



FINANCE DEPARTMENT MEMORANDUM

DATE: January 18, 2023
FROM: City of Greeley, Colorado
RE: 2023 Development Impact Fees Updated

The Greeley City Council adopted a new development impact fee schedule at their January 17, 2023 meeting. The increases are based on a development fee study completed by Raftelis Consulting in the fall of 2020 that City Council accepted but chose not to implement at the time. Given the record growth Greeley has experienced since the 2020 pandemic, City Council agreed to revisit and ultimately adopt the 2020 development impact fee schedule to ensure the City is able to better fund the infrastructure improvements necessary to support new development.

The fees presented here will replace those published in the 2023 Development Impact Fee Memo dated November 16, 2022. These fees will go into effect March 1, 2023.

The updated 2023 fees outlined in this memo were calculated using the 2020 Raftelis Study's recommended fees as a base rate and applying two years of economic adjustment factors (EAF) to account for inflation. The EAF is determined on an annual basis, using six weighted data variables, considered to be representative of economic growth, the cost of materials and services associated with constructing capital projects, and general economic conditions. The variables include:

- Percent change in **Greeley Utility Customer Accounts** – representing the growth and scope of public services;
- Percent change in **CDOT Construction Cost Index** – representing the cost of providing transportation networks;
- Percent change in **Engineering News Records Construction Cost Index** – representing material costs associated with capital projects;
- Percent change in **Engineering News Records Building Cost Index** – representing labor costs associated with capital projects;
- Percent change in **Assessed Value of Greeley Real Property** – representing growth and the economic value of real property assets; and
- Percent change in **Greeley MSA Employment** – representing a general indicator of the economic health of the area.

The 2022 and 2023 EAFs shown in tables 1 and 2 were applied to the 2020 Raftelis Study's recommended fees.

| Table 1: 2022 EAF – Weighting and Percent Change by Indicator | | | | | | | |
|--|---------------------------------|-------------|------------|------------|-------------------|------------------------------|----------------------------------|
| | Greeley Utility Customers | CDOT CCI | ENR CCI | ENR BCI | Assessed Value | Greeley MSA Employment | Economic Adjustment Factor |
| Weight | 25.0% | 15.0% | 5.0% | 5.0% | 25.0% | 25.0% | |
| % change | 0.49% | -4.71% | 0.89% | 1.30% | 6.81% | -6.94% | -0.50% |

| Table 2: 2023 EAF – Weighting and Percent Change by Indicator | | | | | | | |
|--|---------------------------------|-------------|------------|------------|-------------------|---------------------------|----------------------------------|
| | Greeley Utility Customers | CDOT CCI | ENR CCI | ENR BCI | Assessed Value | Greeley MSA Employment | Economic Adjustment Factor |
| Weight | 25.0% | 15.0% | 5.0% | 5.0% | 25.0% | 25.0% | |
| % change | 0.30% | 17.45% | 9.76% | 14.26% | 2.08% | 6.30% | 5.99% |

The 2023 fees compared to the 2022 fees are shown in Table 3. This follows the methodology of applying the 2022 and 2023 economic adjustment factors to the 2020 study’s fees and rounding the result to zero decimals.

Notes on the new 2023 fee schedule:

1. Residential fees are changing from a flat fee per type of development (single family, multi-family) to a tiered fee structure based on square feet of heated living space. Heated living space excludes garages, outdoor patio/porches/balconies, and unfinished basements.
2. Residential storm drainage fees are changing from a flat fee per type of development (single family, multi-family) to a set fee per square foot of impervious area.
3. Industrial includes all buildings used for goods production, warehousing, transportation, communications and utilities.
4. Retail & Restaurant includes all shopping centers, establishments that sell merchandise and all eating/drinking places.
5. Office & Other Services includes general office buildings, lodging, business services and personal services, such as daycare and private schools.
6. In accordance with Title 6, Chapter 15, Section 6-1002 (b) (1) of the Greeley Municipal Code, If the applicant's development is of a type not listed in the schedule, then the city shall use the fee applicable to the most nearly comparable type of land use in that schedule.

The Water and Sewer board establishes the Water and Sewer Plant Investment Fees (PIF), the equivalent to impact fees. These are adopted in December.

