

## **..Title**

AN ORDINANCE AMENDING THE LAND DEVELOPMENT CODE OF THE CITY OF COMMERCE CITY BY UPDATING THE ROAD IMPACT FEES BASED OFF RECENT STUDIES OF THE SAME

## **..Body**

### **Summary & Background**

The original Road Impact Fee Study was completed in 1999 and the *Road Impact Fee Ordinance* was adopted on August 21, 2000. In 2004, the City completed an update to the *Road Impact Fee Study*, but this was never adopted by the City. Despite significant increase in population and construction costs, the 2000 road impact fees are still used today.

Recently, a *Roadway Impact Fee Study* was completed by Michael Baker International. The current fund balance for all road impact fee districts is approximately \$3M, and the City has a capital need of approximately \$633M (2021 estimates) to build out the rest of the City's arterial roadways. However, if this estimate is escalated using CDOT's Construction Cost Index (CCI) of 29.99% to get 2022 dollars, the estimate increases to \$823.9M, leaving a funding gap of about \$820M.

Options for implementing changes/increases to roadway impact fees were presented/discussed at a study session held on April 11, 2022 (see Attachment 1 for presentation). The City Council directed staff to charge 50% the maximum calculated fee for development within the C-1, C-2, & C-3 drainage districts. Furthermore, based on the October 24, 2022 discussions (see Attachment 2 for presentation), City Council directed staff to further investigate incentivizing certain uses the City Council has targeted and recruited by the Economic Development Department by not charging a roadway impact fee.

At the January 9, 2023 City Council study session, City Council directed staff to bring forward an ordinance to consider on the February 6, 2023 City Council agenda. The staff presentation is attached as Attachment 3 for reference.

This ordinance and the *Updated Directory of City Fees and Charges* reflects those recommendations made by the *Impact Fee Study* and by City Council. The table below illustrates the current fee being assessed, the maximum calculated fee, and the proposed fee for the Northern Range and Core City areas based on City Council input:

The Northern Range road impact fee schedule shall be calculated as shown on the table below:

Land Use Type	Development Unit	Current Fee per Development Unit	New Calculated Maximum Fee per Development Unit	Proposed Fee per Development Unit Based on Council Direction
<b>Industrial <sup>(1)</sup></b>				
110	General Light Industrial	1000 Sq. Ft.	\$1,146	\$3,393
130	Industrial Park	1000 Sq. Ft.	n/a	\$2,173
150	Warehouse	1000 Sq. Ft.	\$595	\$1,067
151	Mini-Warehouse	1000 Sq. Ft.	\$306	n/a
030	Transportation Terminal	Per 1 acre	\$18,468	n/a
<b>Residential</b>				
210	Single-Family Detached Housing	Dwelling Units	\$1,181	\$4,842
220	Multifamily Housing (low-rise)	Dwelling Units	\$726	\$2,745
221	Multifamily Housing (Mid-Rise)	Dwelling Units	n/a	\$2,173
240	Mobile Home Park	Per site	\$656	n/a
265	Lodging Establishment, including extended stay	Per room	\$674	n/a
<b>Lodging</b>				
310	Hotel	Rooms	\$674	\$2,935
311	All Suites Hotel	Rooms	n/a	n/a
312	Business Hotel	Rooms	n/a	n/a
330	Resort Hotel	Rooms	n/a	n/a
<b>Recreational</b>				
495	Recreational Community Center	1000 Sq. Ft.	n/a	\$11,322
431	Miniature Golf Course	1000 Sq.Ft.	n/a	n/a
436	Trampoline Park	1000 Sq.Ft.	n/a	n/a
437	Bowling Alley	1000 Sq.Ft.	n/a	n/a
444/445	Movie Theater	1000 Sq.Ft.	n/a	n/a
480	Amusement Park	1000 Sq.Ft.	n/a	n/a
482	Water Slide Park	1000 Sq.Ft.	n/a	n/a
<b>Institutional</b>				
520	Elementary School	1000 Sq. Ft.	\$656	\$5,032
522	Middle School/Junior High School	1000 Sq. Ft.	\$656	\$4,384
530	High School	1000 Sq. Ft.	\$656	\$3,584
620	Nursing Home/Assisted Living	1000 Sq. Ft.	\$420	n/a
560	Church	1000 Sq. Ft.	\$770	\$2,402
565	Day Care Center	1000 Sq. Ft.	\$3,701	\$13,076
575	Fire and Rescue Station	1000 Sq. Ft.	n/a	\$2,364
<b>Medical</b>				
610	Hospital	1000 Sq. Ft.	\$1,076	n/a
650	Free-Standing Emergency Room	1000 Sq. Ft.	n/a	\$7,472
<b>Office</b>				

