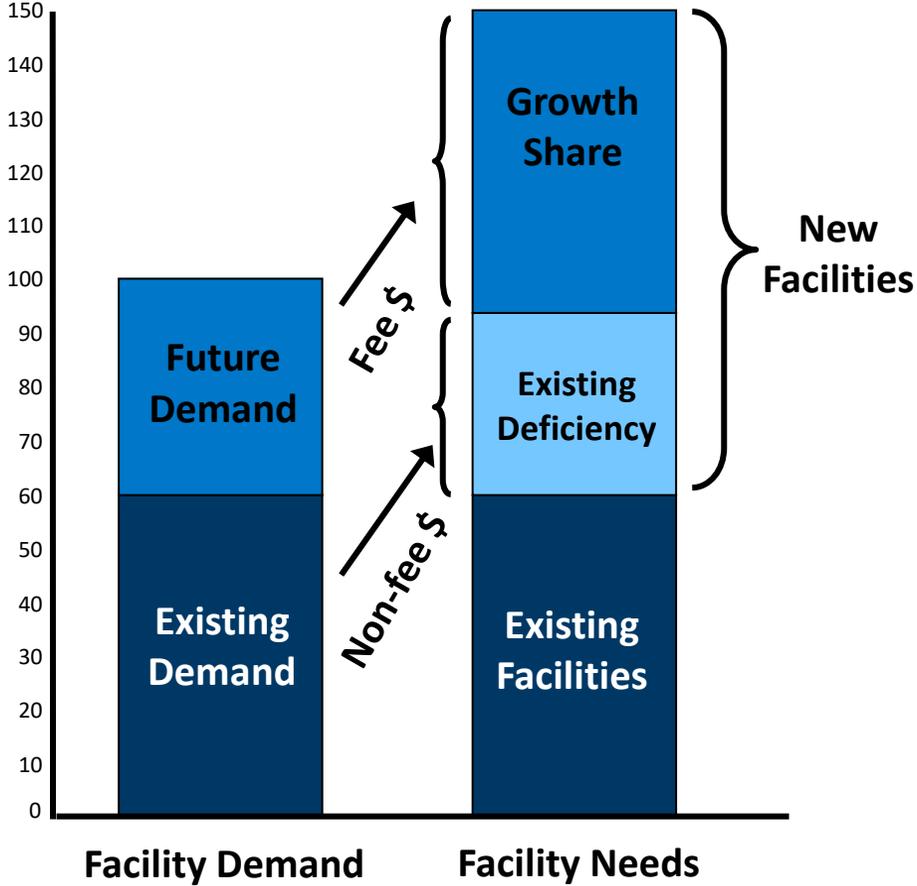
Existing Inventory vs. System Plan Approach

Existing Inventory vs. System Plan Method

Existing Inventory Method¹



System Plan Method (Increase Service Level)



