

# Fort Collins City Council Work Session Agenda

6:00 p.m., Tuesday, April 9, 2024

Council Information Center (CIC), 300 Laporte Avenue, Fort Collins, CO 80521

**NOTE: New location for Council work sessions.**

## NOTICE:

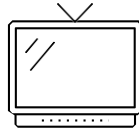
Work Sessions of the City Council are held on the 2nd and 4th Tuesdays of each month in the Council Information Center (CIC) of the 300 Building. Meetings are conducted in a hybrid format, however there is no public participation permitted in a work session.

City Council members may participate in this meeting via electronic means pursuant to their adopted policies and protocol.

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Meetings are open to the public and can be attended in person by anyone.



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*A solicitud, la Ciudad de Fort Collins proporcionará servicios de acceso a idiomas para personas que no dominan el idioma inglés, o ayudas y servicios auxiliares para personas con discapacidad, para que puedan acceder a los servicios, programas y actividades de la Ciudad. Para asistencia, llame al 970.221.6515 (V/TDD: Marque 711 para Relay Colorado). Por favor proporcione 48 horas de aviso previo cuando sea posible.*



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# City Council Work Session Agenda

April 9, 2024 at 6:00 PM

Jeni Arndt, Mayor  
Emily Francis, District 6, Mayor Pro Tem  
Susan Gutowsky, District 1  
Julie Pignataro, District 2  
Tricia Canonico, District 3  
Melanie Potyondy, District 4  
Kelly Ohlson, District 5

Council Information Center (CIC)  
300 Laporte Avenue, Fort Collins

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Carrie Daggett  
City Attorney

Kelly DiMartino  
City Manager

Heather Walls  
Interim City Clerk

## CITY COUNCIL WORK SESSION 6:00 PM

### A) CALL MEETING TO ORDER

### B) ITEMS FOR DISCUSSION

#### 1. Impact Fees Discussion.

The purpose of this item is to share with the Council the findings of the Capital Expansion Fee Study, Transportation Capital Expansion Fee Study, and Utility model updates that were completed in Q4 2023. Additionally, the preliminary work from the ongoing Water Utility 2024 updates and City and Front Range Communities' approaches to fee offsets have been incorporated into the holistic analysis. The fee studies were last updated comprehensively in 2017, with rates implemented over a three-year timeframe from 2018 to 2020.

#### 2. Water Supply Requirements, Excess Water Use Charges, and Non-Residential Allotments.

The purpose of this item is to provide Council and the community with an update on the project plan and analysis regarding three related items for Fort Collins Utilities (Utilities) water customers:

- Revisions to the Water Supply Requirement (WSR) fee methodology;
- Revisions to the excess water use surcharge (surcharge); and
- Assignment of annual water allotments (allotments) for non-residential customers, specifically, pre-1984 non-residential accounts (pre-1984 accounts) that currently do not have allotments.

The feedback from this Work Session will be considered and addressed at the July 16 Work Session.

#### 3. Discussion of the 2024 Appropriation of the First Year of the 2050 Tax for Parks, Recreation, Transit and Climate (2050 Tax).

The purpose of this item is to discuss the items being considered for the 2024 appropriation the first year of the new 2050 Tax. In November 2023, Fort Collins voters approved this 0.5% Sales & Use Tax increase, which is dedicated to the areas of Parks, Recreation, Transit and Climate. This tax begins in 2024 and expires at the end of 2050.

**C) ANNOUNCEMENTS**

**D) ADJOURNMENT**

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*A solicitud, la Ciudad de Fort Collins proporcionará servicios de acceso a idiomas para personas que no dominan el idioma inglés, o ayudas y servicios auxiliares para personas con discapacidad, para que puedan acceder a los servicios, programas y actividades de la Ciudad. Para asistencia, llame al 970.221.6515 (V/TDD: Marque 711 para Relay Colorado). Por favor proporcione aviso previo. Las solicitudes de interpretación en una reunión deben realizarse antes del mediodía del día anterior.*

April 9, 2024

# WORK SESSION AGENDA ITEM SUMMARY

City Council




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## STAFF

David Lenz, Director, Financial Planning & Analysis  
 Randy Reuscher, Lead Rate Analyst, Utilities  
 Marc Virata, Engineer III, Planning, Development & Transportation

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## SUBJECT FOR DISCUSSION

**Impact Fees Discussion.**

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## EXECUTIVE SUMMARY

The purpose of this item is to share with the Council the findings of the Capital Expansion Fee Study, Transportation Capital Expansion Fee Study, and Utility model updates that were completed in Q4 2023. Additionally, the preliminary work from the ongoing Water Utility 2024 updates and City and Front Range Communities' approaches to fee offsets have been incorporated into the holistic analysis. The fee studies were last updated comprehensively in 2017, with rates implemented over a three-year timeframe from 2018 to 2020.

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## GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. Prior to consideration of ordinances updating fees for 2025, what questions do Councilmembers have related to the Fee Studies and Utility model updates?
2. What policy considerations and/or options do Councilmembers want to investigate further?

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## BACKGROUND / DISCUSSION

### Work to Date:

During 2023, staff worked both internally and with external consultants to update the City's development related impact fees. This resulted in two study updates: the Capital Expansion Fee Study (CEF), covering neighborhood and community parks, fire, police and general governmental services Capital Expansion Fees, and the Transportation Capital Expansion Fee Study (TCEF).

Additionally, the City's utility organizations underwent their biennial internal update of their impact fee models, composed of Plant Investment Fees (PIFs), Electric Capacity Fee (ECF), Water Supply Requirement (WSR), excess water use and allotments. During the August 8, 2023, work session with Council, the WSR and excess water use were discussed, and a decision was made to defer decisions around these two items until more work was undertaken (expected to last throughout 2024).

During Council Finance Committee meetings on October 5, 2024, and December 14, 2024, the CEF and TCEF Study updates were discussed with the committee. The Utility Water, Wastewater (Sewer), and Stormwater PIFs, and ECF updates were also discussed. Staff presented the background, methodologies, and findings of the external study updates and internal utilities fee model updates. New fee schedules for all impact fees reflecting the study and model updates were presented.

After discussion with the committee about the results of the study and fee model updates, the Committee recommended that staff proceed with inflation-only adjustments to the CEF, TCEF, Utility PIFs and ECF for 2024.

These inflation updates were adopted by Council on second reading on February 20, 2024, and became effective on March 1, 2024. The CEFs increased by **5.6%**; the TCEF and Utility fees increased by **7.4%**.

**Study/Model Updates:**

Transportation Capital Expansion Fee (TCEF)

TCEF is a one-time fee collected from development and redevelopment to mitigate impacts to the transportation network. It is used to support growth share related infrastructure improvements which add capacity to the system from both a roadway and multi-modal perspective. Fees cannot be used for improvements which solely benefit adjacent development, existing deficiencies, and/or for maintenance.

The City contracted with TischlerBise for the current TCEF study update. The 2023 TCEF study uses a combination of incremental expansion for roadways and plan-based methodologies to provide improvements for Active Modes.

For residential development, updated amounts are based on square feet of finished living space. Garages, porches and patios are excluded from the TCEF assessment. For nonresidential development, TCEFs are stated per thousand square feet of floor area, using three categories. The TCEF schedule for nonresidential development is designed to provide a reasonable fee amount for general types of development. There has been further emphasis on active modes and to provide further clarity the maximum supportable fee schedule is broken down by roadway capacity and active modes.

Summary fees are highlighted below with a comparison to the 2023 fees and the TCEF Draft Report with full detail is included as Attachment 1.

Residential	Unit	Roadway Fee	% of Total	Active Modes	% of Total	Update Total	2023 Total	Change	% Change
up to 700 sq. ft.	Dwelling	\$2,863	91%	\$272	9%	\$3,135	\$2,703	\$432	16%
701-1,200 sq. ft.	Dwelling	\$4,988	91%	\$487	9%	\$5,475	\$5,020	\$455	9%
1,201-1,700 sq. ft.	Dwelling	\$6,363	91%	\$625	9%	\$6,988	\$6,518	\$470	7%
1,701-2,200 sq. ft.	Dwelling	\$7,380	91%	\$726	9%	\$8,106	\$7,621	\$485	6%
over 2,200 sq. ft.	Dwelling	\$8,191	91%	\$809	9%	\$9,000	\$8,169	\$831	10%
Development Type	Unit	Roadway Fee	% of Total	Active Modes	% of Total	Update Total	2023 Total	Change	% Change
Commercial	1,000 sq. ft.	\$11,045	94%	\$702	6%	\$11,747	\$9,946	\$1,801	18%
Office & Other Services	1,000 sq. ft.	\$6,450	86%	\$1,075	14%	\$7,525	\$7,327	\$198	3%
Industrial	1,000 sq. ft.	\$2,897	75%	\$944	25%	\$3,841	\$2,365	\$1,476	62%

Other Capital Expansion Fees (CEFs)

The City has five separate CEFs, related to neighborhood and community parks, and fire, police and general government services. These fees were initially adopted in 1996 based on an internal study by staff. External study updates were completed in 2013 and 2017 by Duncan Associates. The studies relied on

the standards-based (or incremental expansion) methodology, which bases the fees on the existing levels of service. The new fees were adopted in 2017 and implemented over a three-year time period.

In the spring of 2023, the City solicited bids and contracted with Economic & Planning Systems, Inc. (EPS) to update the Capital Expansion Fee Study. The EPS Study Update adheres to the existing standard-based approach to fee calculation, continuing to use construction cost replacement valuations.

Almost all fee categories have increased from current 2023 fee levels. The biggest overall impact contributing to higher rates is the significantly higher asset valuations for police and fire services (and to a lesser extent, general governmental) outpacing the service population growth rates. These inflationary impacts have been realized locally in the higher cost of the City’s purchases of goods and services, especially in the post-COVID environment. In this update, the Office and Other Services type has been broken out from Commercial and is aligned with TCEF categories based on differing demand impacts.

The study update had differing results for the neighborhood and community parks. The most recent neighborhood park builds (Bucking Horse, Crescent, Traverse) were all significantly more expensive to buildout on \$/acre basis than prior facilities, leading to much higher fee calculations than for the community parks. A new maintenance facility also contributed to higher overall costs.

The table below summarizes the study fee calculations for residential and non-residential properties compared to the 2023 fees. Full detail is included in the CEF Draft Report in Attachment 2.

Residential	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Update Total	2023 Total	Change	% Change
up to 700 sq. ft.	Dwelling	\$2,813	\$2,140	\$604	\$382	\$745	\$6,684	\$6,593	\$91	1%
701-1,200 sq. ft.	Dwelling	\$4,260	\$3,241	\$914	\$578	\$1,129	\$10,122	\$8,844	\$1,278	14%
1,201-1,700 sq. ft.	Dwelling	\$4,783	\$3,638	\$1,026	\$649	\$1,267	\$11,363	\$9,652	\$1,711	18%
1,701-2,200 sq. ft.	Dwelling	\$5,145	\$3,913	\$1,104	\$698	\$1,363	\$12,223	\$9,764	\$2,459	25%
over 2,200 sq. ft.	Dwelling	\$5,848	\$4,448	\$1,254	\$794	\$1,549	\$13,894	\$10,880	\$3,014	28%
Development Type	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Update Total	2023 Total	Change	% Change
Commercial	1,000 sq. ft.			\$1,281	\$811	\$1,582	\$3,674	\$2,791	\$883	32%
Office and Other Services	1,000 sq. ft.			\$701	\$444	\$866	\$2,010	\$2,791	(\$781)	-28%
Industrial	1,000 sq. ft.			\$332	\$210	\$410	\$953	\$656	\$297	45%

**Utilities Fees**

Utilities staff updates development fee models every two years. In alternating years, when models are not updated, an inflationary adjustment is applied to utility development fees. Staff use the Engineering News Record (ENR) construction cost index to apply inflationary adjustments. The Utility Water, Wastewater (Sewer), and Stormwater PIFs and ECF were updated.

Each model was updated this year to capture current inputs, including current escalation factors and each of the various drivers as such costs, consumption, and future system needs. Utilities have experienced extreme cost pressures, especially on the electric side. Some items such as electric transformers have increased dramatically in price due to supply chain issues and higher material costs. The table below shows the results of the modeling update for each of the development fees by fund.

Utility Fee	Model Updates for 2024
Electric Capacity Fee (ECF)	14.8%
Water Plant Investment Fee (PIF)	5.7%
Wastewater Plant Investment Fee (PIF)	4.1%
Stormwater Plant Investment Fee (PIF)	7.0%
Water Supply Requirement (WSR)	No Change

The CEF and TCEF study updates and the Utility fee model updates (including a low/high range of 2025 estimates for the ongoing Water Utility work in progress), are combined in the tables below to present a summary of the total fee component of development activity costs for both a multi-unit complex and a detached, single/duplex example. The multi-family example is for a 48,000 square foot development with 55 units. The single-family example is an 1,890 square foot floorplan.

City Charged Fees: Multi-Unit Residence Example (48,000 sq. ft. development w/ 55 units)										
Type	2020	2021	2022	2023	2024		2025		2025 - \$/Unit	
					Actual	Study	Lo WSR	Hi WSR	Lo WSR	Hi WSR
CEF	\$ 448,585	\$ 460,753	\$ 469,536	\$ 509,916	\$ 538,471	\$ 587,572	\$ 608,137	\$ 608,137	\$ 11,057	\$ 11,057
TCEF	\$ 160,512	\$ 161,403	\$ 173,366	\$ 185,675	\$ 199,415	\$ 209,865	\$ 217,210	\$ 217,210	\$ 3,949	\$ 3,949
Dev Review/Permits/Other	\$ 67,695	\$ 67,846	\$ 58,850	\$ 58,850	\$ 58,850	\$ 58,850	\$ 60,910	\$ 60,910	\$ 1,107	\$ 1,107
Water PIF	\$ 62,707	\$ 64,365	\$ 71,102	\$ 77,501	\$ 83,236	\$ 81,919	\$ 84,786	\$ 84,786	\$ 1,542	\$ 1,542
Water Supply Requirement	\$ 245,004	\$ 252,354	\$ 196,039	\$ 196,039	\$ 196,039	\$ 196,039	\$ 172,181	\$ 334,876	\$ 3,131	\$ 6,089
Wastewater PIF	\$ 142,450	\$ 146,740	\$ 151,745	\$ 165,385	\$ 177,623	\$ 172,166	\$ 178,192	\$ 178,192	\$ 3,240	\$ 3,240
Stormwater PIF	\$ 20,639	\$ 21,257	\$ 22,055	\$ 24,040	\$ 25,819	\$ 25,723	\$ 26,623	\$ 26,623	\$ 484	\$ 484
Electric Capacity Fee	\$ 111,209	\$ 117,836	\$ 121,972	\$ 132,949	\$ 142,788	\$ 152,626	\$ 157,968	\$ 157,968	\$ 2,872	\$ 2,872
<b>Combined Fees</b>	<b>\$ 1,258,801</b>	<b>\$ 1,292,554</b>	<b>\$ 1,264,665</b>	<b>\$ 1,350,356</b>	<b>\$ 1,422,242</b>	<b>\$ 1,484,759</b>	<b>\$ 1,506,006</b>	<b>\$ 1,668,701</b>	<b>\$ 27,382</b>	<b>\$ 30,340</b>
<b>Percentage Change</b>	<b>Baseline</b>	<b>2.7%</b>	<b>-2.2%</b>	<b>6.8%</b>	<b>5.3%</b>	<b>10.0%</b>	<b>11.5%</b>	<b>23.6%</b>	<b>11.5%</b>	<b>23.6%</b>
		vs. 2020	vs. 2021	vs. 2022	vs. 2023					

City Charged Fees: Single/Duplex Residence Example (1,890 sq. ft. floorplan)									
Type	2020	2021	2022	2023	2024		2025		
					Actual	Study	Lo WSR	Hi WSR	
CEF	\$ 8,591	\$ 8,824	\$ 8,992	\$ 9,764	\$ 10,310	\$ 12,223	\$ 12,650	\$ 12,650	
TCEF	\$ 6,586	\$ 6,623	\$ 7,115	\$ 7,621	\$ 8,185	\$ 8,106	\$ 8,390	\$ 8,390	
Dev Review/Permits/Other	\$ 2,532	\$ 3,314	\$ 2,792	\$ 2,792	\$ 2,792	\$ 2,792	\$ 2,890	\$ 2,890	
Water PIF	\$ 4,084	\$ 4,192	\$ 4,393	\$ 4,807	\$ 5,162	\$ 5,081	\$ 5,259	\$ 5,259	
Water Supply Requirement	\$ 13,869	\$ 14,285	\$ 22,813	\$ 22,813	\$ 22,813	\$ 22,813	\$ 20,037	\$ 38,970	
Wastewater PIF	\$ 3,590	\$ 3,698	\$ 3,824	\$ 4,168	\$ 4,476	\$ 4,339	\$ 4,491	\$ 4,491	
Stormwater PIF	\$ 1,119	\$ 1,153	\$ 1,197	\$ 1,305	\$ 1,402	\$ 1,397	\$ 1,446	\$ 1,446	
Electric Capacity Fee	\$ 2,855	\$ 3,025	\$ 3,764	\$ 4,391	\$ 4,716	\$ 5,041	\$ 5,217	\$ 5,217	
<b>Combined Fees</b>	<b>\$ 43,226</b>	<b>\$ 45,114</b>	<b>\$ 54,891</b>	<b>\$ 57,662</b>	<b>\$ 59,856</b>	<b>\$ 61,792</b>	<b>\$ 60,379</b>	<b>\$ 79,313</b>	
<b>Percentage Change</b>	<b>Baseline</b>	<b>4.4%</b>	<b>21.7%</b>	<b>5.0%</b>	<b>3.8%</b>	<b>7.2%</b>	<b>4.7%</b>	<b>37.5%</b>	
		vs. 2020	vs. 2021	vs. 2022	vs. 2023				

2024 above is presented for both what is currently in force after the inflationary updates were approved and what the study/model updates total. For 2025, the rates presented reflect the 2024 study/model updates plus a projected assumption of 3.5% for inflation during 2024 in addition to the low/high estimate ranges for WSR.

**Fee Offsets and Credits:**

In response to feedback from the Council Finance Committee meeting in December 2023, staff have compiled an assessment of the current City approaches to help mitigate cost pressures impacting affordability of local housing as well as a survey of other Front Range communities’ approaches to incentivizing affordable housing through fee reductions. A summary of the approaches is highlighted below.

	Fort Collins	Longmont	Loveland	Boulder	Denver	Colorado Springs
<b>Impact Fee Type / Structure</b>	Varies by dwelling size and Sq. ft. of non-residential	Varies by dwelling size and sq. ft of non-residential	Flat fee per unit type	<ul style="list-style-type: none"> <li>Fees vary by dwelling size <i>plus</i></li> <li>Transportation Excise Taxes</li> </ul>	Water and Sewer tap fees	Police/Fire/Parks with rates based on units/structure plus water taps
<b>Eligibility / Framework</b>	<ul style="list-style-type: none"> <li>30% AMI</li> </ul>	<ul style="list-style-type: none"> <li>80% AMI – Sale</li> <li>50% AMI – Rental</li> <li>Minimum 12% Inclusionary housing</li> </ul>	<ul style="list-style-type: none"> <li>80% AMI</li> </ul>	<ul style="list-style-type: none"> <li>Less than 30% of income on housing</li> <li>25% inclusionary housing requirement</li> </ul>	Tiered Options <ul style="list-style-type: none"> <li>Hi / Lo- cost markets</li> <li>Sale/Rental</li> <li>Minimum of: 8% @ 60% AMI to 15% @ 90% AMI</li> </ul>	<ul style="list-style-type: none"> <li>All units reserved for below 120% AMI</li> </ul>
<b>Other Program Items</b>	2022 ARPA funding	Fee Deferral – pay at certificate of occupancy	Investigating variance of fees by dwelling size	Non-Residential Linkage Fee charged based on job generation	Incentives: <ul style="list-style-type: none"> <li>Reduced parking space requirements</li> </ul>	Point system rebate based on scoring rubric
<b>Amount</b>	\$14K per unit – fixed fee credit	Fee Waivers For Sale Units: 50 – 100% Rental Units: 20 – 50%	100% Fee waiver for non-profits using Low Income Housing Tax Credit	TBD - researching	\$6.5K - \$10k capped at 50% of total fees	0 – 100% fee rebate
<b>Funding Sources</b>	Affordable Housing Capital Fund (AHCF) or General Fund	Affordable Housing Fund funded by fee-in-lieu and allocated local funds	General Fund	Revenue from linkage fees funds Affordable Housing fund	Linkage fee for projects with 9 or fewer units	Housing /Community Vitality Department & Utilities Dept

Options that staff are investigating to potentially expand the City’s efforts include waiving all fees for 30% AMI units, waiving some/all fees for a broader income range, and creating a tiered approach that waives fees for some units (e.g., 30 – 50 % AMI) and partially credits others.

**NEXT STEPS**

- Evaluate and incorporate Councilmembers’ feedback on fee structures, policy considerations and options.
- Continue coordination with Utilities for consolidated approach to 2025 fee updates and schedules.

**ATTACHMENTS**

1. Transportation Capital Expansion Fee Draft Report
2. Capital Expansion Fee Draft Report
3. Presentation





## Transportation Capital Expansion Fee Study

***Submitted to:  
City of Fort Collins, Colorado***

**October 20, 2023**

***Prepared by:***



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**Transportation Capital Expansion Fee Study**  
**City of Fort Collins, Colorado**

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## EXECUTIVE SUMMARY

The City of Fort Collins currently collects Transportation Capital Expansion Fee (TCEF) based on a 2017 study completed by TischlerBise. The City has retained TischlerBise to update its TCEF program.

The 2023 TCEF study uses a combination of incremental expansion and plan-based methodologies to provide improvements for all modes of travel. Figure 1 provides an overview of the methodology and cost components used in the Fort Collins study.

**Figure 1. TCEF Methods and Cost Components**

Types of Improvement	Cost Allocation	Service Area	Cost Recovery	Incremental Expansion	Plan-Based
Capacity Roadway Expansion	Vehicle Miles of Travel (VMT)	Citywide	-	Roadway Capacity	-
Active Modes	Person and Jobs	Citywide	-	-	Bike Lanes, Ped/Bike Intersections, Signals

### Transportation Capital Expansion Fees by Type of Land Use

As documented in this report, the City of Fort Collins has complied with applicable legal precedents and Colorado's Impact Fee enabling legislation (discussed below). The TCEF schedule is proportionate and reasonably related to the cost of capital improvements needed to accommodate new development. Specific costs have been identified using local data and current dollars. With input from City staff, TischlerBise determined demand indicators for transportation capacity and calculated proportionate share factors to allocate costs by type of development. The TCEF methodology also identifies the extent to which new development is entitled to various types of credits to avoid potential double payment of growth-related capital costs.

Figure 2 shows the maximum supportable TCEF schedules. For residential development, updated amounts are based on square feet of finished living space. Garages, porches and patios are excluded from the TCEF assessment. Fees by dwelling size rather than type simplifies administration, improves proportionality, and is consistent with the way other Capital Expansion Fees are collected in Fort Collins.

For nonresidential development, TCEFs are stated per thousand square feet of floor area, using three broad categories. The TCEF schedule for nonresidential development is designed to provide a reasonable fee amount for general types of development. For unique developments, the City may allow or require an independent assessment.

Active modes improvements and expansions were included in the 2017 analysis. There has been further emphasis on active modes and to provide further clarity the maximum supportable fee schedule is broken down by roadway capacity and active modes.

Figure 2. Maximum Supportable TCEF

Residential (per dwelling unit)								
Square Feet of Finished Living Space	VMT per Unit	Roadway Capacity Fee	Persons per Unit	Active Modes Fee	Maximum Supportable Fee	Current Fees	Increase/Decrease	Percent Change
up to 700	11.79	\$2,863	0.99	\$272	\$3,135	\$2,703	\$432	16%
701 to 1,200	20.54	\$4,988	1.77	\$487	\$5,475	\$5,020	\$455	9%
1,201 to 1,700	26.20	\$6,363	2.27	\$625	\$6,988	\$6,518	\$470	7%
1,701 to 2,200	30.39	\$7,380	2.64	\$726	\$8,106	\$7,621	\$485	6%
over 2,200	33.73	\$8,191	2.94	\$809	\$9,000	\$8,169	\$831	10%

Nonresidential (per 1,000 square feet)								
Development Type	VMT per KSF	Roadway Capacity Fee	Jobs per KSF	Active Modes Fee	Maximum Supportable Fee	Current Fees	Increase/Decrease	Percent Change
Commercial	45.48	\$11,045	2.12	\$702	\$11,747	\$9,946	\$1,801	18%
Office & Other Services	26.56	\$6,450	3.26	\$1,075	\$7,525	\$7,327	\$198	3%
Industrial	11.93	\$2,897	2.86	\$944	\$3,841	\$2,365	\$1,476	62%

## GENERAL IMPACT FEE REQUIREMENTS

### Colorado Impact Fee Enabling Legislation

For local governments, the first step in evaluating funding options for transportation improvements is to determine basic options and requirements established by state law. Some states have more conservative legal parameters that basically restrict local government to specifically authorized actions. In contrast, “home-rule” states grant local governments broader powers that may or may not be precluded or preempted by state statutes depending on the circumstances and on the state’s particular laws. Home rule municipalities in Colorado, like Fort Collins, have the authority to impose impact fees based on both their home rule power granted in the Colorado Constitution and the impact fee enabling legislation enacted in 2001 by the Colorado General Assembly.

Impact fees (also known as capital expansion fees) are one-time payments imposed on new development that must be used solely to fund growth-related capital projects, typically called “system improvements”. An impact fee represents new growth’s proportionate share of capital facility needs. In contrast to project-level improvements, impact fees fund infrastructure that will benefit multiple development projects, or even the entire service area, as long as there is a reasonable relationship between the new development and the need for the growth-related infrastructure. Project-level improvements, typically specified in a development agreement, are usually limited to transportation improvements near a proposed development, such as ingress/egress lanes.

According to Colorado Revised Statute Section 29-20-104.5, impact fees must be legislatively adopted at a level no greater than necessary to defray impacts generally applicable to a broad class of property. The purpose of impact fees is to defray capital costs directly related to proposed development. The statutes of other states allow impact fee schedules to include administrative costs related to impact fees and the preparation of capital improvement plans, but this is not specifically authorized in Colorado’s statute. Impact fees do have limitations, and should not be regarded as the total solution for infrastructure funding. Rather, they are one component of a comprehensive portfolio to ensure adequate provision of public facilities. Because system improvements are larger and more costly, they may require bond financing and/or funding from other revenue sources. To be funded by impact fees, Section 29-20-104.5 requires that the capital improvements must have a useful life of at least five years. By law, impact fees can only be used for capital improvements, not operating or maintenance costs. Also, development impact fees cannot be used to repair or correct existing deficiencies in existing infrastructure.

### Additional Legal Guidelines

Both state and federal courts have recognized the imposition of impact fees on development as a legitimate form of land use regulation, provided the fees meet standards intended to protect against regulatory takings. Land use regulations, development exactions, and impact fees are subject to the Fifth Amendment prohibition on taking of private property for public use without just compensation. To comply with the Fifth Amendment, development regulations must be shown to substantially advance a legitimate governmental interest. In the case of impact fees, that interest is the protection of public

health, safety, and welfare by ensuring development is not detrimental to the quality of essential public services. The means to this end are also important, requiring both procedural and substantive due process. The process followed to receive community input (i.e., stakeholder meetings, work sessions, and public hearings) provides opportunities for comments and refinements to the impact fees.

There is little federal case law specifically dealing with impact fees, although other rulings on other types of exactions (e.g., land dedication requirements) are relevant. In one of the most important exaction cases, the U. S. Supreme Court found that a government agency imposing exactions on development must demonstrate an “essential nexus” between the exaction and the interest being protected (see *Nollan v. California Coastal Commission*, 1987). In a more recent case (*Dolan v. City of Tigard, OR*, 1994), the Court ruled that an exaction also must be “roughly proportional” to the burden created by development.

There are three reasonable relationship requirements for development impact fees that are closely related to “rational nexus” or “reasonable relationship” requirements enunciated by a number of state courts. Although the term “dual rational nexus” is often used to characterize the standard by which courts evaluate the validity of development impact fees under the U.S. Constitution, TischlerBise prefers a more rigorous formulation that recognizes three elements: “need,” “benefit,” and “proportionality.” The dual rational nexus test explicitly addresses only the first two, although proportionality is reasonably implied, and was specifically mentioned by the U.S. Supreme Court in the *Dolan* case. Individual elements of the nexus standard are discussed further in the following paragraphs.

All new development in a community creates additional demands on some, or all, public facilities provided by local government. If the capacity of facilities is not increased to satisfy that additional demand, the quality or availability of public services for the entire community will deteriorate. Development impact fees may be used to cover the cost of development-related facilities, but only to the extent that the need for facilities is a consequence of development that is subject to the fees. The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate conditions created by the developments upon which they are imposed. That principle likely applies to impact fees. In this study, the impact of development on infrastructure needs is analyzed in terms of quantifiable relationships between various types of development and the demand for specific facilities, based on applicable level-of-service standards.

The requirement that exactions be proportional to the impacts of development was clearly stated by the U.S. Supreme Court in the *Dolan* case and is logically necessary to establish a proper nexus. Proportionality is established through the procedures used to identify development-related facility costs, and in the methods used to calculate impact fees for various types of facilities and categories of development. The demand for facilities is measured in terms of relevant and measurable attributes of development (e.g., a typical housing unit’s average weekday vehicle trips).

A sufficient benefit relationship requires that impact fee revenues be segregated from other funds and expended only on the facilities for which the fees were charged. The calculation of impact fees should also assume that they will be expended in a timely manner and the facilities funded by the fees must serve the development paying the fees. However, nothing in the U.S. Constitution or the state enabling



legislation requires that facilities funded with fee revenues be available exclusively to development paying the fees. In other words, benefit may extend to a general area including multiple real estate developments. Procedures for the earmarking and expenditure of fee revenues are discussed near the end of this study. All of these procedural as well as substantive issues are intended to ensure that new development benefits from the impact fees they are required to pay. The authority and procedures to implement impact fees is separate from and complementary to the authority to require improvements as part of subdivision or zoning review.

Impact fees must increase the carrying capacity of the transportation system. Capacity projects include, but are not limited to the addition of travel lanes, intersection improvements (i.e., turning lanes, signalization or roundabouts) and widening roads (e.g., adding travel lanes, paved shoulders, and bike lanes). Whenever improvements are made to existing roads, non-impact fee funding is typically required to help pay a portion of the cost.

### Impact Fee Methodologies

In contrast to project-level improvements, impact fees fund growth-related infrastructure that will benefit multiple development projects, or the entire jurisdiction (referred to as system improvements). There are three general methods for calculating one-time charges for public facilities needed to accommodate new development. The choice of a particular method depends primarily on the timing of infrastructure construction (past, concurrent, or future) and service characteristics of the facility type being addressed. Each method has advantages and disadvantages in a particular situation, and can be used simultaneously for different cost components.

Reduced to its simplest terms, the process of calculating infrastructure costs for new development involves two main steps: (1) determining the cost of development-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, TCEF calculations can become quite complicated because of many variables involved in defining the relationship between development and the need for facilities within the designated service area. The following sections discuss three basic methods.

#### **COST RECOVERY (PAST IMPROVEMENTS)**

The rationale for recoupment, often called cost recovery, is that new development is paying for its share of the useful life and remaining capacity of facilities already built, or land already purchased, from which new growth will benefit. This methodology is often used for utility systems that must provide adequate capacity before new development can take place.

#### **INCREMENTAL EXPANSION (CONCURRENT IMPROVEMENTS)**

The incremental expansion method documents current level-of-service (LOS) standards for each type of public facility, using both quantitative and qualitative measures. New development is only paying its proportionate share for growth-related infrastructure needed to maintain current standards. Revenue will be used to expand or provide additional facilities, as needed to keep pace with new development.

**PLAN-BASED (FUTURE IMPROVEMENTS)**

The plan-based method allocates costs for a specified set of improvements to a specified amount of development. Improvements are typically identified in a capital improvements plan and development potential is identified by land use assumptions. There are two options for determining the cost per service unit: 1) total cost of a public facility can be divided by total service units (average cost), or 2) the growth-share of the capital facility cost can be divided by the net increase in service units over the planning timeframe (marginal cost).

**CREDITS**

Regardless of the methodology, a consideration of “credits” is integral to a legally defensible impact fee study. There are two types of “credits” with specific characteristics, both of which should be addressed in studies and ordinances.

- First, a revenue credit might be necessary if there is a double payment situation and other revenues are contributing to the capital costs of infrastructure to be funded by TCEF revenue. This type of credit is integrated into the TCEF calculation, thus reducing the gross amount. In contrast to some studies that only provide general costs, with credits at the back-end of the analysis, Fort Collins’s 2023 transportation TCEF update uses growth shares to provide an up-front reduction in total costs. Also, the 2023 update provides TCEF revenue projections to verify that new development will fully fund the growth cost of future infrastructure (i.e., only TCEF revenue will pay for growth costs).
- Second, a site-specific credit or developer reimbursement might be necessary for dedication of land or construction of system improvements to be funded by TCEF revenue. This type of credit is addressed in the administration and implementation of the TCEF program.

## TRANSPORTATION CAPITAL EXPANSION FEE – ROADWAY CAPACITY COMPONENT

The City of Fort Collins Transportation Capital Expansion Fees (TCEF) are calculated using an incremental approach for roadway capacity improvements. Transportation improvements that provide additional vehicular capacity, account for approximately 91 percent of the growth-related cost in the analysis while active modes represent 9.

The roadway capacity component of the TCEF is derived from custom trip generation rates (see Appendix A), trip rate adjustment factors, and the capital cost per vehicle miles of travel (VMT). The latter is a function of average trip length, trip-length weighting factor by type of development, and the growth cost of transportation improvements.

### Existing Levels of Service for Transportation

There are currently 497 lane miles of arterial streets in the City of Fort Collins. The steps to calculate a current level of service for the City’s arterial street network involve calibrating existing development to the system network. To do so, development units by type are multiplied by adjusted vehicle trip ends per development unit. The factors used to calculate the current level of service expressed in vehicle miles of travel (VMT) are discussed below, and shown in Figure 5 after the discussion.

#### VEHICLE MILES OF TRAVEL

VMT is a measurement unit equal to one vehicle traveling one mile<sup>1</sup>. In the aggregate, VMT is the product of vehicle trips multiplied by the average trip length. For the 2023 TCEF update, the average trip length is calibrated to lane miles of existing City arterials within Fort Collins.

#### TRIP GENERATION RATES

The 2023 TCEF update is based on average weekday vehicle trip ends (AWVTE). For residential development, trip rates are customized using demographic data for Fort Collins, as documented in Appendix A. For nonresidential development, trip generation rates are from the reference book Trip Generation published by the Institute of Transportation Engineers (ITE 11<sup>th</sup> Edition, 2021). A vehicle trip end represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway). To calculate transportation fees, trip generation rates require an adjustment factor to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor is 50 percent for industrial, institutional, and office development. As discussed further below, the TCEF methodology includes additional adjustments to make the fees proportionate to the infrastructure demand for particular types of development.

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<sup>1</sup> Typical VMT calculations for development-specific traffic studies, along with most transportation models of an entire urban area, are derived from traffic counts on particular road segments multiplied by the length of that road segment. For the purpose of the TCEF study, VMT calculations are based on attraction (inbound) trips to development located in the service area, with trip length limited to the road network considered to be system improvements (arterials and collectors). This refinement eliminates pass-through or external- external trips, and travel on roads that are not system improvements (e.g., state highways).

### ADJUSTMENT FOR PASS-BY TRIPS

For retail development, the trip adjustment factor is less than 50 percent because such development attract vehicles as they pass by on arterial roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For the average shopping center, ITE indicates that 25 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 75 percent of attraction trips have the commercial site as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor is 75 percent multiplied by 50 percent, or approximately 38 percent of the trip ends.

### TRIP LENGTH WEIGHTING FACTOR BY TYPE OF LAND USE

The transportation fee methodology includes a percentage adjustment, or weighting factor, to account for trip length variation by type of land use. TischlerBise derived the weighting factors using household survey results provided by North Front Range Metropolitan Planning Organization (NRFMPO, 2010). As shown in Figure 3, trips associated with residential development are approximately 110 percent of the average trip length. Conversely, trips associated with commercial development (i.e., retail and restaurants) are approximately 66 percent of the average trip length while other nonresidential development typically accounts for trips that are 100 percent of the average for all trips.

**Figure 3. Average Trip Length by Trip Purpose in North Front Range**

Type of Development	Trip Purpose	Trips	Average Miles Per Trip	Weighting Factor	
1-Residential	All other at home activities	4,920	5.30	3.469	
1-Residential	Dropped off passenger	566	4.36	0.328	
1-Residential	Picked up passenger	557	3.47	0.257	
1-Residential	Indoor recreation/entertainment	516	4.80	0.330	
1-Residential	Change transportation mode	354	9.37	0.441	
1-Residential	Outdoor recreation/entertainment	254	6.60	0.223	
1-Residential	Service private vehicle	160	5.44	0.116	
1-Residential	Working at home	127	4.06	0.069	
1-Residential	Loop Trip and Other travel related	55	2.71	0.020	
1-Residential	School at home	7	2.03	0.002	
<b>1-Residential Total</b>		<b>7,516</b>		<b>5.255</b>	<b>1.10</b>
2-Retail/Restaurant	Routine shopping	1,236	2.76	1.571	
2-Retail/Restaurant	Eat meal outside home	577	3.10	0.824	
2-Retail/Restaurant	Other	180	5.37	0.445	
2-Retail/Restaurant	Major purchase / specialty item	91	6.15	0.258	
2-Retail/Restaurant	Drive through	88	1.80	0.073	
<b>2-Retail/Restaurant Total</b>		<b>2,172</b>		<b>3.170</b>	<b>0.66</b>
3-Other Nonresidential	Attend a class	790	2.59	0.756	
3-Other Nonresidential	Work/business related	618	8.48	1.937	
3-Other Nonresidential	Errands (bank, dry cleaning, etc.)	475	2.34	0.411	
3-Other Nonresidential	Personal business (attorney, accountant)	241	5.50	0.490	
3-Other Nonresidential	Health care	224	6.39	0.529	
3-Other Nonresidential	Civic/religious	196	5.13	0.372	
3-Other Nonresidential	Other activities at school	92	3.72	0.126	
3-Other Nonresidential	All other activities at work	70	5.82	0.151	
<b>3-Other Nonresidential Total</b>		<b>2,706</b>		<b>4.771</b>	<b>1.00</b>
		<b>TOTAL</b>	<b>12,394</b>	<b>4.784</b>	

Data Source: Table R-27, NRFMPO Household Survey, 2010. Analysis excludes "Visit friends/relatives" because the average distance of 22.43 miles traveled is an outlier, approximately four times the overall average. "Work/job" travel was also excluded because trip origins and destinations can not be allocated between residential and type of nonresidential development.

### LANE CAPACITY

The TCEF roadway capacity component is based on established daily per lane capacities for arterial roads. According to City staff, arterial roads were established to have a daily per lane capacity of 7,700, assuming 12 feet travel lanes, with no additional shoulder width, in an urban area.

### AVERAGE VEHICLE TRIP LENGTH

The City of Fort Collins recently completed a travel diary study which surveyed residents on their daily travel including modes, distance, and purpose. Based on the results of the study, the average vehicle trip length in Fort Collins is 4.90 miles.

### ORIGIN & DESTINATION TRIP ANALYSIS

Lastly, there is a demand on Fort Collins transportation network that is not associated with any development within city limits. Specifically, there are vehicle trips that originate and end outside of Fort Collins. The nature of these trips means there is a demand that is not Fort Collins growth-related thus not eligible for TCEF funding. Therefore, TischlerBise partnered with transportation engineers at Felsburg Holt & Ullevig to identify the thru-trips (external – external) in Fort Collins. Based on analysis of the Fort Collins travel demand model, seven percent of trips were identified as external – external. As a result, a seven percent reduction is included in the demand calculation.

**Figure 4. Origin & Destination Trip Analysis**

Origin/Destination	Internal	External
Internal	50%	15%
External	28%	7%

Source: Felsburg Holt & Ullevig analysis of Fort Collins travel demand model

### Development Prototypes and Projected Vehicle Miles of Travel

The relationship between the amount of development within Fort Collins and vehicle miles of travel (VMT) is documented in Figure 5. In the table below DU means dwelling unit; KSF means 1,000 square feet of nonresidential development; Institute of Transportation Engineers is abbreviated ITE; VTE means vehicle trip ends. Trip generation rates by bedroom range are documented in Appendix A – Land Use Assumptions.

