



# Impact Fee Study Overview

Town of Erie, CO

# TischlerBise Experience

## 40-year consulting practice serving local governments nationwide

- Impact fees/infrastructure financing strategies
- Fiscal/economic impact analyses
- Capital improvement planning
- Infrastructure finance/revenue enhancement
- Real estate and market feasibility

Adams County	Arapahoe County	Aurora	Boulder
Castle Pines	Castle Rock	Centennial	Colorado Springs
Durango	Eaton	Erie	Evans
Fort Collins	Garfield County	Grand Junction	Greeley
Johnstown	La Plata County	Lafayette	Lake Dillon Fire Dist.
Larimer County	Lone Tree	Littleton	Longmont
Louisville	Mead	Mesa County	Montezuma County
Parker	Pitkin County	Pueblo	Steamboat Springs
Thornton	Vail	Westminster	

# General Scope of Work

- Review, evaluate, and recommend changes to existing non-utility fees:
  - » Parks and Recreation
  - » Transportation
  - » Public Facilities
- Calculate new Police fee
- Process
  - » Demographic analysis and development projections
  - » Infrastructure needs and cost analysis
  - » Analyze feasibility of separate service areas
  - » Compare Erie to peer cities

- One-time payment for growth-related infrastructure, usually collected at the time buildings permits are issued
- Can't be used for operations, maintenance, or replacement
- Not a tax but more like a contractual arrangement to build infrastructure, with three requirements
  - » Need (system improvements, not project-level improvements)
  - » Benefit
    - Short range expenditures
    - Geographic service areas and/or benefit districts
  - » Proportionate to demand

# Impact Fee Methodologies

- **Cost Recovery / Buy-In (Past)**
  - » Future development “buying in” to cost the community has already incurred to provide growth-related capacity
  
- **Incremental Expansion (Present)**
  - » Formula-based approach using existing levels of service
  - » Fee based on current cost to replicate existing levels of service (i.e. replacement cost)
  
- **Plan-Based (Future)**
  - » Usually reflects an adopted CIP or master plan

# Evaluate Need for Credits

- Site specific
  - » Developer constructs a capital facility included in fee calculations
- Debt service
  - » Avoid double payment due to existing or future bonds
- Dedicated revenues
  - » Property tax, local option sales tax, gas tax



# Demographics

# Summary of Development Projections

## ■ Residential

- » Increase of 5,090 new housing units
- » Population increase of 16,102 persons

## ■ Nonresidential

- » Increase of 404,000 square feet
- » Employment increase of 987 jobs



# Parks and Recreation

# Parks and Recreation

- Consumption-based approach for park development
  - » Community parks
- Neighborhood parks are constructed through dedication requirement
- Park land is acquired through dedication requirement
  - » Land not included in the fee calculations
- Costs allocated to residential development

# Community Park Demand

## Park Level of Service (LOS) Standards

Developed Community Parks LOS 0.0014 per Person

Community Development Cost per Acre \$596,862 per acre

		Infrastructure Needed		
		Erie Population	Community Park Acres	Community Park Development Cost
	Year			
Base	2021	30,149	41.00	
1	2022	31,759	43.19	\$1,306,976
2	2023	33,369	45.38	\$1,306,976
3	2024	34,980	47.57	\$1,306,976
4	2025	36,590	49.76	\$1,306,976
5	2026	38,200	51.95	\$1,306,976
6	2027	39,810	54.14	\$1,306,976
7	2028	41,420	56.33	\$1,306,976
8	2029	43,031	58.52	\$1,306,976
9	2030	44,641	60.71	\$1,306,976
10	2031	46,251	62.90	\$1,306,976
<i>Ten-Yr Increase</i>		16,102	21.90	\$13,069,763
Cost of Community Park Land Development				\$13,069,763
<b>Total Cost of Park Development</b>				<b>\$13,069,763</b>

# Draft Parks and Recreation Fee

## *Infrastructure Costs per Person*

Community Park Development	\$811.68
<b>Total Capital Cost per Person</b>	<b>\$811.68</b>