	Land Use Type	Development Unit	Current Fee per Development Unit	New Calculated Maximum Fee per Development Unit	Proposed Fee per Development Unit Based on Council Direction
710	General Office Building	1000 Sq. Ft.	\$1,741	\$5,642	\$0**
720	Medical-Dental Office Building	1000 Sq. Ft.	\$4,279	\$16,965	\$0**
770	Business Park	1000 Sq. Ft.	n/a	\$2,059	\$0**
Retail/Commercial					
820	Shopping Center/Gen Retail (<100,000 sf)	1000 Sq. Ft.	\$4,471	\$10,446	\$0**
820	Shopping Center/Gen Retail (<500,000 sf)	1000 Sq. Ft.	\$3,229	\$10,446	\$0**
820	Shopping Center/Gen Retail (<1 million sf)	1000 Sq. Ft.	\$2,695	\$10,446	\$0**
820	Shopping Center/Gen Retail (1 million sf+)	1000 Sq. Ft.	\$2,398	\$10,446	\$0**
850	Supermarket	1000 Sq. Ft.	n/a	\$29,011	\$0**
862	Building Materials/Hardware/Nursery	1000 Sq. Ft.	\$3,771	\$6,663	\$0**
863	Electronics Superstore	1000 Sq.Ft.	n/a	n/a	\$0**
872	Bed and Linen Superstore	1000 Sq.Ft.	n/a	n/a	\$0**
876	Apparel Store	1000 Sq.Ft.	n/a	n/a	\$0**
879	Arts and Crafts Store	1000 Sq.Ft.	n/a	n/a	\$0**
881	Pharmacy w/ drive thru window	1000 Sq. Ft.	n/a	\$25,733	\$0**
882	Marijuana Dispensary	1000 Sq. Ft.	n/a	\$27,296	\$27,296
841	Auto Sales/Repair	1000 Sq. Ft.	\$1,636	n/a	n/a
912	Bank	1000 Sq. Ft.	\$5,250	\$32,595	\$16,298*
960	Convenience Store	1000 Sq. Ft.	\$4,725	\$74,421	\$37,360.50*
857	Discount Store	1000 Sq. Ft.	\$2,231	n/a	\$0**
890	Furniture Store	1000 Sq. Ft.	\$420	n/a	\$0**
444/445	Movie Theater	1000 Sq. Ft.	\$3,553	n/a	\$0**
934	Fast-Food Restaurant with Drive Thru	1000 Sq. Ft.	\$4,909	\$40,067	\$20,034*
932	High Turnover (Sit Down) Restaurant	1000 Sq. Ft.	\$3,325	\$27,296	\$0**
930	Fast Casual Restaurant	1000 Sq. Ft.	n/a	\$37,055	\$0**
931	Quality Restaurant	1000 Sq. Ft.	n/a	n/a	\$0**
937	Coffee/Donut Shop w/ drive thru	1000 Sq. Ft.	n/a	\$11,704	\$5,582*
940	Bread/Donut/Bagel w/ drive thru	1000 Sq. Ft.	n/a	\$10,255	\$5,127.50*
943	Automobile Parts & Service Center	1000 Sq. Ft.	n/a	\$6,328	\$3,164*
949	Car Wash & Detail Center	1000 Sq. Ft.	n/a	\$22,683	\$11,341.50*
971	Brewery Tap Room	1000 Sq. Ft.	n/a	n/a	\$0**

The Core City road impact fee schedule shall be calculated as shown on the table below.