Projected development over the next ten years and the corresponding need for additional lane miles is shown in the lower section of Figure 5. Fort Collins has a current infrastructure standard of 1.62 arterial lane miles per 10,000 VMT. Based on the detailed demand factors and projected growth, VMT is projected to increase from 3.07 million to 3.55 million over the next ten years (or 13 percent). To accommodate projected development over the next ten years, Fort Collins will need 61.9 additional lane miles of complete streets to maintain current levels of service.

Figure 5. Projected VMT Increase to Development within Fort Collins

<i>Development Type</i>	<i>Weekday VTE</i>	<i>Development Unit</i>	<i>Primary Trip Adjustment</i>	<i>Trip Length Wtg Factor</i>	
Residential 0-1 Bedroom	4.26	DU	58%	1.10	R1
Residential 2 Bedrooms	6.34	DU	58%	1.10	R2
Residential 3 Bedrooms	8.80	DU	58%	1.10	R3
Residential 4+ Bedrooms	10.56	DU	58%	1.10	R4
Commercial	37.01	KSF	38%	0.66	NR1
Office & Other Services	10.84	KSF	50%	1.00	NR2
Industrial	4.87	KSF	50%	1.00	NR3
Avg Trip Length (miles) [1]	4.90				
Vehicle Capacity Per Lane	7,700				

<b>Fort Collins Travel Model</b>	<b>Base Year</b>	<i>5-Year Increment</i>							<b>10-Year Increase</b>
	<b>2023</b>	<b>1 2024</b>	<b>2 2025</b>	<b>3 2026</b>	<b>4 2027</b>	<b>5 2028</b>	<b>10 2033</b>		
Residential 0-1 Bedroom	6,212	6,320	6,429	6,550	6,671	6,792	7,524	1,312	
Residential 2 Bedrooms	17,883	18,195	18,507	18,856	19,205	19,554	21,660	3,777	
Residential 3 Bedrooms	24,688	25,118	25,549	26,030	26,512	26,993	29,901	5,213	
Residential 4+ Bedrooms	23,807	24,222	24,637	25,102	25,566	26,031	28,835	5,028	
Commercial KSF	10,024	10,060	10,097	10,135	10,173	10,211	10,393	370	
Office & Other Services KSF	21,999	22,215	22,430	22,627	22,823	23,019	23,950	1,951	
Industrial KSF	10,944	10,979	11,014	11,049	11,083	11,117	11,378	434	
0-1 Bedroom Trips	15,349	15,615	15,885	16,184	16,483	16,782	18,590	3,242	
2 Bedroom Trips	65,759	66,907	68,054	69,337	70,621	71,904	79,648	13,889	
3 Bedroom Trips	126,008	128,202	130,402	132,857	135,317	137,772	152,615	26,607	
4+ Bedroom Trips	145,813	148,355	150,897	153,745	156,587	159,435	176,609	30,795	
Commercial Trips	140,970	141,485	142,000	142,535	143,071	143,607	146,169	5,199	
Office & Other Services Trips	119,232	120,403	121,573	122,637	123,700	124,764	129,808	10,576	
Industrial Trips	26,650	26,735	26,820	26,904	26,987	27,071	27,706	1,057	
Total Inbound Vehicle Trips	639,780	647,702	655,631	664,199	672,766	681,334	731,145	91,365	
Vehicle Miles of Travel (VMT)	3,073,002	3,113,973	3,154,985	3,199,451	3,243,911	3,288,376	3,548,550	475,548	
Arterial Lane Miles	497	502.3	507.6	513.4	519.2	525.0	558.9	61.9	
<b>Ten-Year VMT Increase =&gt;</b>								<b>13%</b>	

[1] Source: Fort Collins Travel Diary Study (2022)

## Capital Cost per Vehicle Miles of Travel

As indicated by the travel demand model above, there is a need for 61.9 new lane miles to continue providing the current level of service to projected future demand. Furthermore, seven percent of the demand on the Fort Collins transportation network is from external – external trips. As a result, 57.6 miles is attributed to future growth in Fort Collins (61.9 lane miles x [1 - 0.07] = 57.6 lane miles).

Additionally, Fort Collins staff estimates the construction cost of a new lane mile being \$2,000,500. By combining the projected need in lane miles and cost per lane mile results in a growth-related capital cost per \$115.5 million. Over the next ten years, there is a projected increase of 475,548 VMT. Comparing the growth-related capital cost and growth in VMT, the study finds a capital cost of \$242.85 per VMT (\$115,488,00 / 475,548 VMT = \$242.85 per VMT, rounded).

**Figure 6. Capital Cost per VMT**

10-Year Need in Roadway Lane Miles	61.9
Lane Miles Attributed to External - External Trips (7%)	4.3
<b>Fort Collins Growth-Related Lane Miles</b>	<b>57.6</b>
Construction Cost per Lane Mile	\$2,005,000
Fort Collins Growth-Related Construction Cost	\$115,488,000
10-Year Increase in Vehicle Miles Traveled (VMT)	475,548
<b>Capital Cost per VMT</b>	<b>\$242.85</b>

## Revenue Credit Evaluation

A credit for other revenues is only necessary if there is potential double payment for system improvements. In Fort Collins, Road & Bridge Fund property taxes and gas tax revenue will be used for maintenance of existing facilities, correcting existing deficiencies, and for capital projects that are not TCEF system improvements. As shown later in Figure 8, TCEF revenue over the next ten years mitigates the growth-related share of the roadway capacity needs. Thus, there is no potential double payment from other revenues to fund the growth cost of roadway capacity projects.

Importantly, seven percent of the future need is attributed to external – external trips which represents \$8.6 million. This is not attributed to Fort Collins development, thus, not eligible for TCEF funding. Fort Collins will have to identify other revenues (i.e., grants) to support this external cost.

## Input Variables for TCEF – Roadway Capacity Component

A summary of inputs for the roadway capacity component of the TCEF program are detailed in Figure 7. Residential fees are based on the square footage of the dwelling unit while there are three nonresidential development types in the fee schedule (consistent with the current Fort Collins TCEF schedule). The roadway capacity TCEF is found by multiply the VMT demand factor and the growth cost per VMT. For example, the fee for a housing unit over 2,200 square feet is \$8,191 (33.73 VMT per unit x \$242.85 per VMT = \$8,191 per unit).

The fees represent the highest supportable amount for each type of applicable land use and represents new growth's fair share of the cost for capital facilities. The City may adopt fees that are less than the amounts shown. However, a reduction in TCEF revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in levels of service.

**Figure 7. Maximum Supportable TCEF – Roadway Capacity Component**

Fee Component	Cost per VMT
Roadway Expansion	\$242.85
<b>Gross Total</b>	<b>\$242.85</b>
<b>Net Total</b>	<b>\$242.85</b>

Residential (per dwelling unit)		
Square Feet of Finished Living Space	VMT per Unit	Roadway Capacity Fee
up to 700	11.79	\$2,863
701 to 1,200	20.54	\$4,988
1,201 to 1,700	26.20	\$6,363
1,701 to 2,200	30.39	\$7,380
over 2,200	33.73	\$8,191

Nonresidential (per 1,000 square feet)		
Development Type	VMT per KSF	Roadway Capacity Fee
Commercial	45.48	\$11,045
Office & Other Services	26.56	\$6,450
Industrial	11.93	\$2,897



## Revenue Projection from Maximum Supportable Fee Amounts

This section summarizes the potential cash flow to the City of Fort Collin if the TCEF is implemented at the maximum supportable amounts. The cash flow projections are based on the assumptions detailed in this chapter and the development projections discussed in Appendix A – Land Use Assumptions.

At the top of Figure 8, the cost of growth over the next ten years is listed. The summary provides an indication of the TCEF revenue generated by new development. The fee for the average sized single family and multifamily units are used in the calculations. Shown at the bottom of the figure, the maximum supportable TCEF is estimated to generate \$111.3 million in revenue while there is a growth-related cost of \$115.5 million, offsetting about 97 percent of the growth-related costs. The remaining funding gap represents the external – external share of future demand on the transportation network.

**Figure 8. Projected Revenue from Maximum Supportable TCEF – Roadway Capacity Component**

### Infrastructure Costs for Transportation Facilities

	Total Cost	Growth Cost
Roadway Capacity	\$124,109,500	\$115,488,000
<b>Total Expenditures</b>	<b>\$124,109,500</b>	<b>\$115,488,000</b>

### Projected Development Impact Fee Revenue

		Single Family \$7,380 per unit	Multifamily \$4,988 per unit	Commercial \$11,045 per KSF	Office \$6,450 per KSF	Industrial \$2,897 per KSF
Year		Housing Units	Housing Units	KSF	KSF	KSF
Base	2023	47,183	25,406	10,024	21,999	10,944
1	2024	47,769	26,087	10,060	22,215	10,979
2	2025	48,354	26,768	10,097	22,430	11,014
3	2026	49,009	27,529	10,135	22,627	11,049
4	2027	49,663	28,291	10,173	22,823	11,083
5	2028	50,318	29,052	10,211	23,019	11,117
6	2029	50,972	29,813	10,249	23,215	11,152
7	2030	51,627	30,575	10,287	23,412	11,186
8	2031	52,508	31,599	10,323	23,591	11,250
9	2032	53,389	32,624	10,358	23,770	11,314
10	2033	54,271	33,649	10,393	23,950	11,378
Ten-Year Increase		7,087	8,243	370	1,951	434
Projected Revenue		\$52,304,559	\$41,115,500	\$4,083,218	\$12,585,770	\$1,257,186
		<b>Projected Revenue =&gt; <u>\$111,346,000</u></b>				
		<b>Total Expenditures =&gt; <u>\$124,109,000</u></b>				
		<b>Non-Impact Fee Funding =&gt; <u><u>\$12,763,000</u></u></b>				

## TRANSPORTATION CAPITAL EXPANSION FEE – ACTIVE MODES COMPONENT

The City of Fort Collins TCEF are calculated using a plan-based approach for active mode expansions. Transportation improvements that provide additional vehicular capacity, account for approximately 91 percent of the growth-related cost in the analysis while active modes represent 9.

The active modes component of the TCEF is based on the demand from residential and nonresidential development and allocated based on the percent of commuters who walk or bike to work. Person per housing unit and employee density factors are then applied to find the proportionate demand from the development types.

### Active Modes Capital Plan

The 2022 Active Modes Plan is the guiding document for the capital expansion plans for bike and pedestrian infrastructure in Fort Collins. The Plan identified High, Medium, and Low priority/readiness projects needed in the coming future to address existing demand and future demand from development. Since the TCEF study examines infrastructure need over the next ten years, City staff has advised that the high and medium project lists are a realistic plan over that planning horizon. Between the two lists there are 200 projects ranging from small spot treatments addressing signage and side paths to extensive separated bike lane expansion projects. Pages from the Plan listing the projects are provided in the appendix of this report.<sup>2</sup> Overall, the capital plans for active mode expansion totals \$87,554,000 over the next ten years.

### Active Modes Capital Plan Cost Analysis

Based on the projected growth in demand on the Fort Collins transportation network, 13 percent (\$11.4 million) of the total capital cost of the Active Modes Plan is attributed to development over the next ten years. As shown in Figure 9, the cost is allocated to residential and nonresidential demand based on the data from the Travel Diary Study Report (2022). From the survey, 22 percent of commuters in Fort Collins use active modes to travel to work. This factor is used to allocate the active modes capital cost to nonresidential demand while the remaining 78 percent is allocated to residential demand. The allocated costs are compared to the 10-year projected increase in population and jobs to find capital cost per unit factors. For example, the capital cost per person is \$275.18 ( $\$11,382,000 \times 78 \text{ percent} / 32,262$  population increase = \$275.18 per person).

<sup>2</sup> The Active Modes Plan can also be found on the City's website at <https://www.fcgov.com/fcmoves/active-modes-plan>.

**Figure 9. Active Modes Cost Analysis**

High and Medium Priority Projects	\$87,554,000
Growth-Share of Project List	13%
<b>Growth-Related Cost of Active Modes Plan</b>	<b>\$11,382,020</b>

	<i>Residential</i>	<i>Nonresidential</i>
Proportionate Share [1]	78.0%	22.0%
Attributed Capital Cost	\$8,877,976	\$2,504,044
10-Year Population/Jobs Increase	32,262	7,580
<b>Capital Cost per Person/Job</b>	<b>\$275.18</b>	<b>\$330.37</b>

[1] Source: Fort Collins Travel Diary Study Report (2022)

### Revenue Credit Evaluation

A credit for other revenues is only necessary if there is potential double payment for system improvements. In Fort Collins, there are general revenues and grants for maintenance of existing facilities and addressing existing demand. However, there are no other revenues available to address future demand on active mode infrastructure. As shown later in Figure 11, TCEF revenue over the next ten years mitigates the growth-related share of the active modes plan. Thus, there is no potential double payment from other revenues to fund the growth cost of active modes projects.

### Input Variables for TCEF – Active Modes Component

A summary of inputs for the active modes component of the TCEF program are detailed in Figure 10. Residential fees are based on the square footage of the dwelling unit while there are three nonresidential development types in the fee schedule (consistent with the current Fort Collins TCEF schedule). The active modes TCEF is found by multiply the person/job demand factor and the growth cost per person/job. For example, the fee for a housing unit over 2,200 square feet is \$809 (2.94 persons per unit x \$275.18 per person = \$809 per unit).

The fees represent the highest supportable amount for each type of applicable land use and represents new growth's fair share of the cost for capital facilities. The City may adopt fees that are less than the amounts shown. However, a reduction in TCEF revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in levels of service.

**Figure 10. Maximum Supportable TCEF – Active Modes Component**

Fee Component	Cost per Person	Cost per Job
Active Modes	\$275.18	\$330.37
<b>Gross Total</b>	<b>\$275.18</b>	<b>\$330.37</b>
<b>Net Total</b>	<b>\$275.18</b>	<b>\$330.37</b>

Residential (per dwelling unit)		
Square Feet of Finished Living Space	Persons per Unit	Active Modes Fee
up to 700	0.99	\$272
701 to 1,200	1.77	\$487
1,201 to 1,700	2.27	\$625
1,701 to 2,200	2.64	\$726
over 2,200	2.94	\$809

Nonresidential (per 1,000 square feet)		
Development Type	Jobs per KSF	Active Modes Fee
Commercial	2.12	\$702
Office & Other Services	3.26	\$1,075
Industrial	2.86	\$944

## Revenue Projection from Maximum Supportable Fee Amounts

This section summarizes the potential cash flow to the City of Fort Collins if the TCEF is implemented at the maximum supportable amounts. The cash flow projections are based on the assumptions detailed in this chapter and the development projections discussed in Appendix A – Land Use Assumptions.

At the top of Figure 11, the cost of growth over the next ten years is listed. The summary provides an indication of the TCEF revenue generated by new development. The fee for the average sized single family and multifamily units are used in the calculations. Shown at the bottom of the figure, the maximum supportable TCEF is estimated to generate \$11.9 million in revenue while there is a growth-related cost of \$11.4 million, offsetting all growth-related costs. The remaining funding gap represents the existing demand in Fort Collins and will be funded through other revenues.

**Figure 11. Projected Revenue from Maximum Supportable TCEF – Active Modes Component**

	Total Cost	Growth Cost
Active Modes	\$87,554,000	\$11,382,020
<b>Total Expenditures</b>	<b>\$87,554,000</b>	<b>\$11,382,020</b>

### Projected Development Impact Fee Revenue

		Single Family \$726 per unit	Multifamily \$487 per unit	Commercial \$702 per KSF	Office \$1,075 per KSF	Industrial \$944 per KSF
Year		Housing Units	Housing Units	KSF	KSF	KSF
Base	2023	47,183	25,406	10,024	21,999	10,944
1	2024	47,769	26,087	10,060	22,215	10,979
2	2025	48,354	26,768	10,097	22,430	11,014
3	2026	49,009	27,529	10,135	22,627	11,049
4	2027	49,663	28,291	10,173	22,823	11,083
5	2028	50,318	29,052	10,211	23,019	11,117
6	2029	50,972	29,813	10,249	23,215	11,152
7	2030	51,627	30,575	10,287	23,412	11,186
8	2031	52,508	31,599	10,323	23,591	11,250
9	2032	53,389	32,624	10,358	23,770	11,314
10	2033	54,271	33,649	10,393	23,950	11,378
Ten-Year Increase		7,087	8,243	370	1,951	434
Projected Revenue		\$5,145,408	\$4,014,284	\$259,522	\$2,097,628	\$409,660
		<b>Projected Revenue =&gt; <u>\$11,927,000</u></b>				
		<b>Total Expenditures =&gt; <u>\$87,554,000</u></b>				
		<b>Non-Impact Fee Funding =&gt; <u>\$75,627,000</u></b>				

## IMPLEMENTATION AND ADMINISTRATION

Development impact fees (in this case TCEF) should be periodically evaluated and updated to reflect recent data. Fort Collins has consistently annually updated the TCEF schedule based on local inflation data. If cost estimates or demand indicators change significantly, the City should redo the fee calculations.

Colorado's enabling legislation allows local governments to "waive an impact fee or other similar development charge on the development of low- or moderate-income housing, or affordable employee housing, as defined by the local government."

### Credits and Reimbursements

A general requirement that is common to impact fee methodologies is the evaluation of credits. A revenue credit may be necessary to avoid potential double payment situations arising from one-time impact fees plus on-going payment of other revenues that may also fund growth-related capital improvements. The determination of revenue credits is dependent upon the impact fee methodology used in the cost analysis and local government policies.

Policies and procedures related to site-specific credits should be addressed in the resolution or ordinance that establishes the impact fees. Project-level improvements, required as part of the development approval process, are not eligible for credits against impact fees. If a developer constructs a system improvement included in the fee calculations, it will be necessary to either reimburse the developer or provide a credit against the fees due from that particular development. The latter option is more difficult to administer because it creates unique fees for specific geographic areas.

Based on national experience, TischlerBise typically recommends reimbursement agreements with developers that construct system improvements. The reimbursement agreement should be limited to a payback period of no more than ten years and the City should not pay interest on the outstanding balance. The developer must provide sufficient documentation of the actual cost incurred for the system improvement. The City should only agree to pay the lesser of the actual construction cost or the estimated cost used in the impact fee analysis. If the City pays more than the cost used in the fee analysis, there will be insufficient fee revenue for other capital improvements. Reimbursement agreements should only obligate the City to reimburse developers annually according to actual fee collections from the applicable Benefit District.

### Citywide Service Area

The TCEF service area is defined as the entire incorporated area within Fort Collins. The infrastructure funded through the TCEF is citywide benefiting and can be attributed to demand throughout the city.

### Expenditure Guidelines

Fort Collins will distinguish system improvements (funded by transportation capital expansion fees) from project-level improvements, such as local streets within a residential subdivision. TischlerBise

recommends limiting transportation fee expenditures to arterials and collectors, and should be consistent with Fort Collins City Code. System improvements that are eligible for transportation fee funding could include:

- Constructing an arterial or collector street.
- A carrying-capacity enhancement to existing arterials or collectors, such reconstruction to add greater street width, including additional vehicular travel lanes, bike lanes, and/or shoulders.
- Adding turn lanes, traffic signals, or roundabouts at the intersection of a State Highway with a City arterial or collector, or a City arterial with another City arterial or collector.

### Development Categories

Proposed transportation fees for residential development are by square feet of finished living space, excluding unfinished basement, attic, and garage floor area. Appendix A provides further documentation of demographic data by size threshold.

The three general nonresidential development categories in the proposed TCEF schedule can be used for all new construction within the Service Area. Nonresidential development categories represent general groups of land uses that share similar average weekday vehicle trip generation rates, as documented in Appendix A.

- “Industrial” includes the processing or production of goods, along with warehousing, transportation, communications, and utilities.
- “Commercial” includes retail development and eating/drinking places, along with entertainment uses often located in a shopping center (i.e., movie theater).
- “Office & Other Services” includes offices, health care and personal services, business services (i.e., banks) and lodging. Public and quasi-public buildings that provide educational, social assistance, or religious services are also included in this category.

An applicant may submit an independent study to document unique demand indicators for a particular development. The independent study must be prepared by a professional engineer or certified planner and use the same type of input variables as those in this transportation capital expansion fee update. For residential development, the fees are based on average weekday vehicle trip ends per housing unit. For nonresidential development, the fees are based on average weekday vehicle trips ends per 1,000 square feet of floor area. The independent fee study will be reviewed by City staff and can be accepted as the basis for a unique fee calculation. If staff determines the independent fee study is not reasonable, the applicant may appeal the administrative decision to City elected officials for their consideration.

## APPENDIX A – LAND USE ASSUMPTIONS

Development-related capital expansion fees often use per capita standards and persons per housing unit or persons per household to derive proportionate share fee amounts. Housing types have varying household sizes and, consequently, a varying demand on City infrastructure and services. Thus, it is important to differentiate between housing types and size.

When persons per housing unit (PPHU) is used in the development impact fee calculations, infrastructure standards are derived using year-round population. In contrast, when persons per household (PPHH) is used in the development impact fee calculations, the fee methodology assumes all housing units will be occupied, thus requiring seasonal or peak population to be used when deriving infrastructure standards. Thus, TischlerBise recommends that fees for residential development in Fort Collins be imposed according to persons per housing unit.

Based on housing characteristics, TischlerBise recommends using two housing unit categories for the TCEF study: (1) Single Family and (2) Multifamily. Each housing type has different characteristics which results in a different demand on City facilities and services. Figure 12 shows the US Census American Community Survey 2021 5-Year Estimates data for the City of Fort Collins. Single family units have a household size of 2.54 persons and multifamily units have a household size of 1.73 persons

**Figure 12. Fort Collins Persons per Housing Unit**

Units in Structure	Persons	Households	Persons per Household	Housing Units	Persons per Housing Unit	Housing Mix	Vacancy Rate
Single Family	115,988	44,342	2.62	45,625	2.54	65%	3%
Multifamily	42,457	22,862	1.86	24,496	1.73	35%	7%
Subtotal	158,445	67,204	2.36	70,121	2.26		4%
Group Quarters	8,197						
<b>TOTAL</b>	<b>166,642</b>						

Source: U.S. Census Bureau, 2021 5-Year Estimate American Community Survey  
Single unit includes detached and attached (i.e. townhouse) and mobile homes

### Base Year Population and Housing Units

The City of Fort Collins has provided its own 2023 base year household population estimate which is what will be used to calculate base year housing units.

**Figure 13. Base Year Household Population**

Fort Collins, CO	Base Year 2023
Household Population [1]	164,053

[1] Source: City of Fort Collins Population Estimate

In 2023, there are an estimated 72,590 housing units in Fort Collins. The housing mix and PPHU factors in Figure 12 are applied to the household population to estimate single family and multifamily units. Overall, single family housing is 65 percent of the total, while multifamily is 35 percent.



**Figure 14. Base Year Housing Units**

Fort Collins, CO	2023 Housing Units [1]
Single Family	47,183
Multifamily	25,406
Total	72,590

[1] Source: City of Fort Collins Population Estimate; PPHU Factors

However, recent trends over the last three years show multifamily housing growing at a greater rate than single family at 54 percent vs 46 percent of total housing growth respectively as shown in Figure 15. This is the trend that will be used for housing and population growth projections.

**Figure 15. Building Permit History**

Fort Collins, CO	2020-2023 Building Permits	Percent of Total
Single Family	1,104	46%
Multifamily	1,284	54%
Total	2,388	

Source: City of Fort Collins

In 2023, the household population in Fort Collins is estimated to be 164,053. To estimate the total residents, the group quarters population of 10,392 is applied to the household population. As a result, the 2023 population is estimated at 174,445 residents and will be used for housing and population projections.

**Figure 16. Base Year Population**

Fort Collins, CO	2023 Household Population	2023 Group Quarters Population	2023 Total Population
Population	164,053	10,392	174,445

Source: City of Fort Collins Population Estimate

### Population and Housing Unit Projections

From the 2023 base year housing unit totals, there is a projected increase of 21 percent in housing stock over the next ten years. Following the trend that there is more multifamily development (54 percent) than single family development (46 percent), there is an estimated 8,243 multifamily units and 7,087 single family units projected. Population growth is assumed to continue with housing development based on the PPHU factors by housing type. As a result, there is a projected increase of 32,262 residents over the next ten years. This is an 18.5 percent increase from the base year, slightly lower than housing development at 21 percent since there is a shift in multifamily development and smaller household sizes.

**Figure 17. Residential Development Projections**

City of Fort Collins, CO	Base Year 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total Increase
Population [1]	174,445	177,109	179,774	182,753	185,733	188,713	191,693	194,673	198,684	202,696	206,707	32,262
<i>Percent Increase</i>		1.5%	1.5%	1.7%	1.6%	1.6%	1.6%	1.6%	2.1%	2.0%	2.0%	18.5%
<b>Housing Units [2]</b>												
Single Family	47,183	47,769	48,354	49,009	49,663	50,318	50,972	51,627	52,508	53,389	54,271	7,087
Multifamily	25,406	26,087	26,768	27,529	28,291	29,052	29,813	30,575	31,599	32,624	33,649	8,243
Total	72,590	73,856	75,122	76,538	77,954	79,370	80,786	82,202	84,108	86,014	87,920	15,330

[1] Source: City of Fort Collins Population Estimate; Population growth is projected based on housing development and PPHU factors by type of home

[2] Source: Housing growth is projected based on housing development and PPHU factors

## Current Employment and Nonresidential Floor Area

The impact fee study will include nonresidential development as well. Job estimates are from North Front Range MPO Traffic TAZ database. The model forecasts employment growth for the entire city from 2020 to 2045 in five-year increments. To find the total employment in the base year, 2023, a straight-line approach from 2020 to 2025 was used. Listed in Figure 18, 107,677 jobs are estimated in the City of Fort Collins. Nearly half the employment is in the office industry. However, retail, industrial, and institutional industries have a significant presence as well.

**Figure 18. Base Year Employment by Industry**

Employment Industries	Base Year 2023	Percent of Total
Industrial	17,181	16%
Institutional	17,433	16%
Retail	21,282	20%
Office	51,782	48%
Total Jobs	107,677	100%

Source: North Front Range MPO TAZ employment database

The base year nonresidential floor area for the industry sectors is calculated with the Institution of Transportation Engineers' (ITE) square feet per employee averages, Figure 19. For industrial the Light Industrial factors are used; for institutional the Hospital factors are used; for retail the Shopping Center factors are used; for office the General Office factors are used.

**Figure 19. Institute of Transportation Engineers (ITE) Employment Density Factors**

Employment Industry	ITE Code	Land Use	Demand Unit	Emp Per Dmd Unit	Sq Ft Per Emp
Industrial	110	Light Industrial	1,000 Sq Ft	1.57	637
Institutional	610	Hospital	1,000 Sq Ft	2.86	350
Retail	820	Shopping Center	1,000 Sq Ft	2.12	471
Office	710	General Office	1,000 Sq Ft	3.26	307

Source: *Trip Generation*, Institute of Transportation Engineers, 11th Edition (2021)

By combining the base year job totals and the ITE square feet per employee factors, the nonresidential floor area is calculated in Figure 20. There is an estimated total of 43 million square feet of nonresidential floor area in Fort Collins. The office and industrial industries account for almost two-thirds of the total floor area at 37 percent and 25 percent respectively, while retail accounts for 23 percent and institutional accounts for 14 percent of the total.

**Figure 20. Base Year Nonresidential Floor Area**

Employment Industries	Base Year Jobs [1]	Sq. Ft. per Job [2]	Base Year Floor Area (Sq. Ft.)
Industrial	17,181	637	10,944,355
Institutional	17,433	350	6,101,592
Retail	21,282	471	10,023,588
Office	51,782	307	15,896,963
<b>Total</b>	<b>107,677</b>		<b>42,966,498</b>

[1] Source: North Front Range MPO TAZ employment database

[2] Source: Trip Generation, Institute of Transportation Engineers, 11th Edition (2021)

### Employment and Nonresidential Floor Area Projections

Based on the TAZ employment database, over the ten-year projection period, it is estimated that there will be an increase of 7,580 jobs. The majority of the increase comes from the office sector (58 percent); however, the institutional sector (23 percent) has a significant impact as well.

The nonresidential floor area projections are calculated by applying the ITE square feet per employee factors to the job growth. In the next ten years, the nonresidential floor area is projected to increase by 2.8 million square feet, a 6 percent increase from the base year. The office and institutional sectors have the greatest increase.

**Figure 21. Employment and Nonresidential Floor Area Projections**

City of Fort Collins, CO	Base Year 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total Increase
<b>Jobs [1]</b>												
Industrial	17,181	17,236	17,291	17,345	17,399	17,453	17,507	17,560	17,661	17,762	17,862	681
Institutional	17,433	17,621	17,809	17,980	18,152	18,323	18,495	18,666	18,832	18,999	19,165	1,732
Retail	21,282	21,359	21,437	21,518	21,599	21,680	21,760	21,841	21,916	21,991	22,066	785
Office	51,782	52,271	52,760	53,204	53,648	54,091	54,535	54,979	55,374	55,768	56,163	4,381
<b>Total Jobs</b>	<b>107,677</b>	<b>108,487</b>	<b>109,297</b>	<b>110,047</b>	<b>110,797</b>	<b>111,547</b>	<b>112,297</b>	<b>113,047</b>	<b>113,784</b>	<b>114,520</b>	<b>115,257</b>	<b>7,580</b>
<b>Nonresidential Floor Area (1,000 square feet) [2]</b>												
Industrial	10,944	10,979	11,014	11,049	11,083	11,117	11,152	11,186	11,250	11,314	11,378	434
Institutional	6,102	6,167	6,233	6,293	6,353	6,413	6,473	6,533	6,591	6,650	6,708	606
Retail	10,024	10,060	10,097	10,135	10,173	10,211	10,249	10,287	10,323	10,358	10,393	370
Office	15,897	16,047	16,197	16,334	16,470	16,606	16,742	16,879	17,000	17,121	17,242	1,345
<b>Total Floor Area</b>	<b>42,966</b>	<b>43,254</b>	<b>43,542</b>	<b>43,810</b>	<b>44,079</b>	<b>44,348</b>	<b>44,616</b>	<b>44,885</b>	<b>45,164</b>	<b>45,443</b>	<b>45,721</b>	<b>2,755</b>

[1] Source: North Front Range MPO TAZ employment database

[2] Source: Trip Generation, Institute of Transportation Engineers, 11th Edition (2021)

## Vehicle Trip Generation

### RESIDENTIAL VEHICLE TRIPS BY HOUSING TYPE

A customized trip rate is calculated for the single family and multifamily units in Fort Collins. In Figure 22, the most recent data from the US Census American Community Survey is inputted into equations provided by the ITE to calculate the trip ends per housing unit factor. A single family unit is estimated to generate 12.70 trip ends and a multifamily unit is estimated to generate 6.00 trip ends on an average weekday.

**Figure 22. Customized Residential Trip End Rates by Housing Type**

Tenure by Units in Structure	Vehicles Available (2)	Households by Structure Type (2)			Vehicles per HH by
		Single Family	Multifamily	Total	
Owner-occupied	74,579	33,116	2,493	35,609	2.09
Renter-occupied	55,237	11,226	20,369	31,595	1.75
<b>Total</b>	<b>129,816</b>	<b>44,342</b>	<b>22,862</b>	<b>67,204</b>	<b>1.93</b>
Housing Units (3) =>		45,625	24,496	70,121	
Persons per Housing Unit =>		2.54	1.73	2.26	

Housing Type	Persons in Households (4)	Trip Ends (5)	Vehicles by Type of Unit	Trip Ends (6)	Average Trip Ends	Local Trip Ends per Unit	National Trip Ends per Unit (7)	Difference from ITE
Single Family	115,988	323,073	88,984	832,918	577,996	12.70	9.43	35%
Multifamily	42,457	97,146	40,832	194,723	145,934	6.00	4.54	32%
<b>Total</b>	<b>158,445</b>	<b>420,219</b>	<b>129,816</b>	<b>1,027,640</b>	<b>723,930</b>	<b>10.80</b>		

1. Vehicles available by tenure from Table B25046, 2020 American Community Survey 5-Year Estimates.
2. Households by tenure and units in structure from Table B25032, 2020 American Community Survey 5-Year Estimates.
3. Housing units from Table B25024, 2020 American Community Survey 5-Year Estimates.
4. Total population in households from Table B25033, 2020 American Community Survey 5-Year Estimates.
5. Vehicle trips ends based on persons using formulas from Trip Generation (ITE 2021). For single-family housing (ITE 210), the fitted curve equation is  $EXP(0.89 * LN(persons) + 1.72)$ . To approximate the average population of the ITE studies, persons were divided by 12 and the equation result multiplied by 558. For multi-family housing (ITE 221), the fitted curve equation is  $(2.29 * persons) - 64.48$  (ITE 2017).
6. Vehicle trip ends based on vehicles available using formulas from Trip Generation (ITE 2021). For single-family housing (ITE 210), the fitted curve equation is  $EXP(0.92 * LN(vehicles) + 2.68)$ . To approximate the average number of vehicles in the ITE studies, vehicles available were divided by 21 and the equation result multiplied by 256. For multi-family housing (ITE 221), the fitted curve equation is  $(4.77 * vehicles) - 46.46$  (ITE 2021).
7. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).

### RESIDENTIAL VEHICLE TRIPS ADJUSTMENT FACTORS

A vehicle trip end is the out-bound or in-bound leg of a vehicle trip. As a result, so to not double count trips, a standard 50 percent adjustment is applied to trip ends to calculate a vehicle trip. For example, the out-bound trip from a person's home to work is attributed to the housing unit and the trip from work back home is attributed to the employer.

However, an additional adjustment is necessary to capture City residents' work bound trips that are outside of the city. The trip adjustment factor includes two components. According to the National Household Travel Survey (2009), home-based work trips are typically 31 percent of out-bound trips (which are 50 percent of all trip ends). Also, utilizing the most recent data from the Census Bureau's web application "OnTheMap", 51 percent of Fort Collins workers travel outside the city for work. In combination, these factors account for 8 percent of additional production trips ( $0.31 \times 0.50 \times 0.51 = 0.08$ ). Shown in Figure 23, the total adjustment factor for residential housing units includes attraction trips (50 percent of trip ends) plus the journey-to-work commuting adjustment (8 percent of production trips) for a total of 58 percent.

**Figure 23. Residential Trip Adjustment Factor for Commuters**

Employed Fort Collins Residents (2019)	73,469
Residents Working in the City (2019)	36,223
Residents Commuting Outside of the City for Work	37,246
Percent Commuting Out of the City	51%
<b>Additional Production Trips</b>	<b>8%</b>
<b>Standard Trip Adjustment Factor</b>	<b>50%</b>
<b>Residential Trip Adjustment Factor</b>	<b>58%</b>

Source: U.S. Census, OnTheMap Application, 2019

### NONRESIDENTIAL VEHICLE TRIPS

Vehicle trip generation for nonresidential land uses are calculated by using ITE's average daily trip end rates and adjustment factors found in their recently published 11<sup>th</sup> edition of *Trip Generation*. To estimate the trip generation in Fort Collins, the weekday trip end per 1,000 square feet factors highlighted in Figure 24 are used.

**Figure 24. Institute of Transportation Engineers Nonresidential Factors**

Employment Industry	ITE Code	Land Use	Demand Unit	Wkdy Trip Ends Per Dmd Unit	Wkdy Trip Ends Per Employee
Industrial	110	Light Industrial	1,000 Sq Ft	4.87	3.10
Institutional	610	Hospital	1,000 Sq Ft	10.77	3.77
Retail	820	Shopping Center	1,000 Sq Ft	37.01	17.42
Office	710	General Office	1,000 Sq Ft	10.84	3.33

Source: *Trip Generation*, Institute of Transportation Engineers, 11th Edition (2021)

For nonresidential land uses, the standard 50 percent adjustment is applied to office, industrial, and institutional. A lower vehicle trip adjustment factor is used for retail because this type of development attracts vehicles as they pass-by on arterial and collector roads. For example, when someone stops at a convenience store on their way home from work, the convenience store is not their primary destination.

In Figure 25, the Institute for Transportation Engineers' land use code, daily vehicle trip end rate, and trip adjustment factor is listed for each land use.

**Figure 25. Daily Vehicle Trip Factors**

Land Use	ITE Codes	Daily Vehicle Trip Ends	Trip Adj. Factor
<b>Residential (per housing unit)</b>			
Single Family	210	12.70	58%
Multifamily	220	6.00	58%
<b>Nonresidential (per 1,000 square feet)</b>			
Industrial	110	4.87	50%
Institutional	610	10.77	50%
Retail	820	37.01	38%
Office	710	10.84	50%

Source: Trip Generation, Institute of Transportation Engineers, 11th Edition (2021); National Household Travel Survey, 2009



## Residential Trip Generation by Housing Unit Size (sq. ft.)

As an alternative to simply using average trip generation rates for residential development by housing type, TischlerBise has derived custom trip rates using demographic data for Fort Collins. Key inputs needed for the analysis (i.e., average number of persons and vehicles available per housing unit) are available from the U.S. Census Bureau's American Community Survey (ACS).

### FORT COLLINS CONTROL TOTALS

As previously shown in Figure 12, Fort Collins averages 2.26 residents per housing unit. Single family includes detached and attached dwellings and manufactured housing. Duplexes and apartments are combined as multifamily. The average number of persons per housing unit in Fort Collins will be compared to national averages derived from traffic studies tabulated by the Institute of Transportation Engineers (ITE).

Trip generation rates are also dependent upon the average number of vehicles available per dwelling. Figure 26 indicates vehicles available by housing type within Fort Collins. As expected, single family housing has more vehicles available per dwelling (1.95) than multifamily housing (1.67).

**Figure 26. Vehicles Available per Housing Unit**

Tenure	Vehicles Available [1]	Households [2]			Vehicles per Household by Tenure
		Single Family	Multifamily	Total	
Owner-occupied	74,579	33,116	2,493	35,609	2.09
Renter-occupied	55,237	11,226	20,369	31,595	1.75
Total	129,816	44,342	22,862	67,204	1.93

Housing Type	Vehicles Available	Housing Units [3]	Vehicles per Housing Unit
Single Family	88,984	45,625	1.95
Multifamily	40,832	24,496	1.67
Total	129,816	70,121	1.85

[1] Vehicles available by tenure from Table B25046, American Community Survey, 2017-

[2] Households by tenure and units in structure from Table B25032, American Community Survey, 2021

[3] Housing units from Table B25024, American Community Survey, 2021

### DEMAND INDICATORS BY DWELLING SIZE

Custom tabulations of demographic data by bedroom range can be created from individual survey responses provided by the U.S. Census Bureau, in files known as Public Use Microdata Samples (PUMS). Because PUMS files are available for areas of roughly 100,000 persons, Fort Collins is included in Public Use Microdata Area (PUMA) 103 that covers the northern portion of Larimer County. At the top of Figure 27, cells with yellow shading indicate the survey results, which yield the unadjusted number of persons and vehicles available per dwelling. These multipliers are adjusted to match the control totals for Fort Collins, as documented in Figure 12 and Figure 26.

In comparison to the national averages based on ITE traffic studies, Fort Collins has fewer persons per dwelling, but a greater number of vehicles available per dwelling. Rather than rely on one methodology, the recommended multipliers shown below with grey shading and bold numbers are an average of trip rates based on persons and vehicles available (all types of housing units combined). In Fort Collins, the average housing unit is estimated to yield an 8.40 Average Weekday Vehicle Trip Ends (AWVTE).