<i>Unit Type</i>	<i>Persons per Housing Unit</i>	<i>Proposed Fee</i>	<i>Current Fee</i>	<i>Increase/ (Decrease)</i>
Single Family	3.02	\$2,451	\$4,100	(\$1,649)
Multifamily	1.65	\$1,339	\$2,980	(\$1,641)



# Police Facilities

- Consumption-based approach
  - » Police space
- Costs allocated to residential (per person) and nonresidential development (per vehicle trip)
  - » Proportionate share determined using functional population
- Credit for existing debt principal

# Police Demand

## Police Building Level of Service (LOS) Standards

Residential LOS	0.55 per person
Nonresidential LOS	0.17 per vehicle trip
Police Building Cost	\$575 per square foot

		Infrastructure Needed			
		Population	Nonresidential Vehicle Trips	Residential	Nonresidential
	Year				
Base	2021	30,149	7,618	16,504	1,296
1	2022	31,759	7,846	17,385	1,335
2	2023	33,369	8,081	18,266	1,375
3	2024	34,980	8,324	19,148	1,417
4	2025	36,590	8,573	20,029	1,459
5	2026	38,200	8,831	20,911	1,503
6	2027	39,810	9,095	21,792	1,548
7	2028	41,420	9,368	22,674	1,594
8	2029	43,031	9,649	23,555	1,642
9	2030	44,641	9,939	24,436	1,691
10	2031	46,251	10,156	25,318	1,728
<i>Ten-Yr Increase</i>		16,102	2,538	8,814	432
Residential Cost of Police Building Improvements					\$5,068,208
Nonresidential Cost of Building Improvements					\$248,378
<b>Total Cost of Police Building Improvements</b>					<b>\$5,316,585</b>

# Draft Police Impact Fee

	<i>Residential</i>	<i>Nonresidential</i>
<i>Cost per Demand Unit</i>	Per Person	Per Vehicle Trip
Building Cost Component	\$314.75	\$97.86
Principal Payment Credit	(\$87.34)	(\$31.64)
<b>Total Net Cost per Demand Unit</b>	<b>\$227.41</b>	<b>\$66.22</b>

## *Residential Impact Fees per Person*

<i>Unit Type</i>	<i>Persons per Housing Unit</i>	<i>Proposed Fee</i>	<i>Current Fee</i>	<i>Difference</i>
Single Family	3.02	\$686	\$0	\$686
Multifamily	1.65	\$375	\$0	\$375

## *Nonresidential Impact Fees per 1,000 Square Feet of Floor Area*

<i>Development Type</i>	<i>Vehicle Trips/1,000 SF</i>	<i>Proposed Fee</i>	<i>Current Fee</i>	<i>Difference</i>
Commercial	12.46	\$824	\$0	\$824
Office & Institutional	4.87	\$322	\$0	\$322
Industrial	1.97	\$130	\$0	\$130



# Public Facilities (Municipal Facilities)

# Public Facilities

- Consumption-based approach
  - » Town Hall
  - » Leon Wurl Center
- Costs allocated to residential (per person) and nonresidential development (per job)
  - » Proportionate share determined using functional population

# Public Facilities Demand

## Public Building Level of Service (LOS) Standards

Residential LOS	2.48 per person
Nonresidential LOS	1.98 per job
Public Building Cost	\$500 per square foot

		Infrastructure Needed			
		Population	Jobs	Residential	Nonresidential
Base	Year				
	2021	30,149	2,961	74,655	5,865
1	2022	31,759	3,050	78,643	6,041
2	2023	33,369	3,142	82,630	6,222
3	2024	34,980	3,236	86,617	6,408
4	2025	36,590	3,333	90,604	6,601
5	2026	38,200	3,433	94,591	6,799
6	2027	39,810	3,536	98,579	7,002
7	2028	41,420	3,642	102,566	7,212
8	2029	43,031	3,751	106,553	7,429
9	2030	44,641	3,863	110,540	7,652
10	2031	46,251	3,948	114,528	7,819
<i>Ten-Yr Increase</i>		16,102	987	39,872	1,954
Residential Cost of Public Building Improvements					\$19,936,106
Nonresidential Cost of Public Building Improvements					\$977,008
<b>Total Cost of Public Building Improvements</b>					<b>\$20,913,115</b>