¹ Also known as the Consumption-Based Methodology

Fee Program Methodologies

Existing Standard

Public Works Facilities

General Government

System Plan

Police Facilities

Parks and Trails

Major Facilities –Planned

General Government Facilities

- Joint Use Facility
- Civic Center Expansion

Public Works Facilities

- Material Storage Bay

Police

- Criminal Justice Center

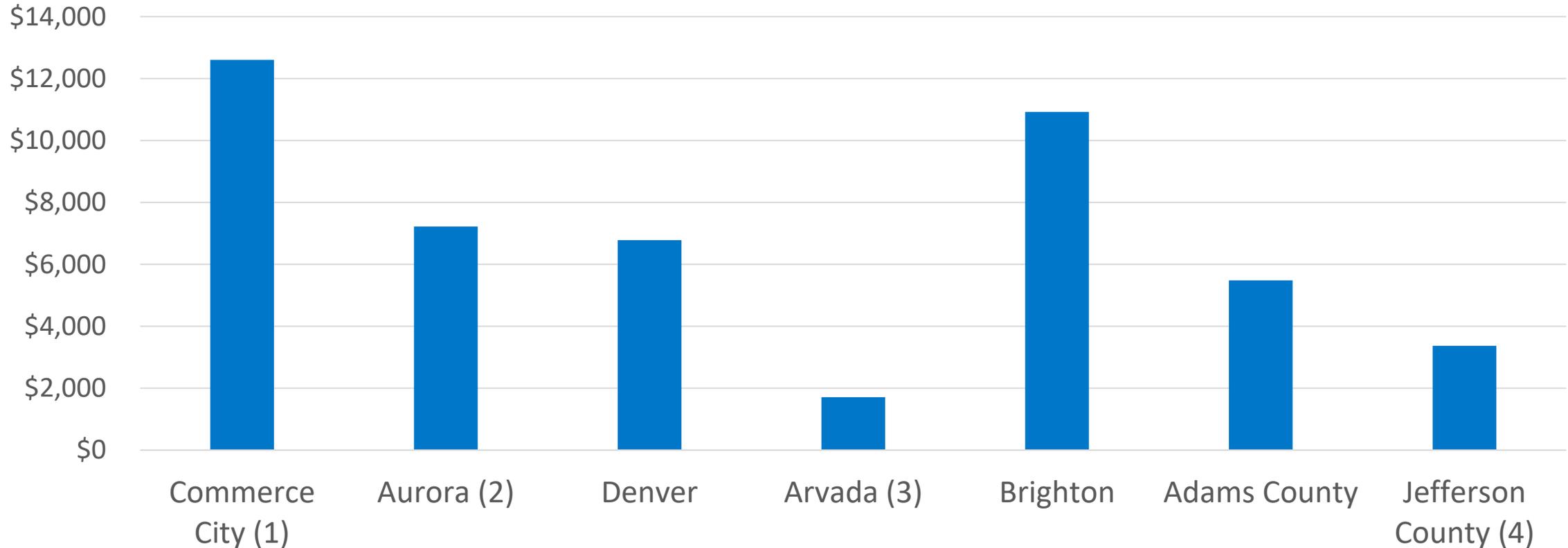
Parks, Trail & Golf Course

- Open Space – 402.61 Acres
- Developed Parks – 411 Acres
- Parkland– 432.49 Acres
- Trails – 148 Miles
- Bison Ridge Park – 13 Acres (New)

Maximum Justified Impact Fee Schedule

Land Use	General Government	Public Works	Parks	Police	Total
<u>Residential - Fee Per Dwelling Unit</u>					
Single Family Unit	\$ 707	\$ 612	\$ 7,502	\$ 2,175	\$ 10,966
Multifamily Unit	538	465	5,698	1,678	8,352
<u>Nonresidential - Fee per 1,000 Square Feet</u>					
Commercial	\$ 135	\$ 117	\$ 462	\$ 416	\$ 1,130
Office	206	180	707	707	1,731
Industrial	73	64	252	252	615