**Figure 27. Average Weekday Vehicle Trips Ends by Bedroom Range**

Bedroom Range	Persons <sup>1</sup>	Vehicles Available <sup>1</sup>	Housing Units <sup>1</sup>	Housing Mix	Unadjusted Persons/HU	Adjusted Persons/HU <sup>2</sup>	Unadjusted VehAvl/HU	Adjusted VehAvl/HU <sup>2</sup>
0-1	457	386	388	8.6%	1.18	1.17	0.99	0.97
2	1,885	1,678	1,117	24.6%	1.69	1.68	1.50	1.47
3	3,585	3,217	1,542	34.0%	2.32	2.30	2.09	2.05
4+	4,410	3,630	1,487	32.8%	2.97	2.94	2.44	2.39
Total	10,337	8,911	4,534		2.28	2.26	1.97	1.93

**National Averages According to ITE (Trip Generation Manual, 11th Edition, 2021)**

ITE Code	AWVTE per Person	AWVTE per Vehicle Available	AWVTE per Household	Housing Mix	Persons per Household	Veh Avl per Household
221 Apt	1.84	5.10	4.54	35%	2.47	0.89
210 SFD	2.65	6.36	9.43	65%	3.56	1.48
Wgtd Avg	2.37	5.92	7.72		3.18	1.27

**Recommended AWVTE per Dwelling Unit by Bedroom Range**

Bedroom Range	AWVTE per HU Based on Persons <sup>3</sup>	AWVTE per HU Based on Vehicles Available <sup>4</sup>	AWVTE per Housing Unit <sup>5</sup>
0-1	2.77	5.74	<b>4.26</b>
2	3.98	8.70	<b>6.34</b>
3	5.45	12.14	<b>8.80</b>
4+	6.97	14.15	<b>10.56</b>
Total	5.36	11.43	<b>8.40</b>

1. American Community Survey, Public Use Microdata Sample for CO PUMA 00103 (2017-2021 5-Year).
2. Adjusted multipliers are scaled to make the average PUMS values match control totals for Fort Collins, based on American Community Survey (2017-2021 5-Year).
3. Adjusted persons per housing unit multiplied by national weighted average trip rate per person.
4. Adjusted vehicles available per housing unit multiplied by national weighted average trip rate per vehicle available.
5. Average of trip rates based on persons and vehicles available per housing unit.

**AWVTE per Dwelling by House Type**

ITE Code	AWVTE per HU Based on Persons <sup>3</sup>	AWVTE per HU Based on Vehicles Available <sup>4</sup>	AWVTE per Housing Unit <sup>5</sup>	Fort Collins Persons/HU	Fort Collins VehAvl/HU
221 Apt	4.10	9.89	7.00	1.73	1.67
210 SFD	6.02	11.54	8.78	2.54	1.95
All Types	5.36	11.44	8.40	2.26	1.93

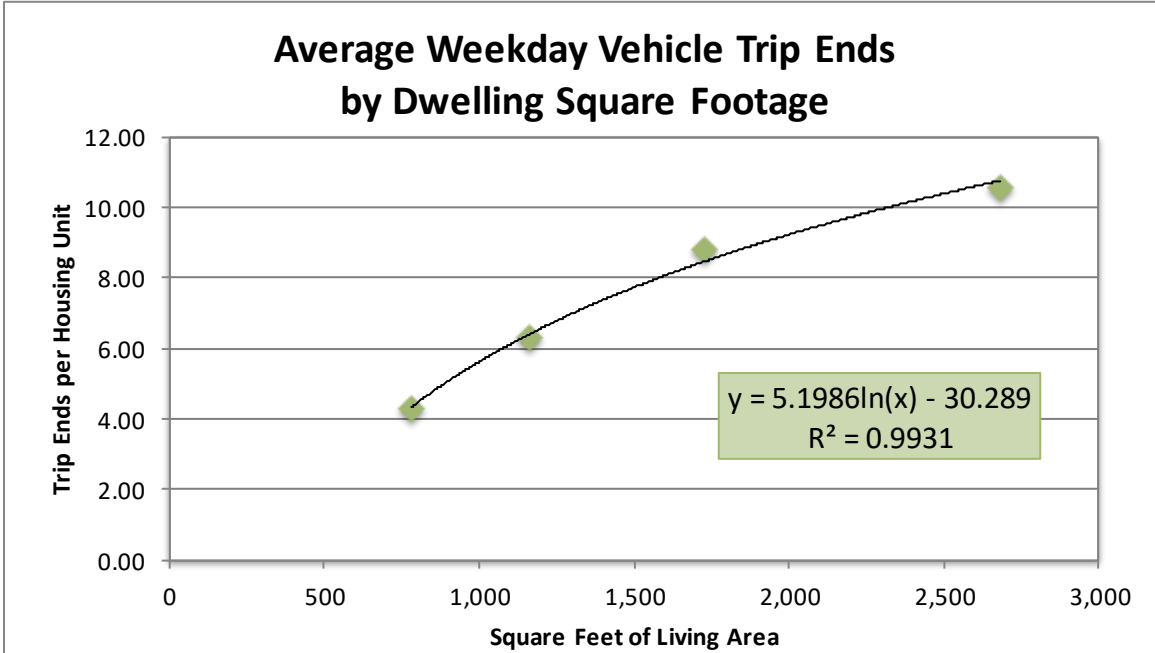
To derive average weekday vehicle trip ends by dwelling size, TischlerBise matched trip generation rates and average floor area, by bedroom range, as shown in Figure 28. Floor area averages were calculated with certificate of occupancies issued from 2020 through 2022. The logarithmic trend line formula is derived from the four actual averages in Fort Collins. The trend line is then used to derive estimated trip ends by dwelling size thresholds.

In 2017, TischlerBise completed the previous TCEF for Fort Collins. At that time, the average size home (1,701 to 2,200 square feet) was estimate to generate 8.92 daily vehicle trip ends. Compared to the updated average rate of 9.72 vehicle trip ends, the average size home has increased by 8 percent.

**Figure 28. Residential Vehicle Trip Ends by Dwelling Size**

Unit size ranges are based on current fee schedule and consistent with residential certificates of occupancy issued from 2020-2022. Average weekday vehicle trip ends per housing unit are derived from 2021 ACS PUMS data for the area that includes Fort Collins.

Actual Averages per Hsg Unit			Fitted-Curve Values	
Bedrooms	Square Feet	Trip Ends	Sq Ft Range	Trip Ends
0-1	781	4.26	up to 700	3.77
2	1,162	6.34	701 to 1,200	6.57
3	1,729	8.80	1,201 to 1,700	8.38
4+	2,684	10.56	1,701 to 2,200	9.72
			over 2,200	10.79



## **APPENDIX B – ACTIVE MODES PROJECT LISTS**

Below are pages from the Fort Collins Active Modes Plan (2022) listing the high and medium priority/readiness projects.

Figure 29. High Priority/Readiness Projects

Fort Collins Active Modes Plan | Chapter 7: Implementing The Vision

### High Priority/Readiness Projects

In the near term, to achieve the goals of improving safety and increasing mode share, the focus is placed on quick wins—projects that can be readily implemented and will have immediate impact.

Project Focus	PID	Street	Cross-Street or Extents	Treatment	Length (mi)	Outcomes Score	Imple. Score	Cost Opinion (2022)
Pedestrian	7	Drake	Timberline	Signal Operations	Spot	44	8	\$ 206,000
			Lemay	Geometric Redesign	Spot			
		Shields	Signal Operations	Spot				
		Shields St	Casa Grande	Signal Operations	Spot			
Pedestrian	46	Harmony Rd	Mason	Signal Operations	Spot	44	8	\$ 206,000
			Boardwalk	Signal Operations	Spot			
			Lemay	Signal Operations	Spot			
			Starflower	Geometric Redesign	Spot			
Pedestrian	1	College Ave	Willow	Signal Operations	Spot	44	7	\$ 109,000
			Laporte	Signal Operations	Spot			
			Mountain	Signal Operations	Spot			
			Olive	Signal Operations	Spot			
Pedestrian	4	Mulberry St	Magnolia	Signal Operations	Spot	44	7	\$ 453,000
			College	Signal Operations	Spot			
			Mason	Signal Operations	Spot			
			Loomis	Geometric Redesign	Spot			
Pedestrian	11	Willow St	Shields	Signal Operations	Spot	46	3	\$ 50,000
			Taft Hill	Signal Operations	Spot			
			Whitcomb / Canyon	Geometric Redesign	Spot			
			Linden	High-Visibility Crosswalk	Spot			
Pedestrian	29	Taft Hill Rd	Lincoln	Beacon / RRFB	Spot	40	8	\$ 153,000
			Prospect	Signal Operations	Spot			
Pedestrian	3	College Ave	Valley Forge	Geometric Redesign	Spot	40	8	
			Monroe	Signal Operations	Spot			
Pedestrian	3	College Ave	Rutgers	Geometric Redesign	Spot	42	6	\$ 303,000
			Columbia	Geometric Redesign	Spot			
Pedestrian	9*	Elizabeth St	Shields St	Plum	Geometric Redesign	44	4	\$ 600,000
			Shields	Geometric Redesign	Spot			
			Taft Hill	Geometric Redesign	Spot			
Bicycle	61	Taft Hill Rd	Constitution	Geometric Redesign	Spot	45	2	\$ 600,000
			Glenmoor	Signals	Spot			
Pedestrian	2	College Ave	Laurel	Signal Operations	Spot	44	3	\$ 343,000
			Prospect	Geometric Redesign	Spot			
Pedestrian	10	Mason St	Mason Trail	Prospect	Geometric Redesign	38	7	\$ 6,000
			Mountain	Signal Operations	Spot			
Bicycle	51	W Prospect Rd	Olive	Signal Operations	Spot	40	5	\$ 600,000
Bicycle	33	E Magnolia St	Remington St	Signs & Markings	Spot	40	4	\$ 3,000

\*Project includes a partner such as Colorado DOT, Larimer County, or Colorado State University

Figure 30. High Priority/Readiness Projects cont.

Fort Collins Active Modes Plan | Chapter 7: Implementing The Vision

Project Focus	PID	Street	Cross-Street or Extents	Treatment	Length (mi)	Outcomes Score	Imple. Score	Cost Opinion (2022)
Pedestrian	5	Mulberry St	Stover	Beacon / RRFB	Spot	40	4	\$ 1,302,000
			Remington	Median / Diverter	Spot			
			Peterson	New Crossing	Spot			
Bicycle	30	Mountain Ave, Lincoln Ave	N Howes St - Willow St	Buffered Bike Lane, Separated Bike Lane	0.5	38	6	\$ 193,000
Pedestrian	31	Harmony Rd	Corbett	Geometric Redesign	Spot	37	7	\$ 200,000
			Timberline	Signal Operations	Spot			
Bicycle	52	W Lake St	S Shields St - S Mason St	Separated Bike Lane	1.2	39	5	\$ 251,000
Bicycle	50	E Vine Dr	Jerome St	Signals	Spot	42	2	\$ 600,000
Pedestrian	22	Lemay Ave	Prospect	Signal Operations	Spot	36	7	\$ 100,000
			Stuart	Signal Operations	Spot			
Bicycle	39	S Shields St	W Mulberry St - Davidson Dr	Separated Bike Lane	1.6	38	5	\$ 1,489,000
Bicycle	32	Magnolia St	S Sherwood St - Whedbee St	Bike Boulevard	0.8	37	5	\$ 29,000
Bicycle	41	S Shields St	W Lake St	Two-Way Sidepath	Spot	34	8	\$ 29,000
Pedestrian	21	Lemay	Mulberry	Geometric Redesign	Spot	39	3	\$ 150,000
Bicycle	2	E Elizabeth St	S College Ave	Intersection redesign	Spot	37	4	\$ 585,000
Bicycle	7	S Taft Hill Rd	W Elizabeth St - W Horsetooth Rd	Separated Bike Lane	2.5	34	7	\$ 707,000
Bicycle	52	City Park Ave	W Mulberry St	Signals	Spot	35	6	\$ 600,000
Bicycle	6	S Taft Hill Rd	Laporte Ave - W Elizabeth St	Separated Bike Lane	1.1	34	6	\$ 279,000
Bicycle	12	Birch St	S Shields St	Signs & Markings	Spot	34	6	\$ 3,000
Bicycle	28	Jefferson St	N College Ave - E Mountain Ave	Separated Bike Lane	0.5	35	5	\$ 116,000
Pedestrian	40	Shields	Stuart	Geometric Redesign	Spot	36	4	\$ 150,000
Pedestrian	15	Mason	Maple	Geometric Redesign	Spot	38	2	\$ 150,000
Bicycle	35	Birch St, Crestmore Pl, Skyline Dr	Orchard Pl - City Park Ave	Bike Boulevard	1.4	32	7	\$ 6,000
Bicycle	36	Glenmoor Dr, W Plum St	S Taft Hill Rd - Skyline Dr	Bike Boulevard	1.1	32	7	\$ 3,000
Bicycle	50	Springfield Dr	Castlerock Dr - S Shields St	Bike Boulevard	0.6	32	7	\$ 6,000
Bicycle	12	S Shields St	W Mountain Ave - W Mulberry St	Separated Bike Lane	2.2	31	7	\$ 111,000
Pedestrian	67	Horsetooth	Platte	Median / Diverter	Spot	33	6	\$ 234,000
			Auntie Stone	Median / Diverter				
Bicycle	47	Castlerock Dr, Lake St, Skyline Dr, Clearview Ave	S Taft Hill Rd - W Elizabeth St	Bike Boulevard	3.5	34	5	\$ 5,000
Bicycle	58*	Gillette Dr	Phemister Rd - W Drake Rd	Separated Bike Lane	3.0	34	5	\$ 135,000
Bicycle	76	E Horsetooth Rd	S Lemay Ave - Ziegler Rd	Separated Bike Lane	0.7	34	5	\$ 561,000
Bicycle	11	Conifer St	N College Ave	Intersection redesign	Spot	34	5	\$ 585,000
Bicycle	57	Centre Ave	S Shields St - Phemister Rd	Separated Bike Lane	1.0	35	4	\$ 347,000
Bicycle	40	S Shields St	Davidson Dr - Hilldale Dr	Separated Bike Lane	0.1	32	6	\$ 777,000

\*Project includes a partner such as Colorado DOT, Larimer County, or Colorado State University

Figure 31. High Priority/Readiness Projects cont.

Fort Collins Active Modes Plan | Chapter 7: Implementing The Vision

Project Focus	PID	Street	Cross-Street or Extents	Treatment	Length (mi)	Outcomes Score	Imple. Score	Cost Opinion (2022)
Bicycle	11	Laporte Ave	Fishback Ave - N Washington Ave	Bike Lane	1.7	33	5	\$ 61,000
Bicycle	104	Boardwalk Dr	JFK - Harmony	Buffered Bike Lane	0.3	33	5	\$ 51,000
Pedestrian	72	Riverside Ave	Prospect Rd	Geometric Redesign	Spot	33	5	\$ 150,000
Bicycle	64	Drake Rd	S Taft Hill Rd - Tulane Dr	Separated Bike Lane	0.3	34	3	\$ 1,312,000
Bicycle	74	W Horsetooth Rd	Richmond Dr - S Mason St	Sidepath (both sides)	0.8	34	3	\$ 2,594,000
Bicycle	51*	W Pitkin St	S Shields St - S College Ave	Separated Bike Lane	0.7	33	4	\$ 1,314,000
Pedestrian	13	Magnolia	Sherwood	Geometric Redesign	Spot	33	3	\$ 903,000
			Loomis	Geometric Redesign	Spot			
			Meldrum	Geometric Redesign	Spot			
			Washington	High-Visibility Crosswalk	Spot			
Pedestrian	12	Olive	Remington	Geometric Redesign	Spot	34	2	\$ 300,000
			Mathews	Geometric Redesign	Spot			
Bicycle	40	N Roosevelt Ave	Laporte Ave	Signals	Spot	30	5	\$ 600,000
Pedestrian	60	Ziegler	Saber Cat	Beacon / RRFB	Spot	29	6	\$ 32,000
Bicycle	44	Centre Ave	W Lake St	Intersection redesign	Spot	35	0	\$ 585,000
Bicycle	59	Booth Rd	Tietz Dr - Bay Rd	Sidepath (one side)	0.5	32	3	\$ 130,000
Bicycle	62	S Lemay Ave	E Stuart St - E Horsetooth Rd	Sidepath (both sides)	0.2	32	3	\$ 4,439,000
Bicycle	62	Spring Creek Trail	Taft Hill Rd	New connection	Spot	32	3	\$ 320,000
Pedestrian	30	Taft Hill	Lake	New Crossing	Spot	32	2	\$ 585,000
Bicycle	7	E Horsetooth Rd	Kingsley Dr	Signals	Spot	27	6	\$ 600,000
Bicycle	1	E Prospect St	Stover St	Two-Way Sidepath	Spot	27	6	\$ 29,000
Bicycle	48	S Howes St	W Laurel St	Signs & Markings	Spot	29	4	\$ 3,000
Bicycle	39	S College Ave	Rutgers Ave	New connection	Spot	32	1	\$ 320,000
Bicycle	26	W Stuart St	S Taft Hill Rd (Project #1)	Two-Way Sidepath	Spot	26	5	\$ 29,000
Bicycle	34	Riverside Ave	E Mulberry St	Intersection redesign	Spot	29	2	\$ 585,000
Bicycle	46	Jackson Ave	W Mulberry St	Two-Way Sidepath	Spot	23	6	\$ 29,000
Pedestrian	48	Cinquefoil	Kechter	Median / Diverter	Spot	21	4	\$ 32,000
Bicycle	20	S Timberline Rd	E Lincoln Ave	Intersection redesign	Spot	21	2	\$ 585,000
Pedestrian	25	Frey	Laporte	Geometric Redesign	Spot	21	2	\$ 150,000
Pedestrian	75	Mason Trail	Prospect Rd	Beacon / RRFB	Spot	18	3	\$ 600,000
Pedestrian	34	Timberline	Horsetooth	Geometric Redesign	Spot	17	3	\$ 150,000
Bicycle	8	E Horsetooth Rd	Caribou Dr	Signals	Spot	18	2	\$ 600,000

**High-Priority/Readiness Phase, Opinion of Probable Cost: \$30,400,000 over five years (2022 costs)**

Figure 32. Medium Priority/Readiness Projects

Fort Collins Active Modes Plan | Chapter 7: Implementing The Vision

### Medium Priority/Readiness Projects

In the medium priority/readiness phase of implementation, program resources and capacity grow to deliver more and more complex projects.

Project Type	PID	Street	Cross-Street or Extents	Treatment	Length (mi)	Outcomes Score	Imple. Score	Cost Opinion (2022)
Bicycle	24	Timberline Rd	Annabel Ave - E Prospect Rd	Separated Bike Lane	1.8	31	6	\$ 605,000
Bicycle	65	E Drake Rd	Tulane Dr - Rigden Pkwy	Sidepath (both sides)	0.5	34	2	\$ 5,817,000
Bicycle	75	E Horsetooth Rd	Mitchell Dr - S Lemay Ave	Sidepath (both sides)	0.3	34	2	\$ 2,941,000
Bicycle	46	Clearview Ave	Ponderosa Dr - Skyline Dr	Bike Boulevard	1.0	30	6	\$ 4,000
Bicycle	48	W Lake St	S Overland Tr - S Taft Hill Rd	Bike Boulevard	1.1	30	6	\$ 7,000
Bicycle	69	Worthington Ave	W Drake Rd - W Swallow Rd	Bike Boulevard	1.6	30	6	\$ 4,000
Pedestrian	19	3rd St	Lincoln	Beacon / RRFB	Spot	30	6	\$ 32,000
Pedestrian	20	Riverside	Lemay	Geometric Redesign	Spot	31	5	\$ 150,000
Bicycle	67	Water Blossom Ln, Willow Fern Way	W Drake Rd - Marshwood Dr	Bike Boulevard	1.0	28	7	\$ 2,000
Bicycle	56*	Rolland Moore Dr, Phemister Rd	S Shields St - Bay Rd	Separated Bike Lane, Bike Lane	1.7	30	5	\$ 331,000
Bicycle	85	Harmony Rd	S Taft Hill Rd - S Lemay Ave	Separated Bike Lane	2.6	30	5	\$ 1,218,000
Bicycle	29	Linden St	Walnut St - Jefferson St	Bike Route	1.0	30	5	\$ 7,000
Bicycle	80	John F Kennedy Pkwy, E Troutman Pkwy	E Horsetooth Rd - E Harmony Rd	Separated Bike Lane, Buffered Bike Lane	1.2	26	8	\$ 383,000
Bicycle	66	E Drake Rd, Ziegler Rd	Rigden Pkwy - William Neal Pkwy	Separated Bike Lane	1.4	27	7	\$ 195,000
Bicycle	38	Laurel St	S Shields St - S Howes St	Separated Bike Lane, Buffered Bike Lane	0.2	28	6	\$ 371,000
Bicycle	42	Pennoch Pl	all	Bike Boulevard	1.4	28	6	\$ 1,000
Pedestrian	65	Center	Phemister	Beacon / RRFB	Spot	28	6	\$ 32,000
Bicycle	99	Howes St	W Mountain Ave - W Laurel St	Buffered Bike Lane	0.5	30	4	\$ 58,000
Bicycle	14	Mcmurry Ave	E Harmony Rd	Intersection redesign	Spot	30	4	\$ 585,000
Bicycle	60	East Spring Creek Trail	Lemay Ave	Two-Way Sidepath	Spot	30	4	\$ 29,000
Bicycle	54	E Suniga Rd	Jerome St	Signs & Markings	Spot	31	3	\$ 3,000
Bicycle	2	N Shields St	W Willox Ln - W Mountain Ave	Separated Bike Lane	0.9	27	6	\$ 433,000
Bicycle	26	S Timberline Rd	Vermont Dr - Battlecreek Dr	Separated Bike Lane	2.0	27	6	\$ 708,000
Bicycle	63	W Drake Rd	S Overland Tr - S Taft Hill Rd	Separated Bike Lane	1.1	27	6	\$ 299,000
Bicycle	27	Skyline Dr	W Prospect Rd	Signals	Spot	28	5	\$ 600,000
Pedestrian	16	College	Myrtle	Geometric Redesign	Spot	30	3	\$ 117,000
Pedestrian	43	College	Willox	Signal Operations	Spot	30	3	\$ 50,000

\*Project includes a partner such as Colorado DOT, Larimer County, or Colorado State University



Figure 33. Medium Priority/Readiness Projects cont.

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Project Type	PID	Street	Cross-Street or Extents	Treatment	Length (mi)	Outcomes Score	Imple. Score	Cost Opinion (2022)
Bicycle	25	S Timberline Rd	E Prospect Rd - Vermont Dr	Separated Bike Lane	0.4	25	7	\$ 414,000
Bicycle	10	West St, Maple St	N Roosevelt Ave - N Shields St	Bike Boulevard	0.5	26	6	\$ 5,000
Bicycle	21	Redwood St, Linden St	Conifer St - Linden Center Dr	Buffered Bike Lane	0.8	26	6	\$ 41,000
Bicycle	60	Purdue Rd, Tulane Dr, Mathews St, Rutgers Ave	S College Ave - E Swallow Rd	Bike Boulevard	0.6	26	6	\$ 9,000
Pedestrian	55	Redwood	Conifer	High-Visibility Crosswalk	Spot	27	5	\$ 36,000
			Suniga	High-Visibility Crosswalk	Spot			
Bicycle	37	W Elizabeth St	S Overland Tr - CSU Transit Center	Separated Bike Lane	6.8	28	4	\$ 4,062,000
Bicycle	28	Heatheridge Rd	W Prospect Rd	Signals	Spot	28	4	\$ 600,000
Pedestrian	14	Sherwood	Cherry	High-Visibility Crosswalk	Spot	30	2	\$ 168,000
			Maple	Geometric Redesign	Spot			
Bicycle	58	Willox Ln	Blue Spruce	Signals	Spot	31	1	\$ 600,000
Pedestrian	41	Timberline	Mulberry	Geometric Redesign	Spot	31	1	\$ 150,000
Bicycle	44	S Lemay Ave	Riverside Ave - E Stuart St	Separated Bike Lane	1.6	25	6	\$ 740,000
Bicycle	45	E Elizabeth St	S College Ave - S Lemay Ave	Buffered Bike Lane, Bike Lane	1.9	26	5	\$ 90,000
Bicycle	98	Loomis Ave	Laporte Ave - W Mulberry St	Buffered Bike Lane	0.6	26	5	\$ 31,000
Pedestrian	61	Timberline	International	New Crossing	Spot	26	5	\$ 632,000
			Sykes	Beacon / RRFB	Spot			
Pedestrian	56	Willox	Bramblebush	Beacon / RRFB	Spot	27	4	\$ 32,000
Bicycle	43*	Phemister Rd	Mason Trail	New connection	Spot	28	3	\$ 320,000
Bicycle	103	E Lincoln Ave	Lemay - Timberline	Separated Bike Lane	0.9	30	1	\$ 3,019,000
Bicycle	27	N Loomis Ave	Cherry St - Laporte Ave	Bike Boulevard	1.0	24	6	\$ 2,000
Bicycle	34	Ponderosa Dr, Fuqua Dr, Clearview Ave	W Mulberry St - W Prospect Rd	Bike Boulevard	0.6	24	6	\$ 8,000
Bicycle	49	Underhill Dr, Skyline Dr	Springfield Dr - Westbridge Dr	Bike Boulevard	1.4	24	6	\$ 3,000
Bicycle	53	Emigh St, McHugh St, Welch St	E Elizabeth St - E Prospect Rd	Bike Boulevard	1.0	24	6	\$ 4,000
Bicycle	61	Brookwood Dr, Rollingwood Ln, Silverwood Dr, Oxborough Ln	E Stuart St - Centennial Rd	Bike Boulevard	3.1	24	6	\$ 10,000
Bicycle	89	S Lemay Ave	E Harmony Rd - Carpenter Rd	Separated Bike Lane	1.1	25	5	\$ 830,000
Bicycle	49*	S College Ave	W/E Swallow Rd	Signs & Markings	Spot	25	5	\$ 3,000
Bicycle	41*	Meridian Ave	W Plum St - Hughes Way	Separated Bike Lane	2.5	26	4	\$ 682,000

\*Project includes a partner such as Colorado DOT, Larimer County, or Colorado State University

Figure 34. Medium Priority/Readiness Projects cont.

Project Type	PID	Street	Cross-Street or Extents	Treatment	Length (mi)	Outcomes Score	Imple. Score	Cost Opinion (2022)
Pedestrian	53	JFK	Monroe	Geometric Redesign	Spot	26	4	\$ 150,000
Pedestrian	74	Troutman Pkwy	Boardwalk	Geometric Redesign	Spot	26	4	\$ 150,000
Bicycle	73	W Horsetooth Rd	Horsetooth Ct - Richmond Dr	Sidepath (both sides)	3.6	28	2	\$ 3,599,000
Bicycle	20	Conifer St	N College Ave - N Lemay Ave	Buffered Bike Lane	0.4	24	5	\$ 97,000
Bicycle	18*	Turnberry Rd	Country Club Rd - Mountain Vista Dr	Separated Bike Lane	0.9	25	4	\$ 1,254,000
Pedestrian	63	Lake	West of Whitcomb	Beacon / RRFB	Spot	25	4	\$ 32,000
Pedestrian	66	Prospect	Whedbee	New Crossing	Spot	25	4	\$ 600,000
Bicycle	23	E Vine Dr	Linden St - I-25	Sidepath (one side)	0.1	27	2	\$ 4,447,000
Bicycle	83	S Lemay Ave	E Horsetooth Rd - E Harmony Rd	Sidepath (both sides)	3.0	27	2	\$ 2,689,000
Pedestrian	44*	College Ave	Palmer	Beacon / RRFB	Spot	27	2	\$ 1,200,000
			Saturn	Beacon / RRFB	Spot			
Bicycle	45	Red St	Canal Crossing	New connection	Spot	28	1	\$ 320,000
Bicycle	56	Horsetooth	Seneca	Signals	Spot	24	4	\$ 600,000
Pedestrian	69	Mason	Boardwalk	High-Visibility Crosswalk	Spot	24	4	\$ 18,000
Bicycle	81	W County Road 38E	Red Fox Rd - S Taft Hill Rd	Sidepath (both sides)	0.4	25	3	\$ 1,600,000
Bicycle	97	Overland Trail	W Vine Dr - W Drake Rd	Separated Bike Lane	0.3	25	3	\$ 7,624,000
Pedestrian	71	JFK Pkwy	Pavilion	New Crossing	Spot	23	4	\$ 585,000
Pedestrian	45*	College	Fossil Creek	Geometric Redesign	Spot	25	2	\$ 190,000
Bicycle	64	Willox Ln	Lemay Ave	Intersection redesign	Spot	26	1	\$ 585,000
Pedestrian	62	Shields	Laurel	Beacon / RRFB	Spot	21	5	\$ 600,000
Pedestrian	6	Shields	Laporte	Geometric Redesign	Spot	17	8	\$ 50,000
Pedestrian	33	Timberline	Vermont	Geometric Redesign	Spot	19	6	\$ 117,000
Pedestrian	52	Harmony	Silvergate	Beacon / RRFB	Spot	21	4	\$ 117,000
Pedestrian	59	Laporte	Impala	High-Visibility Crosswalk	Spot	19	5	\$ 32,000
Pedestrian	42	Airpark	Lincoln	New Crossing	Spot	20	1	\$ 585,000
Pedestrian	27	Overland Trail	Mulberry	Beacon / RRFB	Spot	16	4	\$ 1,185,000
			Rampart	New Crossing	Spot			
Pedestrian	35	Miles House	Drake	New Crossing	Spot	11	6	\$ 600,000
Pedestrian	49	Lemay	Brittany	New Crossing	Spot	17	2	\$ 632,000
		Trilby		Beacon / RRFB	Spot			

Medium Priority/Readiness Projects, Opinion of Probable Cost: \$57,100,000 over five years (2022 costs)

Draft Report

# 2023 Capital Expansion Fee Study

*The Economics of Land Use*



DRAFT

Prepared for:  
City of Fort Collins, Colorado

Prepared by:  
Economic & Planning Systems, Inc.

November 21, 2023

EPS #233062

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# 1. Executive Summary

## Introduction

This Report was prepared by Economic & Planning Systems (EPS) for the City of Fort Collins to update its Capital Expansion Fee (CEF) program. CEFs are the **City's term for what are defined as impact fees under State of Colorado law**. The Report documents costs and other supporting data to provide the nexus and proportionality requirements needed to adopt impact fees to comply with State of Colorado law and other case law regarding development charges. Capital Expansion fee calculations are provided for the following fee categories currently levied by the City on new development:

- Neighborhood Parks
- Community Parks
- Police
- Fire Protection
- General Government

## Current Capital Expansion Fee Program

The City collects impact fees or CEFs for neighborhood parks, community parks, fire protection, police, general government, and transportation (Table 1). The transportation impact fee is known as the Transportation Capital Expansion Fee or TCEF. The TCEF is currently undergoing an update contained in a separate study.

Residential capital expansion fees are charged per dwelling unit with the fees varying by the size of the dwelling unit, as large units have larger average household sizes than smaller units. The current residential CEFs (including the TCEF) range from a total of \$9,296 for dwelling units up to 700 square feet to \$19,049 for units over 2,200 square feet. These fees apply to all dwelling unit types (e.g., single family and multifamily) and are applied based on the gross square feet in the building permit application.

In total, nonresidential CEFs are \$12,737 per 1,000 sq. ft. (\$12.74 per sq. ft.) for commercial buildings, \$10,118 per 1,000 sq. ft. (\$10.12 per sq. ft.) for office/other service buildings, and \$3,021 per 1,000 sq. ft. (\$3.02 per sq. ft.) for industrial buildings. Capital expansion fees are collected typically at the time of building permit for building construction.

Table 1. Current Capital Expansion Fees

Land Use Type	Neighborhood Park	Community Park	Fire	Police	General Government	TCEF (Transportation)	Total
<b>Residential (per dwelling)</b>							
Up to 700 sq. ft.	\$2,108.00	\$2,977.00	\$516.00	\$289.00	\$703.00	\$2,703.00	<b>\$9,296.00</b>
700 - 1,200 sq. ft.	\$2,822.00	\$3,985.00	\$698.00	\$391.00	\$948.00	\$5,020.00	<b>\$13,864.00</b>
1,201 - 1,700 sq. ft.	\$3,082.00	\$4,351.00	\$759.00	\$425.00	\$1,035.00	\$6,518.00	<b>\$16,170.00</b>
1,701 - 2,200 sq. ft.	\$3,114.00	\$4,396.00	\$772.00	\$431.00	\$1,051.00	\$7,621.00	<b>\$17,385.00</b>
Over 2,200 sq. ft.	\$3,470.00	\$4,901.00	\$859.00	\$480.00	\$1,170.00	\$8,169.00	<b>\$19,049.00</b>
<b>Nonresidential (per 1,000 sq. ft.)</b>							
Commercial	\$0.00	\$0.00	\$650.00	\$364.00	\$1,777.00	\$9,946.00	<b>\$12,737.00</b>
Office and Other Services	\$0.00	\$0.00	\$650.00	\$364.00	\$1,777.00	\$7,327.00	<b>\$10,118.00</b>
Industrial	\$0.00	\$0.00	\$152.00	\$85.00	\$419.00	\$2,365.00	<b>\$3,021.00</b>

Source: City of Fort Collins; Economic &amp; Planning Systems

## Proposed Updated Capital Expansion Fee Program

This Report documents the calculations for a new capital expansion fee program with the following proposed changes.

### New Fee Land Use Types

A new fee for land use comprised of offices and other services is proposed. Traditionally, office and other services impact fees have been charged at the same rate as retail/commercial developments. However, the TCEF fees have been charging office and other service impact fees at a different rate than retail/commercial developments. To create consistency between the CEF and TCEF fees, EPS is proposing that office and other services impact fees be added to the fee schedule to create more consistency with the TCEF fees.

## Updated Capital Expansion Fees

This report provides calculations of the maximum capital expansion fees that the City may charge, supported by this nexus and proportionality analysis. The law allows City Council to adopt the full fees determined in this report, or to adopt lower fees for a variety of policy reasons determined to be in the interest of the City. The proposed maximum residential and nonresidential capital expansion fees are shown below in Table 2.

Updated residential fees range from \$6,684 to \$13,893 (Table 2). The range in residential fees is based on the average household size in each size category and dwelling unit type. Larger homes tend to have larger household sizes, creating more impact on public facilities. Increases in the residential fees range from 1.4 percent to 27.7 percent. For smaller residences, the fee percent increase is lower due to the proportionally larger decrease in average household size for smaller units. For example, the household size in housing units smaller than 700 square feet decreased from 1.78 in 2017 to 1.40 in 2023. Meanwhile, units over 2,200 square feet only decreased by 0.04 persons per dwelling unit from 2.95 in 2017 to 2.91 in 2023.

Fees vary according to the employment and customer/visitor generation factors for each land use type explained further in Chapter 2. Nonresidential fees range from \$953.13 to \$3,673.89 per 1,000 square feet. Changes in the nonresidential fees range from a decrease of 28.0 percent for office and other services to an increase of 45.3 percent for industrial land uses. The decrease in office and other services land uses is a result of updating the fee category to align with the TCEF fees as described in the previous section.



Table 2. Updated Residential and Nonresidential Capital Expansion Fees, 2023

Land Use Type	Parks		Fire	Police	General Government	Total
	Neighborhood Park	Community Park				
<b>Update</b>						
<b>Residential (per dwelling)</b>						
Up to 700 sq. ft.	\$2,813.46	\$2,140.12	\$603.52	\$381.89	\$745.25	\$6,684.24
700 - 1,200 sq. ft.	\$4,260.38	\$3,240.76	\$913.90	\$578.29	\$1,128.52	\$10,121.85
1,201 - 1,700 sq. ft.	\$4,782.88	\$3,638.21	\$1,025.98	\$649.21	\$1,266.93	\$11,363.21
1,701 - 2,200 sq. ft.	\$5,144.61	\$3,913.37	\$1,103.58	\$698.31	\$1,362.74	\$12,222.61
Over 2,200 sq. ft.	\$5,847.97	\$4,448.40	\$1,254.46	\$793.78	\$1,549.06	\$13,893.67
<b>Nonresidential (per 1,000 sq. ft.)</b>						
Retail/Commercial	\$0.00	\$0.00	\$1,281.17	\$810.68	\$1,582.04	\$3,673.89
Office and Other Services	\$0.00	\$0.00	\$701.02	\$443.58	\$865.64	\$2,010.24
Industrial	\$0.00	\$0.00	\$332.38	\$210.32	\$410.43	\$953.13
<b>Current</b>						
<b>Residential (per dwelling)</b>						
Up to 700 sq. ft.	\$2,108.00	\$2,977.00	\$516.00	\$289.00	\$703.00	\$6,593.00
700 - 1,200 sq. ft.	\$2,822.00	\$3,985.00	\$698.00	\$391.00	\$948.00	\$8,844.00
1,201 - 1,700 sq. ft.	\$3,082.00	\$4,351.00	\$759.00	\$425.00	\$1,035.00	\$9,652.00
1,701 - 2,200 sq. ft.	\$3,114.00	\$4,396.00	\$772.00	\$431.00	\$1,051.00	\$9,764.00
Over 2,200 sq. ft.	\$3,470.00	\$4,901.00	\$859.00	\$480.00	\$1,170.00	\$10,880.00
<b>Nonresidential (per 1,000 sq. ft.)</b>						
Retail/Commercial	\$0.00	\$0.00	\$650.00	\$364.00	\$1,777.00	\$2,791.00
Office and Other Services	\$0.00	\$0.00	\$650.00	\$364.00	\$1,777.00	\$2,791.00
Industrial	\$0.00	\$0.00	\$152.00	\$85.00	\$419.00	\$656.00
<b>Percent Change</b>						
<b>Residential (per dwelling)</b>						
Up to 700 sq. ft.	33.5%	-28.1%	17.0%	32.1%	6.0%	1.4%
700 - 1,200 sq. ft.	51.0%	-18.7%	30.9%	47.9%	19.0%	14.4%
1,201 - 1,700 sq. ft.	55.2%	-16.4%	35.2%	52.8%	22.4%	17.7%
1,701 - 2,200 sq. ft.	65.2%	-11.0%	43.0%	62.0%	29.7%	25.2%
Over 2,200 sq. ft.	68.5%	-9.2%	46.0%	65.4%	32.4%	27.7%
<b>Nonresidential (per 1,000 sq. ft.)</b>						
Retail/Commercial	--	--	97.1%	122.7%	-11.0%	31.6%
Office and Other Services	--	--	7.8%	21.9%	-51.3%	-28.0%
Industrial	--	--	118.7%	147.4%	-2.0%	45.3%

Source: City of Fort Collins; Economic & Planning Systems

## Legal Standards for Impact Fees

Impact fees can be charged by local governments on new development to pay for capital facilities needed to serve growth. The State of Colorado has adopted a standard with the adoption of Senate Bill 15, codified as Section 29-20-104 and 104.5 of the Colorado Revised Statutes following a Colorado Supreme Court decision.

The Colorado Supreme Court ruled in *Krupp v. Breckenridge Sanitation District* (1999) that the District could assess an impact fee based on a set of development characteristics that reflect the general performance of a proposed use, rather than the specific conditions of an individual proposal. While traditional exactions are determined on an individual basis and applied on a case-by-case basis, an "impact fee" is calculated based on the impact of all new development and the same fee is shared to all new development in a particular class.<sup>1</sup> The finding of the Court distinguishes impact fees, as a legislatively adopted program applicable to a broad class of property owners, from traditional exactions, which are discretionary actions applicable to a single project or property owner.

In 2001, the State Legislature provided specific authority in adopting Senate Bill 15 that "provides that a local government may impose an impact fee or other similar development charge to fund expenditures by such local government on capital facilities needed to serve new development." The bill amended Title 29 of the Colorado statutes that govern both municipalities and counties and defines "local government" to include a county, home rule, or statutory city, city, or territorial charter city.

The law requires local governments to "quantify the reasonable impacts of proposed development on existing capital facilities and establish the impact fee or development charge at a level no greater than necessary to defray such impacts directly related to proposed development." The standard that must be met within the State of Colorado requires mitigation to be "directly related" to impacts.

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<sup>1</sup> Colorado Municipal League, *Paying for Growth*, Carolynne C. White, 2002.

## Impact Fee Requirements

- **Capital Facilities** – Fees may not be used for operations or maintenance. Fees must be spent on new or expanded capital facilities, which have been further defined as directly related to a government service, with an estimated useful life of at least five years and that are required based on the charter or a general policy.
- **Existing Deficiencies** – Fees are formally collected to mitigate impacts from growth and cannot be used to address existing deficiencies. In the analysis used to establish an impact fee program, the evaluation must distinguish between the impacts of growth and the needs of existing development.
- **Capital Maintenance** – **Major “capital maintenance” projects are not typically** eligible to be funded with impact fees unless it can be shown that the project increases the capacity of the community to accommodate growth. In that case, only the growth-serving element of the project is eligible to be funded with impact fees.
- **Credits** – In the event a developer must construct off-site infrastructure in conjunction with their project, the local government must provide credits against impact fees for the same infrastructure, provided that the necessary infrastructure serves the larger community. Credits may not apply if a developer is required to construct such a project as a condition of approval due to the direct impact on the capital facility created by the project. Credits are handled on a case-by-case basis.
- **Timing** – The City must hold revenues in accounts dedicated to the specific use. Funds must be expended within a reasonable period or returned to the developer. The State enabling legislation does not specify the maximum **length of time to be used as a “reasonable period.”** This has been generally accepted or interpreted to be a 10-year period.
- **Accounting Practices** – The City must adopt stringent accounting practices as specified in the State enabling legislation. Funds generated by impact fees may not be commingled with any other funds.
- **Affordable Housing** – **The law allows impact fees on affordable housing “as defined by the community” to be waived.**

## 2. Methodology

This chapter describes common impact fee calculation techniques, the methodology used to calculate new impact fees, and important estimates and factors used in the calculations.