# Draft Public Facilities Impact Fee

	<i>Residential</i>	<i>Nonresidential</i>
<i>Cost per Demand Unit</i>	Per Person	Per Job
Building Cost Component	\$1,238.11	\$990.25

## *Residential Impact Fees per Person*

<i>Unit Type</i>	<i>Persons per Housing Unit</i>	<i>Proposed Fee</i>	<i>Current Fee</i>	<i>Difference</i>
Single Family	3.02	\$3,739	\$2,009	\$1,730
Multifamily	1.65	\$2,042	\$1,260	\$782

## *Nonresidential Impact Fees per 1,000 Square Feet of Floor Area*

<i>Development Type</i>	<i>Jobs/1,000 SF</i>	<i>Proposed Fee</i>	<i>Current Fee</i>	<i>Difference</i>
Commercial	2.34	\$2,317	\$466	\$1,851
Office & Institutional	2.97	\$2,941	\$767	\$2,174
Industrial	1.97	\$1,945	\$418	\$1,527



# Transportation

# Transportation

- Plan-based hybrid approach
  - » Roadway capacity projects
  - » Intersections
- Calibrated to travel on the Town's minor and principal arterial network
- Utilizes road mile costs from planned improvements
- Allocates demand and costs to Vehicle Miles of Travel (VMT)
- Credit for existing impact fee balance
- Reduced fee for Town Center Area reflecting higher internal trip capture

# Summary of Planned Road Projects

Year	Future Capacity Projects	Length	Lanes	Lane Miles	Estimated Cost
Short-Term	CLR Shoulders - SH52 to Cheesman	2.50	1.00	2.50	\$2,222,000
Short-Term	CLR - Erie Parkway to Telleen (Including Underpass)	0.60	1.00	0.60	\$8,750,000
Short-Term	Arapahoe Road - Beasley to 111th	0.25	3.00	0.75	\$1,050,000
Short-Term	WCR 5 - Glacier Drive to WCR 6	1.00	3.00	3.00	\$3,400,000
Mid-Term	Arapahoe Road - 111th to 119th	1.00	3.00	3.00	\$3,657,667
Mid-Term	Erie Parkway - 109th to 111th Improvements	0.25	3.00	0.75	\$1,000,000
Mid-Term	119th Widening - Erie Parkway to SH7	1.00	3.00	3.00	\$7,377,500
Mid-Term	CLR- Bonnell Ave to Arapahoe Rd	1.00	3.00	3.00	\$8,853,000
Mid to Long-Term	WCR 5 - WCR 6 to WCR 4	1.00	3.00	3.00	\$5,559,250
	<b>Total</b>	<b>8.60</b>	<b>23.00</b>	<b>19.60</b>	<b>\$41,869,417</b>
<i>Less current impact fee balance</i>					<b>\$6,441,189</b>
<i>Net Town Cost</i>					<b>\$35,428,228</b>
<b>Cost per Lane Mile</b>					<b>\$1,807,563</b>

# Summary of Planned Intersection/Bridge Projects

Year	Future Intersection/Bridge Capacity Projects	Estimated Cost
Short-Term	287 and Erie Parkway Intersection Improvements	\$250,000
Short-Term	Erie's Contribution for SH-7 and 119th Intersection	\$2,600,000
Short-Term	Town Center - South Roundabout	\$4,840,000
Short-Term	Cheesman and CLR - Signal	\$750,000
Short to Mid-Term	Bridge over CLR (just north of CW Bixler - (Replacement for widening)	\$7,000,000
	<b>Total</b>	<b>\$15,440,000</b>
	<b>2031 VMT</b>	<b>290,374</b>
	<b>Cost per VMT</b>	<b>\$53.17</b>

The cost of these projects are allocated against all development in 2031.

