



To: Mayor Kudron and the Board of Trustees

From: John Crone, Town Manager, Kim White, Community Development Director

Re: Grand Sunset LLC and Majestic Corner LLC Request for Refund of Parking in Lieu Fees

Date: September 26, 2022

Background

In January 2020, the Board of Trustees passed a resolution raising the parking in lieu fee from \$1,000/space to \$20,000/space. At a recent meeting, Grand Sunset LLC and Majestic Corner LLC asked that the Town refund \$65,000 in fees that were paid for two projects (Boardwalk Plaza and Portal Crossing). The developer ended up providing all of the required parking on site at these two locations. These fees were still at the \$1000/space level when the fees were paid (65 total parking spots).

The parking in lieu fee is a tool that can be used by developers to work around the need to provide parking at new developments. Whenever a development is presented to the Town for approval, staff determines the number of parking spaces required based upon proposed size and use. These requirements are based upon highly researched standards. When the Board raised the rates to \$20,000/space, the fee reflected the average national cost of creating one parking space. The \$20,000/space fee was similar to the fee charged in most mountain communities.

Town Code

Grand Lake Municipal Code 12-2-28(B)(4) controls the parking fee in lieu program.

Parking Fee in Lieu. For each parking space unable to be provided by the applicant, owner, or developer; a fee payment shall be in-lieu of the parking space required and shall be non-refundable. This fee may be amended from time to time by resolution adopted by the Board of Trustees. The parking fee shall be assigned to a particular lot or parcel, and may not thereafter be conveyed, assigned or transferred to any other property. The parking fee-in-lieu shall be paid in full prior to or concurrent with the issuance of a building permit and collected by Grand County Community Development Department.



Discussion

Town Staff does not believe that the Town Code allows for the refund of the fees paid. By explicitly calling out in the Town Code that the fees are non-refundable, it is clear that previous Boards anticipated situations where fees may be paid but not used to acquire parking waivers. As a result, the Town has not budgeted possible refunds.

That being said, if the Board feels that it is in the best interests of the Town to provide money to the developers to offset the fees paid, that would be well within the Board's power and authority. If the Board wishes to do this, staff will prepare a supplemental budget resolution to present at the next possible meeting. In such a case, the Board should also request that staff prepare an ordinance to allow for refunds of parking in lieu fees in future situations. If the Board does not wish to offset the fees paid, no further action is required.