### Impact Fee Methodologies

There are several methods that can be used to calculate impact fees. The two most common techniques are the Plan-Based Method and the Incremental Expansion Method. The method chosen needs to be appropriate for the local circumstances as described below. Colorado law does not specify the methodology to be used; these methods are commonly used in Colorado and in other states.

#### Plan-Based Method

**This method uses a community's long-range comprehensive plan, capital improvement plan, or other adopted plan identifying capital facilities and infrastructure needed to serve growth.** Projects identified in these plans are costed out and included in the fee program. A growth projection is made over the time period for which the defined projects are needed or planned to be built. The fee calculation is essentially the cost of the planned project(s) divided by the forecasted amount of growth. This method is best used when detailed capital project planning has been done.

The plan-based method has limitations. First, many communities are not able to conduct capital planning with the level of detail needed in an impact fee study. It can be difficult to tie future facility needs with expected growth, and growth can be unpredictable. The fee calculations are highly sensitive to the amount of forecasted growth, as growth is the denominator in the fee calculation.

#### Incremental Expansion Method

The Incremental Expansion Method is a more frequently used method for calculating impact fees. **This method is also called the "level of service" method.** This technique answers the question:

*What should each new unit (increment) of development pay to maintain the city's current level of service?*

This approach takes a snapshot of the current level of service in the city and converts it typically to a value per unit of service demand (e.g. per capita or per service population). The current level of service is defined as the inventory of the city's existing facilities and capital assets, and the cost to replicate that level of service (replacement cost) as the city grows. The asset inventory or value is then converted to a cost per capita, per dwelling unit, or per nonresidential square foot that is the basis for the fee.

The Incremental Expansion Method was used in this study to calculate impact fees for Parks, Police, Fire, and General Government.

## Level of Service Definition

Using the Incremental Expansion Method, this study defines the level of service (LOS) as the replacement cost of the existing facilities and capital equipment in the City in 2023. The fee calculations document the current inventories of parks facilities and land, police facilities and fleet/equipment, fire facilities and fleet/equipment, and general government facilities and fleet/equipment. The LOS is converted to a cost or value per service population that is used to calculate the impact fees for each major land use type.

## Cost Allocations by Land Use Type

Many City services and related capital facilities are provided for residential and commercial (nonresidential) development. To ensure that impact fees are proportional to the impact by type of land use, it is necessary to allocate the level of service or facility costs to residential and nonresidential development. For all categories, **the City's service** population combined with person-occupancy factors are used to allocate costs as described in the next section.

## Service Population

Under the incremental expansion method, the impact fee is based on the cost to maintain the current infrastructure standard expressed as the *replacement cost per service population*. Under this method, each new increment of development pays a fee that is designed to maintain the current level of service per unit of service population (replacement cost per service population). Service population is a metric that combines the resident population plus in-commuting workers for a total “daily” or “functional” population.

Capital expansion fee calculations use service population and person-occupancy factors by land use type as the basis for allocating costs to residential and nonresidential development (except for parks, which uses residential population). The calculation of service population is shown in Table 3.

The City of Fort Collins estimated its population to be 174,445 people in 2023. There are an estimated 107,677 jobs in Fort Collins and an estimated 102,037 employees (workers) after adjusting for people who hold multiple jobs. In-commuters account for 57.8 percent of the job holders and because they are present in the City for only part of a day, they are weighted at 50 percent of the impact of a full-time resident. These adjustments add 29,507 of equivalent population to the population resulting in a service population of 203,952.

Table 3. Fort Collins Service Population Calculation, 2023

Description		2023	Source
<b>Service Population</b>			
Population	<b>A</b>	174,445	City of Fort Collins, 2023
Jobs		107,677	North Front Range MPO TAZ, 2023
Jobs Per Employed Person		1.06	LEHD, 2020
Employees		102,037	Calculation
In-Commuters		57.8%	LEHD, 2020
Commuting Employee Weight		50.0%	EPS Estimate
In-Commuting Employee Impact	<b>B</b>	29,507	Calculation
<b>Total Service Population</b>	<b>= A + B</b>	<b>203,952</b>	

Source: TischlerBise; North Front Range MPO TAZ, 2023; U.S. Census LEHD; Economic & Planning Systems

## Residential Occupancy Factors

Occupancy factors are developed in this section to convert new development into increments of new service population. The occupancy factors also allocate service demand between residential and nonresidential land uses.

As shown in Table 4, people are estimated to spend approximately 71.3 percent of their day at home, which is equivalent to the residential service demand factor. The other 29.7 percent of the time spent away from home is accounted for in the nonresidential occupancy factors.

Table 4. Fort Collins Residential Service Demand Factor Calculation, 2023

Description	Factor	2023	Source	
<b>Residential Conditions</b>				
Population		174,445	City of Fort Collins, 2023	
Nonworking Residents	52.0%	90,711	LEHD, 2020	
Working Residents	48.0%	83,734	LEHD, 2020	
Out Commuter Residents	50.6%	42,369	LEHD, 2020	
Work/Live Residents	49.4%	41,364	LEHD, 2020	
<b>Residential Service Demand</b>				
Nonworking Residents	20 hours per day	1,814,228	person-hours per day	
Out Commuter Residents	14 hours per day	593,169	person-hours per day	
Work/Live Residents	14 hours per day	579,102	person-hours per day	
Residential Total	A	2,986,498	person-hours per day	
Total Person-Hours per Day	B	24	4,186,680	population X 24 hours
<b>Residential Service Demand Factor</b>	<b>=A/B</b>	<b>71.3%</b>	<b>percent of day spent at home</b> <i>(population's allocation to residential land uses)</i>	

Source: U.S. Census Longitudinal Employer-Household Dynamics (LEHD); U.S. Census; Economic & Planning Systems

Next, the service population per dwelling unit is estimated using average household sizes and the time spent away from the home. The average household size for single family and multiple dwelling units was obtained from the U.S. Census *Public Use Microdata Sample* (PUMS), and the averages by household size ranges were calibrated from the American Housing Survey. The previously calculated residential service demand factor was then applied to generate the residential occupancy factors, as shown in Table 5. For example, a home with 1,890 square feet has an average household size of 2.56 persons and a 1.83-person occupancy factor. As highlighted in an analysis and memorandum sent to the City Council on March 30, 2023, an 1,890 square foot household in Fort Collins was used as a basis for residential comparative analysis. This report will also use the 1,890 square foot household as an example for each of the fee categories to help provide specific context to this study update.

Table 5. Fort Collins Residential Occupancy Factors

Description	Index	Average HH Size	% of Time in Unit	Impact Fee Factor
<b>Fort Collins Average</b>	<b>100.0%</b>	<b>2.36</b>	<b>71.3%</b>	1.68
<b>By Square Feet</b>				
Up to 700 sq. ft.	59.2%	1.40	71.3%	1.00
700 - 1,200 sq. ft.	90.0%	2.12	71.3%	1.51
1,201 - 1,700 sq. ft.	100.7%	2.38	71.3%	1.70
1,701 - 2,200 sq. ft.	108.4%	2.56	71.3%	1.83
Over 2,200 sq. ft.	123.3%	2.91	71.3%	2.08

Source: 2019 U.S. Census Bureau American Housing Survey, Division 8 (Mountain);  
Economic & Planning Systems



## Nonresidential Occupancy Factors

Nonresidential occupancy factors were derived from trip rate factors, vehicle occupancy data, and employment generation factors, as shown in Table 6. Daily trip rates are one-half the average daily trip ends during a weekday and are **sourced from the Institute of Transportation Engineers' (ITE) Trip Generation Manual**. Employee density figures were from the TCEF study being prepared by TischlerBise. Using these factors, service population figures were derived for three general land use categories, ranging from 0.55 for industrial uses, to 2.12 for retail and commercial uses. This method accounts for on-site employment and customers or visitors that are comprised of the resident population as well as people coming into the city for shopping, leisure, or business activities.

Table 6. Fort Collins Nonresidential Occupancy Factors

Land Use	Unit Sq. Ft.	ITE Code	Daily Trip Ends	Daily Trips <sup>[1]</sup> (Trip ends / 2)	Persons/ Trip	Persons per 1,000 sq. ft. (8 hours/day)	Employees per 1,000 sq. ft. (8 hours/day)	Employee Hours in Day	Employee Hours
				A	B	C = A * B	D		E
Retail/Commercial	1,000	820	37.75	18.88	1.91	36.11	2.12	8	16.98
Office and Other Services	1,000	710	9.74	4.87	1.18	5.75	3.15	8	25.17
Industrial	1,000	110	4.87	2.44	1.18	2.87	1.57	8	12.56

Land Use	Visitors per 1,000 sq. ft. (8 hours/day)	Visitor Hour Factor	Vistor Hours	Total Hours	Total Hours in Day	Service Population per day
	F = C - D	G	H = F * G	I = E + H	J	= I / J
Retail/Commercial	33.99	1.00	33.99	50.97	24	2.12
Office and Other Services	2.60	1.00	2.60	27.77	24	1.16
Industrial	1.30	0.50	0.65	13.21	24	0.55

Source: Economic & Planning Systems

<sup>[1]</sup>The daily trips are the daily trip ends divided by 2 so that non-residential land uses are not charged for both ends of a trip (origin and destination)

### 3. Neighborhood and Community Parks Capital Expansion Fees

This chapter documents the level of service, replacement cost estimates, cost allocations, and other calculations used to determine the Parks CEF for neighborhood parks and community parks. Capital expansion fees are collected to fund facility construction, equipment purchases, and land acquisition. As the City grows, the space needed for these support functions also grows. Capital expansion fees will be used to maintain the current level of service, expressed as the replacement cost of its maintenance facilities, developed parkland, and land cost to replace such parkland. The City currently manages 573 acres of community parks and 384 acres of neighborhood parks.

#### Level of Service Definition

The total estimated replacement cost of parks facilities is \$350,566,728 for neighborhood parks and \$266,667,038 for community parks, as shown in Table 7. The replacement cost, which is split into two fee categories, is \$2,009.61 per residential population for neighborhood parks and \$1,528.66 per residential population for community parks. This value includes the replacement cost estimates for all maintenance facilities, all parkland, and the land cost estimates for all parklands.

Table 7. Parks Cost per Service Unit, 2023

Description		Neighborhood Parks	Community Parks
Development Cost per Acre	<i>A</i>	\$580,708	\$215,342
Developed Acres	<i>B</i>	422	573
Existing Park Replacement Cost	$= A \times B$	\$245,058,961	\$123,390,913
Land Cost per Acre	<i>A</i>	\$250,000	\$250,000
Developed Acres	<i>B</i>	422	573
Existing Land Cost	$= A \times B$	\$105,500,000	\$143,250,000
Maintenance Facility Cost per Acre	<i>A</i>	\$7,767	\$26,124
Developed Acres	<i>B</i>	422	573
Maintenance Facility Need	$= A \times B$	\$3,277,656	\$14,969,230
<b>Total Park Replacement Cost</b>		<b>\$350,566,728</b>	<b>\$266,667,038</b>
<b>Cost per Residential Population</b>	<b>174,445</b>	<b>\$2,009.61</b>	<b>\$1,528.66</b>

Source: City of Fort Collins; Economic & Planning Systems

To determine the development cost of the maintenance facilities, East District, Spring Canyon, and Fossil Creek maintenance facility development costs were used to estimate a replacement cost per acre based on community and neighborhood park acres served by each facility, as shown in Table 8. As previously determined by the City, the cost allocation of maintenance facilities is 80 percent for community parks and 20 percent for neighborhood parks.

Table 8. Parks Maintenance Facility per Capita Cost, 2023

Description	Replacement Cost
<b>Maintenance Facilities</b>	
<b>East District</b>	<b>\$7,325,000</b>
Community Park Share (80%)	\$5,860,000
Community Park Acres Served	118
Community Park Cost/Acre	\$49,493
Neighborhood Park Share (20%)	\$1,465,000
Neighborhood Park Acres Served	84
Neighborhood Park Cost/Acre	\$17,399
<b>Spring Canyon</b>	<b>\$1,815,147</b>
Community Park Share (80%)	\$1,452,117
Maintenance Facility Need	103
Community Park Cost/Acre	\$14,098
Total Park Replacement Cost	\$363,029
Neighborhood Park Acres Served	132
Neighborhood Park Cost/Acre	\$2,750
<b>Fossil Creek</b>	<b>\$2,623,710</b>
Community Park Share (80%)	\$2,098,968
Community Park Acres Served	142
Community Park Cost/Acre	\$14,781
Neighborhood Park Share (20%)	\$524,742
Neighborhood Park Acres Served	167
Neighborhood Park Cost/Acre	\$3,152
<b>Total Replacement Cost</b>	<b>\$11,763,856</b>
<b>Maintenance Facility Need</b>	
Community Park Average Cost/Acre	<b>\$26,124</b>
Neighborhood Park Average Cost/Acre	<b>\$7,767</b>

Source: City of Fort Collins; Economic & Planning Systems

## Residential Capital Expansion Fee Calculation

The replacement cost per service population is multiplied by the household sizes for each housing unit size range. Park fees are charged only on residential development and full household size factors are used. For a single-family home or multifamily unit that is 1,890 square feet, the fee per unit is \$5,144.61 for neighborhood parks (Table 9) and \$3,913.37 for community parks (Table 10), which equates to \$9,057.88 per unit. This is based on an average household size of 2.56 people. The capital expansion fee was calculated for a range of unit sizes as currently permitted in the City of Fort Collins fee schedule.

Table 9. Neighborhood Parks Residential Capital Expansion Fee, 2023

Description	Avg. HH Size	Updated Fee <i>per unit</i>	Current Fee <i>per unit</i>
<b>Cost per Service Population</b>	<b>\$2,009.61</b>		
<b>Residential</b>			
Up to 700 sq. ft.	1.40	\$2,813.46	\$2,108.00
700 - 1,200 sq. ft.	2.12	\$4,260.38	\$2,822.00
1,201 - 1,700 sq. ft.	2.38	\$4,782.88	\$3,082.00
1,701 - 2,200 sq. ft.	2.56	\$5,144.61	\$3,114.00
Over 2,200 sq. ft.	2.91	\$5,847.97	\$3,470.00

Source: Economic & Planning Systems

Table 10. Community Parks Residential Capital Expansion Fee, 2023

Description	Avg. HH Size	Updated Fee <i>per unit</i>	Current Fee <i>per unit</i>
<b>Cost per Service Population</b>	<b>\$1,528.66</b>		
<b>Residential</b>			
Up to 700 sq. ft.	1.40	\$2,140.12	\$2,977.00
700 - 1,200 sq. ft.	2.12	\$3,240.76	\$3,985.00
1,201 - 1,700 sq. ft.	2.38	\$3,638.21	\$4,351.00
1,701 - 2,200 sq. ft.	2.56	\$3,913.37	\$4,396.00
Over 2,200 sq. ft.	2.91	\$4,448.40	\$4,901.00

Source: Economic & Planning Systems

## 4. Police Capital Expansion Fee

This chapter documents the level of service, replacement cost estimates, cost allocations, and other calculations used to determine the Police Capital Expansion Fee. Fees are collected to fund facility expansions, fleet replacement, and equipment replacement. These fees will be used to maintain the current level of service, expressed as the replacement cost of police facilities, fleet, and capital equipment. The police department currently has 3 primary facilities and 430 fleet vehicles.

### Level of Service Definition

The total replacement cost of police facilities, fleet, and equipment is \$77,990,689, as shown in Table 11. The replacement cost is \$382.40 per service population. This value accounts for debt owed and an estimated 90 percent capacity factor based on current utilization.

Table 11. Police Inventory and Replacement Cost per Capita, 2023

Description	Quantity	Cost Factor	Capacity Factor	Bldg. Cost	Land Cost	Replacement Cost
<b>Police Facilities</b>		<b>Per SF</b>				
Police Facilities	3	\$517	90%	\$60,753,240	\$3,421,110	\$58,099,026
IT Capital Equipment	--	--		--	--	18,414,943
<b>Subtotal</b>		<b>\$517</b>		<b>\$60,753,240</b>	<b>\$3,421,110</b>	<b>\$76,513,969</b>
<b>Police Fleet Inventory</b>		<b>Per Unit</b>				
Admin Vehicle	29	\$33,916				\$983,559
Drug Task Force	11	31,842				350,258
Equipment	4	209,137				836,549
Investigation	83	37,400				3,104,223
Mobile Command Vehicle	1	440,929				440,929
Patrol	296	41,644				12,326,696
Public Safety	6	97,887				587,323
<b>Subtotal</b>	<b>430</b>	<b>\$43,325</b>				<b>\$18,629,537</b>
<b>Debt</b>						<b>Principal</b>
2012 COPS						-\$7,430,000
2019 COPS						-6,604,740
Vehicle Equipment						-3,118,078
<b>Subtotal</b>						<b>-\$17,152,818</b>
<b>Total</b>						<b>\$77,990,689</b>
<b>Cost per Service Population</b>	Functional Population:	203,952				<b>\$382.40</b>

Source: City of Fort Collins; Economic & Planning Systems

## Residential Capital Expansion Fee Calculation

For a single-family home or multi-family unit that is 1,890 square feet, the fee per unit is \$698.31. This is based on an occupancy factor of 1.83 people adjusted for time spent at home, as shown in Table 12. The capital expansion fee was calculated for a range of unit sizes as currently permitted in the City of Fort Collins fee schedule.

Table 12. Police Residential Capital Expansion Fee, 2023

Description	Factor	Updated Fee <i>per unit</i>	Current Fee <i>per unit</i>
<b>Cost per Service Population</b>	<b>\$382.40</b>		
<b>Residential</b>			
Up to 700 sq. ft.	1.00	\$381.89	\$289.00
700 - 1,200 sq. ft.	1.51	\$578.29	\$391.00
1,201 - 1,700 sq. ft.	1.70	\$649.21	\$425.00
1,701 - 2,200 sq. ft.	1.83	\$698.31	\$431.00
Over 2,200 sq. ft.	2.08	\$793.78	\$480.00

Source: Economic & Planning Systems

## Nonresidential Capital Expansion Fee

Using the previously derived service population and occupancy factors, the proposed nonresidential impact fee was calculated for three major land uses as shown in Table 13. Proposed capital expansion fees range from \$0.21 per square foot for industrial uses to \$0.81 per square foot for retail/commercial uses.

Table 13. Police Nonresidential Capital Expansion Fee, 2023

Description	Service Pop. <i>per 1,000 sq. ft.</i>	Updated Fee <i>per 1,000 sq. ft.</i>	Updated Fee <i>per sq. ft.</i>	Updated Fee <i>per 1,000 sq. ft.</i>	Current Fee <i>per 1,000 sq. ft.</i>
<b>Cost per Service Population</b>		<b>\$382.40</b>			
<b>Nonresidential</b>					
Retail/Commercial	2.12	\$810.68	\$0.81	\$810.68	\$364.00
Office	1.16	\$443.58	\$0.44	\$443.58	\$364.00
Industrial	0.55	\$210.32	\$0.21	\$210.32	\$85.00

Source: Economic & Planning Systems

## 5. Fire Protection Capital Expansion Fee

This chapter documents the current Fire Protection Capital Expansion fee structure, replacement cost estimates, cost allocations, and other factors used to calculate the proposed Fire Protection Capital Expansion Fees. The Poudre Fire Authority (PFA) consists of eleven staffed fire stations, two volunteer fire stations, one headquarters, and one training facility, which serve a variety of emergency response needs. These include fire suppression, emergency medical response, hazardous materials response, technical rescue, fire prevention, public outreach and education, and wildland preparedness planning and response. PFA is the overarching authority that serves a large portion of Larimer County including Fort Collins. The Poudre Valley Fire Protection District (PVFPD) collects separate impact fees for its service area outside of the City of Fort Collins.

### Level of Service Definition

The total replacement cost of Fire Protection facilities, fleet, and equipment is \$145,020,455, as shown in Table 14. The total replacement cost is for the entire PFA district including areas outside of Fort Collins. The asset inventory needs to be allocated to Fort Collins for its CEF calculation, which is shown in Table 15.

Table 14. Fire Protection Inventory and Replacement Cost per Capita, 2023

Description	Location	Factor	Cost Factor	Bldg. Cost	Land Cost	Replacement Cost
<b>Fire Facilities</b>		<b>SF</b>	<b>Cost per SF</b>			
Burn Building (Training)	3400 W. Vine Drive	1,560	\$650	\$1,014,000	\$0	\$1,014,000
Fire Stations	--	111,630	650	72,559,500	4,987,466	77,546,966
Vacant Land (Future Station #18)	4500 E. Mulberry	--	--	0	675,000	675,000
Fit Tower Training	3400 W. Vine	3,764	650	2,446,600	0	2,446,600
Offices	--	25,974	650	16,883,100	831,307	17,714,407
Training Center A	3400 W. Vine Drive	<u>13,970</u>	<u>650</u>	<u>9,080,500</u>	<u>698,298</u>	<u>9,778,798</u>
<b>Subtotal</b>		<b>156,898</b>	<b>\$650</b>	<b>\$101,983,700</b>	<b>\$7,192,071</b>	<b>\$109,175,771</b>
<b>Fire Fleet Inventory</b>		<b>Units</b>	<b>Cost per Unit</b>			
Fleet		22	\$44,214			\$972,713
Battalion Chiefs		8	41,552			332,413
Frontline Apparatus		45	465,978			20,968,995
Reserves		5	760,000			3,800,000
Training		13	196,521			2,554,774
Support		6	28,570			171,420
Antiques		3	38,499			115,496
Lawn Mowers		25	5,960			149,000
Equipment		92	48,541			4,465,734
Misc.		<u>15</u>	<u>154,276</u>			<u>2,314,139</u>
<b>Subtotal</b>		<b>189</b>	<b>\$189,654</b>			<b>\$35,844,684</b>
<b>Total</b>						<b>\$145,020,455</b>

Source: City of Fort Collins; Poudre Fire Authority; Economic & Planning Systems

The City of Fort Collins generates 84.99 percent of PFA calls. The replacement cost attributable to the City is therefore \$123,252,885, or \$604.32 per service population, as shown in Table 15.

Table 15. Fire Protection Asset Cost by Service Area, 2023

Description	Call Volume	Total Replacement Cost	Functional Population	Cost per Service Population
		<b>A</b>	<b>B</b>	<b>= A / B</b>
Total	100.00%	\$145,020,455		
<b>PFA Fort Collins</b>	<b>84.99%</b>	<b>\$123,252,885</b>	<b>203,952</b>	<b>\$604.32</b>

Source: City of Fort Collins; Poudre Valley Fire Authority; Economic & Planning Systems

## Residential Capital Expansion Fee Calculation

For a single-family home or multifamily unit that is 1,890 square feet, the fee per unit with the City of Fort Collins is \$1,103.58. This is based on an occupancy factor of 1.83 people adjusted for time spent at home. The capital expansion fee was calculated for a range of unit sizes as currently permitted in the City of Fort Collins fee schedule (as shown in Table 16).

Table 16. Fire Residential Capital Expansion Fee, 2023

Description	Factor	Updated Fee <i>per unit</i>	Current Fee <i>per unit</i>
<b>Cost per Service Population</b>		<b>\$604.32</b>	
<b>Residential</b>			
Up to 700 sq. ft.	1.00	\$603.52	\$516.00
700 - 1,200 sq. ft.	1.51	\$913.90	\$698.00
1,201 - 1,700 sq. ft.	1.70	\$1,025.98	\$759.00
1,701 - 2,200 sq. ft.	1.83	\$1,103.58	\$772.00
Over 2,200 sq. ft.	2.08	\$1,254.46	\$859.00

Source: Economic & Planning Systems



## Nonresidential Capital Expansion Fee

Using the previously derived service population and occupancy factors, the proposed nonresidential capital expansion fee was calculated for three major land uses as shown in Table 17. Proposed fees range from \$0.33 per square foot for industrial uses to \$1.28 per square foot for retail/commercial uses.

Table 17. Fire Protection Nonresidential Capital Expansion Fee, 2023

Description	Service Pop. per 1,000 sq. ft.	Updated Fee per 1,000 sq. ft.	Updated Fee per sq. ft.	Updated Fee per 1,000 sq. ft.	Current Fee per 1,000 sq. ft.
<b>Cost per Service Population</b>		\$604.32			
<b>Nonresidential</b>					
Retail/Commercial	2.12	\$1,281.17	\$1.28	\$1,281.17	\$650.00
Office	1.16	\$701.02	\$0.70	\$701.02	\$650.00
Industrial	0.55	\$332.38	\$0.33	\$332.38	\$152.00

Source: Economic & Planning Systems

## 6. General Government Capital Expansion Fee

This chapter documents the level of service, replacement cost estimates, cost allocations, and other calculations used to determine the General Government Capital Expansion Fee. These fees are collected to fund facility expansions for general government purposes such as office space for city staff, facilities maintenance buildings, city fleet, equipment, and courts and justice functions. As the city grows, the space needs for these support functions also grows. Capital Expansion fees will be used to maintain the current level of service, expressed as the replacement cost of its major facilities and fleet.

### Level of Service Definition

The total replacement cost of general government is estimated at \$152,198,009, as shown in Table 18. The replacement cost for general government is \$746.25 per service population. This value includes all facilities owned by the City of Fort Collins including City Hall and other administrative buildings, streets and traffic operations, IT equipment, general governmental vehicles, and heavy equipment.

Table 18. General Government Inventory and Replacement Cost, 2023

Description	Location	Factor	Cost Factor	Bldg. Cost	Land Cost	Replacement Cost
<b>Facilities</b>		<b>SF</b>	<b>Cost per SF</b>			
281 North College	281 N College Ave	37,603	\$513	\$19,290,339	\$855,000	\$20,145,339
City Hall	300 LaPorte Ave	31,553	583	18,401,710	1,306,358	19,708,068
215 N Mason Office	215 N Mason St	72,000	518	37,324,800	1,238,000	38,562,800
300 LaPorte (OPS Services)	300 LaPorte Ave	26,564	540	14,344,560	0	14,344,560
Streets Building	625 9th St	51,314	513	26,324,082	1,817,640	28,141,722
Traffic Operations Building	626 Linden St	9,500	540	5,130,000	424,440	5,554,440
Fleet / FACs Warehouse - Loomis	518 N Loomis Ave	10,122	432	4,372,704	22,050	4,394,754
IT Equipment	--	--	--	--	--	9,706,551
<b>Subtotal</b>		<b>238,656</b>	<b>\$525</b>	<b>\$125,188,195</b>	<b>\$5,663,488</b>	<b>\$140,558,234</b>
<b>Fleet</b>		<b>Quantity</b>	<b>Cost per Unit</b>			
Heavy Equipment		180	\$112,554			\$20,259,649
Misc. Maintenance Equipment		67	43,531			2,916,571
Vehicles, Trucks, and Trailers		96	52,782			5,067,109
<b>Subtotal</b>		<b>343</b>	<b>\$82,342</b>			<b>\$28,243,329</b>
<b>Debt</b>						<b>Principal</b>
2012 COPS						-\$280,000
2019 COPS						-13,780,260
Vehicle Equipment						-2,543,294
<b>Subtotal</b>						<b>-\$16,603,554</b>
<b>Total</b>						<b>\$152,198,009</b>
<b>Cost per Service Population</b>	Functional Population:		203,952			<b>\$746.25</b>

Source: City of Fort Collins; Economic & Planning Systems

## Residential Capital Expansion Fee Calculation

For a single-family home or multifamily unit that is 1,890 square feet, the fee per unit is \$1,362.74. This is based on an occupancy factor of 1.83 people adjusted for time spent at home, as shown in Table 19. The capital expansion fee was calculated for a range of unit sizes as currently permitted in the City of Fort Collins fee schedule.

Table 19. General Government Residential Capital Expansion Fee, 2023

Description	Factor	Updated Fee <i>per unit</i>	Current Fee <i>per unit</i>
<b>Cost per Service Population</b>	<b>\$746.25</b>		
<b>Residential</b>			--
Up to 700 sq. ft.	1.00	\$745.25	\$703.00
700 - 1,200 sq. ft.	1.51	\$1,128.52	\$948.00
1,201 - 1,700 sq. ft.	1.70	\$1,266.93	\$1,035.00
1,701 - 2,200 sq. ft.	1.83	\$1,362.74	\$1,051.00
Over 2,200 sq. ft.	2.08	\$1,549.06	\$1,170.00

Source: Economic & Planning Systems

## Nonresidential Impact Fee

Using the previously derived service population and occupancy factors, the proposed nonresidential impact fee was calculated for three major land uses as shown in Table 20. Proposed capital expansion fees range from \$0.41 per square foot for industrial uses to \$1.58 per square foot for retail/commercial uses.

Table 20. General Government Nonresidential Capital Expansion Fee, 2023

Description	Service Pop. <i>per 1,000 sq. ft.</i>	Updated Fee <i>per 1,000 sq. ft.</i>	Updated Fee <i>per sq. ft.</i>	Updated Fee <i>per 1,000 sq. ft.</i>	Current Fee <i>per 1,000 sq. ft.</i>
<b>Cost per Service Population</b>		<b>\$746.25</b>			
<b>Nonresidential</b>					
Retail/Commercial	2.12	\$1,582.04	\$1.58	\$1,582.04	\$1,777.00
Office	1.16	\$865.64	\$0.87	\$865.64	\$1,777.00
Industrial	0.55	\$410.43	\$0.41	\$410.43	\$419.00

Source: Economic & Planning Systems



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APPENDIX:  
Peer Communities Impact Fee Comparisons

Table A-1. Comparison of Major Inputs: 2017 vs. 2023 Study

Description	2017	2023 Update	Difference	% Change
<b>Household Size</b>				
Up to 700 sq. ft.	1.78	1.40	-0.38	-21.3%
700 - 1,200 sq. ft.	2.40	2.12	-0.28	-11.7%
1,201 - 1,700 sq. ft.	2.61	2.38	-0.23	-8.8%
1,701 - 2,200 sq. ft.	2.65	2.56	-0.09	-3.4%
Over 2,200 sq. ft.	2.95	2.91	-0.04	-1.4%
<b>Non-Residential Occupancy Factors</b> (Employees per 1,000 sq. ft. + Visitors)				
Retail/Commercial	2.25	2.12	-0.13	-5.8%
Office and Other Services	--	1.16	--	--
Industrial	0.53	0.55	0.02	3.8%
<b>Service Population</b>				
Population	--	174,445	--	--
Functional Population	157,626	203,952	46,326	29.4%
<b>Asset Value</b>				
Neighborhood Parks	\$153,272,704	\$350,566,728	\$197,294,024	128.7%
Community Parks	216,422,189	266,667,038	50,244,849	23.2%
PFA Fort Collins	55,846,482	123,252,885	67,406,403	120.7%
Police	31,264,546	77,990,689	46,726,143	149.5%
General Government	100,991,253	152,198,009	51,206,756	50.7%
<b>Total</b>	<b>\$557,797,174</b>	<b>\$970,675,349</b>	<b>\$412,878,175</b>	<b>74.0%</b>

Source: Duncan Associates; Economic &amp; Planning Systems

Table A-2. Current Residential Impact Fee Comparisons

		Parks				
Land Use Type	Fort Collins Current	Boulder	Cheyenne	Greeley	Loveland	Longmont
<b>Residential (per dwelling)</b>						
Single Family - 1,890 sq. ft	\$7,510.00	\$5,918.00	\$400.00	\$6,213.00	\$8,299.00	\$8,325.17
Multi Family - 1,890 sq. ft.	\$7,510.00	\$5,918.00	\$400.00	\$6,213.00	\$5,721.00	\$4,792.93
		Police				
<b>Residential (per dwelling)</b>						
Single Family - 1,890 sq. ft	\$431.00	\$482.00	\$949.37	\$280.00	\$1,104.00	--
Multi Family - 1,890 sq. ft.	\$431.00	\$482.00	\$949.37	\$280.00	\$769.00	--
		Fire				
<b>Residential (per dwelling)</b>						
Single Family - 1,890 sq. ft	\$772.00	\$430.00	--	\$728.00	--	--
Multi Family - 1,890 sq. ft.	\$772.00	\$430.00	--	\$728.00	--	--
		General Government				
<b>Residential (per dwelling)</b>						
Single Family - 1,890 sq. ft	\$1,051.00	\$759.00	--	--	\$1,370.00	--
Multi Family - 1,890 sq. ft.	\$1,051.00	\$759.00	--	--	\$953.00	--
		Transportation				
<b>Residential (per dwelling)</b>						
Single Family - 1,890 sq. ft	\$7,621.00	\$228.00	\$1,514.25	\$7,213.00	--	\$2,060.56
Multi Family - 1,890 sq. ft.	\$7,621.00	\$228.00	\$1,211.40	\$7,213.00	--	\$2,060.56
		Total				
<b>Residential (per dwelling)</b>						
Single Family - 1,890 sq. ft	\$17,385.00	\$7,817.00	\$2,863.62	\$14,434.00	\$10,773.00	\$10,385.73
Multi Family - 1,890 sq. ft.	\$17,385.00	\$7,817.00	\$2,560.77	\$14,434.00	\$7,443.00	\$6,853.49

Source: City of Boulder; City of Cheyenne; City of Greeley; City of Loveland; City of Longmont; City of Fort Collins; Economic & Planning Systems

Table A-3. Current Nonresidential Impact Fee Comparisons

Land Use Type	Fort Collins Current	Police				
		Boulder	Cheyenne	Greeley	Loveland	Longmont
<b>Nonresidential (per 1,000 sq. ft.)</b>						
Commercial	\$364.00	\$790.00	\$603.42	\$841.00	\$489.10	--
Office and Other Services	\$364.00	\$320.00	\$295.00	\$452.00	--	--
Industrial	\$85.00	\$190.00	\$518.63	\$230.00	\$62.70	--
<b>Fire</b>						
<b>Nonresidential (per 1,000 sq. ft.)</b>						
Commercial	\$650.00	\$680.00	--	\$1,872.00	--	--
Office and Other Services	\$650.00	\$980.00	--	\$1,006.00	--	--
Industrial	\$152.00	\$630.00	--	\$513.00	--	--
<b>Transportation</b>						
<b>Nonresidential (per 1,000 sq. ft.)</b>						
Commercial	\$9,946.00	\$600.00	\$2,422.81	\$8,347.00	--	\$3,340.00
Office and Other Services	\$7,327.00	\$240.00	\$1,817.11	\$5,383.00	--	\$1,450.00
Industrial	\$2,365.00	\$150.00	\$1,817.11	\$2,742.00	--	\$450.00
<b>General Government</b>						
<b>Nonresidential (per 1,000 sq. ft.)</b>						
Commercial	\$1,777.00	\$430.00	--	--	\$526.70	--
Office and Other Services	\$1,777.00	\$620.00	--	--	--	--
Industrial	\$419.00	\$400.00	--	--	\$75.20	--
<b>Total</b>						
<b>Nonresidential (per 1,000 sq. ft.)</b>						
Commercial	\$12,737.00	\$2,500.00	\$3,026.23	\$11,060.00	\$1,015.80	\$3,340.00
Office and Other Services	\$10,118.00	\$2,160.00	\$2,112.11	\$6,841.00	\$0.00	\$1,450.00
Industrial	\$3,021.00	\$1,370.00	\$2,335.74	\$3,485.00	\$137.90	\$450.00

Source: City of Boulder; City of Cheyenne; City of Greeley; City of Loveland; City of Longmont; City of Fort Collins; Economic &amp; Planning Systems

# Council Work Session: Impact Fee Discussion

## David Lenz

Financial Planning & Analysis

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- Work to Date
- Fee Study Findings and Utility Model Updates
- Fee Credits and Offsets: City of Fort Collins and Comparatives
- Next Steps and Questions

## Item 1. Questions for Council Finance Committee

- Prior to consideration of ordinances updating fees for 2025, what questions do Councilmembers have related to the Fee Studies and Utility model updates?
- What policy considerations and/or options do Councilmembers want to investigate further?



# Work to Date and Fee Study/Model Updates

## 2023

- Capital Expansion Fee (CEF) Study Update – *Economic & Planning Systems, Inc.*
- Transportation Capital Expansion Fee (TCEF) Study Update - *TischlerBise*
- Biennial Utility Fee Model updates
- Water Supply Requirements: Additional analysis and outreach
- Council Finance Committee: October and December update meetings

## 2024

- February: Council adoption of 2024 fees w/inflationary updates only:
  - 5.6% for CEF
  - 7.4% for TCEF and Utility Plant Investment Fees and Electric Capacity Fee
- Continued assessment of Water Utility environment
- Policy considerations to supplement existing fee credit program

# Item 1. Transportation Capital Expansion Fees: Overview



## Premise of Fees

- One-time fee from development and redevelopment
- Used to support growth share related infrastructure improvements
- Cannot be used for maintenance

## Use of Fees

- Reimbursement to developers
  - Northfield reimbursement
- Contribution to Capital Projects
  - Roadway projects (TCPPS)
  - Active Modes (Active Modes Plan)

## Previous Updates

- “Transportation Capital Expansion Fee Study” (2017), TischlerBise
- 2012 Transportation CIP
- 2014 Bicycle Master Plan
- 2010/2016 Arterial Intersection Prioritization Study
- 10 year build out through development
- 2016 Arterial Cost/Lane Mile (\$1.4M)

# EF: Study Update Draft Fees

- Generally, in range when compared to an inflation adjustment approach
  - (7.4% based on August 2022-August 2023 Engineering News-Record Denver City Cost Index)
- Estimate \$115M over the next 10 years to keep with anticipated growth needs and level of service

Residential	Unit	Roadway Fee	% of Total	Active Modes	% of Total	Update Total	2023 Total	Change	% Change
up to 700 sq. ft.	Dwelling	\$2,863	91%	\$272	9%	\$3,135	\$2,703	\$432	16%
701-1,200 sq. ft.	Dwelling	\$4,988	91%	\$487	9%	\$5,475	\$5,020	\$455	9%
1,201-1,700 sq. ft.	Dwelling	\$6,363	91%	\$625	9%	\$6,988	\$6,518	\$470	7%
1,701-2,200 sq. ft.	Dwelling	\$7,380	91%	\$726	9%	\$8,106	\$7,621	\$485	6%
over 2,200 sq. ft.	Dwelling	\$8,191	91%	\$809	9%	\$9,000	\$8,169	\$831	10%

Development Type	Unit	Roadway Fee	% of Total	Active Modes	% of Total	Update Total	2023 Total	Change	% Change
Commercial	1,000 sq. ft.	\$11,045	94%	\$702	6%	\$11,747	\$9,946	\$1,801	18%
Office & Other Services	1,000 sq. ft.	\$6,450	86%	\$1,075	14%	\$7,525	\$7,327	\$198	3%
Industrial	1,000 sq. ft.	\$2,897	75%	\$944	25%	\$3,841	\$2,365	\$1,476	62%



### Premise of Fees

- New developments pay a proportionate share of costs to “buy-in” to the current level of services the City provides.
- Paid upon application of a building permit and assessed by land use type.
- The concept of growth paying for the impact of growth is a policy decision that past City Councils have made.

### Use of Fees

- For approved capital expenditures identified in capital improvement plans.
- Includes planning, design, surveying, permitting and engineering costs; the cost of purchasing or leasing real property and construction costs.
- Does not, and generally cannot, include repair or maintenance costs.

