

City Council Work Session Agenda Summary

December 13, 2022

John Karner, Finance Director

Title:

Development Impact Fee Follow-up Discussion

Background:

In 2020 the City contracted with Raftelis Consulting ("Raftelis") through a competitive process to update its development impact fee schedule in accordance with the Greeley Municipal Code requirement to review development fees every five years. Following presentation of that update in the fall of 2020, City Council elected to suspend adoption of the study's fee recommendations, defaulting to a development fee schedule created in 2014.

The continuation of fees at 2014 levels and unexpected level of new growth experienced over the past two years has combined to create an expanding funding gap between the fees collected and capital projects that can be constructed to support growth-related improvements. Increasingly, the City has suspended, modified, phased or reduced the scope of capital projects and/or shifted and subsidized crucial growth-related projects from other planned expenditures or funding sources.

This funding gap was presented for City Council consideration and discussion during its September 13 and November 15, 2022 work sessions. At the November work session, City Council requested more time to consider the proposed fee adjustments and requested that staff return with additional detail on the 2020 Impact Fee Study methodology and proposed fees. The attached presentation includes new detail on the proposed fee structure with background about the recommendation along with options for Council to consider around if and how to implement any development fee changes. In addition, the lead consultant from Raftelis – Todd Cristiano – will be present virtually to participate in the presentation and address questions.

If Council consensus is to implement the proposed fee structure, a first reading of an ordinance to amend the development fees will appear on the January 3, 2023 Regular Council meeting. If so introduced, the second reading could take place on January 17, 2023. If adopted the new fee

schedule would be effective on March 1, 2023, as set forth in the Greeley Municipal Code.

Decision Options:

Direction from Council on how to proceed with the proposed development fee structure.

Attachments:

Development Impact Fees – Updated PowerPoint Presentation