



FRUITA
COLORADO

AGENDA ITEM COVER SHEET

TO: Fruita City Council and Mayor

FROM: Planning & Development Department

DATE: June 6, 2023

AGENDA TEXT: ORDINANCE 2023-06, 1st Reading – An Ordinance amending certain sections of Chapter 17.47 of the Fruita Land Use Code concerning Impact Fees for publication of public hearing on July 18, 2023 – *Planning & Development Director Dan Caris*

BACKGROUND

This is a request for approval of amendments to the Land Use Code concerning the timing of payment of impact fees for residential, non-residential, and multifamily developments. An amendment to the Parks, Health, Recreation, Open Space, and Trails (PHROST) Impact Fee Base Value is proposed as well as clarifying a base rate adjustment based on a 10-year average of how the Transportation Impact Fees are calculated.

TIMING OF PAYMENT:

For residential developments, (single-family, townhomes, and condominiums as defined in Section 17.57 Definitions and Rules of Interpretations of the Land Use Code) impact fees will be due in full at the time of permit approval for a Planning Clearance.

For non-residential and multifamily developments, impact fees are currently due at Planning Clearance approval. Staff is proposing these fees be calculated and due at the time of the issuance of a Certificate of Occupancy.

Also, the Ordinance states that all accessory dwelling units are excluded from paying impact fees.

PARKS, HEALTH, RECREATION, OPEN SPACE, AND TRAILS IMPACT FEES:

With regard to the PHROST Fee itself, City Council directed Staff to conduct an Impact Fee Study (in accordance with the PHROST Master Plan) for the implementation and determine the appropriate impact fee based on level of service and cost factors. The fees represent the highest amount supportable for each type of housing unit, which represents new growth's fair share of the cost for capital facilities. For Single Family, the maximum supported fee is \$3,179 and for Multifamily, its \$2,154. The City may adopt fees that are less than the amounts shown. However, a reduction in impact fee revenue will necessitate an

increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in levels of service.

TRANSPORTATION IMPACT FEE:

As for the Transportation Impact Fees, the Ordinance proposes adding additional language regarding the basis for which the Transportation Impact Fee values are set. The ordinance proposes a 10-year rolling average of the Colorado Department of Transportation's Construction Cost Index. The purpose of this is to avoid large increases or decreases year-over-year for the City's Transportation Impact Fee values.

The modifications to this section also include removing an old phasing schedule related to the implementation of the Transportation Impact Fee when amendments took place in 2020.

The Planning Commission will be reviewing these proposed amendments at their June 13, 2023, public hearing.

FISCAL IMPACT

Staff does not expect any negative fiscal impacts associated with these amendments.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

Goal #1: Ensure Access to Programs and Events and the Places for Them

Fruita residents enjoy being active and gathering for events and festivals. Ensuring that these remain affordable, are adequately funded, and effectively reflect community interests is necessary.

Policy 1.1 Support financial strategies that allow for the provision of adequate facilities and programs into the future.

1.1.1: Develop short-term cost recovery percentages with the goal of establishing resource allocation/cost recovery philosophy and policy using a community-informed model for all fees charged by FPR.

1.1.2: Prioritize the funding of large capital parks and recreation facilities such as completing primary trails development, Reed Park Renovation, Little Salt Wash Park Expansion, Lagoon Development Area, future land acquisition in the southeast area of the Urban Development Boundary (UDB), and Etchart Park Design and Construction by further evaluating Chapter 17.19, Section 17.19.090 of the Fruita Municipal Code to update development costs which will result in the per household maximum combined parkland and trail impact fee.

1.1.3: Evaluate land values and current construction costs to update the POST Impact Fee.
(Page 111, Fruita Parks, Health, Recreation, Open Space, and Trails Master Plan)

Additionally, it is a commitment of Staff to continue to review the Land Use Code to help ensure that the regulations reflect the best promotion of Fruita's Core Services.

OPTIONS AVAILABLE TO THE COUNCIL

1. Publish a synopsis of Ordinance 2023-06, an Ordinance amending certain section of Title 17.47 of the Fruita Land Use Code concerning Impact Fees for publication of public hearing on July 18, 2023.
2. Deny Ordinance 2023-06.

RECOMMENDATION

It is the recommendation of Staff that the Council by motion:

PUBLISH A SYNOPSIS OF ORDINANCE 2023-06, 1ST READING, AN ORDINANCE AMENDING CERTAIN SECTIONS OF TITLE 17.47 OF THE FRUITA LAND USE CODE CONCERNING IMPACT FEES FOR PUBLIC HEARING ON JULY 18, 2023.