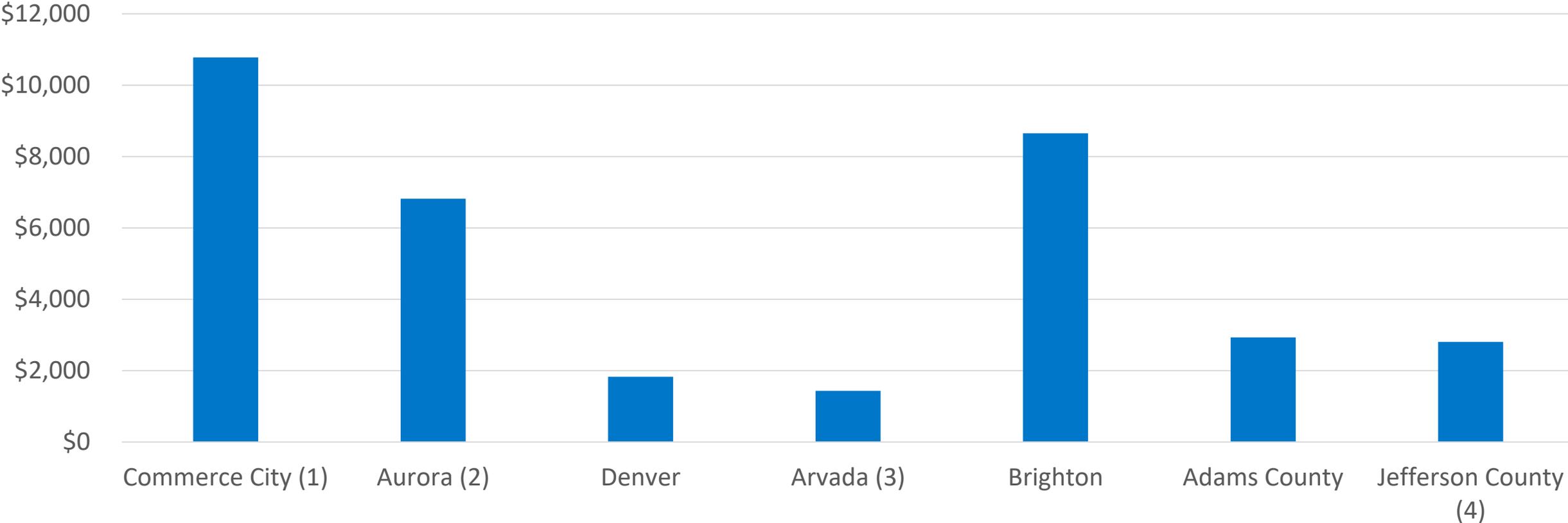
Comparison to Neighboring Entities – Single Family - per dwelling unit (assumes ¼ acre lot and 2,000 square foot building)



- (1) Includes existing road and drainage fees (Second Creek area)
- (2) Does not include required dedication of 7.8 acres of open space/trails per 1,000 residents
- (3) As a condition of development park and school land dedications are required
- (4) Plains Area

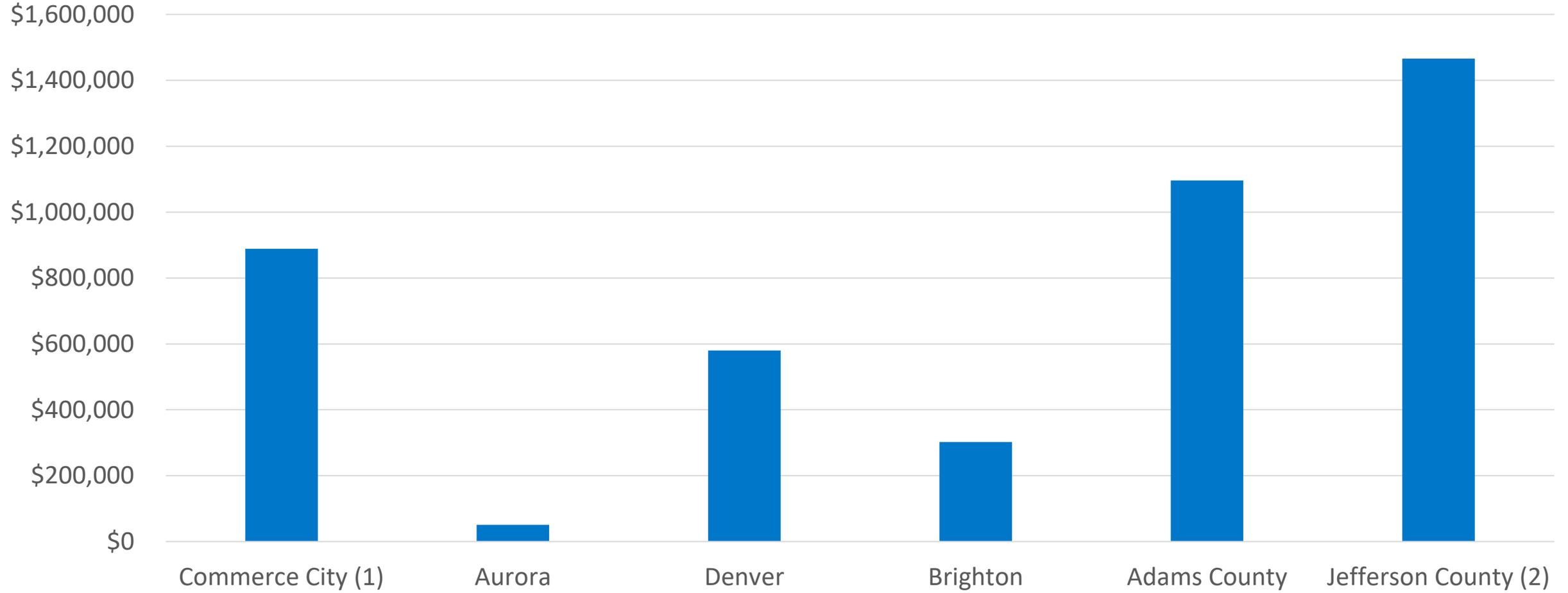
Comparison to Neighboring Entities – Multifamily - per dwelling unit (assumes 25 units on a 1 acre lot with 60% impervious area)