# Draft Transportation Fee

Fee Component	Cost per VMT
Road Improvements	\$225.95
Intersection/Bridge Improvements	\$53.17
<b>Total</b>	<b>\$279.12</b>

Residential Development		Fees per Unit		
<i>Development Type</i>	<i>Avg Wkdy VMT per Unit</i>	<i>Proposed Fees</i>	<i>Current Fees</i>	<i>Difference</i>
Single-Family	20.06	\$5,598	\$6,231	(\$633)
Multi-Family	12.36	\$3,449	\$5,024	(\$1,575)

Nonresidential Development		Fees per 1,000 Square Feet		
<i>Development Type</i>	<i>Avg Wkdy VMT per 1,000 Sq Ft</i>	<i>Proposed Fees</i>	<i>Current Fees</i>	<i>Difference</i>
Commercial	22.01	\$4,973	\$7,560	(\$2,587)
Office & Institutional	8.39	\$1,895	\$3,272	(\$1,377)
Industrial	3.38	\$765	\$1,132	(\$367)

# Draft Transportation Fee – Town Center Area

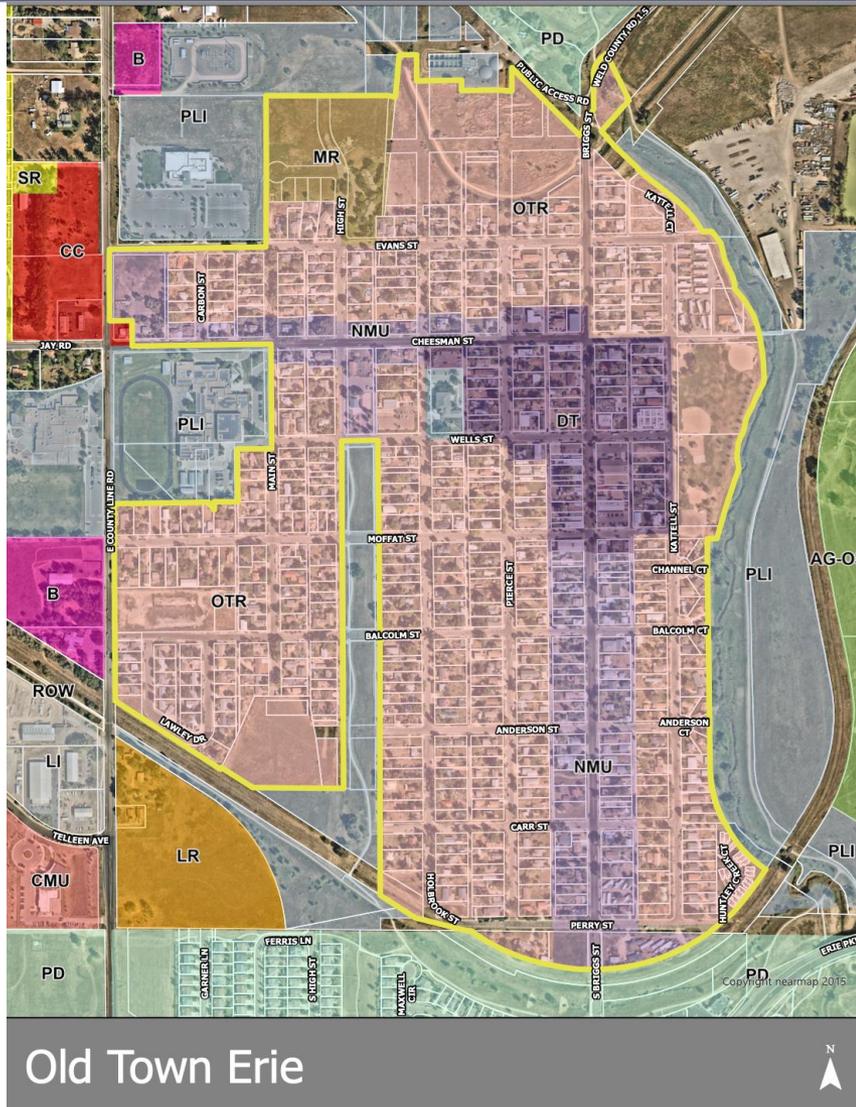
Fee Component	Cost per VMT
Road Improvements	\$225.95
Intersection/Bridge Improvements	\$53.17
<b>Total</b>	<b>\$279.12</b>