Land Use Type	Development Unit	Current Fee per Development Unit	New Calculated Maximum Fee per Development Unit	Proposed Fee per Development Unit Based on Council Direction
<b>Industrial <sup>(1)</sup></b>				
110	General Light Industrial	1000 Sq. Ft.	\$1,146	\$1,899
130	Industrial Park	1000 Sq. Ft.	n/a	\$1,187
150	Warehouse	1000 Sq. Ft.	\$595	\$593
151	Mini-Warehouse	1000 Sq. Ft.	\$306	n/a
030	Transportation Terminal	Per 1 acre	\$18,468	n/a
<b>Residential</b>				
210	Single-Family Detached Housing	Dwelling Units	\$1,181	\$2,670
220	Multifamily Housing (low-rise)	Dwelling Units	\$726	\$1,543
221	Multifamily Housing (Mid-Rise)	Dwelling Units	n/a	\$1,187
240	Mobile Home Park	Per site	\$656	n/a
265	Lodging Establishment, including extended stay	Per room	\$674	n/a
<b>Lodging</b>				
310	Hotel	Rooms	\$674	\$1,602
311	All Suites Hotel	Rooms	n/a	n/a
312	Business Hotel	Rooms	n/a	n/a
330	Resort Hotel	Rooms	n/a	n/a
<b>Recreational</b>				
495	Recreational Community Center	1000 Sq. Ft.	n/a	\$6,290
431	Miniature Golf Course	1000 Sq.Ft.	n/a	n/a
436	Trampoline Park	1000 Sq.Ft.	n/a	n/a
437	Bowling Alley	1000 Sq.Ft.	n/a	n/a
444/445	Movie Theater	1000 Sq.Ft.	n/a	n/a
480	Amusement Park	1000 Sq.Ft.	n/a	n/a
482	Water Slide Park	1000 Sq.Ft.	n/a	n/a
<b>Institutional</b>				
520	Elementary School	1000 Sq. Ft.	\$656	\$2,789
522	Middle School/Junior High School	1000 Sq. Ft.	\$656	\$2,433
530	High School	1000 Sq. Ft.	\$656	\$1,958
620	Nursing Home/Assisted Living	1000 Sq. Ft.	\$420	n/a
560	Church	1000 Sq. Ft.	\$770	\$1,306
565	Day Care Center	1000 Sq. Ft.	\$3,701	\$7,240
575	Fire and Rescue Station	1000 Sq. Ft.	n/a	\$1,306
<b>Medical</b>				
610	Hospital	1000 Sq. Ft.	\$1,076	n/a
650	Free-Standing Emergency Room	1000 Sq. Ft.	n/a	\$4,095
<b>Office</b>				
710	General Office Building	1000 Sq. Ft.	\$1,741	\$3,145
720	Medical-Dental Office Building	1000 Sq. Ft.	\$4,279	\$9,376