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- (1) Includes existing road and drainage fees (Second Creek area)
- (2) Does not include required dedication of 7.8 acres of open space/trails per 1,000 residents
- (3) As a condition of development park and school land dedications are required
- (4) Plains Area

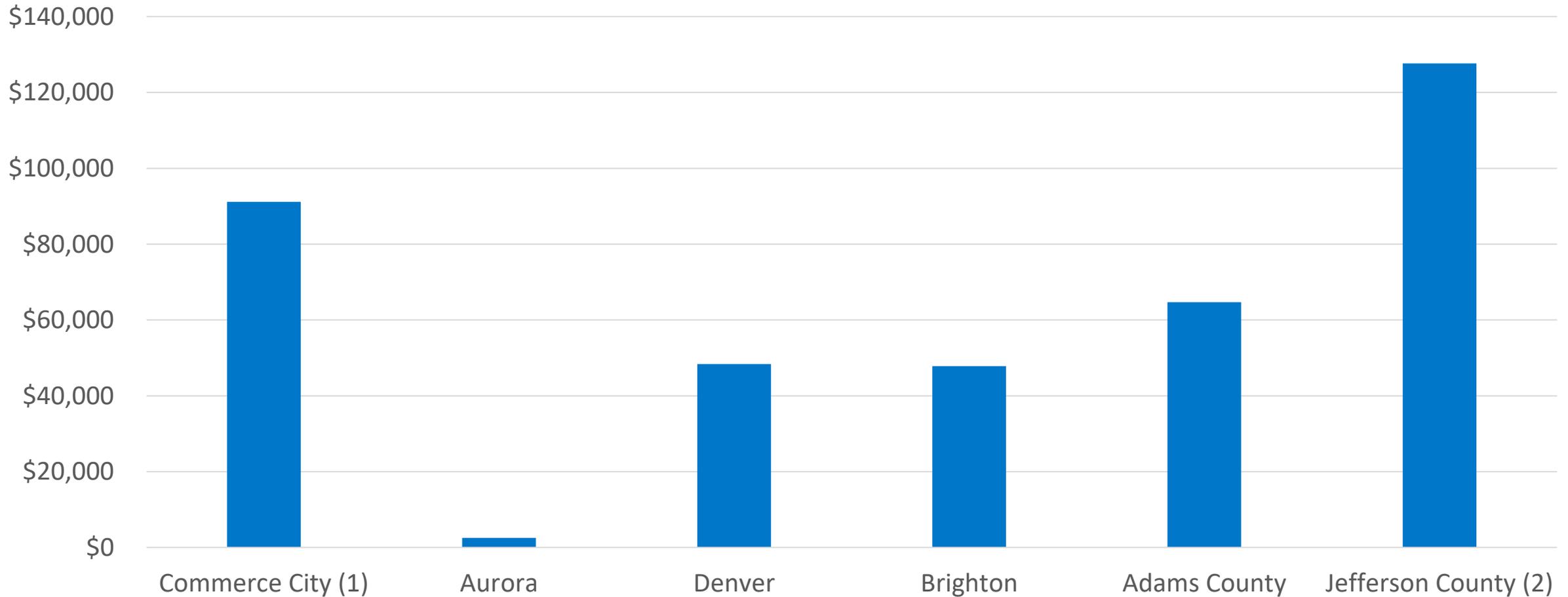
Comparison to Neighboring Entities – Commercial (shopping center 200,000 square feet on a 10-acre lot, 80% impervious)



