



STAFF REPORT

Planning Commission

ORDINANCE #2108

PC Date:	August 2, 2016	Case Planner:	Steve Timms
CC Date:	September 19, 2016		
Location:	City-Wide		
Applicant:	City of Commerce City		
Address:	7887 East 60 th Avenue, Commerce City, CO 80022		

Case Summary

Request:	Commerce City is requesting to update Section 21-9210 of the LDC (Park Impact Fees) by removing the requirement for park impact fees for non-residential developments.
Project Description:	Park Impact Fees have been in place within Commerce City since at least 1999 as a way to assist in the funding and development of parks throughout the City. Since the passage of the 2K sales tax increase, an alternative financing method has been created to help in this effort. As a way to be “business friendly” and to provide additional ED business incentive strategies, City Council has directed staff to remove the park impact fee for new non-residential development, of which the code language is found in Article IX of the LDC.
Staff Recommendation:	Approval

Attachments for Review: *Checked if applicable to case.*

☒ Proposed Language of Amendment.

Background Information

The Land Development Code is a “living document” that acts as a tool to guide future development of a community, protect neighborhoods, focus development, and enhance the environment. As a part of the public review process for the LDC, it was mentioned that the code would be an “on-going work in progress,” and that this document would continually evolve to reflect the needs and desires of the city. To implement this, changes or amendments are implemented periodically.

Since 2010, the Planning Commission and City Council have reviewed and approved a variety of updates to the Land Development Code. Some of these updates are topic specific (floodplain, marijuana, and signs) while others have been general or "housekeeping" in nature, which work to advance the goals and desires of the community. The item for this ordinance is topic specific and deals only with the park impact fee on non-residential development.

As a growing community, Commerce City’s needs are constantly evolving and monitoring development regulations helps to ensure that the regulations are relevant and reflect the community’s values. Therefore, future amendments and updates should be expected. Currently, there are no limitations or preclusions related to the number of zoning code amendments that the city may adopt.

Request and Analysis

The request is to modify Section 21-9210 of the LDC by removing the applicability of the park impact fee for non-residential development, such as commercial and industrial land. The residential applicability, formula for calculation, and collection methods of the park impact fee remains in place.

Development impact fees are a commonly used method of collecting a proportional share of funds from new development for infrastructure improvements and/or other public facilities. With rare exceptions, development impact fees are one-time funds, restricted to funding capital costs for new facilities or upgrades to existing facilities, and are not used for annual operations and/or maintenance. Impact fees may only be charged to new development and that the funds collected must be utilized on improvements needed as a result of the new development.

Pursuant to federal law, adoption of impact fees requires a "nexus" or linkage between the fees being charged, the impacts of new development, the benefit of the facilities needed to mitigate such impacts, and the proportional cost allocation among different fee categories. Impact fees must be adopted by City Council. The fees can vary by different geographical areas of the City. The revenue collected from impact fees may not be immediately available for projects because it may take some time to accumulate sufficient funding.

The City's current impact fee ordinance dates back to at least 1999. Since that time, the citizens have approved the 2K sales tax increase, with a portion of those proceeds to benefit park and recreation facilities. In an effort to remain competitive among jurisdictions and to act as an economic incentive, the City is proposing to remove the park impact fee for non-residential properties, as these types of properties typically have less use and impact than residential properties.

Study Session:

On June 13, 2016, staff held a study session with City Council at which time this item was discussed. At the study session, City Council felt this was an appropriate course of action to take as a way to incentivize and encourage new commercial and industrial growth within the City. City Council directed staff to prepare an amendment to the LDC to remove the park impact fee for non-residential developments.

Summary:

Staff is proposing this update to reflect the desire of City Council as a way to help incentivize new commercial and industrial development realizing the City now has a sales tax revenue stream to assist in any revenue offset that would have been collected on an individual property basis.

Development Review Team Recommendation

Based upon the analysis above, the Development Review Team recommends that the Planning Commission forward the requested amendments to the LDC to the City Council with a recommendation of approval.

Recommended Motion

To recommend approval:

I move that the Planning Commission recommend that City Council approve Ordinance #2108, an ordinance amending the Commerce City Land Development Code.

Alternative Motions

To recommend approval subject to condition(s):

I move that the Planning Commission recommend that City Council approve Ordinance #2108, an ordinance amending the Commerce City Land Development Code subject to the following conditions:

Insert Condition(s)

To recommend denial:

I move that the Planning Commission recommend that City Council deny Ordinance #2108, an ordinance amending the Commerce City Land Development Code because it fails to meet the following criteria:

List the criteria not met

I further move that, based upon this finding, the Planning Commission recommend that the City Council deny Ordinance #2108.

To recommend continuance:

I move that the Planning Commission continue the requested Ordinance #2108 to a future Planning Commission agenda.