	Land Use Type	Development Unit	Current Fee per Development Unit	New Calculated Maximum Fee per Development Unit	Proposed Fee per Development Unit Based on Council Direction
770	Business Park	1000 Sq. Ft.	n/a	\$1,127	\$0**
Retail/Commercial					
820	Shopping Center/Gen Retail (<100,000 sf)	1000 Sq. Ft.	\$4,471	\$5,934	\$0**
820	Shopping Center/Gen Retail (<500,000 sf)	1000 Sq. Ft.	\$3,229	\$5,934	\$0**
820	Shopping Center/Gen Retail (<1 million sf)	1000 Sq. Ft.	\$2,695	\$5,934	\$0**
820	Shopping Center/Gen Retail (1 million sf+)	1000 Sq. Ft.	\$2,398	\$5,934	\$0**
850	Supermarket	1000 Sq. Ft.	n/a	\$16,022	\$0**
862	Building Materials/Hardware/Nursery	1000 Sq. Ft.	\$3,771	\$3,679	\$0**
863	Electronics Superstore	1000 Sq.Ft.	n/a	n/a	\$0**
872	Bed and Linen Superstore	1000 Sq.Ft.	n/a	n/a	\$0**
876	Apparel Store	1000 Sq.Ft.	n/a	n/a	\$0**
879	Arts and Crafts Store	1000 Sq.Ft.	n/a	n/a	\$0**
881	Pharmacy w/ drive thru window	1000 Sq. Ft.	n/a	\$14,242	\$0**
882	Marijuana Dispensary	1000 Sq. Ft.	n/a	\$15,073	\$15,073
841	Auto Sales/Repair	1000 Sq. Ft.	\$1,636	n/a	n/a
912	Bank	1000 Sq. Ft.	\$5,250	\$18,040	\$9,020*
960	Convenience Store	1000 Sq. Ft.	\$4,725	\$41,361	\$20,681*
857	Discount Store	1000 Sq. Ft.	\$2,231	n/a	\$0**
890	Furniture Store	1000 Sq. Ft.	\$420	n/a	\$0**
444/445	Movie Theater	1000 Sq. Ft.	\$3,553	n/a	\$0**
934	Fast-Food Restaurant with Drive Thru	1000 Sq. Ft.	\$4,909	\$22,134	\$11,607*
932	High Turnover (Sit Down) Restaurant	1000 Sq. Ft.	\$3,325	\$15,132	\$0**
930	Fast Casual Restaurant	1000 Sq. Ft.	n/a	\$20,532	\$0**
931	Quality Restaurant	1000 Sq. Ft.	n/a	n/a	\$0**
937	Coffee/Donut Shop w/ drive thru	1000 Sq. Ft.	n/a	\$6,468	\$3,234*
940	Bread/Donut/Bagel w/ drive thru	1000 Sq. Ft.	n/a	\$5,697	\$2,849*
943	Automobile Parts & Service Center	1000 Sq. Ft.	n/a	\$3,501	\$1,751*
949	Car Wash & Detail Center	1000 Sq. Ft.	n/a	\$12,521	\$6,261*
971	Brewery Tap Room	1000 Sq. Ft.	n/a	n/a	\$0**

**Table Notes:**

(1) Land Uses with anticipated peak hour truck generation are based on Passenger Car Equivalents (PCE) using 1/2 of the truck percentage value defined in the Institute of Transportation Engineers Trip Generation Manual.

n/a – Category was not included in the study

\*Proposed fee is 50% maximum calculated per previous City Council Direction

\*\* Targeted use for recruitment by Economic Development per City Council Direction

Attachment 4 shows the draft revisions to the *Directory of City Fees and Charges* (Section 17(K), p28). Attachment 5 is the final *Road Impact Fee Report* dated April, 2022 completed by Michael Baker International. The *Updated Directory of City Fees and Charges* will be approved by the City Council through a Resolution following the second reading of the Road Impact Fee Ordinance (planned for March 20, 2023 City Council agenda) to take effect on May 1, 2023.

**Staff Responsible (Department Head):** Joe Wilson, Director of Public Works

**Staff Presenting:** Shawn Poe, PE, CFM, City Engineer, Chris Hodyl, Development Review Manager and Joe Wilson, Director of Public Works

**Financial Impact:** Collecting road impact fees from the development community is an important mechanism for cities to pay for a portion or all of future arterial roadway improvements required due to the impact of future development.

**Funding Source:** N/A

**Staff Recommendation:** Staff recommends the City Council approve the First Reading of the Ordinance Amending the Land Development Code of the City of Commerce City by Updating the Road Impact Fees Based on the Recent Impact Fee Study.

**Suggested Motion:** Motion to approve First Reading of an Ordinance Amending the Land Development Code of the City of Commerce City by Updating the Road Impact Fees Based on the Recent Impact Fee Study.