### Previous Updates

- Duncan and Associates (2013 and 2017)
- Adhered to the incremental expansion methodology
- Updated asset values based on the cost of construction per sq. ft.
- Additional capital added to General Government Fees

# F: Study Update Draft Fees

## Overall

- Residential Occupancy Factor decreases
- Non-Residential Employee per sq. ft. adjustments
- Additional Non-Residential category justified by different demand impact – Office and Other Services
- Growing service population

Residential	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Update Total	2023 Total	Change	% Change
up to 700 sq. ft.	Dwelling	\$2,813	\$2,140	\$604	\$382	\$745	\$6,684	\$6,593	\$91	1%
701-1,200 sq. ft.	Dwelling	\$4,260	\$3,241	\$914	\$578	\$1,129	\$10,122	\$8,844	\$1,278	14%
1,201-1,700 sq. ft.	Dwelling	\$4,783	\$3,638	\$1,026	\$649	\$1,267	\$11,363	\$9,652	\$1,711	18%
1,701-2,200 sq. ft.	Dwelling	\$5,145	\$3,913	\$1,104	\$698	\$1,363	\$12,223	\$9,764	\$2,459	25%
over 2,200 sq. ft.	Dwelling	\$5,848	\$4,448	\$1,254	\$794	\$1,549	\$13,894	\$10,880	\$3,014	28%
Development Type	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Update Total	2023 Total	Change	% Change
Commercial	1,000 sq. ft.			\$1,281	\$811	\$1,582	\$3,674	\$2,791	\$883	32%
Office and Other Services	1,000 sq. ft.			\$701	\$444	\$866	\$2,010	\$2,791	(\$781)	-28%
Industrial	1,000 sq. ft.			\$332	\$210	\$410	\$953	\$656	\$297	45%





Utility Finance updates their fund models every two years with inflationary adjustments generally made in the off-years

Utility Fee	Model Updates for 2024
Electric Capacity Fee (ECF)	14.8%
Water Plant Investment Fee (PIF)	5.7%
Wastewater Plant Investment Fee (PIF)	4.1%
Stormwater Plant Investment Fee (PIF)	7.0%
Water Supply Requirement (WSR)	No Change

City Charged Fees: Multi-Unit Residence Example (48,000 sq. ft. development w/ 55 units)										
Type	2020	2021	2022	2023	2024		2025		2025 - \$/Unit	
					Actual	Study	Lo WSR	Hi WSR	Lo WSR	Hi WSR
CEF	\$ 448,585	\$ 460,753	\$ 469,536	\$ 509,916	\$ 538,471	\$ 587,572	\$ 608,137	\$ 608,137	\$ 11,057	\$ 11,057
TCEF	\$ 160,512	\$ 161,403	\$ 173,366	\$ 185,675	\$ 199,415	\$ 209,865	\$ 217,210	\$ 217,210	\$ 3,949	\$ 3,949
Dev Review/Permits/Other	\$ 67,695	\$ 67,846	\$ 58,850	\$ 58,850	\$ 58,850	\$ 58,850	\$ 60,910	\$ 60,910	\$ 1,107	\$ 1,107
Water PIF	\$ 62,707	\$ 64,365	\$ 71,102	\$ 77,501	\$ 83,236	\$ 81,919	\$ 84,786	\$ 84,786	\$ 1,542	\$ 1,542
Water Supply Requirement	\$ 245,004	\$ 252,354	\$ 196,039	\$ 196,039	\$ 196,039	\$ 196,039	\$ 172,181	\$ 334,876	\$ 3,131	\$ 6,089
Wasterwater PIF	\$ 142,450	\$ 146,740	\$ 151,745	\$ 165,385	\$ 177,623	\$ 172,166	\$ 178,192	\$ 178,192	\$ 3,240	\$ 3,240
Stormwater PIF	\$ 20,639	\$ 21,257	\$ 22,055	\$ 24,040	\$ 25,819	\$ 25,723	\$ 26,623	\$ 26,623	\$ 484	\$ 484
Electric Capacity Fee	\$ 111,209	\$ 117,836	\$ 121,972	\$ 132,949	\$ 142,788	\$ 152,626	\$ 157,968	\$ 157,968	\$ 2,872	\$ 2,872
<b>Combined Fees</b>	<b>\$ 1,258,801</b>	<b>\$ 1,292,554</b>	<b>\$ 1,264,665</b>	<b>\$ 1,350,356</b>	<b>\$ 1,422,242</b>	<b>\$ 1,484,759</b>	<b>\$ 1,506,006</b>	<b>\$ 1,668,701</b>	<b>\$ 27,382</b>	<b>\$ 30,340</b>
<b>Percentage Change</b>	<b>Baseline</b>	<b>2.7%</b>	<b>-2.2%</b>	<b>6.8%</b>	<b>5.3%</b>	<b>10.0%</b>	<b>11.5%</b>	<b>23.6%</b>	<b>11.5%</b>	<b>23.6%</b>
		<b>vs. 2020</b>	<b>vs. 2021</b>	<b>vs. 2022</b>	<b>vs. 2023</b>					

- 2024 is presented for both what is currently in force after the inflationary updates were approved and what the study/model updates total.
- 2025 rates presented reflect the 2024 study/model updates plus a projected assumption of **3.5%** for inflation during 2024 in addition to the low/high estimate ranges for WSR.

City Charged Fees: Single/Duplex Residence Example (1,890 sq. ft. floorplan)								
Type	2020	2021	2022	2023	2024		2025	
					Actual	Study	Lo WSR	Hi WSR
CEF	\$ 8,591	\$ 8,824	\$ 8,992	\$ 9,764	\$ 10,310	\$ 12,223	\$ 12,650	\$ 12,650
TCEF	\$ 6,586	\$ 6,623	\$ 7,115	\$ 7,621	\$ 8,185	\$ 8,106	\$ 8,390	\$ 8,390
Dev Review/Permits/Other	\$ 2,532	\$ 3,314	\$ 2,792	\$ 2,792	\$ 2,792	\$ 2,792	\$ 2,890	\$ 2,890
Water PIF	\$ 4,084	\$ 4,192	\$ 4,393	\$ 4,807	\$ 5,162	\$ 5,081	\$ 5,259	\$ 5,259
Water Supply Requirement	\$ 13,869	\$ 14,285	\$ 22,813	\$ 22,813	\$ 22,813	\$ 22,813	\$ 20,037	\$ 38,970
Wasterwater PIF	\$ 3,590	\$ 3,698	\$ 3,824	\$ 4,168	\$ 4,476	\$ 4,339	\$ 4,491	\$ 4,491
Stormwater PIF	\$ 1,119	\$ 1,153	\$ 1,197	\$ 1,305	\$ 1,402	\$ 1,397	\$ 1,446	\$ 1,446
Electric Capacity Fee	\$ 2,855	\$ 3,025	\$ 3,764	\$ 4,391	\$ 4,716	\$ 5,041	\$ 5,217	\$ 5,217
<b>Combined Fees</b>	<b>\$ 43,226</b>	<b>\$ 45,114</b>	<b>\$ 54,891</b>	<b>\$ 57,662</b>	<b>\$ 59,856</b>	<b>\$ 61,792</b>	<b>\$ 60,379</b>	<b>\$ 79,313</b>
<b>Percentage Change</b>	<b>Baseline</b>	<b>4.4%</b>	<b>21.7%</b>	<b>5.0%</b>	<b>3.8%</b>	<b>7.2%</b>	<b>4.7%</b>	<b>37.5%</b>
		<b>vs. 2020</b>	<b>vs. 2021</b>	<b>vs. 2022</b>	<b>vs. 2023</b>			

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Item 1.



# Fee Credits and Offsets

# Item 1. Affordable Housing: City of Fort Collins Fee Credits

- Prior to 2013, development fees for Affordable Housing were typically waived, especially for the City’s designated Housing Authority (Housing Catalyst)
- Fee credit program started in 2013 and has gone through several iterations
- Current state:
  - Flat credit of \$14,000 per unit
  - Any affordable developer can access credits for 30% AMI units **only**
  - Affordable Housing Capital Fund (AHCF), funded via the CCIP Renewable Tax, is available for qualified projects – requires council appropriation for utilization
  - In 2022, an additional \$350,000 of ARPA funding was appropriated for eligible projects

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- *Units serving the lowest income households require extra subsidy to build, manage, and maintain; rents can’t be increased to cover the cost of the unit*
  - *Most affordable housing developments are multi-unit buildings with 1-3 bedrooms per unit*
  - *Fee categories “under 700 sq. feet” and “700-1,200 sq. feet” are most relevant to affordable projects*

# Approaches to Incentivizing Affordable Housing – Fee Reductions

	Fort Collins	Longmont	Loveland	Boulder	Denver	Colorado Springs
<b>Impact Fee Type / Structure</b>	Varies by dwelling size and Sq. ft. of non-residential	Varies by dwelling size and sq. ft of non-residential	Flat fee per unit type	<ul style="list-style-type: none"> <li>Fees vary by dwelling size <i>plus</i></li> <li>Transportation Excise Taxes</li> </ul>	Water and Sewer tap fees	Police/Fire/Parks with rates based on units/structure plus water taps
<b>Eligibility / Framework</b>	<ul style="list-style-type: none"> <li>30% AMI</li> </ul>	<ul style="list-style-type: none"> <li>80% AMI – Sale</li> <li>50% AMI – Rental</li> <li>Minimum 12% Inclusionary housing</li> </ul>	<ul style="list-style-type: none"> <li>80% AMI</li> </ul>	<ul style="list-style-type: none"> <li>Less than 30% of income on housing</li> <li>25% inclusionary housing requirement</li> </ul>	Tiered Options <ul style="list-style-type: none"> <li>Hi / Lo- cost markets</li> <li>Sale/Rental</li> <li>Minimum of: 8% @ 60% AMI to 15% @ 90% AMI</li> </ul>	<ul style="list-style-type: none"> <li>All units reserved for below 120% AMI</li> </ul>
<b>Other Program Items</b>	2022 ARPA funding	Fee Deferral – pay at certificate of occupancy	Investigating variance of fees by dwelling size	Non-Residential Linkage Fee charged based on job generation	Incentives: <ul style="list-style-type: none"> <li>Reduced parking space requirements</li> </ul>	Point system rebate based on scoring rubric
<b>Amount</b>	\$14K per unit – fixed fee credit	Fee Waivers For Sale Units: 50 – 100% Rental Units: 20 – 50%	100% Fee waiver for non-profits using Low Income Housing Tax Credit	TBD - researching	\$6.5K - \$10k capped at 50% of total fees	0 – 100% fee rebate
<b>Funding Sources</b>	Affordable Housing Capital Fund (AHCF) or General Fund	Affordable Housing Fund funded by fee-in-lieu and allocated local funds	General Fund	Revenue from linkage fees funds Affordable Housing fund	Linkage fee for projects with 9 or fewer units	Housing /Community Vitality Department & Utilities Dept

# Fee Credits/Reductions: Options to Consider

- Continue program operation as it is today – credits can be used toward fees paid from AHCF for 30% AMI units
- Waive some or all fees for 30% AMI units
- Waive some or all fees for a broader income range
- Create a tiered approach where fees are waived for some units (e.g., 30-50% AMI) and partially credited for others (e.g., 60% AMI and above)

Fee offsets will generally need backfill to fund levels of service

Options		Annual Cost Estimate / Backfill Requirement
1	Keep fee credit program as is – flat credit of \$14,000 per unit (~ 58% of fees for 30% AMI units) – 25 units per year	\$350,000
2	Increase to maintain current ratio of fees covered for 30% AMI units (~ 64% of fees for 30%AMI units) – 25 units per year	\$360,000 - \$380,000
3	Increase to cover all fees for 30%AMI units (100% of fees for 30% AMI units) – 25 units per year	\$560,000 - \$595,000
4	Expand to cover some or all fees for a wider AMI range	
4A	40% AMI or below – 40 units per year	\$950,000 - \$950,000
4B	50% AMI or below – 85 units per year	\$1.9 - \$2.0 million
4C	60% AMI or below – 125 units per year	\$2.8 – \$2.9 Million
4D	70% AMI or below – 165 units per year	\$3.7 – \$3.9 million
4E	80AMI or below – (all affordable housing) – 185 units per year (City’s commitment under proposition 123)	\$4.2 – \$4.4 million



Item 1.



# Next Steps and Questions

## Item 1. Next Steps

- Evaluate and incorporate Councilmembers' feedback on fee structures, policy considerations and options.
- Continue coordination with Utilities for consolidated approach to 2025 fee updates and schedules.

## Item 1. Questions for Council Finance Committee

- Prior to consideration of ordinances updating fees for 2025, what questions do Councilmembers have related to the Fee Studies and Utility model updates?
- What policy considerations and/or options do Councilmembers want to investigate further?



# Appendix 1 – Fee Study Detail

## TCEF 2023 Study Update Methodology

- Roadway Capacity: Incremental Expansion Methodology (same as previous TCEF study)
- Active Modes Component: Plan Based Methodology

## Data inputs

- North Front Range MPO and census data to update demand from development
- Growth Share of Plans
  - 2023 Transportation Capital Projects Prioritization Study (TCPPS)
  - 2022 Active Modes Plan
  - 10-year buildout of additional lane miles through development
  - Arterial Cost per Lane Mile (\$2.0M)
- Travel Diary Study Report

- Roadway Capacity: Incremental Expansion Methodology
  - Projected 10-year needs of transportation infrastructure (in terms of lane miles)
    - TCPSP projects that are growth related
    - Development construction of additional lane miles
  - Evaluates the growth share of infrastructure that's attributable to development impact
  - Impact is based on Vehicle Miles Traveled (VMT)
    - Vehicle trip length from Travel Diary Survey (4.9 miles)
- Roadway Capacity Analysis
  - 13% increase in VMT
  - 61.9 new lane mile needs over 10 years to maintain current LOS
    - 7% (4.3 lane miles) of trips on roadway network is external-external trips
    - \$8.6M out \$124M of our roadway capacity needs not attributable to growth/TCEF
    - 57.6 miles attributed to growth

- Active Modes Component: Plan Based Methodology
  - 10-year growth related cost compared to 10-year growth projection
  - High and Medium priority Active Modes Projects (\$87M)
- Active Modes Plan Analysis
  - From \$87M of High & Medium priority Active Modes Plan projects 13% (\$11M) attributed to 10-year growth
  - Based on demand from residential and nonresidential development and allocated based on the percent of commuters who walk or bike to work (22% active modes Travel Study Log)
  - Active Modes Plan share increase from 2017 (4%) to 2023 (9%)

- **Standards Based or “Incremental Expansion” Approach**
  - Maintains the current level of service or investment per unit of development
  - Replacement/Construction cost valuations
  - Offsets for debt funding
  - Adjustments by land use type and occupancy factors
  
- **Key Data inputs**
  - Updated 2023 asset inventories for City of Fort Collins and Poudre Fire Authority
  - Neighborhood and Community Park development costs and current land valuation estimates
  - Current market cost of construction estimates and Larimer County valuations
  - Updated residential household size and non-residential occupancy factors
  - Alignment of existing conditions with concurrent TCEF Study Update



- **Parks**

- Higher land valuations
- Inclusion of East District Maintenance Facility
- Neighborhood Parks – higher development costs reflective of newest park buildouts

- **Police and Fire**

- Significant Asset Value increases – Additional Equipment and Facilities and Higher unit replacement costs

- **General Government**

- Increased Asset Values but lower increases relative to Police and Fire

# F: Study Detailed Updated Draft Fees

## CEF - 2023 Fees

Residential	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	2023 Total
up to 700 sq. ft.	Dwelling	\$2,108	\$2,977	\$516	\$289	\$703	\$6,593
701-1,200 sq. ft.	Dwelling	\$2,822	\$3,985	\$698	\$391	\$948	\$8,844
1,201-1,700 sq. ft.	Dwelling	\$3,082	\$4,351	\$759	\$425	\$1,035	\$9,652
1,701-2,200 sq. ft.	Dwelling	\$3,114	\$4,396	\$772	\$431	\$1,051	\$9,764
over 2,200 sq. ft.	Dwelling	\$3,470	\$4,901	\$859	\$480	\$1,170	\$10,880
Development Type	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Current Total
Commercial	1,000 sq. ft.			\$650	\$364	\$1,777	\$2,791
Office and Other Services	1,000 sq. ft.			\$650	\$364	\$1,777	\$2,791
Industrial	1,000 sq. ft.			\$152	\$85	\$419	\$656

## CEF - Update

Residential	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Update Total
up to 700 sq. ft.	Dwelling	\$2,813	\$2,140	\$604	\$382	\$745	\$6,684
701-1,200 sq. ft.	Dwelling	\$4,260	\$3,241	\$914	\$578	\$1,129	\$10,122
1,201-1,700 sq. ft.	Dwelling	\$4,783	\$3,638	\$1,026	\$649	\$1,267	\$11,363
1,701-2,200 sq. ft.	Dwelling	\$5,145	\$3,913	\$1,104	\$698	\$1,363	\$12,223
over 2,200 sq. ft.	Dwelling	\$5,848	\$4,448	\$1,254	\$794	\$1,549	\$13,894
Development Type	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Update Total
Commercial	1,000 sq. ft.			\$1,281	\$811	\$1,582	\$3,674
Office and Other Services	1,000 sq. ft.			\$701	\$444	\$866	\$2,010
Industrial	1,000 sq. ft.			\$332	\$210	\$410	\$953

## CEF - Change \$

Residential	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Change Total
up to 700 sq. ft.	Dwelling	\$705	(\$837)	\$88	\$93	\$42	\$91
701-1,200 sq. ft.	Dwelling	\$1,438	(\$744)	\$216	\$187	\$181	\$1,278
1,201-1,700 sq. ft.	Dwelling	\$1,701	(\$713)	\$267	\$224	\$232	\$1,711
1,701-2,200 sq. ft.	Dwelling	\$2,031	(\$483)	\$332	\$267	\$312	\$2,459
over 2,200 sq. ft.	Dwelling	\$2,378	(\$453)	\$395	\$314	\$379	\$3,014
Development Type	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Change Total
Commercial	1,000 sq. ft.			\$631	\$447	(\$195)	\$883
Office and Other Services	1,000 sq. ft.			\$51	\$80	(\$911)	(\$781)
Industrial	1,000 sq. ft.			\$180	\$125	(\$9)	\$297

## CEF - Change %

Residential	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Change %
up to 700 sq. ft.	Dwelling	33%	-28%	17%	32%	6%	1%
701-1,200 sq. ft.	Dwelling	51%	-19%	31%	48%	19%	14%
1,201-1,700 sq. ft.	Dwelling	55%	-16%	35%	53%	22%	18%
1,701-2,200 sq. ft.	Dwelling	65%	-11%	43%	62%	30%	25%
over 2,200 sq. ft.	Dwelling	69%	-9%	46%	65%	32%	28%
Development Type	Unit	N'hood Park	Comm. Park	Fire	Police	Gen. Gov't	Change %
Commercial	1,000 sq. ft.			97%	123%	-11%	32%
Office and Other Services	1,000 sq. ft.			8%	22%	-51%	-28%
Industrial	1,000 sq. ft.			119%	147%	-2%	45%



## **Appendix 2: Affordable Housing Fee Offsets – Comparative Municipal Approaches**

- Impact fees vary by home size
- Affordable Housing Definition: For-Sale 80% AMI, Rental 50% AMI
- 12% inclusionary housing requirement
- Fee Deferral: Pay fees at CO instead of Permit Issuance
- Waivers and discounts are available only if a project exceeds the 12% minimum requirement
  - Some fees are waived with no backfill, others are offset using the City's Affordable Housing Fund (discretionary)
  - The City's Affordable Housing Fund is funded by IH Fee-in-lieu and allocated local funds
  - 50% to 100% waiver for for-sale units, 20% to 50% for rental units

- Affordable Housing Definition: 80% AMI
- 100% Fee Waiver for non-profit builders and developers utilizing LIHTC for 80% AMI (recently passed)
- Loveland Affordable Housing Task Force
  - Partnership with the City
  - Examining options to restructure impact fees and water fees to vary by home size
  - Current fees are charged as a flat fee per unit
- The fee waivers are currently backfilled by the City's General Fund

- Capital impact fees vary by home size
  - \$4,400-\$11,500 based on home size
  - Non-residential: \$0.58 per sq. ft. to \$2.16 per sq. ft. based on land use
- Transportation excise tax in addition to impact fees
  - \$2.48/ non-residential square foot
  - \$4,128.12 per SFD; \$2,995.02 per attached dwelling
  - Transportation impact fee is low to avoid double charging (\$100-\$300/unit)
- Inclusionary Housing Requirement
  - 25% for project with more than 5 units
  - 20% for smaller developments including single-family homes
- Affordable Housing Definition: Households spend less than 30% of their income on housing, adjusted annually using market data
- Non-residential linkage fees
  - Affordable housing impact fee: linkage between job generation and affordable housing demand
  - Ranges from \$10.45 per sq. ft. to \$31.35 per sq. ft. based on land use type and wages

- No capital impact fees, only water and sewer tap fees
- Inclusionary housing requirement for projects with 10 or more units
- Option 1:
  - High-cost markets: Rental 10% at 60% AMI, For-sale 10% at 80% AMI
  - Typical markets: Rental 8% at 60% AMI, For-sale 8% at 80% AMI
- Option 2:
  - High-cost markets: Rental 15% at 70% AMI avg., For-sale 15% at 90% AMI avg.
  - Typical markets: Rental 12% at 70% AMI, For-sale 12% at 90% AMI
- Base incentives:
  - Reduce parking by 0.5 spaces/unit
  - \$10,000 permit fee reduction per unit in high markets; \$6,500/unit in typical marks not to exceed 50% of total permit fees
- Linkage fees apply projects with 9 or fewer units
  - Residential: Increases to \$5.00 to \$8.00 per square foot as of 7/1/2025
  - Nonresidential: Increases to \$6.00 to \$9.00 per square foot as of 7/1/2025 (\$2.50 industrial)
- No fee waiver program

- Capital Expansion fees for Police, Fire, Parks plus Utility water Tap Fees
- Fee Rebate Program based on point system ranging 0 to 50 points
  - All Units reserved for residents under 120% AMI
  - Score criteria:
    - Up to 10 points for % of units reserved at 50% AMI or below;
    - Up to 10 points for ongoing affordability;
    - Up to 3 points for every additional unit above Section 504 requirements (i.e., accessible units);
    - Up to 5 points for unit set-aside for special needs or veterans experiencing homelessness;
    - Up to 4 points for incorporating 7 principles of universal design;
    - Up to 8 points for alignment with City Planning Documents;
    - Up to 4 points for being located in a High Opportunity Neighborhood;
    - Up to 6 points for incorporation of CSU Conservation Programs
  - Score breakdown: 46-50: 100% fee rebate; 41-45: 80% fee rebate; 36-40: 60% fee rebate; 31-35: 40% fee rebate; 26-30: 20% fee rebate; 25 and below: 0% fee rebate
  - Funded by Housing and Community Vitality Department and Utilities Department



April 9, 2024

# WORK SESSION AGENDA ITEM SUMMARY

City Council



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## STAFF

Jason Graham, Director of Water Utilities  
Jen Dial, Utilities Water Resources Manager  
Heather Young, Utilities Community Engagement Manager

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## SUBJECT FOR DISCUSSION

**Water Supply Requirements, Excess Water Use Charges, and Non-Residential Allotments.**

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## EXECUTIVE SUMMARY

The purpose of this item is to provide Council and the community with an update on the project plan and analysis regarding three related items for Fort Collins Utilities (Utilities) water customers:

- Revisions to the Water Supply Requirement (WSR) fee methodology;
- Revisions to the excess water use surcharge (surcharge); and
- Assignment of annual water allotments (allotments) for non-residential customers, specifically, pre-1984 non-residential accounts (pre-1984 accounts) that currently do not have allotments.

The feedback from this Work Session will be considered and addressed at the July 16 Work Session.

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## GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. What questions do Councilmembers have on the potential methodologies and analysis of setting a WSR fee and associated surcharge?
2. What questions do Councilmembers have regarding assigning allotments to non-residential customers that do not currently have allotments?
3. What questions do Councilmembers have on the potential methodologies for calculating allotments for non-residential customers?
4. What feedback do Councilmembers have on the overall plan and timeline for implementation?

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## BACKGROUND/DISCUSSION

Utilities has been proactive in securing and developing a high-quality, reliable water supply system since the late 1800s and has implemented policies to ensure the water supply system will support existing and future water customers through the 2065 planning horizon. These efforts continue in support of Council's priority to *Protect Community Water Systems in an Integrated Way to Ensure Resilient Water Resources*

*and Healthy Watersheds.* Financial mechanisms to help achieve this priority include a WSR fee which is a one-time variable development fee required for each new water service; allotments which are assigned to non-residential customers based on a their WSR; and surcharges, a monthly charge, for non-residential customers who exceed their allotment during a 12-month period.

Over the past several years, the cost to develop Utilities' water supply has increased due to water scarcity, driven by climate change impacts such as drought and higher regional water demands/competition. Infrastructure costs have increased as well due primarily to inflation which contributes to the overall WSR development costs. This prompted staff to reevaluate the WSR fee and methodology, which was last evaluated in 2022 and set at \$68,200 per acre-foot (AF). In August 2023, staff presented Council a revised WSR fee methodology and a proposed WSR fee and surcharge increase. Following that work session, Council feedback included:

- Provide WSR options for Council to consider when this item is brought back for consideration.
- Provide clarification on the need for 500 AF of additional water rights.
- Develop a comprehensive City-wide team to analyze and develop a solution that reflects both the economic value of the WSR and the values of the community.
- Engage with multiple Boards and Commissions, and those directly affected to ensure the recommended path forward captures the concerns, challenges, and opportunities of all in the community.

The surcharge amount is determined by the WSR fee and non-residential customers with allotments are affected by higher surcharges if the fee increases. There are approximately 1,000 accounts (approximately 700 customers) that received a water tap before 1984 and do not have an allotment assigned. These customers can use as much water as they would like without being subject to a surcharge. Staff is recommending the assignment of allotments to these non-residential accounts to create consistency among customers and increase fairness by requiring all customers to be subject to a surcharge, and help customers more closely manage their water use.

Based on Council's comments at the Work Session staff has developed a project plan and an inter-departmental team dedicated to this project. Staff has begun:

- 1) Evaluating methods for calculating the WSR fee and the associated impacts.
- 2) Evaluating methods for calculating allotments and associated impacts.
- 3) Creating a strategic and thorough outreach plan.

### **WSR: Methodologies, Impacts, Communication and Engagement**

#### ***Methodologies***

According to the American Water Works Association's 'Seventh Edition of Water Rates, Fees, and Charges,' there are three basic methodologies for calculating a WSR fee. They are based on a water provider's water rights portfolio, infrastructure, and the ability of the current water supply system to serve existing versus future customers. These methods include:

- **Full Buy-In Method:** Values the entire existing water supply system, which is expected to service all current and future customers' water value. Future customers would then buy into the entire current system (total value of system/total yield).

- **Incremental Method:** Based on the cost to expand the water supply system to serve future customers. This fee only reflects the cost of buying water rights and paying for infrastructure needed to support future customers.
- **Hybrid Method:** Includes a buy-in component that is the portion of the current water supply system, and an incremental portion that is the portion of the system that has not been purchased or built yet. It acknowledges that future customers will use both current and future water supply systems and thus reflects the percentage of the total cost of the current and future system that will serve those customers.

Utilities has been using a hybrid approach since 2018 and recommends continuing with this approach. Utilities owns water rights that new customers will rely on, reflecting a “buy-in” portion of costs. Utilities also needs to build new infrastructure (primarily storage in Halligan Reservoir) and purchase an additional 500 acre-feet of water rights, reflecting an “incremental” portion of costs. Modeling indicates that the addition of 500 AF to our existing water rights portfolio along with storage in Halligan Reservoir provides the water supply needed to meet demands through build out in 2065.

The buy-in portion of the WSR fee can be valued with a market-based approach or a cost-based approach. The current methodology uses a market-based approach. The market-based approach uses the current market value for the existing water rights portfolio based on recent transactions of water rights. The cost-based approach uses the original purchase price of the water rights escalated by an inflation percentage to reflect their value in today’s dollars. The cost-based approach results in a lower WSR fee than the market-based approach because the water supplies were generally acquired long ago, before recent and significant water rights cost increases. The incremental portion of the fee uses the market-based approach to value the water rights that need to be purchased and the future infrastructure that needs to be constructed.

Other factors that can be reflected in the WSR fee include a 30% contingency factor and a 20% safety which are both included in the current methodology. The contingency factor represents uncertainties in the cost of future water rights and infrastructure and is not applied to the buy-in portion of the WSR fee. The safety factor represents uncertainties in future water supply and demand needs such as potential impacts of climate change and type or rate of development and re-development and is applied to the entire WSR fee.

Staff has evaluated WSR fees using the current **hybrid** methodology with the different approaches of valuing the “buy-in” component (market/cost) and the inclusion/omission of a safety factor as described below. These approaches are proposed because they best reflect the value of the water supply system and community:

Method	Cost	Considerations
Market-based, 30% contingency, 20% safety factor	\$116,500/AF	<ul style="list-style-type: none"> <li>• Current approach</li> <li>• Highest impact to developers</li> </ul>
Cost Based, 30% contingency, 20% safety factor	\$71,800/AF	<ul style="list-style-type: none"> <li>• Developments costs reflect Utilities investment in water rights proactively (late 1800's on)</li> </ul>
Market-based, 30% contingency	\$97,100/AF	<ul style="list-style-type: none"> <li>• Safety factor removed</li> </ul>
Cost-based, 30% contingency	\$59,900/AF	<ul style="list-style-type: none"> <li>• Safety factor removed</li> <li>• Lower than current fee</li> <li>• Highest impact to existing customers</li> </ul>

**Impacts**

**Future Development/Redevelopment**

All water service providers in the region require some form of WSR for development or redevelopment. The methodologies used and the required water dedications differ making comparisons challenging. For most water providers, the cost required of developers depends on:

1. The fee per acre-foot of water (\$/AF)
2. The amount of water required (AF)

Where,

Total Cost=fee per AF of water x the amount of water required (AF)

Utilities currently has a higher *fee per acre-foot* compared to other water providers in the region. However, the *amount of water required for dedication* for different developments is sometimes less.

For example, applying the current WSR fee to the amount of water required for a multi-family development costs \$291,200 in Fort Collins Utilities service area compared to East Larimer County Water District at \$670,900 and Fort Collins-Loveland Water District at \$1,310,200 (see table below):

<b>Multi-Family</b>			
100 bedrooms, 64 dwelling units, 30,504 sqft lot area, 5,535 sqft irrigated area			
<b>Provider</b>	<b>Dedication Amount (acre-feet)</b>	<b>Water Fee (\$/acre-feet)</b>	<b>Cost (\$)</b>
Ft. Collins Loveland	15.29	\$85,700	\$1,310,200
East Larimer County	11.07	\$60,600	\$670,900
Loveland	10.62	\$47,380	\$503,200
FC Utilities (High Option)	4.27	\$116,500	\$497,500
Greeley	7.29	\$51,500	\$375,300
FC Utilities (Current)	4.27	\$68,200	\$291,200
Westminster	6.88	\$40,400	\$278,300
FC Utilities (Low Option)	4.27	\$59,800	\$255,400

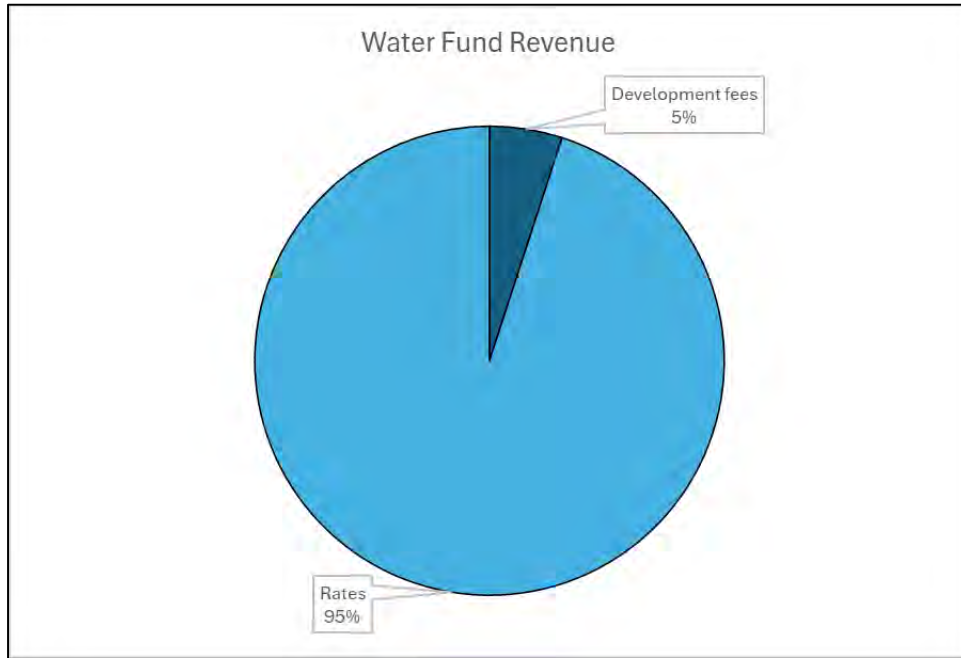
On the other hand, Utilities would require a median cost for an office building and higher costs for a typical restaurant compared to other water providers.

#### **Existing Customers: Rates vs. Fees**

Monthly water rates and development fees are the two main sources of revenue to the water fund. Currently, development fees are meant to support the value of growth paying it's on way. its own way Water development fees can be further broken down into:

1) WSR fee: One-time fees geared towards cost recovery of storage and source of supply projects.

Plant investment fees: One-time fees geared towards recovery of the water treatment plant and distribution system. A significant portion of water fund revenue is collected from monthly utility rates, equating to roughly 95% of total revenue each year on average. The remaining 5% is from development fees and surcharges, although there are variations in this ratio, and fluctuations are tied to development projects (or redevelopment) that occurs in Utilities service territory.



Routine updates to the WSR fee, as well as the excess water use surcharge, will help the Utility keep pace with increasing costs and provide a recovery mechanism for both current and future source of supply and water storage projects. The methodology being considered to calculate the WSR fee will have an impact to existing rate payers, both now and into the future.

### **Assigning New Allotments to Pre-84 Non-residential Customers**

As noted above, staff recommends assigning allotments to pre-84 non-residential customers that do not have one. This will:

- Provide better consistency across non-residential customers.
- Provide increased fairness by requiring all customers to manage water efficiently and be subject to a surcharge if they do not: as WSR and surcharges increase, the gap between those with allotments and those without will grow.
- Promote water conservation by assigning appropriate allotments and focusing water efficiency programs to customers that use over that allotment.
- Address these assignments now rather than in the future when WSR and surcharges could be greater and more challenging for customers to manage.

Important considerations:

- Staff is not recommending that additional WSR be met with the assignment of an allotment.
- Customers will need time to understand their allotment, how they use water, and how to budget their water within their allotment.
- This does not re-evaluate existing allotments.

## ***Methodologies and Impacts***

After evaluating a variety of methods for assigning allotments, staff is recommending the Hybrid approach.

Pros and cons from the evaluation are listed below.

### **1) Tap Size**

- a. Assigns allotment based on meter size (method used to assign allotments from 1984-2022).
- b. Some customers would receive a smaller allotment than they currently use subjecting them to surcharges.
- c. 181 accounts (18%) would exceed their allotment based on their 7-year maximum use.
- d. Consistent with code prior to 2022.

### **2) Average Use**

- a. Assigns an allotment based on average historical water use per tap (e.g. average annual use from past 5, 7, or 10 years of use).
- b. Reflects actual water use but doesn't always reflect or identify inefficiencies in use.
- c. Lower impact from surcharges. Unless there's significant growth or changes in business use and function, annual consumption is expected to be around the allotment.
- d. 1,026 accounts (99.5%) would exceed based on their 7-year maximum use.
- e. Inconsistent with current and historical codes.

### **3) Hybrid**

- a. Assigns an allotment based on the greater of the tap credit or average consumption.
- b. Could assign a higher allotment than needed making it difficult to address or identify inefficiencies in water use.
- c. Lowest impact to pre-84 customers.
- d. 181 accounts (18%) would exceed based on their 7-year maximum use, but the magnitude of the impact would be less.
- e. Inconsistent with historic and current code.

### **4) Business Type**

- a. Allotments are assigned based on the specific use (e.g. # of rooms in a hotel, square footage of a restaurant, outdoor water demands based on landscape details, etc.).
- b. More accurate but cannot evaluate the potential impacts to customers without collecting the data necessary to assign the allotment.
- c. Consistent with current code, but inconsistent with majority of existing allotments (only 44 accounts have been assigned this way since 2022).

## **Communication and Engagement**

Utilities plans to communicate with customers and impacted community members so people can provide input during the project's decision-making process. New development and redevelopment will be impacted directly by increases to the WSR fee, whereas allotment assignments and surcharges will impact current customers. Our goal is to capture questions, concerns, and feedback so interested parties are informed in advance of a potential fee increase, and Utilities and Council can consider a variety of impacts.

Staff developed a detailed plan to engage City Council, multiple boards and commissions, existing customers, developers, and affected City departments (see Attachment '2024 WSR Engagement Timeline').

- Phase 1 (April – June 2024): Broad engagement and feedback collection
- Phase 2 (July – September 2024): Refine proposal and incorporate feedback.
- Phase 3 (October – December 2024): Seek adoption and plan for implementation.

### **Specific Engagement Goals Include:**

1. Educate and inform stakeholders on WSR, surcharges, and allotments
  - Provide opportunities for stakeholders to ask questions and learn more
  - Provide time for behavior change (purchasing more WSR, participating in conservation programs, etc.)
2. Involve stakeholders in decision-making process
  - Stakeholders can provide feedback on alternatives or propose others that meet objectives before adoption, and weigh in on project implementation
  - Seek out multiple perspectives and consider equity in decision making
  - Consider different formats for implementation (e.g. grace period such as assigning allotments Jan. 1, 2025 and waive surcharges until Jan 1, 2026, allow customers to purchase more WSR under the current cost until Jan 1, 2026)
3. An updated fee structure is adopted by Council
  - Provide Council education and resources to understand this topic
  - Council adoption

## **NEXT STEPS**

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- 1) Collect feedback from communication and engagement efforts for WSR fees and assignment of allotments.
- 2) Evaluate feedback from Council and communication efforts.
- 3) Present additional analysis or information based on feedback to Council at the July 16 Work Session.

## **ATTACHMENTS**

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1. 2024 WSR Engagement Timeline
2. Presentation



**Engagement Timeline 2024:  
Water Supply Requirements, Excess Water Use Fees, and Allotment Assignments**

**Phase One (April-June): Broad engagement and feedback collection**

- Council Work Session 1
- Chamber of Commerce Local Legislative Affairs Committee
- Community Engagement Group Meeting 1
- OurCity page launches
- Email communication 1, launch short survey (English and Spanish)
- E-Newsletters (Economic Health Office, Keep Current)
- City Manager Monthly report
- Commercial Broker List
- 1:1 meetings with impacted parties (Key accounts, developers, etc.)
- Board and Commissions
  - Affordable Housing Board (memo only)
  - Building Review Commission (memo only)
  - Natural Resources Advisory Board (memo only)
  - Economic Advisory Board
  - Planning and Zoning Commission
  - Water Commission
- Internal staff Lunch and Learn
- Council Finance Committee
- Business Listening Sessions (2-3, virtual, in person)
- Webinar for customers without an allotment (+office hours)
- Monthly gathering of affordable housing providers/developers
- Urban Land Institute Northern Colorado
- Community Engagement Group Meeting 2
- Email communication 2, survey reminder

**Phase Two (July-September): Refine proposal, incorporate feedback**

- 7/16: Council Work Session 2
- Email communication 3
- Water Commission Work Session
- Planning and Zoning Commission Work Session
- Community Engagement Group Meeting 3
- Water Commission
- Planning and Zoning Commission Hearing

**Phase Three (October-December): Seek adoption**

- City Council First Reading
- City Council Second Reading
- Email communication 4
- Community Engagement Group Meeting 4 (implementation focus)
- 2025 implementation outreach

# Water Supply Requirements and Pre-1984 Non-Residential Water Allotments

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**Jason Graham**

Executive Director of Water Utilities

**Jen Dial**

Utilities Water Resources Manager

**Heather Young**

Community Engagement Manager



## Council Work Session Purpose

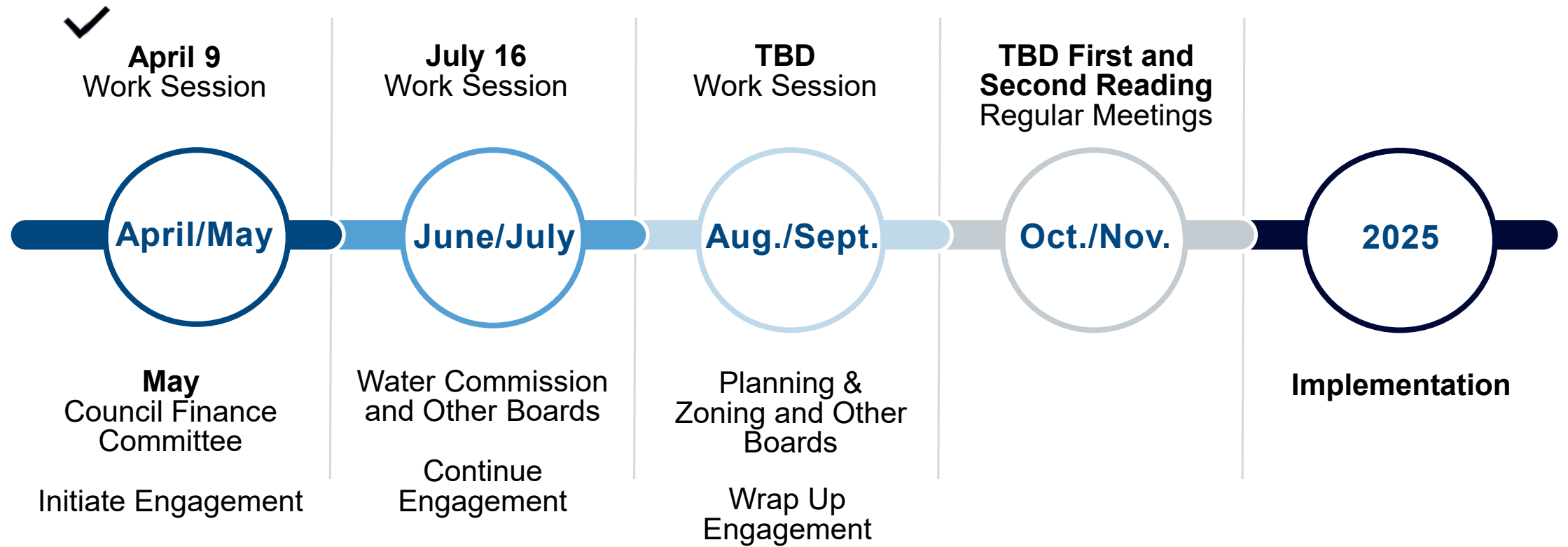
1. Build shared understanding of the history and purpose of Water Supply Requirement fees and pre-1984 non-residential water allotments.
2. Share staff's analysis of potential methodologies for Water Supply Requirement fees and assigning pre-1984 non-residential water allotments.
3. Share staff's planned customer engagement for 2024, including a timeline and identification of impacted parties.
4. Answer Council questions and confirm direction and timing.