Residential Development		Fees per Unit		
<i>Development Type</i>	<i>Avg Wkdy VMT per Unit</i>	<i>Proposed Fees</i>	<i>Current Fees</i>	<i>Difference</i>
Single-Family	14.24	\$3,975	\$6,231	(\$2,256)
Multi-Family	8.77	\$2,449	\$5,024	(\$2,575)

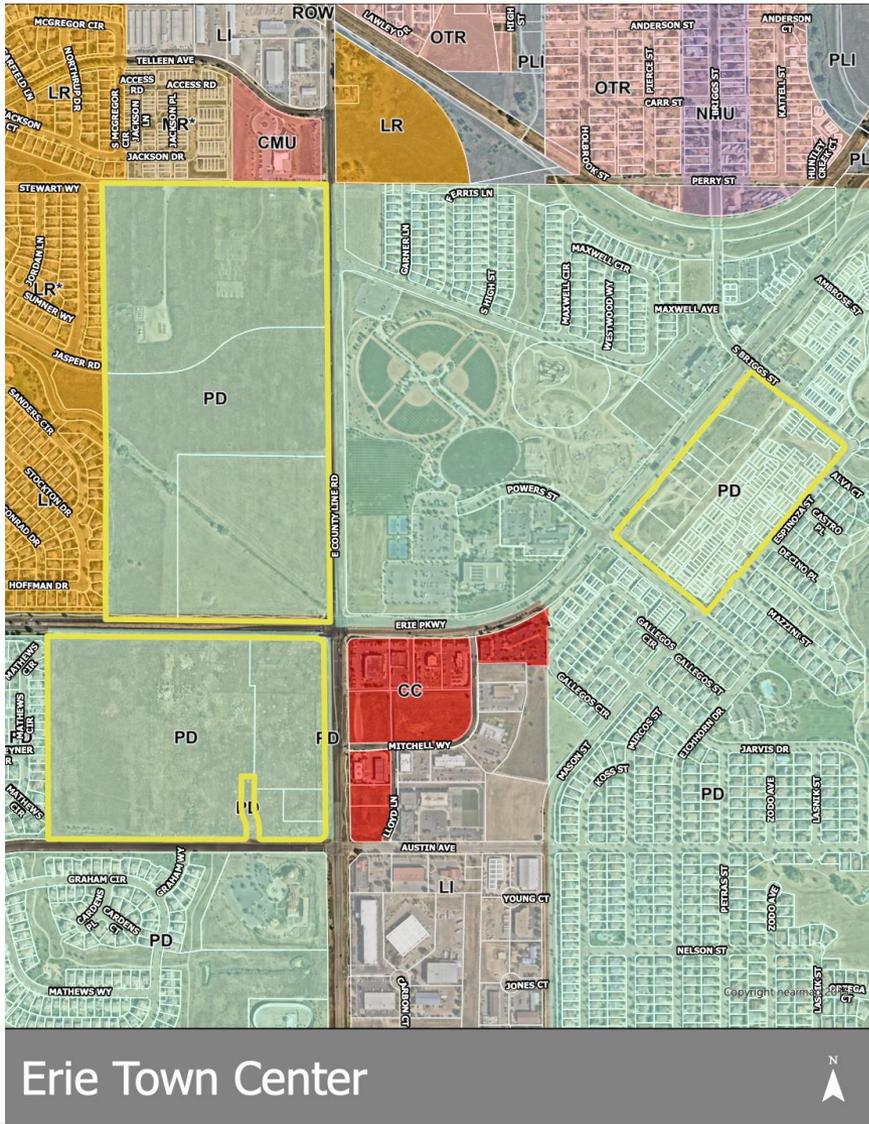
Nonresidential Development		Fees per 1,000 Square Feet		
<i>Development Type</i>	<i>Avg Wkdy VMT per 1,000 Sq Ft</i>	<i>Proposed Fees</i>	<i>Current Fees</i>	<i>Difference</i>
Commercial	15.63	\$3,531	\$7,560	(\$4,029)
Office & Institutional	5.95	\$1,345	\$3,272	(\$1,927)
Industrial	2.40	\$543	\$1,132	(\$589)

