



**TO:** FRUITA CITY COUNCIL

**FROM:** MIKE BENNETT, CITY MANAGER

**DATE:** APRIL 4, 2023

**AGENDA TEXT:** INDIBUILD PROPOSAL – Discussion and possible action regarding request for waiver of development impact fees and acceptance of internal roadway network as public improvements

**BACKGROUND**

IndiBuild has presented on the two proposals regarding the Fruita Mews development as summarized here.

IndiBuild has requested that the Fruita City Council:

1. Development impact fees:
  - a. Waive development impact fees as enumerated below; or
  - b. Accept payment of impact fees, but then lend the payment back to the project as a long-term, low-interest subordinate loan.
  
2. Public improvements:
  - a. Accept dedication of internal roadways as public improvements after City staff reviews and approves the revised construction plans and specifications.

**FISCAL IMPACT**

1. Request for City to waive payment of all, a portion of the development impact fees, or allow the fees to be paid over time at a low interest rate in a subordinate position.
 

a. Open Space Fee	\$ 93,000
b. Transportation Impact Fee	\$172,225
<i>(includes a per unit credit of \$2,223 for improvements to K 4/10 Rd.)</i>	
c. Chip Seal Fee	<u>\$ 20,927</u>
<i>(IndiBuild estimate with dedication of internal roads – currently \$4,850 based on exterior K.4 Road only)</i>	
<b>TOTAL</b>	<b>\$270,750</b>
  
2. Acceptance of internal roadways as public improvements:
  - a. Additional maintenance and improvements cost to internal roadway network

### **OPTIONS AVAILABLE TO THE CITY COUNCIL**

1. Approve either one or both requests for a) waiver of impact fees or deferral of impact fees and b) acceptance of internal roadway as a public improvement, as presented or with modifications
2. Deny the request
3. Provide direction to staff to develop a broader policy on impact fee waivers and/or incentives for all affordable housing developments