A form of Water Supply Requirements (WSR) and water allotments has been in place since the mid-1960s. The purpose is to:

- Ensure secure water sources and protect the watershed
- Provide a financial mechanism to ensure current and future assets are adequate to meet community water supply and service needs
- Balance current needs and supply and future potential needs and acquisitions





## August 2023 Work Session Summary

- Provide clarification on the need for additional future water rights
- Provide Council new options to consider
- Develop a City-wide team to analyze and develop a solution that reflects economic and community values
- Engage with Boards and Commissions and impacted parties to ensure the recommended path forward captures the community's concerns, challenges and opportunities



## Current Project Plan

- Interdepartmental team created
- Develop options using various methodologies
- Additional analysis including future water rights needs
- Full outreach plan including feedback group

## Water Supply Requirement

Fee paid by new development and some redevelopment to ensure adequate water dedication to serve.

Residential and Non-Residential Customers

## Water Allotment

A volume of water dedicated to a non-residential user.

Two-thirds of non-residential accounts have assigned allotments.

Based on WSR

## Excess Water Use Surcharge

A charge assessed to non-residential accounts with allotments when they exceed their allotment.

Based on Allotment

- All regional water service providers have a version of a WSR development fee
- Total fee varies based on water rights portfolio, infrastructure and ability to support existing and future customers to meet community values
- Water scarcity and demand drive the cost of acquiring new water and impacts the value of our water rights portfolio





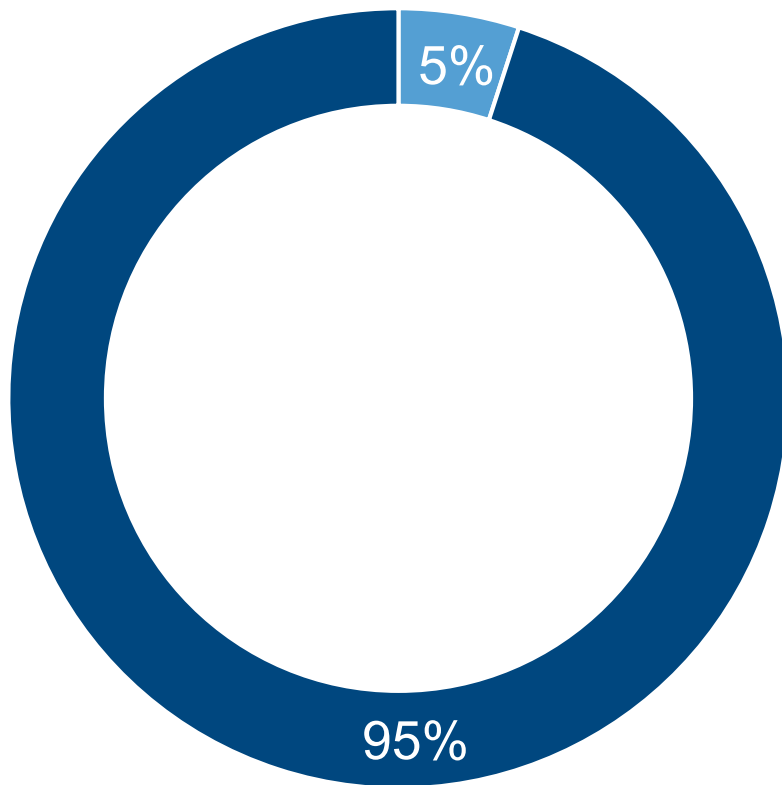
# Water Fund Inputs

## Development/Redevelopment Fees

New development and redevelopment within the water service area make up approximately 5%.

## Water Utility Rates

Rates paid by existing customers make up approximately 95% of the water fund revenue.



## Development/Redevelopment

The rate of development can be unpredictable and water costs can play a part in where development occurs.

## Future Storage Cost

Future storage has been identified through the Halligan Water Supply Project. Costs estimates of this project have doubled.

## Water Rights

Additional water rights necessary to meet 2065 projected demands.

## Additional Storage

Storage is needed for existing and future use.

## **Water Supply Requirements**

1. What questions do Councilmembers have on the potential methodologies and analysis of setting a WSR fee and associated surcharge?

## **Non-Residential Allotments**

2. What questions do Councilmembers have regarding assigning allotments to non-residential customers that do not currently have allotments?
3. What questions do Councilmembers have on the potential methodologies for calculating allotments for non-residential customers?

## **Overall Plan and Timeline**

4. What feedback do Councilmembers have on the overall plan and timeline for implementation?



# WSR Pricing Methodologies

Jen Dial, Utilities Water Resources Manager

## Full Buy-In

- Cost of the entire existing water supply system which is expected to serve all existing and future customers.
- Future customers buy in to the entire current system (total value of system/total yield).

## Incremental

- Cost to expand the water supply system to serve future customers.
- Only reflects the cost of future water rights and infrastructure.

## Hybrid

- Includes a “buy-in” component for the current water supply system and an “incremental” component for the future water system needs that have not yet been purchased or built.
- Acknowledges future customers will use portions of the current and future water supply systems.

## 2002-2017



- › **\$6,500/AF**, based on Colorado Big-Thompson (CBT) prices

## 2018-2021



- › 2018: **\$17,300/AF** using hybrid method with market-based costing
- › 2020: **\$21,500/AF**, updated costing
- › 2021: **\$22,145/AF**, added 3% inflationary increase

## 2022-current

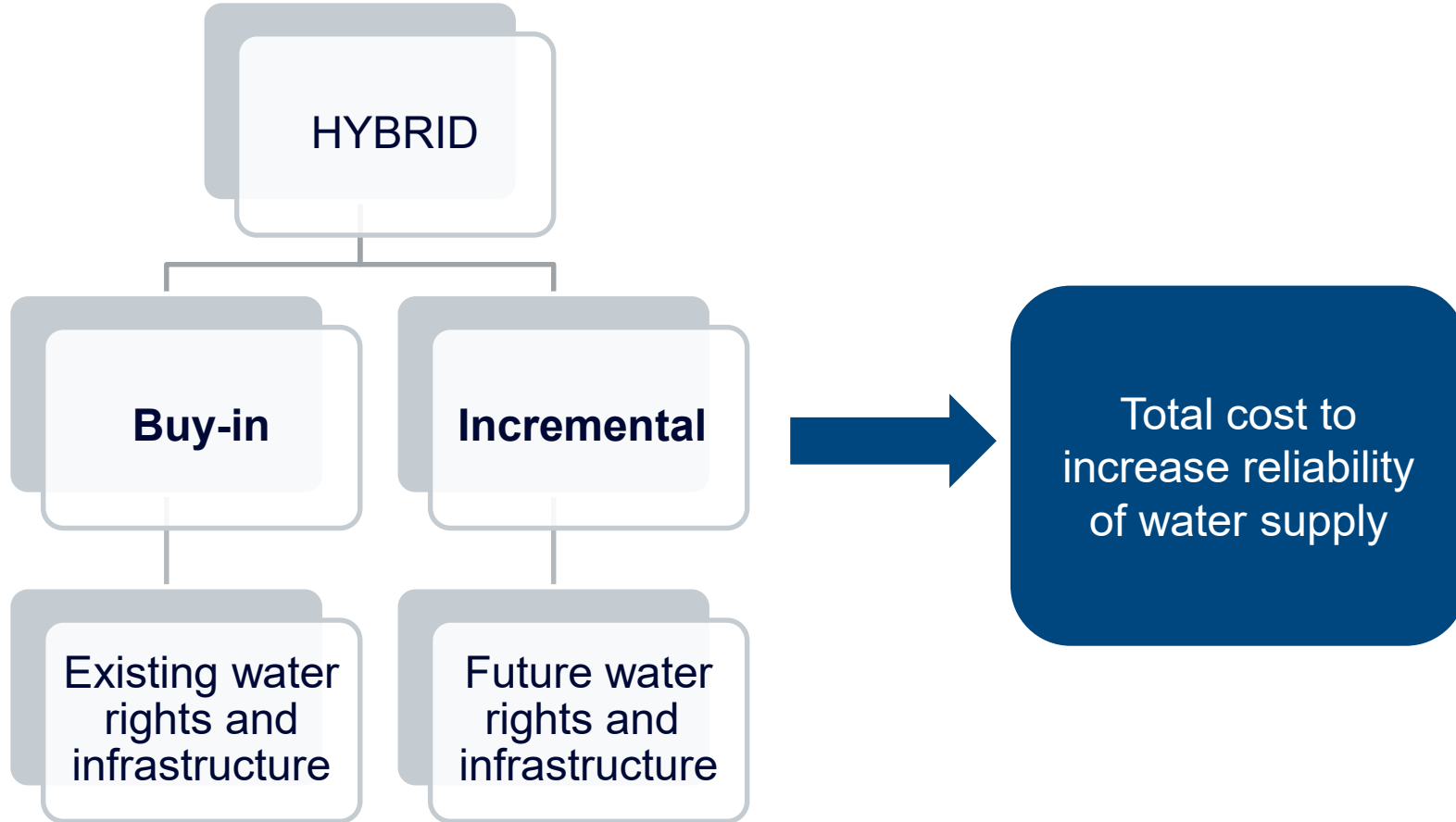


- › **\$68,200/AF**, same methodology with updated yields

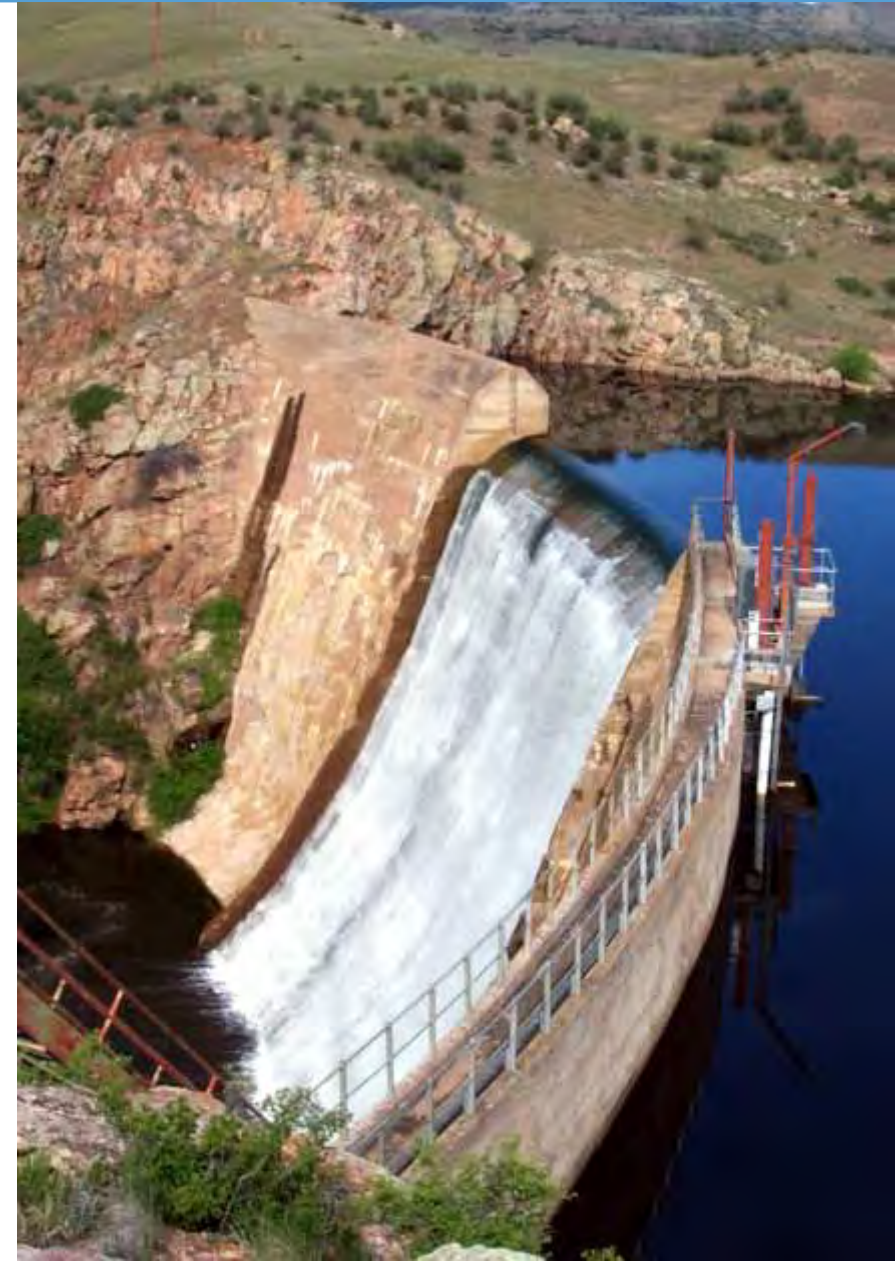
## 2025-future



- › Re-evaluating options within the hybrid methodology
- › Different from August proposal
- › Market vs. cost-based valuations
- › Analysis of current risk factors (contingency/safety)



**Note:** Future water supplies do not provide adequate reliability without existing portfolio



## WSR = Existing Water + Future Water rights & Infrastructure

### Buy-In

Existing Water Rights and Infrastructure

*Can determine past purchase prices and costs.*

Options on how to value:

- Market price in today's dollars
- Cost of what was paid plus an adjustment factor

### Incremental

Future Water Rights and Infrastructure

*Requires modeling and predicting costs of future water supply needs.*

Options on how to value:

- Market-based
- Contingency
- Safety factor

# Hybrid Method Pricing Options

Method	Cost	Considerations
Market-based 30% contingency* 20% safety factor**	\$116,500/AF	<ul style="list-style-type: none"> <li>• Current approach with updated costs</li> <li>• Highest impact to developers</li> </ul>
Market-based 30% contingency	\$97,100/AF	<ul style="list-style-type: none"> <li>• Safety factor removed</li> </ul>
<b>Cost-based, 30% contingency 20% safety factor</b>	<b>\$71,800/AF</b>	<ul style="list-style-type: none"> <li>• <b>Development costs reflect Utilities' investment in water rights proactively (since late 1800s)</b></li> </ul>
Cost-based 30% contingency	\$59,900/AF	<ul style="list-style-type: none"> <li>• Safety factor removed</li> <li>• Lower than current fee</li> <li>• Highest impact to existing customers</li> </ul>

\*Contingency: Captures uncertainties in future costs

\*\*Safety factor: Captures uncertainties in future demand and supplies (e.g., climate change, development types, etc.)



# Multi-Family Total Water Supply Requirement (Indoor & Outdoor)

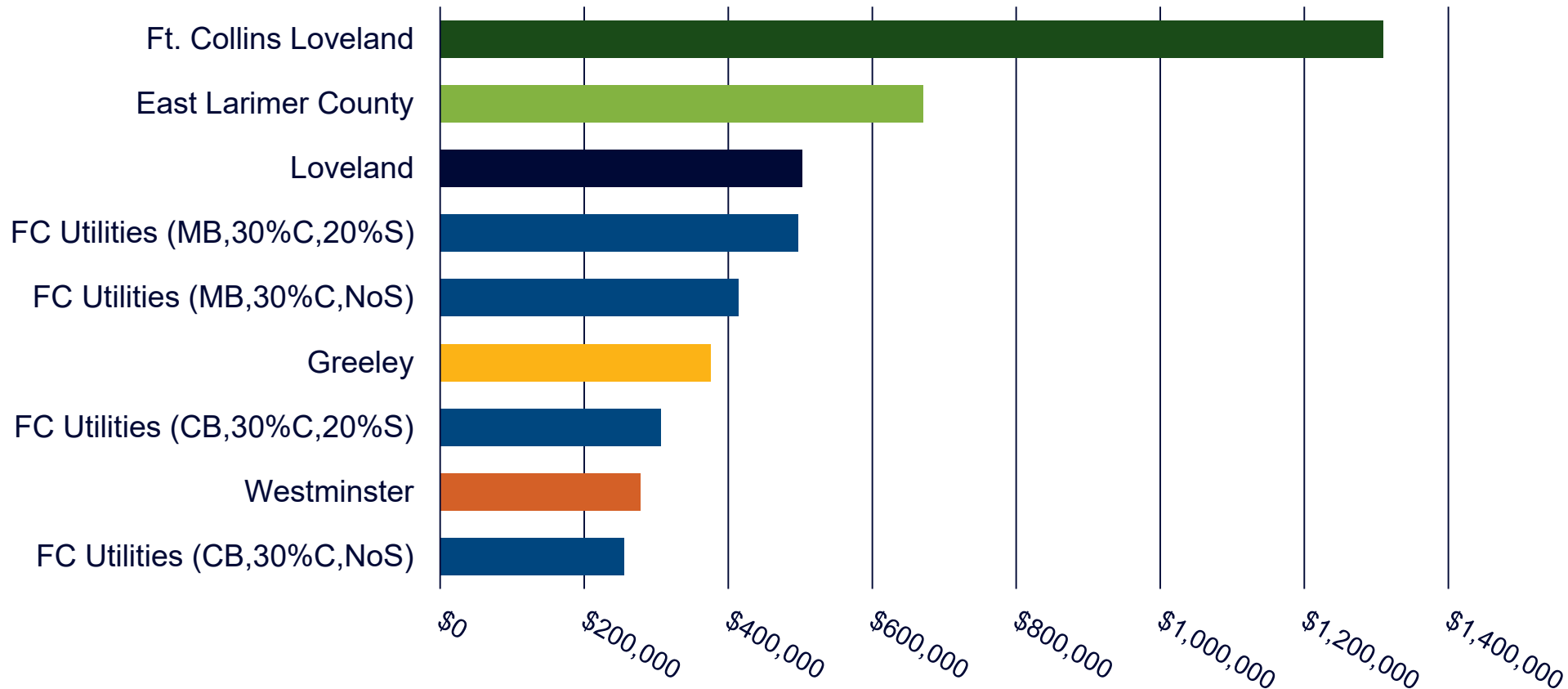
2024 Multi-Family			
100 bedrooms, 64 dwelling units, 30,504 sq. ft. lot area, 5,535 sq. ft. irrigated area			
Provider	Dedication Amount (acre-feet)	Water Fee (\$/acre-feet)	Cost
FC Utilities (CB,30%C,NoS)	4.27	\$59,900	\$255,800
Westminster	6.88	\$40,400	\$278,300
FC Utilities (CB,30%C,20%S)	4.27	\$71,800	\$306,600
Greeley	7.29	\$51,500	\$375,300
FC Utilities (MB,30%C,NoS)	4.27	\$97,100	\$414,600
FC Utilities (MB,30%C,20%S)	4.27	\$116,500	\$497,500
Loveland	10.62	\$47,380	\$503,200
East Larimer County	11.07	\$60,600	\$670,900
Ft. Collins Loveland	15.29	\$85,700	\$1,310,200

\*MCS=Market-based, 30% contingency, 20% safety factor; CCS=Cost-based, Contingency, 20% safety factor; MC=Market-based, contingency, no safety factor; CC=Cost-based contingency, no safety factor

larger developments, East Larimer County Water District only allows 30% of its WSR to be met with cash and the remainder must be met with acceptable water rights, thus the cash equivalent listed here is based on the market value of acceptable water rights.

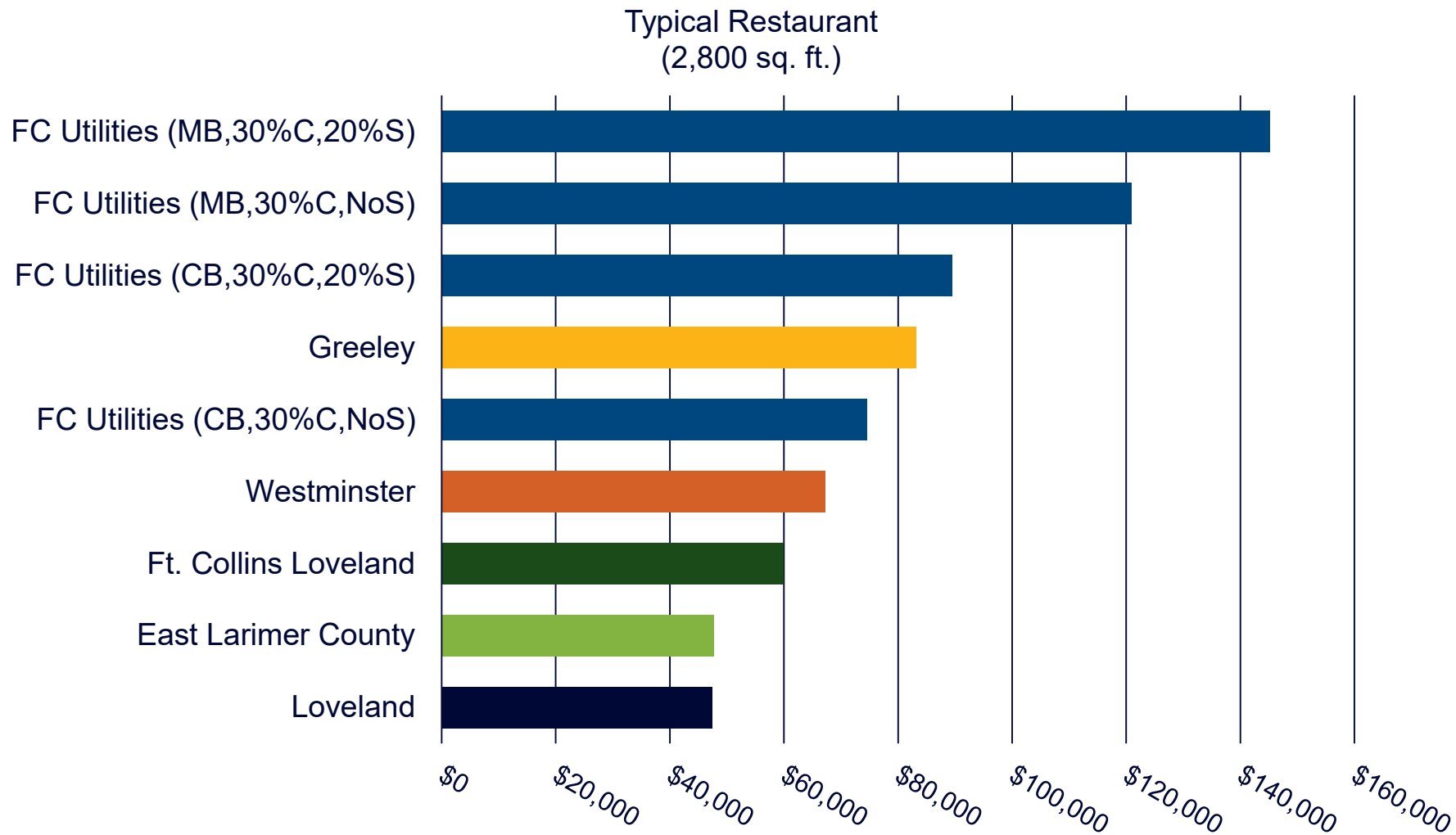
# Comparison to Other Providers

Multi-Family  
(100 bedrooms, 64 dwelling units, 30,504 sq. ft. lot area, 5,535 sq. ft. irrigated area)



\*MCS=Market-based, 30% contingency, 20% safety factor; CCS=Cost-based, Contingency, 20% safety factor; MC=Market-based, contingency, no safety factor; Cost-based contingency, no safety factor

# Comparison to Other Providers

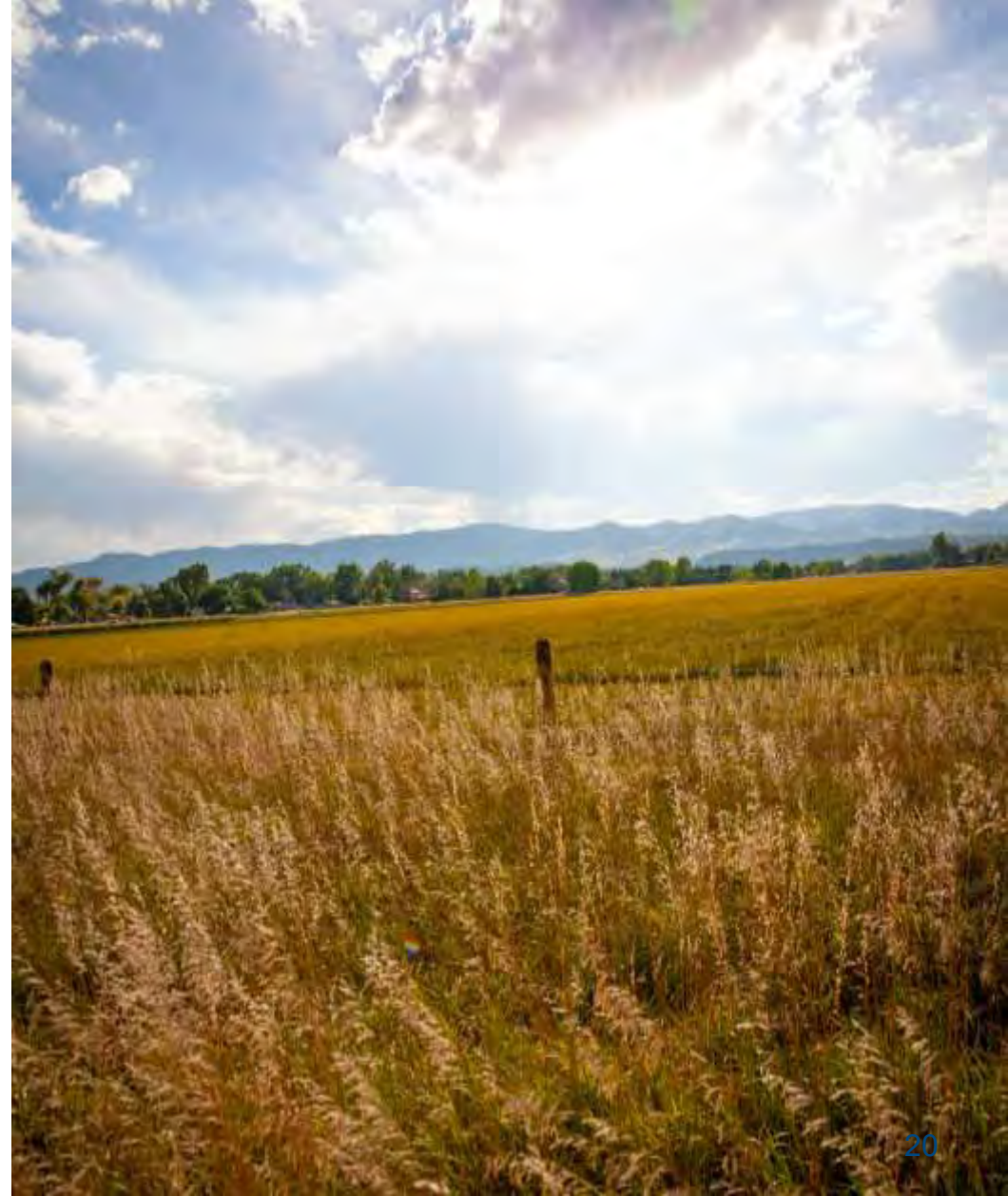


# Summary: Hybrid Method Pricing Options

Method	Cost	Considerations
Market-based 30% contingency* 20% safety factor**	\$116,500/AF	<ul style="list-style-type: none"> <li>• Current approach with updated costs</li> <li>• Highest impact to developers</li> </ul>
Market-based 30% contingency	\$97,100/AF	<ul style="list-style-type: none"> <li>• Safety factor removed</li> </ul>
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What questions do Councilmembers have on the potential methodologies and analysis of setting a WSR fee?





# Methodology for Assigning Remaining Non-residential Water Allotments

Jen Dial, Utilities Water Resources Manager

**1965-1984**



- Required volume of water based on acre of land served
- No allotments were assigned

**1984**



- Required volume based on tap size
- Began to assign allotments to non-residential accounts

**2022**



- Allotments based on business type
- Assigned allotments to new development and any redevelopment
- Requirement was burdensome and revised to only apply to those with additional water service

**2024**



- Proposing to assign allotments to ~1,000 accounts that do not have one (1/3 of total)
- Not proposing additional WSR costs
- Allow time to adjust use to avoid surcharges



- Consistency
  - Same requirement for all customers
- Fairness
  - Customers without allotments can use as much water as they desire without surcharges
  - Does not capture costs for water supply system use that is above what was paid for through a WSR fee
  - A higher WSR fee and surcharges increases the inequity between customers who are subject to surcharges and those who are not
- Conservation
  - Programs and incentives for customers that would regularly go over their allotment



# Allotment Methodology Overview

Method	Description	History	Impacts
Hybrid (Tap and Avg. Use)	Selects the greater between average historical use and tap credit	Have not assigned this way	<ul style="list-style-type: none"> <li>• <b>Lowest impact</b></li> <li>• <b>Could assign a higher allotment than needed making it difficult to identify inefficiencies</b></li> </ul>
Tap Credit	Assigns a volume based on meter size	Most current allotments assigned with this methodology	<ul style="list-style-type: none"> <li>• Could underestimate allotment resulting in potential unwarranted surcharges</li> </ul>
Average Historical Use	Assigns a volume based on average historical water use per tap (e.g., 5 years)	Have not assigned this way	<ul style="list-style-type: none"> <li>• Could assign a lower allotment compared to the volume received with a tap credit, undervaluing WSR</li> <li>• Could assign a higher allotment than customer needed making it difficult to identify water use inefficiencies</li> </ul>
Business Type	Assigns based on business type and specific use (e.g., # rooms in hotel, square footage of restaurant, landscape details, etc.)	Current methodology for setting allotments	<ul style="list-style-type: none"> <li>• Best reflects actual water use need</li> <li>• Limited data to fully evaluate impacts (44 customers assigned this way)</li> <li>• Time-intensive process</li> </ul>

	Tap Credit	Average Historical Use	Hybrid (greater of tap credit or average historical use)
# of accounts with excess water use	181 (18%)	1,026 (99.5%)	<b>181 (18%)</b>
# of accounts over \$20,000 in EWU surcharge	12	15	<b>7</b>
Average annual EWU surcharge (per account)	\$8,200	\$2,800	<b>\$5,200</b>
Potential total impact	Up to \$1,500,000	Up to \$2,900,000	<b>Up to \$940,000</b>

*Impact calculated using current EWU surcharge of \$16.67 per 1,000 gallon and estimating future water consumption using maximum annual use in past 7 years for each account.*

**02**

What questions do Councilmembers have regarding assigning allotments to non-residential customers that do not currently have one?

**03**

What questions do Councilmembers have on the potential methodologies for calculating allotments for non-residential customers?



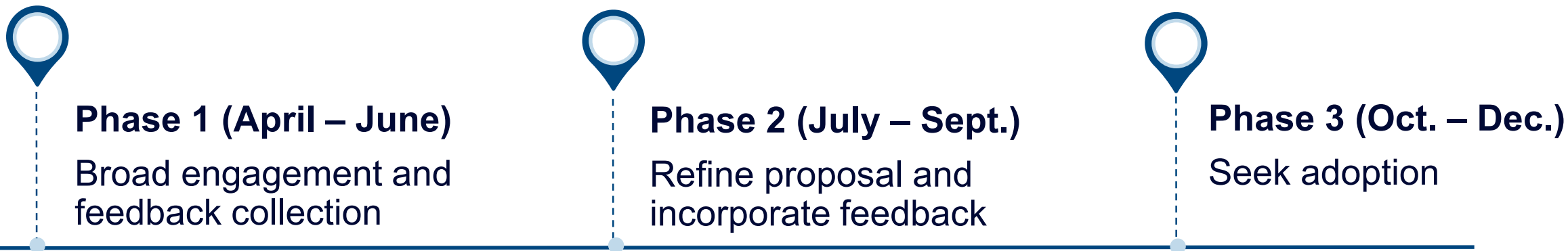


# Customer Engagement

Heather Young, Utilities Community Engagement Manager

## Item 2. Work Directly with Impacted Parties

- Involve impacted parties in developing and refining alternatives for:
  - WSR
  - EWU surcharges
  - Allotment assignments
- Goals:
  - Keep impacted parties informed of project timeline, how to be involved, and decisions made
  - Seek input on potential impacts to customers and community members



## Item 2. Impacted Parties

- Market-rate developers
- Affordable housing developers
- Water-intensive businesses (breweries, restaurants, etc.)
- Homeowner's Associations
- Commercial real estate
- Commercial water customers
  - With allotments
  - Without allotments
  - Irrigation only



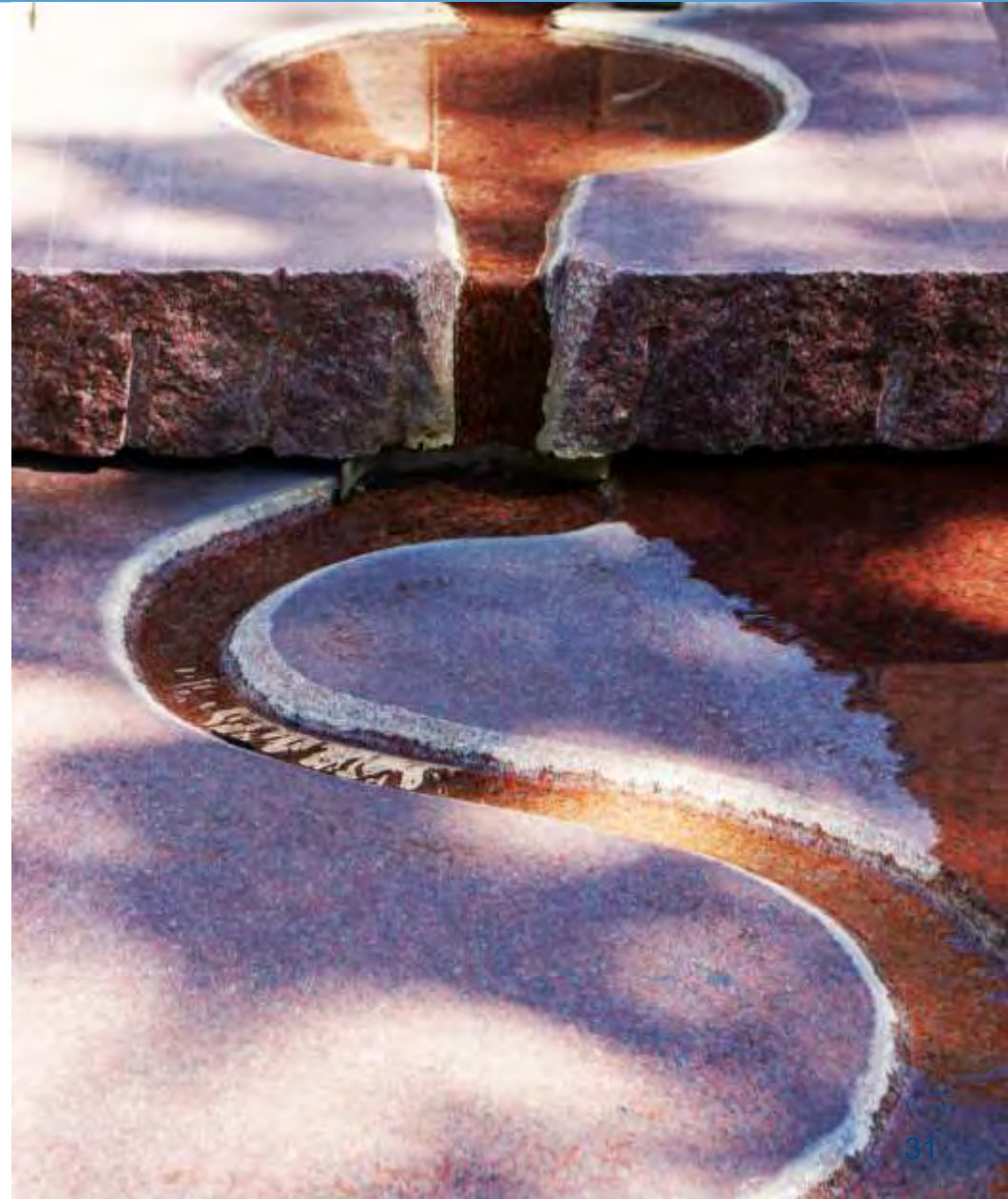
# Item 2. Planned Communications and Engagement Opportunities

- Council Work Sessions
- Boards and Commissions
- Email communication
- Existing e-newsletters
- Seek input from community groups at existing meetings
- Community Engagement Group
- Business meetings
- Webinar for impacted allotment customers



04

What feedback do Councilmembers have on the overall plan and timeline for implementation?







# Summary

## Water Supply Requirements

1. What questions do Councilmembers have on the potential methodologies and analysis of setting a WSR fee and associated surcharge?

## Non-Residential Allotments

2. What questions do Councilmembers have regarding assigning allotments to non-residential customers that do not currently have allotments?
3. What questions do Councilmembers have on the potential methodologies for calculating allotments for non-residential customers?

## Overall Plan and Timeline

4. What feedback do Councilmembers have on the overall plan and timeline for implementation?

Item 2.



# Questions?

April 9, 2024

# WORK SESSION AGENDA ITEM SUMMARY

City Council



## STAFF

Lawrence Pollack, Budget Director  
Jacob Castillo, Chief Sustainability Officer  
Travis Storin, Chief Financial Officer

## SUBJECT FOR DISCUSSION

**Discussion of the 2024 Appropriation of the First Year of the 2050 Tax for Parks, Recreation, Transit and Climate (2050 Tax).**

## EXECUTIVE SUMMARY

The purpose of this item is to discuss the items being considered for the 2024 appropriation the first year of the new 2050 Tax. In November 2023, Fort Collins voters approved this 0.5% Sales & Use Tax increase, which is dedicated to the areas of Parks, Recreation, Transit and Climate. This tax begins in 2024 and expires at the end of 2050.

## GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. What questions does City Council have about the proposed projects for the first year of the new tax?
2. Does Council support moving this item forward for First Reading at the regular Council meeting on May 7, 2024?