Evaluations of mixed-use developments in six regions of the United States found an average 29% reduction in trip generation as a function of “D” variables, including: density, diversity, design, destination accessibility, distance to transit, demographics, and development scale.

# Old Town Erie Service Area



# Erie Town Center Service Area



Erie Town Center



# Summary

# Existing/Proposed Fee Comparison

## Residential (Per Unit)

Type	Parks and Recreation	Public Facilities	Police	Transportation	Maximum Supportable Fee	Current Fee	Difference
Single-Family	\$2,451	\$3,739	\$686	\$5,598	\$12,474	\$12,340	\$134
Multi-Family	\$1,339	\$2,042	\$375	\$3,449	\$7,205	\$9,264	(\$2,059)

## Nonresidential (Per 1,000 square feet)

Type	Parks and Recreation	Public Facilities	Police	Transportation	Maximum Supportable Fee	Current Fee	Difference
Commercial	\$0	\$2,317	\$824	\$4,973	\$8,114	\$8,026	\$88
Office & Institutional	\$0	\$2,941	\$322	\$1,895	\$5,158	\$4,039	\$1,119
Industrial	\$0	\$1,945	\$130	\$765	\$2,840	\$1,550	\$1,290

# Single Family Fee Comparison

## Single Family

Communities	Parks & Recreation	Public Facilities	Transportation	Storm Drainage	Water	Raw Water	Sewer	Fire	Police	Other Total	Residential Total
Dacono	\$3,829	\$965	\$4,863	\$497	\$14,500	\$120,000	\$8,790	\$0	\$0	\$0	<b>\$153,444</b>
Frederick	\$2,900	\$1,500	\$0	\$977	\$20,558	\$97,500	\$5,650	\$0	\$0	\$4,000	<b>\$129,085</b>
Firestone	\$3,760	\$1,881	\$3,828	\$1,356	\$18,200	\$68,200	\$5,650	\$0	\$0	\$0	<b>\$103,494</b>
Lafayette	\$1,350	\$0	\$0	\$2,258	\$9,706	\$43,000	\$6,360	\$0	\$0	\$7,650	<b>\$70,324</b>
Louisville	\$6,325	\$0	\$3,052	\$0	\$14,100	\$39,400	\$5,500	\$0	\$0	\$149	<b>\$68,526</b>
Longmont	\$7,236	\$0	\$1,811	\$958	\$13,400	\$31,170	\$6,080	\$0	\$0	\$0	<b>\$60,655</b>
Erie (Proposed)	\$2,451	\$3,739	\$5,598	\$1,628	\$12,050	\$16,243	\$8,860	\$0	\$686	\$1,270	<b>\$52,525</b>
Erie (Existing)	\$4,100	\$2,009	\$6,231	\$1,628	\$12,050	\$16,243	\$8,860	\$0	\$0	\$0	<b>\$51,121</b>
Broomfield	\$0	\$0	\$0	\$4,580	\$24,756	\$0	\$12,559	\$688	\$0	\$0	<b>\$43,283</b>
Superior	\$0	\$0	\$0	\$3,170	\$24,808	\$0	\$5,043	\$0	\$0	\$0	<b>\$33,021</b>