



AGENDA ITEM SUMMARY

City Council

STAFF

Marc Virata, Civil Engineer
Dana Hornkohl, Capital Projects Manager
Monica Martinez, Financial Planning & Analysis Manager

SUBJECT

First Reading of Ordinance No. 001, 2024, Appropriating Prior Year Reserves in the Transportation Capital Expansion Fee Fund for Eligible Reimbursement to the Waterfield Fourth Filing Developer for Construction of Suniga Road, Vine Drive, and Merganser Street Improvements as Part of Waterfield Fourth Filing Phases 1 through 4; and for the Dedication of Suniga Road Right-of-Way.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$1,413,645 of Transportation Capital Expansion Fee (TCEF) Funds for expenditure from the Transportation Capital Expansion Fee Program Budget to reimburse the Waterfield Fourth Filing developer, DFC Waterfield, LLC (Developer), for its oversizing construction of Suniga Road, Vine Drive, and Merganser Drive. As part of Phases 1 through 4 of the Waterfield Fourth Filing, the Developer has constructed Suniga Road as a four-lane arterial, Vine Drive as a collector, and Merganser Drive to City standards as part of its development requirements. Per Section 24-112 of the City Code, the Developer is eligible for reimbursement from TCEF funds for the oversized, non-local portion of Suniga Road, Vine Drive, and Merganser Drive not attributed to the local portion obligation. Additionally, the Developer has dedicated Suniga Road right-of-way as a four-lane arterial from its western boundary to Timberline Road and is also eligible for reimbursement from TCEF funds for the oversized, non-local portion of Suniga Road right-of-way.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

The TCEF Program (formerly Street Oversizing), instituted by ordinance in 1979, was established to manage the construction of new arterial and collector streets, and is an "Impact Fee" funded program. The TCEF Program determines and collects impact fees from development and redevelopment projects. The collection of these impact fees contributes funding to growth-related City Capital Projects and reimburses development for constructing roadway improvements above the local street access standards. Section 24-112 of the City Code allows for reimbursement to developers for the construction of collector and arterial streets.

This reimbursement is for the Developer's construction above the local street access standards of Suniga Road, Vine Drive, and Merganser Drive as part of Waterfield Fourth Filing Phases 1 through 4. Suniga Road was built by the Developer as a four-lane arterial street including the completion of construction of

the median landscape and irrigation installation for the center median. Vine Drive was built by the developer as a collector street and Merganser Drive was realigned from its original curved alignment to a north-south street.

This reimbursement also includes the dedication of Suniga Road right-of-way beyond the local access standard width for the overall development from Waterfield Fourth Filing's western boundary to Timberline Road. The Developer dedicated Suniga Road right-of-way totaling approximately 295,000 square feet, with 56% of that amount attributable to oversizing beyond local access standard, and the remaining 44% attributable to local access requirements. Reimbursement for Suniga Road right-of-way accounts for the 56%/44% split between the City and Developer, with a land cost of \$2.32/square foot. This right-of-way includes the remaining portion of Suniga to be built to Timberline Road in a future phase.

Staff has reviewed the documentation provided by the Waterfield Fourth Filing developer and agrees that the requested reimbursement meets the requirements under City Code Section 24-112 for appropriation from TCEF funds. There is no metro district for Waterfield in which the developer may also seek reimbursement. Council consented to the dissolution of Waterfield Metropolitan Districts Nos. 1-3 by adopting Resolution 2021-086 on September 21, 2021. The Larimer County District Court approved the dissolution of the Waterfield Metropolitan Districts Nos. 1-3 on November 8, 2021.

The City Manager is recommending this supplemental appropriation and has determined it will not cause the total amount appropriated in 2024 in the Transportation Improvement Fund, the fund into which TCEF revenues are deposited and from which these appropriated funds will be expended, to exceed the current estimate of actual and anticipated and all other funds to be received in the Transportation Improvement Fund during the 2024 fiscal year.

In addition, this reimbursement under the TCEF program is subject to the Council's approval of this Ordinance to appropriate the needed funds, which approval is within the Council's sole discretion.

CITY FINANCIAL IMPACTS

This item appropriates \$1,413,645 of TCEF Funds into the Transportation Capital Expansion Fee Program Budget for reimbursement to the Waterfield Fourth Filing developer.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

Council Finance Committee recommended approval at its December 14, 2023, meeting.

PUBLIC OUTREACH

Public outreach is not required or contemplated in the requirements for reimbursement to developers as described under Municipal Code Sec. 24-112. – Transportation improvements reimbursement program.

ATTACHMENTS

1. Ordinance for Consideration
2. Waterfield Fourth Filing Phases 1 through 4 – TCEF Cost Allocation