## BACKGROUND / DISCUSSION

At the December 2021 Council Finance Committee (CFC) meeting staff presented an item to discuss specific identified revenue needs and potential funding options. Multiple conversations occurred throughout 2022 at various CFC meetings. In 2023 the areas of need were focused on Parks, Recreation, Transit, Climate and Housing. Estimated annual shortfalls ranged from eight to nearly fifteen million per area, as follows:

- Parks & Recreation - \$8.0 to \$12.0M annual shortfall (Parks & Recreation Master Plan)
- Transit - \$8.0M to \$14.7M annual shortfall (Transit Master Plan)
- Climate - \$9.5M+ annual shortfall (Our Climate Future Plan)
- Housing - \$8.0M to \$9.5M annual shortfall (Housing Strategic Plan)

This topic eventually came in front of the full Council in 2023 and after a few Work Sessions, proposed funding for these items was determined. Council approved two ballot items to be referred to the voters of

Fort Collins to fund these areas. Parks, Recreation, Transit and Climate were proposed to be funded from a dedicated 0.5% Sales Tax increase. In a departure from previous tax initiatives and renewals, this item was proposed for a 27-year period beginning in 2024 and expiring at the end of 2050. The other referral was for Housing needs, which were proposed to be funded by a Property Tax increase.

In November 2023, the voters of Fort Collins approved one of those initiatives, specifically the 0.5% Sales Tax outlined as follows:



2023 Ballot Language:

SHALL CITY OF FORT COLLINS TAXES BE INCREASED BY \$23,800,000 IN THE FIRST FULL FISCAL YEAR (2024), AND BY SUCH AMOUNTS COLLECTED ANNUALLY THEREAFTER, FROM A .50% SALES AND USE TAX BEGINNING JANUARY 1, 2024, AND ENDING AT MIDNIGHT ON DECEMBER 31, 2050, WITH THE TAX REVENUES SPENT ONLY FOR THE FOLLOWING:

- 50% FOR THE REPLACEMENT, UPGRADE, MAINTENANCE, AND ACCESSIBILITY OF PARKS FACILITIES AND FOR THE REPLACEMENT AND CONSTRUCTION OF INDOOR AND OUTDOOR RECREATION AND POOL FACILITIES,
- 25% FOR PROGRAMS AND PROJECTS ADVANCING GREENHOUSE GAS AND AIR POLLUTION REDUCTION, THE CITY'S 2030 GOAL OF 100% RENEWABLE ELECTRICITY, AND THE CITY'S 2050 GOAL OF COMMUNITY-WIDE CARBON NEUTRALITY, AND
- 25% FOR THE CITY'S TRANSIT SYSTEM, INCLUDING, WITHOUT LIMITATION, INFRASTRUCTURE IMPROVEMENTS, PURCHASE OF EQUIPMENT, AND UPGRADED AND EXPANDED SERVICES;

AND WHILE CITY COUNCIL MAY EXERCISE ITS DISCRETION IN DECIDING THE TIMING OF SPENDING FOR EACH CATEGORY, THAT SPENDING SHALL SUPPLEMENT AND NOT REPLACE THE CURRENT CITY FUNDING FOR THE SPECIFIED PURPOSES AND SHALL BE RECONCILED TO THE STATED PERCENTAGES BY THE END OF 2030, 2040, AND WHEN THE LAST REVENUES COLLECTED FROM THE TAX ARE SPENT, BUT THIS TAX SHALL NOT APPLY TO:

- ITEMS EXEMPT UNDER THE CITY CODE FROM CITY SALES AND USE TAX;
- FOOD FOR HOME CONSUMPTION; AND
- MANUFACTURING EQUIPMENT, BUT FOR THE USE TAX ONLY;

AND WITH ALL THE TAX REVENUES, AND INVESTMENT EARNINGS THEREON, TO BE COLLECTED, RETAINED, AND SPENT AS A VOTER-APPROVED REVENUE CHANGE NOTWITHSTANDING THE SPENDING AND REVENUE LIMITATIONS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?



Given the timing of the vote relative to the 2024 Annual Appropriation (2024 Budget) process, it was determined that the 2024 appropriation for the approved Sales Tax increase would be discussed as its own item early in the year. Staff has worked to identify specific projects for the first year of this tax, as detailed in the attached list of proposed projects. Knowing that staff is concurrently working on the 2025-26 City Manager's Recommended Budget to come to Council later this year, many of the proposed projects are one-time in nature, targeted to be substantially completed in 2024. Proposals of an ongoing nature

are primarily for the staff needed to start this work and be positioned to execute the projects approved as part of the 2025-26 Budget.

This item was discussed at the Council Finance Committee meeting on March 20, 2024. Council questions were addressed with a follow-up request for more detail for the Parks and Recreation offer. This offer initiates a large asset and infrastructure replacement program similar to the Street Maintenance Program or the Water and Sewer Replacement programs, and this offer is modeled after those types of programs. The details for the analysis and prioritization of current assets can be found in the Infrastructure Replacement Program report at the following web address:

[https://www.fcgov.com/parks/files/fort-collins-parks-infrastructure-replacement-program-management-plan\\_compressed.pdf?1665426175](https://www.fcgov.com/parks/files/fort-collins-parks-infrastructure-replacement-program-management-plan_compressed.pdf?1665426175)

Additionally, per the conversation on the climate portion of the tax, the item to 'Add Solar PV System at City Facility' was moved from the elective offers to the recommended offers. Attachments have been updated to reflect this change.

### **NEXT STEPS**

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If supported by Council, this appropriation item will be brought forward for Council's consideration on May 7, 2024.

### **ATTACHMENTS**

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1. Proposed 2024 uses of the 2050 Tax
2. Presentation

# City of Fort Collins 2024 Sustainable Funding Tax Request



<b>Offer Name:</b>	4.0 FTE – Expanded Parks and Recreation Infrastructure Replacement		
<b>Outcome:</b>	C&R (Culture & Rec)	<b>Contact:</b>	vshaw@fcgov.com
<b>Svc Area:</b>	Community & Operation Services	<b>Related Offer #:</b>	54.15, 54.5, 43.15 & 43.20
<b>Department:</b>	Parks	<b>Capital?</b>	Yes
<b>Choose Primary Strategic Objective:</b>	CR 2.2 - Address infrastructure and amenity replacement and maintenance needs of trails, parks, cultural and recreation facilities while continuing the planned buildout of the parks and paved trail systems.		
<b>How does Offer Support Primary Strategic Objective:</b>	Funding this offer will significantly expand the Parks and Recreation Infrastructure Replacement programs and increase the volume of asset replacement and maintenance work.		

### Offer Description:

Funding this offer provides resources required to ramp up Parks and Recreation Infrastructure Replacement Programs (IRPs) by utilizing new funding approved by voters in a 2023 dedicated tax. This program is essential to keeping park and recreation facilities and infrastructure safe and in usable condition, and imperative to preserve equity within the community to ensure that every household, regardless of the age of the neighborhood, has access to high quality parks and recreational experiences. Historically, Parks IRP has included repair and renovation to asset categories like playgrounds, hardscapes, irrigation, fields, buildings, courts, structures, and water infrastructure at all parks and trails. Recreation IRP has provided critical ongoing repair and maintenance across ten facilities, including pools, gymnasiums, ice, childcare infrastructure, and other amenities available to the public. It has also included limited equipment replacement in the fitness areas of facilities which support programming. In 2022, Parks completed a comprehensive asset management study which assigned asset scores to components to prioritize future investments across the park system regardless of component category. The results of the study provided a Top 40 list of projects which the Parks IRP program will focus on during the initial startup years. The Recreation Operational Analysis identified \$36M of deferred maintenance projects across facilities over the next five years. A portion of this funding will create a 10-year Recreation Capital Improvement Program (CIP) that will prioritize needs across the diverse recreation system. The Parks CIP and Recreation CIP will be merged to best leverage the 2050 tax in an equitable way to address infrastructure improvements and replacement in Parks and Recreation across the City.

Extra Info Bullets:

- It is typical for multiple IRP projects to overlap over an extended period. In this budget cycle, projects from the plans listed above will begin, but are subject to change based on other opportunities (partnerships, safety issues, vandalism issues, continued preventative maintenance projects, etc.) that may arise.
- The staffing model for 2024 allows the program to ramp up and will staff the program to approximately 30%. Additional staffing requests will occur in future budget years.
- This request represents approximately 50% of the tax estimated to be collected in 2024 for parks and recreation from the 2050 tax in 2024. This is forecasted to leave \$5M of tax generation to establish a dedicated reserve available for future budgets when the program is fully established.
- The dedicated funding from the 2050 Tax will be supplemented with existing appropriations from historical general fund support in the Operations Services Department and potential other funding to complete facility replacement and improve sustainability and green infrastructure in alignment with additional strategic objectives.

City of Fort Collins  
2024 Sustainable Funding Tax Request



Offer Name: 4.0 FTE – Expanded Parks and Recreation Infrastructure Replacement

Links:

- <https://www.fcgov.com/parks/life-cycle-program>
- <https://www.fcgov.com/recreation/>
- <https://ourcity.fcgov.com/sustainable-funding-2023>

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax	\$5,282,586	\$20,000	\$5,302,586
	2)			\$0
		<b>\$5,282,586</b>	<b>\$20,000</b>	<b>\$5,302,586</b>

FTE (if part of the offer, identify the position and salary):

#	Title		
1.0	Manager (M1)	Salary & Benefits	\$91,297
1.0	Park Planner/LA (P3)	Salary & Benefits	\$26,467
1.0	Sr Analyst, Finance (P3)	Salary & Benefits	\$83,070
1.0	Specialist, Communications (P1)	Salary & Benefits	\$66,552

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Parks and Recre:	\$5,282,586	\$20,000	\$5,302,586
		\$5,282,586	\$20,000	\$5,302,586



City of Fort Collins  
2024 Sustainable Funding Tax Request



Offer Name:	Transit Operations Pay Plan Revision		
Outcome:	T&M (Transportation & Mobility)	Contact:	
Svc Area:	Planning, Dev & Transportation	Related Offer #:	
Department:	Transfort / Dial-a-Ride	Capital?	No
Choose Primary Strategic Objective:	TM 6.2 - Support an efficient, reliable transportation system for all modes of travel, enhance high-priority intersection operations, and reduce Vehicle Miles Traveled (VMT).		
How does Offer Support Primary Strategic Objective:	Increase recruitment and retention opportunities by offering more competitive wages. Increased staffing levels will result in increased service and ridership levels.		

Offer Description:

Funding this offer will increase starting wage and existing wages for Transfort Bus Operators, Dispatchers and Transit Service Officers to reduce turnover and to improve recruitment opportunities. Transfort seeks to improve recruitment and employee retention by increasing wages to be more competitive with other jobs in the transportation sector in the region. Transfort has remained under-staffed since the pandemic began in 2020, resulting in decreased service and ridership levels. Transfort operators participated in a satisfaction survey at the end of 2023, and more than half of current bus operators reported compensation as the primary concern related to job satisfaction.

Transfort has long been a leading transit agency in the state and in Northern Colorado and aims to be an industry leader and premier transportation employer in the region. Denver's Regional Transportation District (RTD), Greeley Evans Transit (GET), and City of Loveland Transit (COLT) are currently hiring Bus Operators at starting hourly rates of \$25.96, \$21.54, and \$22.24 respectively. Starting wages for experienced candidates may reach up to \$30.03 per hour.

Transfort's proposed pay plan will increase operator hiring wages from \$22.50 per hour to \$24.00 per hour. To ensure existing employees are appropriately placed within the new pay range, a 7.1% increase is necessary. An additional equity increase of 7.1% will go to senior operators who did not receive an increase during the October 2021 wage adjustment, and have experienced wage compression and pay equity issues.

Dispatch and Transit Service Officers (TSO) have also experienced turnover since the pandemic and require more competitive pay. RTD Transit Officers start at \$32.79, while Transfort Transit Service Officers currently start at \$26.44 per hour. This increase will raise Transfort TSO starting wage to \$28.42. Starting Dispatcher starting pay will increase from \$26.13 to \$28.09. Additionally, TSOs and Dispatch positions are leveled higher on the pay plan than bus operators. An increase in bus operator pay results in a need to increase Dispatch and Transit Service Officer wages to ensure equity and reduce wage compression.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax	\$547,882		\$547,882
	2)			\$0
		\$547,882	\$0	\$547,882
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Transit- Ongoing	\$547,882		\$547,882
	2)			\$0
		\$547,882	\$0	\$547,882

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Sustainable Bus Operator Schedule		
Outcome:	T&M (Transportation & Mobility)	Contact:	
Svc Area:	Planning, Dev & Transportation	Related Offer #:	
Department:	Transfort / Dial-a-Ride	Capital?	No
Choose Primary Strategic Objective:	TM 6.2 - Support an efficient, reliable transportation system for all modes of travel, enhance high-priority intersection operations, and reduce Vehicle Miles Traveled (VMT).		
How does Offer Support Primary Strategic Objective:	Increases recruitment and retention opportunities for bus operators by offering more sustainable scheduling practices, while increasing service levels. Increased staffing levels will result in increased service and ridership levels.		

### Offer Description:

Funding this offer will result in expanded service hours on Routes 5, 14, and 18, while increasing the number of benefited (classified) positions to provide more stable bus operator schedules.

Transit scheduling is an intricate process requiring schedulers to meet all operational staffing needs during all hours of service, within the constraints of available classification hours. Historically, Bus Operator candidates must be available to be scheduled during all service hours. Schedules offered to operators do not fall into 8-hour shifts and may consist of early mornings, late nights, and split shifts due to hours of operation and the seasonal nature of transit services. This expectation and practice make recruitment and retention difficult and has a negative impact on the sustainability of the position and attracting applicants.

Extending service one (1) hour in the evening on routes 5, 14, and 18 will expand service for the community while creating improved "blocks" of work to support additional classified positions and to allow for more stable Bus Operator schedules.

This offer will:

- Add four new 1.0 FTEs
- Convert two (2) hourly positions to .5 FTE
- Convert one (1) hourly position to 1.0 FTE
- Convert one (1) .75 FTE to a 1.0 FTE.

By offering more sustainable schedules, additional benefitted positions, and extending service hours, Transfort will improve recruitment and retention and increase service levels for the community.

Expense Fund(s):		Ongoing	One-Time	Total
1)	256 - Sustainable Funding 2050 Tax	\$441,036		\$441,036
2)				\$0
		\$441,036	\$0	\$441,036

### FTE (if part of the offer, identify the position and salary):

#	Title	Salary & Benefits
4.00	1.0 FTE Bus Operator	\$275,407
2.00	Convert Hourly Positions to two .5 FTE & one 1.0 Bus Operator	\$43,416
1.00	Convert .75 Position to 1.0 FTE	\$17,213

Funding Source(s):		Ongoing	One-Time	Total
1)	256- Sustainable Funding Tax: Transit- Ongoing	\$441,036		\$441,036
		\$441,036	\$0	\$441,036

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Increased Transit Enforcement & Support		
Outcome:	T&M (Transportation & Mobility)	Contact:	
Svc Area:	Planning, Dev & Transportation	Related Offer #:	
Department:	Transfort / Dial-a-Ride	Capital?	No
Choose Primary Strategic Objective:	TM 6.1 - Improve safety for all modes and users of the transportation system to ultimately achieve a system with no fatalities or serious injuries.		
How does Offer Support Primary Strategic Objective:	This offer will help decrease both real and perceived safety concerns throughout the transit system, and support passengers who may be experiencing a mental health crisis		

**Offer Description:**

Funding this offer will increase both real and perceived safety throughout our transit system, provide vital support for our front-line employees, and directly benefit our customers. As our community and transit system have grown, our safety and security team has not grown proportionally. Crimes against persons and property in our transit system rapidly rise each year; including but not limited to, physical assault, harassment, and vandalism. As a result, survey data shows that employees feel unsafe in their workplace and passengers' fear of riding our transit system continues to grow. According to our passenger surveys, passengers worried about other passenger behavior increased from 12% in 2022 to 16% in 2023, and bus operators ranked safety as their second top concern related to job satisfaction.

Transit Service Officers (TSOs) are special commissioned law enforcement officers, who are a vital safety component of transit systems. Their uniformed presence discourages behavioral issues and crime incidents before they happen and increase employee and customer confidence. Transfort TSOs respond to over 100 calls per month on buses, at bus stops and transit centers. These calls range from medical emergencies to serious behavioral and/or criminal incidents that result in citations or arrest by the Fort Collins Police. They are supplemented by 2 unarmed, contracted security guards. This offer will provide 1 TSO FTE, and 1 TSO Supervisor FTE. The TSO FTE will have an emphasis on mental health response. They will work as a liaison between Transfort, Fort Collins Police HOPE team and Mental Health Response team as well as outside agencies such as Outreach Fort Collins. They will also attend additional training geared toward mental health and mental health response to better assist an at-risk population who may be in crisis while utilizing the Transfort system. Adding these positions will increase system-wide TSO security coverage from 6% to 10%.

Expense Fund(s):		Ongoing	One-Time	Total
1)	256 - Sustainable Funding 2050 Tax	\$160,676		\$160,676
2)				\$0
		\$160,676	\$0	\$160,676

**FTE (if part of the offer, identify the position and salary):**

#	Title		
1.00	Transit Service Officer	Salary & Benefits	\$76,129
1.00	Transit Service Officer Supervisor	Salary & Benefits	\$84,547

Funding Source(s):		Ongoing	One-Time	Total
1)	256- Sustainable Funding Tax: Transit- Ongoing	\$160,676		\$160,676
		\$160,676	\$0	\$160,676

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Introduce new capital for Utilities Epic Loans program		
Outcome:	ENV (Environmental Health)	Contact:	Glenn Pease
Svc Area:	Utility Services	Related Offer #:	
Department:	Utilities Customer Connections	Capital?	No
Choose Primary Strategic Objective:	ENV 4.1 - Intensify efforts to meet 2030 climate, energy and 100% renewable electricity goals that are centered in equity and improve community resilience.		
How does Offer Support Primary Strategic Objective:	Offer will decrease economic barriers for community members interested in upgrading community residential buildings.		

**Offer Description:**

This funding will be combined with third party capital to reduce interest rates and provide easy financing opportunities for Utilities electric customers to improve their homes. Upfront cost, along with knowledge of improvements and access to contractors, have been barriers to community members interested in upgrading their homes. Program participants first receive technical assistance through a home energy assessment, then have the option to work with a participating program service provider to install equipment, and ultimately have easy access to this financing option to improve the operation of their home. Below market interest rates and ease of qualifying for this financing are critical to the success of the Epic Loan program. Epic Loans program also engages property managers and landlord to increase rental home upgrades.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$600,000	\$600,000
	2)			\$0
		\$0	\$600,000	\$600,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$600,000	\$600,000
			\$0	\$600,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Comprehensive exterior lighting retrofits at City Recreation Centers		
Outcome:	ENV (Environmental Health)	Contact:	Stu Reeve
Svc Area:	Information & Employee Svcs	Related Offer #:	
Department:	Operation Services	Capital?	No
Choose Primary Strategic Objective:	ENV 4.1 - Intensify efforts to meet 2030 climate, energy and 100% renewable electricity goals that are centered in equity and improve community resilience.		
How does Offer Support Primary Strategic Objective:	These efficiency focused projects will directly reduce energy and emissions to meet our 2030 Our Climate Future goals and municipal sustainability goals.		

**Offer Description:**

Retrofit existing exterior lighting systems at EPIC, Northside, and Senior Ctr. The new exterior lighting systems will meet current lighting codes, improve energy efficiency, and embrace our night sky/dark sky standards and goals. Exterior lighting upgrades will also have a positive impact on aesthetics of building, and upgrades to exterior building lighting have also been shown to benefit visitor safety and comfort.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$500,000	\$500,000
	2)			\$0
		\$0	\$500,000	\$500,000

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$500,000	\$500,000
			\$0	\$500,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



<b>Offer Name:</b>	Launch grants to offset utility fees for affordable housing development, particularly electric and water		
<b>Outcome:</b>	NLSH (Neighborhood Livability & Social Health)	<b>Contact:</b>	Meaghan Overton
<b>Svc Area:</b>	Sustainability Services	<b>Related Offer #:</b>	
<b>Department:</b>	Social Sustainability	<b>Capital?</b>	No
<b>Choose Primary Strategic Objective:</b>	NLSH 1.1 - Increase housing supply and choice and address inequities in housing to ensure that everyone has healthy, stable housing they can afford.		
<b>How does Offer Support Primary Strategic Objective:</b>	This offer would decrease economic barriers to upfront costs of development for affordable housing.		

**Offer Description:**

Funds would be used to provide grants to offset increasing costs of utility related development fees for affordable housing projects targeting households earning no more than 80% Area Median Income. Grant criteria to be developed collaboratively including the Utility Department, Social Sustainability Department and local affordable housing providers and developers.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Expense Fund(s):</b>	1) 256 - Sustainable Funding 2050 Tax		\$400,000	\$400,000
	2)			\$0
		\$0	\$400,000	\$400,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Funding Source(s):</b>	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$400,000	\$400,000
			\$0	\$400,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Implement bicycle infrastructure as determined in the Active Modes plan (Centre Ave)		
Outcome:	T&M (Transportation & Mobility)	Contact:	Cortney Geary
Svc Area:	Planning, Dev & Transportation	Related Offer #:	
Department:	FC Moves	Capital?	Yes
Choose Primary Strategic Objective:	TM 6.1 - Improve safety for all modes and users of the transportation system to ultimately achieve a system with no fatalities or serious injuries.		
How does Offer Support Primary Strategic Objective:	This offer improves safety, particularly for active modes of transportation, by providing a safe and comfortable crossing of Centre Ave. at Rolland Moore Dr./Phemister Rd.		

**Offer Description:**

This project will construct median refuge islands, high-visibility crosswalks, and ADA curb ramps at Centre Ave. and Rolland Moore Dr./Phemister Rd. to help pedestrians and cyclists cross Centre Ave. The project is recommended as a medium priority/readiness project in the Active Modes Plan. Staff are seeking to implement the project in 2024 for the opportunity to coordinate with the resurfacing of Centre Ave. and the implementation of a federal Safe Streets and Roads for All grant on Centre Ave. The project will improve connectivity to Rolland Moore Park, Spring Creek Trail, high density student housing and senior housing, CSU's main campus and south campus, a preschool, federal offices, Mason Trail, and College Ave. commercial.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$350,000	\$350,000
	2)			\$0
		\$0	\$350,000	\$350,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$350,000	\$350,000
			\$0	\$350,000
			\$350,000	\$350,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Repair Riverside Community Solar Array		
Outcome:	ENV (Environmental Health)	Contact:	Brian Tholl
Svc Area:	Utility Services	Related Offer #:	
Department:	Utilities Customer Connections	Capital?	No
Choose Primary Strategic Objective:	ENV 4.1 - Intensify efforts to meet 2030 climate, energy and 100% renewable electricity goals that are centered in equity and improve community resilience.		
How does Offer Support Primary Strategic Objective:	This offer will directly increase available renewable electricity available to community		

**Offer Description:**

Riverside community solar project (500 kW) has been non-operational since August 2023. Utilities, which aquired the assets of the site in 2020, is pursuing bids from service providers to redesign and repower the solar array on Riverside Ave. This is a highly visible City Commitment to climate action and directly serves over 200 residents that have purchased solar panels on this array. This project contributes to our overall goal of achieving 100% renewable electricity for our community.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$250,000	\$250,000
	2)			\$0
		\$0	\$250,000	\$250,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$250,000	\$250,000
			\$0	\$250,000



# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Fund Healthy Homes Program		
Outcome:	ENV (Environmental Health)	Contact:	Emily Olivo & Selina Lujan
Svc Area:	Sustainability Services	Related Offer #:	
Department:	Environmental Services	Capital?	No
Choose Primary Strategic Objective:	ENV 4.2 - Improve indoor and outdoor air quality.		
How does Offer Support Primary Strategic Objective:	By creating healthier, energy efficient, resilient homes, the severity of the impacts of climate change, such as extreme temperatures and poor air quality, will be reduced for the populations served. Healthy Homes is a crucial program for meeting the goals of the Air Quality Plan and Our Climate Future.		

**Offer Description:**

Healthy Homes is a free, indoor air quality (IAQ) program for Fort Collins community members that aims to reduce chemical and biological pollutants and promote safety in residences. Staff, volunteers, and partner organizations work together to improve the health and home resiliency of all Fort Collins community members. This program focuses on populations disproportionately impacted by climate change impacts including those that live in mobile homes, that are low-income, those with respiratory conditions, people of color, and non-English speakers. Healthy Homes improves IAQ and energy efficiency, and prepares homes for climate-related events (i.e., wildfires, extreme temperatures). This is achieved through free in-home visits which include an IAQ assessment, portable air cleaners, smoke/fire and carbon monoxide (CO) alarms, furnace servicing, weatherization, air conditioners, and other related resources/services.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Expense Fund(s):</b>	1) 256 - Sustainable Funding 2050 Tax		\$250,000	\$250,000
	2)			\$0
		\$0	\$250,000	\$250,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Funding Source(s):</b>	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$250,000	\$250,000
			\$0	\$250,000
			\$250,000	\$250,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Mobility Hubs Plan development		
Outcome:	T&M (Transportation & Mobility)	Contact:	Melina Dempsey
Svc Area:	Planning, Dev & Transportation	Related Offer #:	
Department:	FC Moves	Capital?	No
Choose Primary Strategic Objective:	TM 6.3 - Invest in equitable access to, and expansion of, all sustainable modes of travel with emphasis on growing transit ridership.		
How does Offer Support Primary Strategic Objective:	Mobility hubs are planned at strategic locations throughout Fort Collins along transit routes and will include other sustainable transportation offerings such as: bike and scooter share, carshare, EV charging, TNC drop off/pick up and micortransit. Colocating sustainable transportation options throughout Ft Collins will make multi-modal travel more accessible, convenient and efficient.		

**Offer Description:**

Mobility hubs are generally defined as locations where people can access multiple types of transportation modes in a central location such as transit, bike/scooter share and carshare. Mobility hubs are a core recommendation in the City's Transit Master Plan (TMP), and in the Our Climate Future Two-Year Tactical Plan as a Next Move under Big Move 4 - Convenient Transportation Choices: It is safe, easy, fast and affordable to get around without a car.

The fourteen mobility hub locations identified in the TMP are preliminary locations and intended to be flexible depending on future land development, land availability and other criteria. The development of a mobility hubs plan will refine locations, characteristics and costs; and is a necessary next step prior to construction and implementation.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Expense Fund(s):</b>	1) 256 - Sustainable Funding 2050 Tax		\$200,000	\$200,000
	2)			\$0
		\$0	\$200,000	\$200,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Funding Source(s):</b>	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$200,000	\$200,000
			\$0	\$200,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



<b>Offer Name:</b>	Expand Mobile Home Park Mini-grant through Neighborhood Services		
<b>Outcome:</b>	NLSH (Neighborhood Livability & Social Health)	<b>Contact:</b>	JC Ward & Alyssa Stephens
<b>Svc Area:</b>	Planning, Dev & Transportation	<b>Related Offer #:</b>	24.12
<b>Department:</b>	Comm Dev & Neighborhood Svcs	<b>Capital?</b>	No
<b>Choose Primary Strategic Objective:</b>	NLSH 1.8 - Preserve and enhance mobile home parks as a source of affordable housing and create a safe and equitable environment for residents.		
<b>How does Offer Support Primary Strategic Objective:</b>	<p>Mobile homes and older rental homes are often the most affordable properties in our community, but the high cost of housing makes it a challenge to afford necessary repairs to building envelope that increase the safety, comfort, and efficiency of these homes. This project would fund critical home upgrades to things like windows, doors, and insulation, reducing monthly utility bills and increasing housing stability, efficiency, and comfort for mobile home park residents and renters living in affordable housing. The City provides existing programs to homeowners that support efficiency upgrades, but the high costs make it inaccessible to many residents with limited income. This program ensures that your income does not limit your access to City support for efficiency upgrades.</p>		

**Offer Description:**

The Building Envelope Grant Fund would build on the success of the current Neighborhood Grants program to address home repairs that are seen with increasing frequency in mobile homes and other affordable housing units, but come at a cost too high for residents. The 2023 Mobile Home Park Mini-Grant round that offered roof repairs had over \$200,000 in requested funds for just 37 homes and was open to only three neighborhoods (available funding was \$35,000). There are generally very limited grant funds available for home repairs in the \$5,000-25,000 range, the price point for most building envelope needs we have seen to date. Available grants also frequently exclude mobile homes and rental properties from eligibility due to their perceived "lack of durability" or return on investment. Holes in roofs that do not keep rain or snow out of bedrooms, exterior doors that do not close properly and let in winter winds and summer heat, and windows that are broken and taped back together are common in mobile home parks. Often those are not the only items that need repair in the home. Several funded projects in affordable housing units were delayed or cancelled over the last 3 years because of a lack of funding for a dependent project (example: a new furnace was available from a partner organization but could not be installed because the electrical work needed in the home was too expensive for the homeowner and the program did not cover that portion of the work). Not only would this grant expansion help with those building envelope concerns to improve energy efficiency and livability, but also it would allow us to leverage funds and services from partners for maximum benefit to address other urgent needs as well. Neighborhood Services would continue to partner extensively with programs like Healthy Homes, Colorado Affordable Residential Energy program, Larimer Home Improvement Program, and others to identify and close gaps in available services. We would also continue to coordinate assessments and installation of any funded components with partners to make customer service more efficient and build relationships with vendors. As our organization is just entering the rental housing space, this short-term funding would help incentivize registration compliance as well as needs assessment for rental housing repairs that we currently have only anecdotally. Program metrics would include energy usage and cost before and after the repairs, equity assessments for access by historically marginalized communities, and outcomes-based measures around a sense of belonging, trust in the government, and value in contributing to Our Climate Future goals. Utilizing our existing grant application, review, and contracting systems will allow for rapid deployment of any awarded OCF funds. This proposal also includes some part-time hourly employee funding for grant administration, outreach, and coordination.

City of Fort Collins  
2024 Sustainable Funding Tax Request



Offer Name: Expand Mobile Home Park Mini-grant through Neighborhood Services

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$200,000	\$200,000
	2)			\$0
		\$0	\$200,000	\$200,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-1	Time	\$200,000	\$200,000
			\$0	\$200,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Replace existing Parks Department Utility Carts with electric Utility carts		
Outcome:	HPG (High Performing Gov't)	Contact:	Mike Brunkhardt
Svc Area:	Community & Operation Services	Related Offer #:	
Department:	Natural Areas	Capital?	
Choose Primary Strategic Objective:	4.1 - Intensify efforts to meet 2030 climate, energy and 100% renewable electricity goals that are centered in equity and improve community resilience.		
How does Offer Support Primary Strategic Objective:	Replacement of gas and diesel-powered vehicles with electric has a direct, immediate and noticeable effect on the air quality and transportation emissions in our community.		

**Offer Description:**

This project is a continuation of electrification efforts for the municipal fleet of Utility cart vehicles, often seen in downtown district, parks and other highly visible public spaces. This project would fund the replacement of approximately 10 gas or diesel-powered utility carts with electric utility carts used by the Parks, Cemeteries and Golf divisions.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$200,000	\$200,000
	2)			\$0
		\$0	\$200,000	\$200,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$200,000	\$200,000
			\$0	\$200,000
			\$200,000	\$200,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



<b>Offer Name:</b>	Identify and determine critical support needed to upgrade under-resourced buildings, focusing on commercial /MF buildings		
<b>Outcome:</b>	ENV (Environmental Health)	<b>Contact:</b>	Katherine Bailey
<b>Svc Area:</b>	Utility Services	<b>Related Offer #:</b>	
<b>Department:</b>	Utilities Customer Connections	<b>Capital?</b>	
<b>Choose Primary Strategic Objective:</b>	ENV 4.1 - Intensify efforts to meet 2030 climate, energy and 100% renewable electricity goals that are centered in equity and improve community resilience.		
<b>How does Offer Support Primary Strategic Objective:</b>	By identifying buildings that need additional support to achieve greater efficiency and what barriers they have we are better able to offer targeted resources to overcome those barriers.		

**Offer Description:**

This project seeks to identify under resourced commercial and multifamily buildings including a consideration of how various factors intersect to create under resourced conditions in this cohort. Data review will be paired with outreach to building contacts (owners, facility managers, tenants/occupants) to identify barriers to energy efficiency in these properties. Any remaining funds will be funneled toward targeted support to address barriers isolated in the research (project team is ready to direct funds to build out advanced technical support, direct financial support of efficiency projects, or to address financing barriers, and will be ready to pursue other outcomes of the research as appropriate).

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Expense Fund(s):</b>	1) 256 - Sustainable Funding 2050 Tax		\$100,000	\$100,000
	2)			\$0
		\$0	\$100,000	\$100,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Funding Source(s):</b>	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$100,000	\$100,000
			\$0	\$100,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



<b>Offer Name:</b>	Business support for plastic and styrofoam transition through NocoBIZ Connect		
<b>Outcome:</b>	ECON (Economic Health)	<b>Contact:</b>	Javier Echeverría
<b>Svc Area:</b>	Sustainability Services	<b>Related Offer #:</b>	32.16
<b>Department:</b>	Sustainability Services Admin	<b>Capital?</b>	No
<b>Choose Primary Strategic Objective:</b>	ECON 3.1 - Collaborate with local and regional partners to achieve economic resilience in Northern Colorado.		
<b>How does Offer Support Primary Strategic Objective:</b>	The proposed offer directly aligns with and supports ECON 3.1, aiming to bolster economic resilience in Northern Colorado through collaboration with local and regional partners. This initiative exemplifies a strategic approach to economic development by focusing on the following key areas:		

1. Strengthening Regional Collaboration: adapting to regulatory changes and consumer expectations and offering practical support to ensure sustainable alternatives, this program embodies the essence of coordinated efforts among various regional organizations. It underscores the importance of a unified approach to business retention, expansion, incubation, and attraction, enhancing economic resilience in line with the City's commitment.

2. Boosting Tourism through Sustainability: Aligning to enhance the economic impact of tourism further, as outlined in the Tourism Destination Master Plan, this project leverages Fort Collins' commitment to sustainability as a draw for eco-conscious visitors. By encouraging businesses to adopt environmentally friendly practices, the initiative supports the local economy and positions the region as a leader in sustainable tourism.

3. Driving Innovation in the Climate Economy: The focus on shifting away from single-use plastics and towards sustainable alternatives taps into the climate economy as a critical driver of innovation and economic opportunities. This program aligns with the region's vision for sustained economic growth by fostering an environment where businesses can contribute to and benefit from the growing climate economy.

4. Creating a Unified Vision for Economic Growth: This initiative exemplifies creating a unified regional vision Through collaboration with the Monarca Group for culturally sensitive engagement and education. It ensures that the benefits of sustainable business practices are accessible to all, fostering a more inclusive and resilient economic landscape.

In essence, by integrating sustainable business practices with strategic regional collaboration, the enhancement of the NOCOBiz Connect program directly advances the primary objective of ECON 3.1. It fosters economic resilience through innovative and sustainable development and strengthens the region's position as a leader in economic growth and environmental stewardship. Incorporating an ongoing rebate program for businesses that adopt sustainable practices aligns with our 2030 zero-waste goal. It fosters economic resilience by encouraging long-term investment in sustainability, thereby solidifying Northern Colorado's leadership in economic growth and environmental stewardship.

City of Fort Collins  
2024 Sustainable Funding Tax Request



Offer Name: Business support for plastic and styrofoam transition through NocoBIZ Connect

**Offer Description:**

This project enhances the NOCOBiz Connect program to align with the Plastic Pollution Reduction Act (HB21-1162). It offers education and financial incentives to help local businesses shift from single-use plastics, especially polystyrene, to sustainable alternatives. It aims to support 60 small businesses with \$1,000 worth of compliant alternative products totaling \$60,000 (80% of the funding) directly benefiting the businesses. The remaining \$15,000 (20% of the funding) will cover the Monarca Group's services for culturally sensitive engagement, educational resources, surveys to measure adoption rates, material delivery, and project management. Monarca Group will steward these financial resources by responsibly procuring the most affordable wholesale rate for the products. This initiative seeks to foster a community-wide move towards sustainability by helping businesses navigate new regulations, and meet consumer expectations for environmental responsibility. The consultant (Monarca Group) that would implement this program has executed a similar program to this one in Longmont through PACE, achieving high rates of adoption of sustainable materials by the businesses that participated in the program.

Quantitative Impacts:

1. Direct Financial Support and Resource Allocation
2. Adoption Rate and Behavioral Change Metrics: Through pre- and post-implementation surveys, the project will quantify shifts in business practices.
3. Increased Participation in Sustainability Programs

Qualitative Impacts:

1. Enhanced Community Awareness and Education: The project will cultivate a deeper understanding and awareness within the business community regarding the importance of transitioning away from single-use plastics.
2. Equity-Focused Engagement: By prioritizing culturally sensitive interactions and support, the project aims to ensure that businesses across diverse communities have equal access to resources and knowledge to make this transition. This approach addresses potential barriers to adoption and ensures that the benefits of sustainability initiatives are equitably distributed.
3. Improved Community Safety and Environmental Health: Transitioning to sustainable materials reduces environmental pollutants and contributes to a healthier community ecosystem.
4. Building Resilience Through Sustainable Practices: By encouraging businesses to adopt sustainable materials and practices, the project contributes to building a more resilient local economy. Businesses that are adaptable to environmental regulations and consumer expectations are more likely to thrive, creating a model for sustainable growth that can be replicated and scaled.
5. Feedback-Driven Continuous Improvement: Utilizing survey feedback on product satisfaction, barriers to transition, and interest in future sustainability programs, the project will identify areas for improvement and expansion. This iterative approach ensures that the initiative remains responsive to the business community's needs and continuously enhances its impact.

Lastly, this program is the first stage of a long-term strategy to help businesses transition into more sustainable solutions. One of the next strategies that staff is contemplating (maybe for 2025-2026 cycle) would be the implementation of a rebate that would cover the cost (up to a certain dollar amount) of a business purchasing pre-approved sustainable materials.

Additional information:

-Article about City of Long Beach, California ban on styrofoam and transition phases (2018).

<https://lbbusinessjournal.com/news/helping-businesses-and-residents-build-a-foam-free-long-beach/>

-Article about the real cost of styrofoam to environment and society. <https://greendiningalliance.org/2016/12/the-real-cost-of-styrofoam/>

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Expense Fund(s):</b>	1) <span style="border: 1px solid black; padding: 2px;">256 - Sustainable Funding 2050 Tax</span>		\$75,000	\$75,000
		\$0	\$75,000	\$75,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Funding Source(s):</b>	1) <span style="border: 1px solid black; padding: 2px;">256- Sustainable Funding Tax: Climate Action-</span>	1 Time	\$75,000	\$75,000
			\$0	\$75,000



# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Implement bicycle infrastructure as determined in the Active Modes plan (Laporte Ave)		
Outcome:	T&M (Transportation & Mobility)	Contact:	Cortney Geary
Svc Area:	Planning, Dev & Transportation	Related Offer #:	
Department:	FC Moves	Capital?	Yes
Choose Primary Strategic Objective:	TM 6.1 - Improve safety for all modes and users of the transportation system to ultimately achieve a system with no fatalities or serious injuries.		
How does Offer Support Primary Strategic Objective:	This offer improves safety, particularly for cyclists, by providing dedicated bicycle facilities and filling a gap in the bicycle network.		

**Offer Description:**

This project will fill a gap in the bicycle network by striping buffered bike lanes on Laporte Ave. from Fishback Ave. to Wood St. In conjunction with the Laporte corridor improvements from Fishback Ave. to Sunset St., which are fully funded and will be completed in 2024, this project will fill the remaining gap in bike infrastructure along Laporte Ave., providing continuous bike facilities from Overland Trail to College Ave. This project is a high priority/readiness project in the Active Modes Plan.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$57,000	\$57,000
	2)			\$0
		\$0	\$57,000	\$57,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$57,000	\$57,000
			\$0	\$57,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



<b>Offer Name:</b>	Expand Scholarship Program for Builders and Building Industry to meet new industry techniques and future codes		
<b>Outcome:</b>	ECON (Economic Health)	<b>Contact:</b>	Brad Smith
<b>Svc Area:</b>	Utility Services	<b>Related Offer #:</b>	
<b>Department:</b>	Utilities Customer Connections	<b>Capital?</b>	No
<b>Choose Primary Strategic Objective:</b>	ENV 4.1 - Intensify efforts to meet 2030 climate, energy and 100% renewable electricity goals that are centered in equity and improve community resilience.		
<b>How does Offer Support Primary Strategic Objective:</b>	This provides needed building industry workforce education and training on zero energy construction and building efficiency that will lower building energy use, lower emissions, and enable building electrification.		

