

City Council Work Session Agenda Summary

November 15, 2022

John Karner, Finance Director

Title:

Development Impact Fees Proposed Adjustments

Background:

In 2020 the City contracted with Raftelis Consulting 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 fall of 2020, however, 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.

Staff discussed this funding gap with City Council during its September 13, 2022, work session. Council agreed to have staff return with a detailed and updated fee schedule along with the projects that could be completed with the additional revenue generated from an updated 2020 Development Impact Fee study. The attached presentation summarizes the proposed fee changes and specific projects that could be funded if the new fee structure is adopted.

The draft updated development impact fee schedule was shared with the following groups following the September 13, 2022 Council work session:

- September 27: City Stormwater Board
- November 8: Community Development Builder/Realtor stakeholder meeting
- November 9: Citizen Budget Advisory Committee

If adopted the new fee schedule would be effective on March 1, 2023, as set forth in the Greeley Municipal Code. In order to maximize the notification period for any Council-approved Development Impact Fee Increases, the first reading of an ordinance to amend the development fees appears on the November 15 Regular Council meeting directly following this work session. If so introduced, the second reading could take place on December 6, 2022.

Strategic Work Program Item or Applicable Council Priority and Goal:

Sustainable Infrastructure and Mobility

Decision Options:

This presentation has been scheduled to augment the subsequent introduction and first reading of the updated fee schedule at tonight's regular Council meeting.

Attachments:

PowerPoint Presentation