

City of Greeley, Colorado  
**CITY COUNCIL WORK SESSION REPORT**  
November 15, 2022

**1. Call to Order**

Mayor John Gates called the meeting to order at 6:00 p.m. in the City Council Chambers at 1001 11th Ave, Greeley, Colorado, with hybrid participation available via the City's Zoom platform.

A work session and a business meeting will be held back-to-back, with a regular Council meeting being held immediately following this work session.

**2. Pledge of Allegiance**

Mayor Gates led the Pledge of Allegiance.

**3. Roll Call**

City Clerk Heidi Leatherwood called the roll.

The following members of Council were present:

Councilmember Tommy Butler

Councilmember Deb DeBoutez

Mayor Pro Tem Brett Payton

Councilmember Ed Clark

Councilmember Johnny Olson

Mayor John Gates

Excused Absence- Councilmember Dale Hall

**4. Reports from Mayor and Council**

None

**5. Development Fee Discussion**

Finance Director John Karner introduced the item, Development Impact Fees Proposed Adjustments, with a presentation at 6:01 p.m.

Mr. Karner provided a recap of the development fee purpose and the September discussion, an overview of the use of additional development fee funding, a review of 2020 proposed fee adjustments, and Council direction and timeline.

The City looks at fees every five years and adopts a fee structure based on two factors:

1) existing service levels provided to citizens; and

- 2) forecast for growth. The study is intended to propose a fee structure to capture revenue to develop and build off the current infrastructure to maintain service levels.

#### An Overview of the use of Additional Development Fee Funding:

The 2020 study proposed the following options:

- 1) Adopt the fees; and
- 2) If the fees are not adopted, there will be a gap in funding that can be addressed in two ways:
  - a. Reduce service levels
  - b. Subsidize the gap through other funding sources

If the City were to move forward with approving development fees, the revenue would be funded via six development funding sources:

- Trails Development Fees
- Transportation Development Fees
- Stormwater Development Fees
- Police Department Fees
- Fire Detail

Development fees can only be used for growth or expansion, not maintenance.

#### Review of 2020 Proposed Development Impact Fee Adjustments:

Two proposed changes recommended by the 2020 study:

1. Change in fees based on cost factors, existing service levels, and funding needs for the City.
2. Methodology of how fees are applied, moving to a tiered approach based on square footage and size of the development.

#### Council Direction and Timeline:

Two Directions:

1. If Council decides to keep fees the same, they will be updated administratively with a letter going out to the development community this month and fees effective March 1, 2023. Inflationary factors included, would not be included in the 2014 study.
2. If Council recommends adopting the 2020 proposed fee structure the timeline is:
  - November 15, 2022 - First Reading
  - December 6, 2022 – Second Reading,
  - Development Memo Published (~90 days' notice)
  - March 1, 2023 – New Fees Effective

Inflationary factors over the last two years would be included to ensure fees were caught up as imposed for the 2020 plan.

Mayor Pro Tem Payton requested clarification on inflationary add-ins, a timing for this presentation, specifically at the November 15, 2022 meeting, and removal of the multi-family fee structure. Additionally, Mayor Pro Tem Payton expressed his concern that there hasn't been sufficient time to review and understand the material being asked to vote on tonight.

In response to the question, Mr. Karner responded that inflationary add-ins are included in the original study and clarified that the multi-family fee structure remains, however, it is based on per unit.

Stacey Aurzada, Deputy City Attorney, provided guidance on the timing for providing notice.

An additional conversation ensued regarding the timing of the new fee study.

Councilmember Olson requested clarification regarding parks and trails included in development plans, and if the same thing applies to Metro Districts. In response, Becky Safarik, Interim Community Development Director, provided clarification on development fees, which contribute to the building of parks and trails. Developers are not required to build a park; they are required to pay the fees for parks in the area. Mr. Karner and Ms. Safarik clarified that building parks is not a requirement of Metro Districts in Greeley.

Councilmember Olson requested an additional discussion on Metro Districts, and asked for additional clarification on the tier structure, and existing fee structure for single and multi-family builds.

Councilmember Butler requested clarification on the reason for the fee structure changes and expressed a sense of inequity for smaller homes.

Kalen Myers, Special Projects Manager, provided background on the tier structure as an industry standard across municipalities, based on the demand on the infrastructure that is innate to increased populations. The tier structure is intended to be agnostic of the development type, treating residential the same across the board.

Councilmember DeBoutez expressed support for the tiered structure.

Councilmember Clark asked for clarification on the meeting with the developers and inflation fees, noting he also feels the request to vote tonight was too soon.

Additional conversation regarding inflation ensued.

Mayor Pro Tem Payton expressed the intention to pull this agenda item if it goes to the first reading based on insufficient time to review, and asked for clarification on Stormwater, Transportation, Impact, and Commercial fees.

**Mayor Gates closed the discussion at 6:51 p.m. and the item will be removed from the consent agenda.**

**No objections from Council or Staff.**

**6. Scheduling of Meetings, Other Events**

None.

**7. Adjournment**

Mayor Gates adjourned the meeting at 6:51 p.m.

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John D. Gates, Mayor

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Heidi Leatherwood, City Clerk