**Offer Description:**

This project will help accelerate the education and knowledge of professional service providers in our community, and build and expand the knowledge of workforce which enables increased capacity to support local building requirements, OCF Big Move 6, and associated Council priorities. Examples will include scholarships to help with builders or contractors earning certifications and having the knowledge and training to support new building codes.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Expense Fund(s):</b>	1) 256 - Sustainable Funding 2050 Tax		\$35,000	\$35,000
	2)			\$0
		\$0	\$35,000	\$35,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Funding Source(s):</b>	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$35,000	\$35,000
			\$0	\$35,000
			\$35,000	\$35,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Transportation Emissions Reduction Strategy Tool development		
Outcome:	T&M (Transportation & Mobility)	Contact:	Melina Dempsey
Svc Area:	Planning, Dev & Transportation	Related Offer #:	
Department:	FC Moves	Capital?	No
Choose Primary Strategic Objective:	TM 6.2 - Support an efficient, reliable transportation system for all modes of travel, enhance high-priority intersection operations, and reduce Vehicle Miles Traveled (VMT).		
How does Offer Support Primary Strategic Objective:	This tool will help us prioritize transportation projects and TDM strategies based on their ability to reduce transportation emissions.		

**Offer Description:**

The Carbon Reduction Tool, developed by SLR Associates is used to help municipalities visualize how various transportation strategies can be combined to reduce emissions and achieve climate goals over different timescales. This tool has been employed in Europe and The City of Fort Collins would be a pilot City for deployment in the U.S. The Excel-based tool can be used in an interactive setting, enabling staff to elicit meaningful input from stakeholders and policymakers on strategies to reduce transportation emissions. This is a one-time cost and the tool can be used as a decision-making tool by multiple departments throughout the City.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$25,000	\$25,000
	2)			\$0
		\$0	\$25,000	\$25,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$25,000	\$25,000
			\$0	\$25,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



<b>Offer Name:</b>	Add Solar PV System at City Facility - new fueling canopy and shop expansion at Wood Street		
<b>Outcome:</b>	ENV (Environmental Health)	<b>Contact:</b>	Stu Reeve
<b>Svc Area:</b>	Information & Employee Svcs	<b>Related Offer #:</b>	
<b>Department:</b>	Operation Services	<b>Capital?</b>	
<b>Choose Primary Strategic Objective:</b>	ENV 4.1 - Intensify efforts to meet 2030 climate, energy and 100% renewable electricity goals that are centered in equity and improve community resilience.		
<b>How does Offer Support Primary Strategic Objective:</b>	Directly reduces the electric energy use and supports our goal of 100% renewable electricity by 2030.		

**Offer Description:**  
 Install at total of 51.84 kW/DC solar PV systems (24.3 kW/DC on the fuel canopy and 27.54 kW/DC on the shop expansion) that all feed and offset the electrical use for the entire 835 Wood shop building. This system also reduces the electricity cost of the all electric addition (Groundsource Heat Pump HVAC system) of the new CNG shop space.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Expense Fund(s):</b>	1) 256 - Sustainable Funding 2050 Tax		\$250,000	\$250,000
	2)			\$0
		\$0	\$250,000	\$250,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Funding Source(s):</b>	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$250,000	\$250,000
			\$0	\$250,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Poudre River Health Assessment		
Outcome:	ENV (Environmental Health)	Contact:	Julia Feder
Svc Area:	Community & Operation Services	Related Offer #:	
Department:	Natural Areas	Capital?	
Choose Primary Strategic Objective:	ENV 4.6 - Sustain and improve the health of the Cache la Poudre River and all watersheds within Fort Collins.		
How does Offer Support Primary Strategic Objective:	The RHAF is a critical tool for helping to identify the most appropriate and needed restoration sites along the Poudre River so the community can benefit from a healthy riparian ecosystem which includes increased carbon sequestration capacity in these restored environments.		

**Offer Description:**

The purpose of this project is to assess the health of the Cache la Poudre River (Poudre River) to inform the protection and improvement of this critical community resource. In 2017, the first-ever river health assessment and accompanying State of the Poudre River Report Card were completed for a 24-mile stretch of Poudre River from Gateway Park Natural Area near the mouth of the Poudre Canyon to the Fort Collins City Limits at I-25. This re-assessment will provide an updated snapshot of the health of the Poudre River and measure the City's progress toward its vision of sustaining a healthy and resilient Poudre River. It provides a second data set post-Cameron Peak fire from a previous assessment effort in 2017, as well as a critical baseline prior to planned implementation of the Northern Integrated Supply Project (NISP).

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$300,000	\$300,000
	2)			\$0
		\$0	\$300,000	\$300,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$300,000	\$300,000
			\$0	\$300,000
			\$300,000	\$300,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



<b>Offer Name:</b>	Update trash/recycle cans in the City of Fort Collins Natural Areas, to wildlife safe cans.		
<b>Outcome:</b>	ENV (Environmental Health)	<b>Contact:</b>	Rebecca Pomeroy & Mason Mizener
<b>Svc Area:</b>	Community & Operation Services	<b>Related Offer #:</b>	
<b>Department:</b>	Natural Areas	<b>Capital?</b>	No
<b>Choose Primary Strategic Objective:</b>	ENV 4.5 - Protect and enhance natural resources on City-owned properties and throughout the community.		
<b>How does Offer Support Primary Strategic Objective:</b>	Strategic objective 4.5 focus is to conserve and enhance natural resources for wildlife habitats and provide high-quality natural spaces to the community. This offer directly supports this objective through mitigating direct flow of trash into our communities' natural spaces; automatically providing higher quality habitat for animals and a better & healthier experience for the community.		

**Offer Description:**

Request funding to update 25 trash cans in the City of Fort Collins Natural Areas to wildlife safe cans. The need for this update is driven by multiple factors including increased human use, increased production of trash, increased windblown trash across the landscape, habituation of wildlife, and increase in human/wildlife conflict. The increase in these factors is causing a negative feedback loop that can be mitigated by updating the units to a more sustainable and structurally sound system that (1) completely restricts access to animals (2) the enclosed unit reduces windblown trash into the environment and (3) promotes increased health to our public lands.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Expense Fund(s):</b>	1) 256 - Sustainable Funding 2050 Tax		\$50,000	\$50,000
	2)			\$0
		\$0	\$50,000	\$50,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
<b>Funding Source(s):</b>	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$50,000	\$50,000
			\$0	\$50,000

# City of Fort Collins 2024 Sustainable Funding Tax Request



Offer Name:	Soapstone Prairie Grazing Plan		
Outcome:	ENV (Environmental Health)	Contact:	Julia Feder
Svc Area:	Community & Operation Services	Related Offer #:	
Department:	Natural Areas	Capital?	No
Choose Primary Strategic Objective:	ENV 4.5 - Protect and enhance natural resources on City-owned properties and throughout the community.		
How does Offer Support Primary Strategic Objective:	Our project will lead to increased rates of carbon sequestration at Soapstone Prairie Natural Area by creating a grassland health plan with the Native American and Indigenous community.		

### Offer Description:

Our project will fund the outreach effort needed to engage the Native American and Indigenous community in building climate resilient grasslands at Soapstone Prairie. Restoring shortgrass prairie on Natural Areas will result in a significant amount of sequestered carbon, estimated at -24,000 tCO<sub>2</sub>e by 2050 (Fort Collins GGIMP Report by Cascadia). Funds for the project will be used for facilitation and engagement with Native American and Indigenous partners, and working with knowledge keepers and elders.

		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Expense Fund(s):	1) 256 - Sustainable Funding 2050 Tax		\$35,000	\$35,000
	2)			\$0
		\$0	\$35,000	\$35,000
		<i>Ongoing</i>	<i>One-Time</i>	<i>Total</i>
Funding Source(s):	1) 256- Sustainable Funding Tax: Climate Action-	1 Time	\$35,000	\$35,000
			\$0	\$35,000
			\$35,000	\$35,000

# 2024 Appropriation of the 2050 Tax: Staff Recommendations

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**Council Work Session**

April 9, 2024





- **Summary 2023 Ballot Language:**

SHALL CITY OF FORT COLLINS TAXES BE INCREASED BY \$23,800,000 IN THE FIRST FULL FISCAL YEAR (2024), AND BY SUCH AMOUNTS COLLECTED ANNUALLY THEREAFTER, FROM A .50% SALES AND USE TAX BEGINNING JANUARY 1, 2024, AND ENDING AT MIDNIGHT ON DECEMBER 31, 2050, WITH THE TAX REVENUES SPENT ONLY FOR THE FOLLOWING:

- 50% FOR THE REPLACEMENT, UPGRADE, MAINTENANCE, AND ACCESSIBILITY OF PARKS FACILITIES AND FOR THE REPLACEMENT AND CONSTRUCTION OF INDOOR AND OUTDOOR RECREATION AND POOL FACILITIES,
- 25% FOR PROGRAMS AND PROJECTS ADVANCING GREENHOUSE GAS AND AIR POLLUTION REDUCTION, THE CITY'S 2030 GOAL OF 100% RENEWABLE ELECTRICITY, AND THE CITY'S 2050 GOAL OF COMMUNITY-WIDE CARBON NEUTRALITY, AND
- 25% FOR THE CITY'S TRANSIT SYSTEM, INCLUDING, WITHOUT LIMITATION, INFRASTRUCTURE IMPROVEMENTS, PURCHASE OF EQUIPMENT, AND UPGRADED AND EXPANDED SERVICES;

- **2024 annualized Revenue is conservatively projected at \$21.8M, split into the three categories. However, only 11 months of revenue will be realized in 2024,**

- \$10.90M for Parks and Recreation (\$10.0M for 2024)
- 5.45M for Transit (\$5.0M for 2024)
- 5.45M for Climate (\$5.0M for 2024)

# Summary of Proposed 2024 Appropriation of the 2050 Tax



Proposed Appropriations	2050 Tax Category	Recommended Funding for 2024	Subtotals by Category	Forecasted 2024 Revenue*	Est. 2024 Year End Reserves
4.0 FTE – Expanded Parks and Recreation Infrastructure Replacement	Parks and Rec	5,302,586			
<b>Subtotal of Parks and Rec</b>			<b>\$ 5,302,586</b>	<b>\$ 10,000,000</b>	<b>\$ 4,697,414</b>
Transit Operations Pay Plan Revision	Transit	547,882			
Sustainable Bus Operator Schedule	Transit	441,036			
Increased Transit Enforcement & Support	Transit	160,676			
<b>Subtotal of Transit</b>			<b>\$ 1,149,594</b>	<b>\$ 5,000,000</b>	<b>\$ 3,850,406</b>
Introduce new capital for Utilities Epic Loans program	Climate	600,000			
Comprehensive exterior lighting retrofits at City Recreation Centers	Climate	500,000			
Grants to offset utility fees for affordable housing development, particularly electric & water	Climate	400,000			
Implement bicycle infrastructure as determined in the Active Modes plan (Centre Ave)	Climate	350,000			
Repair Riverside Community Solar Array	Climate	250,000			
Fund Healthy Homes Program	Climate	250,000			
Mobility Hubs Plan development	Climate	200,000			
Expand Mobile Home Park Mini-grant through Neighborhood Services	Climate	200,000			
Replace existing Parks Utility Carts with electric Utility carts	Climate	200,000			
Identify and determine critical support to upgrade under-resourced buildings, focusing on commercial/MF buildings	Climate	100,000			
Business support for plastic and styrofoam transition through NocoBIZ Connect	Climate	75,000			
Implement bicycle infrastructure as determined in the Active Modes plan (Laporte Ave)	Climate	57,000			
Expand Scholarship Program for Builders / Building Industry to meet new industry techniques & future codes	Climate	35,000			
Transportation Emissions Reduction Strategy Tool development	Climate	25,000			
Add Solar PV System at City Facility - new fueling canopy and shop expansion at Wood St.	Climate	250,000			
<b>Subtotal of Primary Climate</b>			<b>\$ 3,492,000</b>		
Poudre River Health Assessment	Climate - Elective	300,000			
Update trash/recycle cans in the City of Fort Collins Natural Areas, to wildlife safe cans.	Climate - Elective	50,000			
the Prairie Grazing Plan	Climate - Elective	35,000			
<b>Subtotal of All Climate</b>			<b>\$ 3,877,000</b>	<b>\$ 5,000,000</b>	<b>\$ 1,123,000</b>
<b>2024 Totals for the 2050 Tax</b>			<b>\$ 10,329,180</b>	<b>\$ 20,000,000</b>	<b>\$ 9,670,820</b>

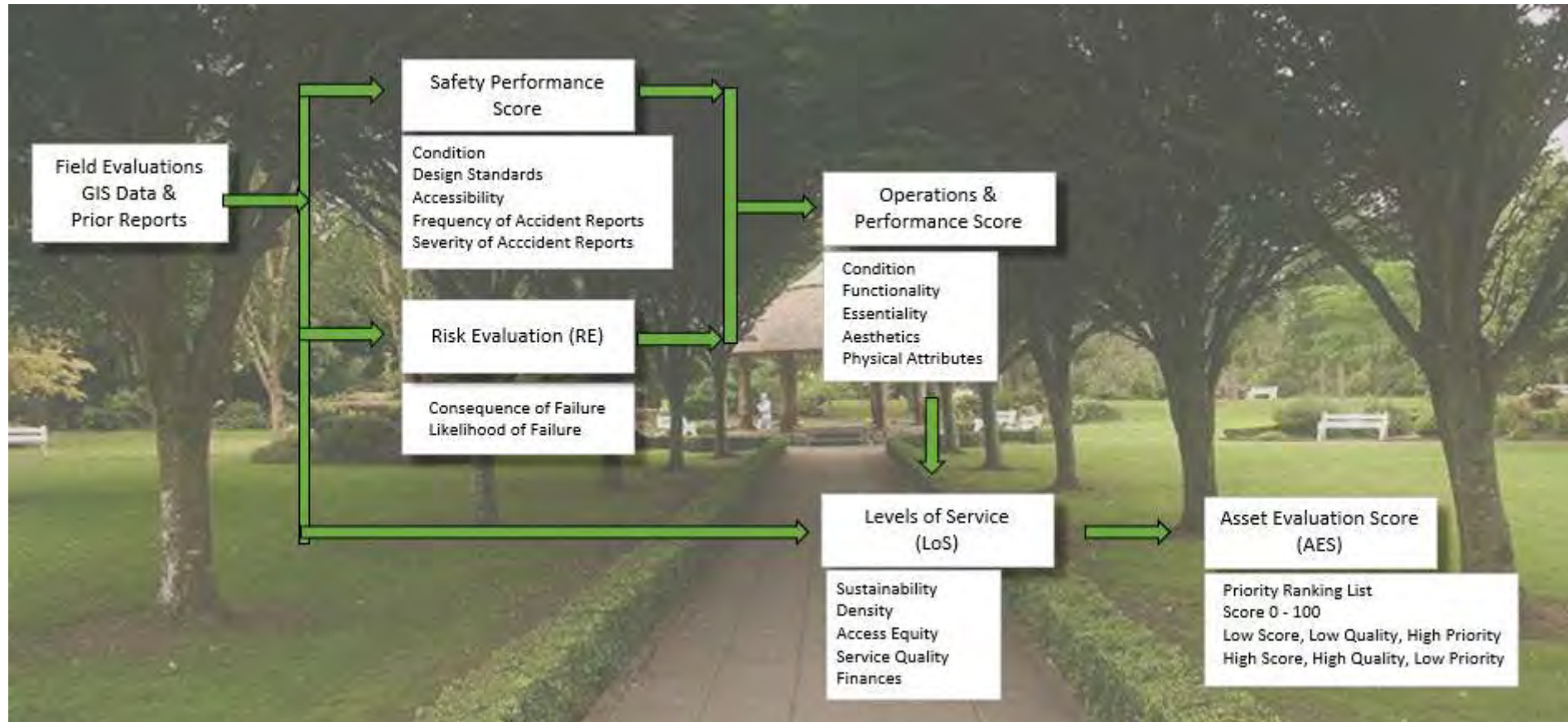
\* 2050 Tax Revenue collected in 2024 will only be 11 months in the first year

# Parks and Recreation

- Goal to provide equitable access to parks and recreation experiences, while enhancing financial sustainability of Parks and Recreation
- Parks and Recreation teams recommend \$5.3M of funding for 2024
  - \$4.75M for projects to begin addressing top infrastructure needs
  - \$0.3M initial staffing to create program to be good stewards of funding through 2050
  - \$0.25M for Recreation Capital Improvement Plan
  - *Funding in addition to baseline commitment in previous BFO cycles*
- Funding request is ~1/2 of the estimated generation for Parks and Recreation in 2024
  - Seeds a reserve balance as we set up the program
  - Reserve will also provide some opportunity to assist with the SE Recreation Center costs



- Parks and recreation centers will contain some consistent core amenities, but largely offer unique user experiences across the system
- Ranking assets for replacement combines many different criteria, including safety, access, functionality, and more to express relative priority across all amenities



# Top 40 from Parks Infrastructure Replacement Program (IRP) Plan

HIGHEST PRIORITY





## Foothills Activity Center

- Multipurpose room gymnasium door



## Rolland Moore Tennis Complex

- Pro shop and restroom replacement



## Senior Center

- Lobby Flooring
- Office Security



## EPIC

- Ice Flooring
- Dasher boards
- Pool shell & Pool deck
- ICE chiller system upgrade and replacement
- Staff office security door



## Pottery Studio

- Kiln Replacement



## City Park Pool

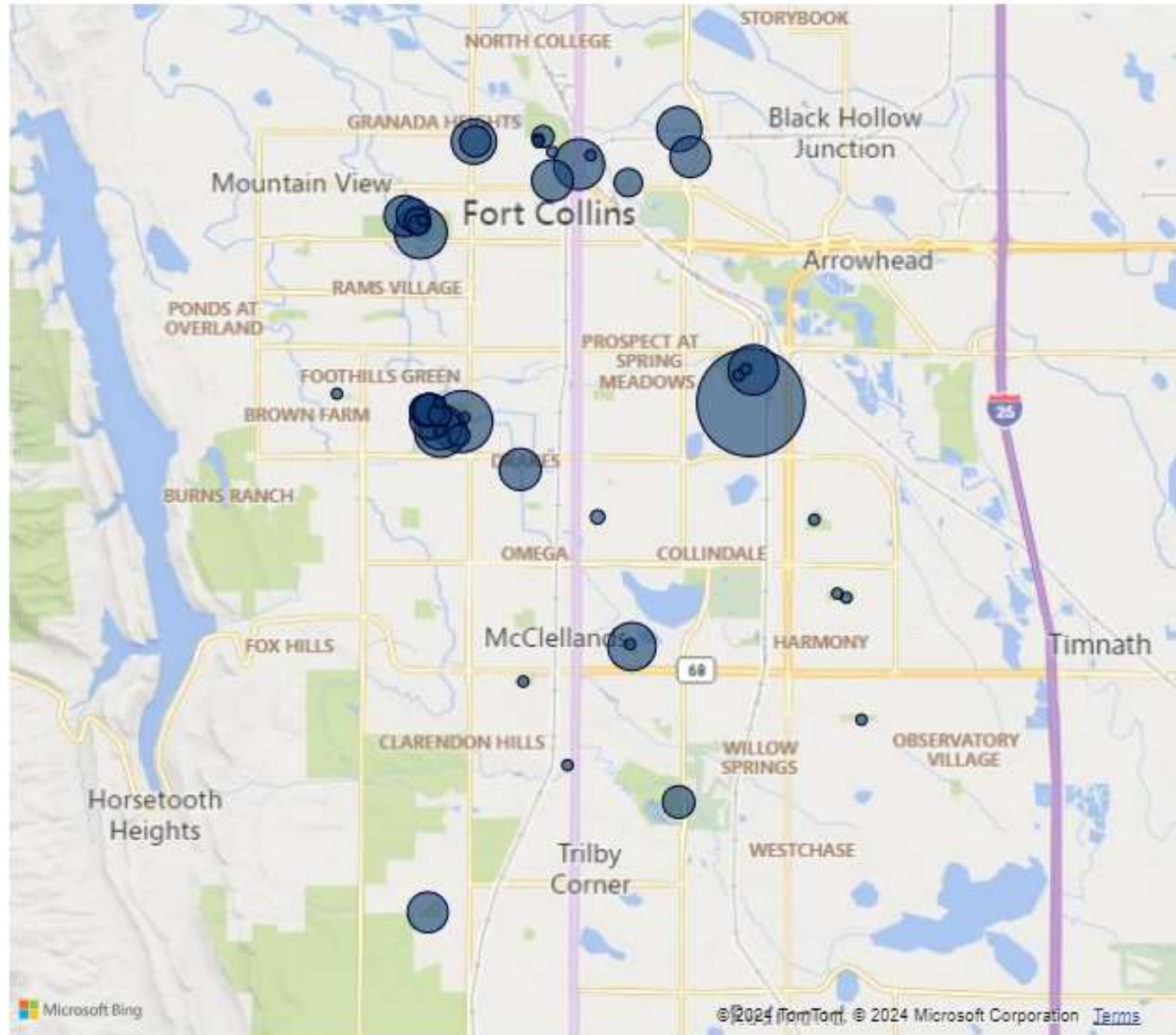
- Design for slide and play structure replacement
- Pool house renovation/replacement



## Northside Aztlan Community Center

- Front Desk Renovation
- Volleyball Nets
- Childcare outdoor play area

# Parks and Recreation Top Needs





# Transit

Item 3. **Transit Fund Criteria**

- **Workforce Stabilization:** Improve Recruitment & Retention Levels of Front-Line Staff
  - Improved Pay & Benefits, Sustainable Schedules
- **Improve Safety & Security on Transit:** Increased Safety & Security Support



- **Financial Resiliency:** Build reserve funds to support Transit system build-out

## Workforce Stabilization

1. Increase existing and starting wage for Bus Operators, Dispatchers, and Transit Service Officers
  - Pay to be more competitive with other jobs in the transportation sector in Northern Colorado
2. Increase the number of benefited positions and improve schedules
  - Add four new 40-hour benefited positions
  - Convert two hourly positions to .5 FTEs
  - Convert one hourly position to 1.0 FTE

## Safety & Security Improvements

3. Add an additional Transit Service Officer & Lead Transit Service Officer
  - Increase enforcement and support levels throughout the system

<b>2024 Estimated Sales Tax Collections</b>	<b>\$5,000,000</b>
1. Wage Revision	\$547,882
2. Benefited Positions	\$441,036
3. Safety & Security Improvements	\$160,676
<b>Reserve for Transit Buildout</b>	<b>\$3,850,406</b>

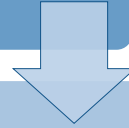
# Climate

- 15 Recommended Offers; 3 additional “elective” offers
- \$3,492,000 total request for Recommended Offers in 2024
- 8,740 MTCO<sub>2</sub>e projected lifetime savings
  - *Equivalent to emissions from 2,080 gasoline-powered cars driven for a year*
  - *<1% reduction in 2030; many foundational projects, with potential to drive more toward 2050 goal*
- Additional anticipated impacts:
  - *unquantified GHG reductions, reduced plastic waste, increased safety for active modes users, reduced non-GHG air pollutants, improved “dark sky” lighting, and increased resilience and comfort in homes for residents*

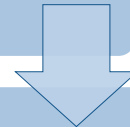
Development of Project Criteria by Our Climate Future leadership



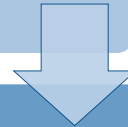
Meeting with Next Moves Team (representatives from community, SSA, Utilities, FC Moves) to build initial list of potential projects



Identification of gaps in initial list and direct invitations



Prioritization of projects by criteria



Review and refinement of recommendation by Our Climate Future Executive Committee

# Rate Funds Criteria

- Directly aligned with Our Climate Future
- No brand-new programs
- Possible to be executed in 2024 and to continue in future years
- Can help tell a powerful story about direct community benefit of the new revenue
- One-time offers only (ongoing offers should use 2025/2026 BFO process)
- Will not disrupt or takeaway from other existing commitments

# Commended Project Funding

Recommended Offers by Big Move	Recommended 2024 Funding
<b>4 - Convenient Transportation Choices</b>	<b>\$ 632,000</b>
Implement bicycle infrastructure as determined in the Active Modes plan (Centre Ave)	\$ 350,000
Mobility Hubs Plan development	\$ 200,000
Implement bicycle infrastructure as determined in the Active Modes plan (Laporte Ave)	\$ 57,000
Transportation Emissions Reduction Strategy Tool development	\$ 25,000
<b>6 - Efficient, Emissions Free Buildings</b>	<b>\$ 1,650,000</b>
Introduce new capital for utilities Epic Loans program	\$ 600,000
Comprehensive exterior lighting retrofits at City Recreation Centers	\$ 500,000
Fund Healthy Homes Program	\$ 250,000
Expand Mobile Home Park Mini-grant through Neighborhood Services	\$ 200,000
Identify and determine critical support needed to upgrade under-resourced buildings, focusing on commercial /MF buildings	\$ 100,000
<b>7 - Healthy, Affordable Housing</b>	<b>\$ 400,000</b>
Launch grants to offset utility fees for affordable housing development, particularly electric and water	\$ 400,000
<b>9 - Healthy Local Economy and Jobs</b>	<b>\$ 35,000</b>
Expand Scholarship Program for Builders and Building Industry to meet new industry techniques and future codes	\$ 35,000
<b>10 - Zero Waste Economy</b>	<b>\$ 75,000</b>
Business support for plastic and styrofoam transition through NocoBIZ Connect	\$ 75,000
<b>12 - 100% Renewable Electricity</b>	<b>\$ 500,000</b>
Add solar PV on City facility (835 Wood St)	\$ 250,000
Repair Riverside Community Solar Array	\$ 250,000
<b>13 - Electric cars and fleets</b>	<b>\$ 200,000</b>
Replace existing Parks Utility Carts with electric Utility carts	\$ 200,000
<b>Grand Total</b>	<b>\$ 3,492,000</b>

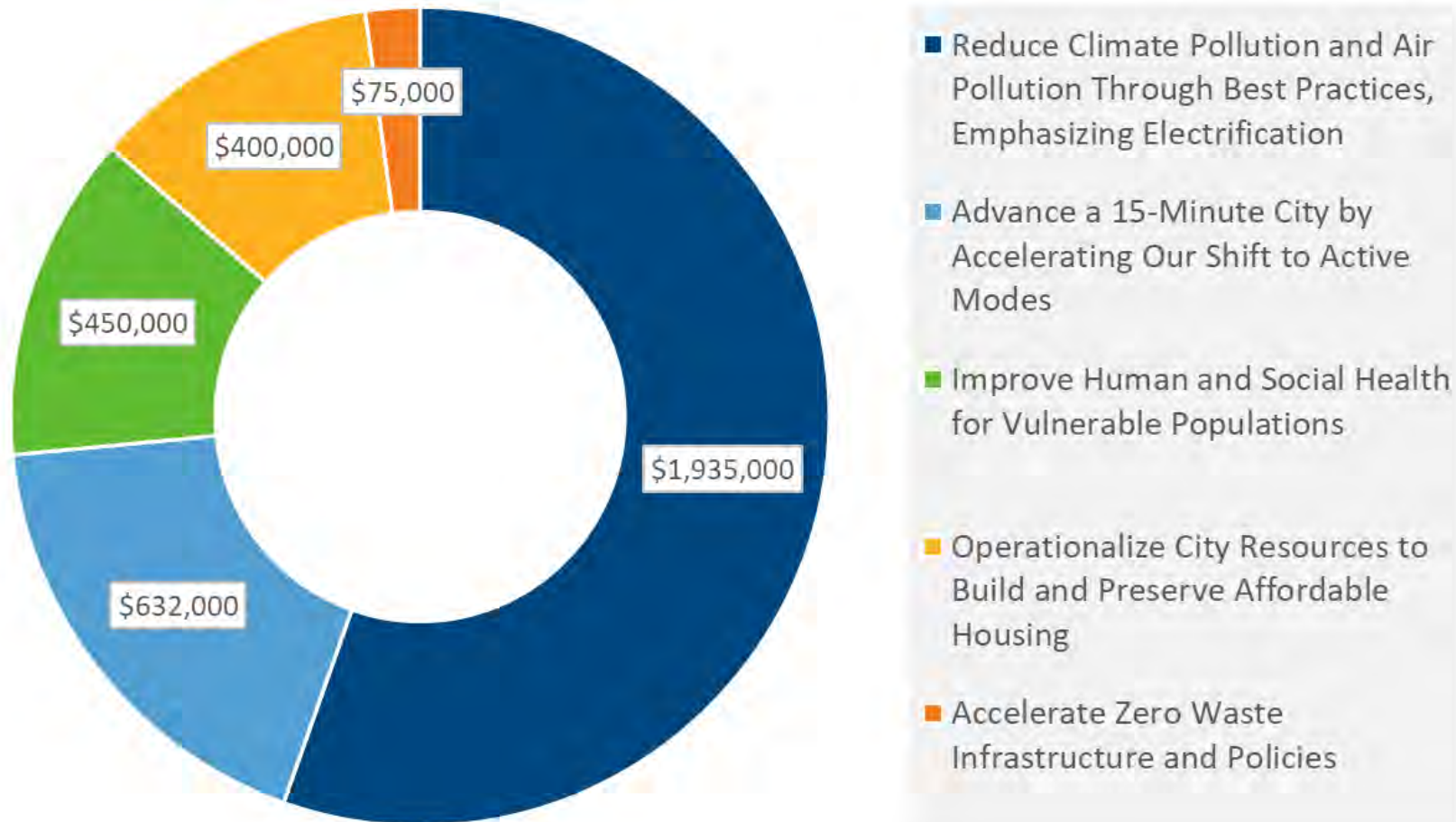


Elective Offers	Impact	2024 Recommended funding	
<b>11 - Healthy Natural Spaces</b>		<b>\$</b>	<b>385,000</b>
Poudre River Health Assessment	Foundational for carbon sequestration in soils	\$	300,000
Update trash/recycle cans in the City of Fort Collins Natural Areas, to wildlife safe cans	Improved waste collection	\$	50,000
Soapstone Prairie Grazing Plan	Foundational for carbon sequestration in soils	\$	35,000
<b>Grand Total</b>		<b>\$</b>	<b>385,000</b>

Sequestration potential: ~34,000 MTCO<sub>2</sub>e (lifetime)

# Connections to Council's Priorities for 2024-25

Recommendation by Council Priority Link



# **Back-up Slides**

## **- Parks and Recreation**



# Playground Evaluation Example

**Park Name:**  
Freedom Square Park

**Park Component:**  
Playground

**Park Component Detail:**  
Playground

**Park Component Desc.:**  
PLAYGROUND

**Asset Age:**  
1995

**Inspection Date:**  
July 6, 2021 5:45 PM

**Date Printed:**  
June 27, 2022

**Inspected By:**  
Anonymous user



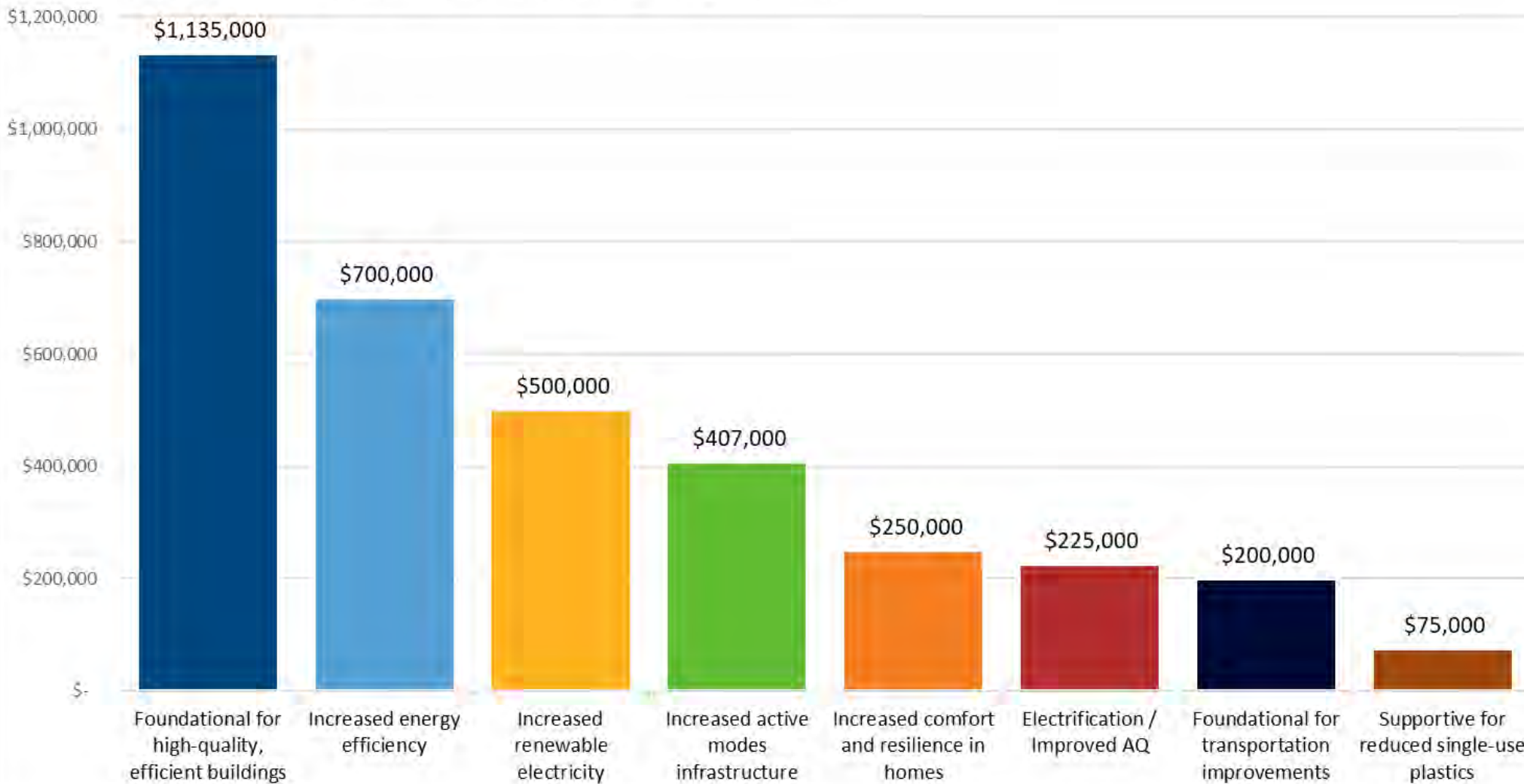
1.0 Condition of Asset		3.0 Essentiality		5.0 Physical Attributes	
1.1 Current Condition State		3.1 Usage Frequency		5.1 Durability of Materials	
2	(Poor) Serious Deter./Defects Affecting Integrity, Operation, Safety & Appearance. Notable Steel Corrosion, Timber Decay/Splits, Missing/Loose Fasteners, Plastic Cracks. Require Renewal in 1-3 Yrs.	3	Light Daily Use		
2.0 Functionality		3.2 Multiple Use/Purpose		5.2 Material Type	
2.1 User Convenience		3.3 Internal Park Redundancy		5.3 Asset/Park Footprint Ratio	
5	Directly Adjacent to Parking or Sidewalk	1	Combined 2-5 years and 5-12 years play areas	3	Maj. of materials that comprise the asset are somewhat durable
2.2 ADA Accessibility & Use		3.4 External Redundancy		5.4 Asset Age	
1	No Access Points are ADA Compliant	5	External Redundancy; Within 1 Mile	2	Between 20 and 29 Years Old
2.3 Night Lighting		3.5 Redundancy		5.5 Segment Length - Trails	
5	Necessary Lighting Exists & Functioning Properly				
2.4 Maintenance Needs		4.0 Aesthetics		1.0 Safety	
4	Moderate/Repeated Maint. Required to Maintain Functionality	4.1 Visual Appearance Meets Design Guidelines		1.1 Condition (Uses OPS 1.1 Score)	
2.5 Meets Governing Standards/Sustainability Goals		4.2 Experiential Attributes (seating/water/restrooms)		1.2 Meets Governing Standards (Uses OPS 2.5 Score)	
3	Meets Historical Standards	2	Architectural Details/Landscaping are dated and need refreshing	3	
2.6 Capacity vs Demand				Meets Historical Standards	
3	Demand and Capacity Aligned				

# Back-up Slides - Climate

# Impacts of Recommendation Package

## Impact Summary

Anticipated Impacts towards Our Climate Future Goals by Funding Requested



# Scope of Impact towards OCF Goals (Big Moves)

## Long-term

### 4 - Convenient Transportation Choices

Implement bicycle infrastructure as determined in the Active Modes plan (Centre Ave)

Implement bicycle infrastructure as determined in the Active Modes plan (Laporte Ave)

### 7 - Healthy, Affordable Housing

Launch grants to offset utility fees for affordable housing development, particularly electric and water

### 9 - Healthy Local Economy and Jobs

Expand Scholarship Program for Builders and Building Industry to meet new industry techniques and future codes

## Near-term

### 6 - Efficient, Emissions Free Buildings

Comprehensive exterior lighting retrofits at City Recreation Centers

Expand Mobile Home Park Mini-grant through Neighborhood Services

Fund Healthy Homes Program

### 10 - Zero Waste Economy

Business support for plastic and styrofoam transition through NocoBIZ Connect

### 12 - 100% Renewable Electricity

Repair Riverside Community Solar Array

Add solar PV on City facility (835 Wood St)

### 13 - Electric cars and fleets

Replace existing Parks Utility Carts with electric Utility carts

## Needed next step

### 4 - Convenient Transportation Choices

Mobility Hubs Plan development

Transportation Emissions Reduction Strategy Tool development

### 6 - Efficient, Emissions Free Buildings

Identify and determine critical support needed to upgrade under-resourced buildings, focusing on commercial /MF buildings

Introduce new capital for utilities Epic Loans program



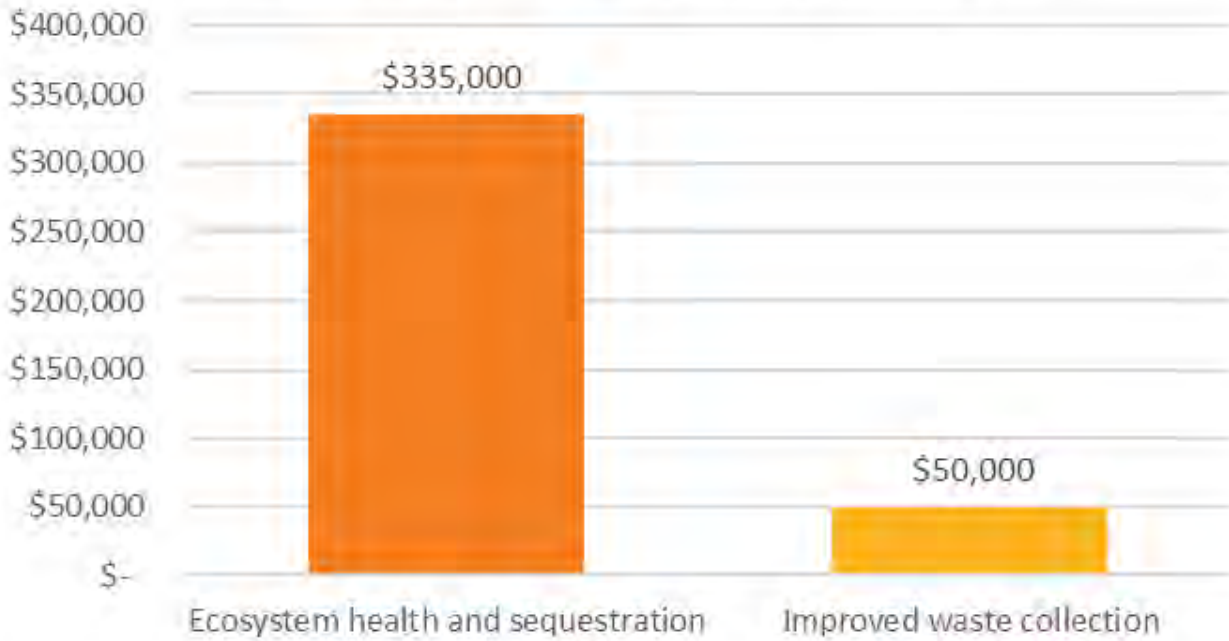
## Item 3. "Needed Next Steps" Examples

Offers identified as “needed next steps” are critical components of the following strategies and associated GHG savings:

- Implementation of Building Performance Standards – 132,500 MTCO<sub>2</sub>e in 2030  
*Equivalent emissions to ~29,500 gasoline-powered cars driven for a year*
- Implementation of the Active Modes Plan – 38,100 MTCO<sub>2</sub>e in 2030  
*Equivalent emissions to ~8,500 gasoline-powered cars driven for a year*

### Impact Summary

Anticipated Impact towards OCF Goals by Funding Requested



### Elective Offers' Council Priority Links