(1) Includes existing road and drainage fees (Second Creek area)

(2) Plains Area

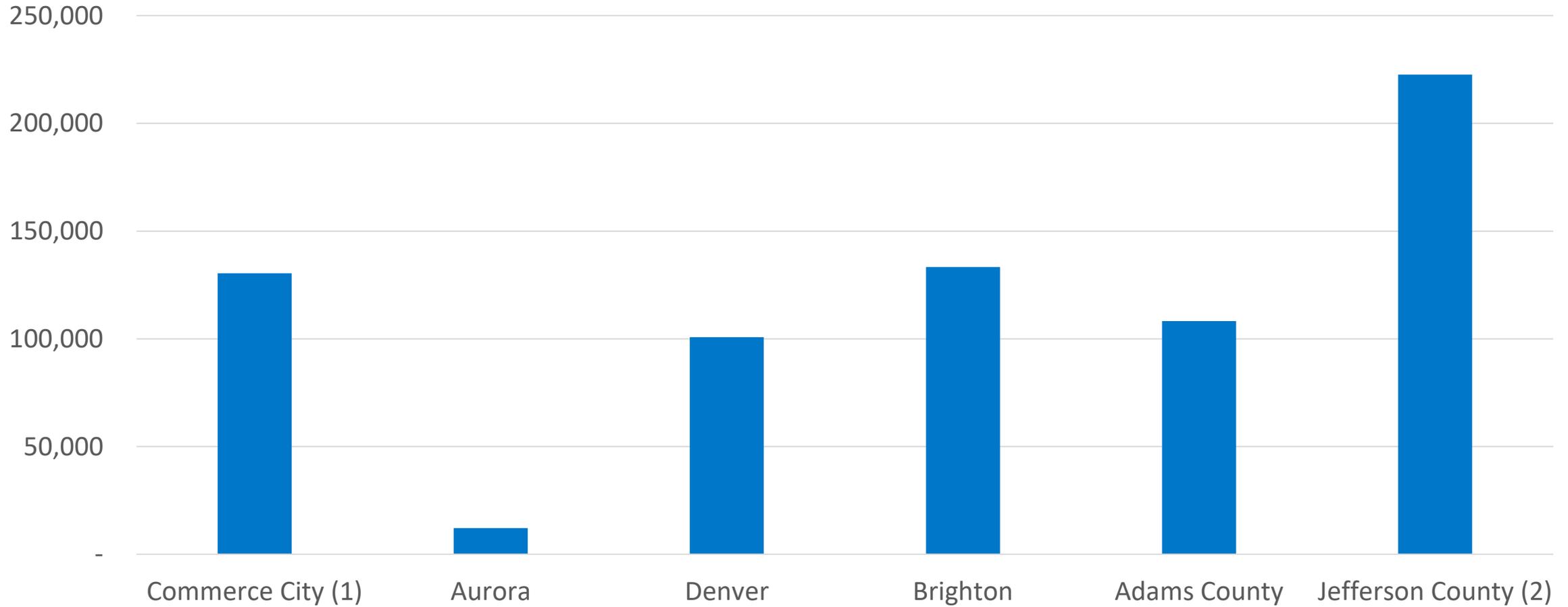
Comparison to Neighboring Entities – Office (general office 26,000 square feet on a 1/2-acre lot, 80% impervious)



(1) Includes existing road and drainage fees (Second Creek area)

(2) Plains Area

Comparison to Neighboring Entities – Industrial (warehouse 105,000 square feet on a 2-acre lot, 100% impervious)



(1) Includes existing road and drainage fees (Second Creek area)

(2) Plains Area



Questions