2023 Development Impact Fee Schedule

Table 3: 2023 Development Impact Fee Schedule

| Previous Fee Structure | | New Fee Structure | | 2022 Fee | % Change | 2023 Fee |
|-------------------------------|-------------|---|--------------------------|----------|----------|----------|
| Police Development Fee | Unit | Police Development Fee | Unit | | | |
| Single Family Detached | Dwelling | Residential 1,200 or less of heated living space | | \$152 | -14% | \$131 |
| | | Residential 1,201 to 1500 of heated living space | | \$152 | 52% | \$231 |
| | | Residential 1,501 to 1,800 of heated living space | | \$152 | 73% | \$263 |
| | | Residential 1,801 or more of heated living space | | \$152 | 84% | \$280 |
| Multi-Family | Dwelling | Residential 1,200 or less of heated living space | | \$116 | 13% | \$131 |
| | | Residential 1,201 to 1500 of heated living space | | \$116 | 99% | \$231 |
| | | Residential 1,501 to 1,800 of heated living space | | \$116 | 127% | \$263 |
| | | Residential 1,801 or more of heated living space | | \$116 | 141% | \$280 |
| Mobile Home Park | Site | Residential 1,200 or less of heated living space | | \$161 | -19% | \$131 |
| | | Residential 1,201 to 1500 of heated living space | | \$161 | 43% | \$231 |
| | | Residential 1,501 to 1,800 of heated living space | | \$161 | 63% | \$263 |
| | | Residential 1,801 or more of heated living space | | \$161 | 74% | \$280 |
| Retail/Commercial | 1,000 Sq.Ft | Retail/Restaurant | 1,000 Sq. Ft of Building | \$187 | 350% | \$841 |
| Office | 1,000 Sq.Ft | Office & Other Services | 1,000 Sq. Ft of Building | \$88 | 414% | \$452 |
| Industrial | 1,000 Sq.Ft | Industrial | 1,000 Sq. Ft of Building | \$36 | 539% | \$230 |
| Warehouse | 1,000 Sq.Ft | Industrial | 1,000 Sq. Ft of Building | \$18 | 1,178% | \$230 |
| Public/Institutional | 1,000 Sq.Ft | Office & Other Services | 1,000 Sq. Ft of Building | \$66 | 585% | \$452 |
| Oil and Gas Well | Well Head | Industrial | 1,000 Sq. Ft of Building | \$76 | 203% | \$230 |
| Fire Development Fee | Unit | Fire Development Fee | Unit | | | |
| Single Family Detached | Dwelling | Residential 1,200 or less of heated living space | | \$683 | -50% | \$342 |
| | | Residential 1,201 to 1500 of heated living space | | \$683 | -12% | \$602 |
| | | Residential 1,501 to 1,800 of heated living space | | \$683 | 0% | \$683 |
| | | Residential 1,801 or more of heated living space | | \$683 | 7% | \$728 |
| Multi-Family | Dwelling | Residential 1,200 or less of heated living space | | \$511 | -33% | \$342 |
| | | Residential 1,201 to 1500 of heated living space | | \$511 | 18% | \$602 |
| | | Residential 1,501 to 1,800 of heated living space | | \$511 | 34% | \$683 |
| | | Residential 1,801 or more of heated living space | | \$511 | 42% | \$728 |
| Mobile Home Park | Site | Residential 1,200 or less of heated living space | | \$715 | -52% | \$342 |
| | | Residential 1,201 to 1500 of heated living space | | \$715 | -16% | \$602 |
| | | Residential 1,501 to 1,800 of heated living space | | \$715 | -4% | \$683 |
| | | Residential 1,801 or more of heated living space | | \$715 | 2% | \$728 |
| Retail/Commercial | 1,000 Sq.Ft | Retail/Restaurant | 1,000 Sq. Ft of Building | \$836 | 124% | \$1,872 |
| Office | 1,000 Sq.Ft | Office & Other Services | 1,000 Sq. Ft of Building | \$392 | 157% | \$1,006 |
| Industrial | 1,000 Sq.Ft | Industrial | 1,000 Sq. Ft of Building | \$154 | 233% | \$513 |
| Warehouse | 1,000 Sq.Ft | Industrial | 1,000 Sq. Ft of Building | \$74 | 593% | \$513 |
| Public/Institutional | 1,000 Sq.Ft | Office & Other Services | 1,000 Sq. Ft of Building | \$299 | 236% | \$1,006 |
| Oil and Gas Well | Well Head | Industrial | 1,000 Sq. Ft of Building | \$341 | 50% | \$513 |

2023 Development Impact Fee Schedule

| Park Development Fee | Unit | Park Development Fee | Unit | | | |
|---------------------------------------|------------------|---|----------------------|---------|--------|---------|
| Single Family Detached | Dwelling | Residential 1,200 or less of heated living space | | \$3,545 | -28% | \$2,543 |
| | | Residential 1,201 to 1500 of heated living space | | \$3,545 | 26% | \$4,469 |
| | | Residential 1,501 to 1,800 of heated living space | | \$3,545 | 43% | \$5,067 |
| | | Residential 1,801 or more of heated living space | | \$3,545 | 52% | \$5,403 |
| Multi-Family | Dwelling | Residential 1,200 or less of heated living space | | \$2,660 | -4% | \$2,543 |
| | | Residential 1,201 to 1500 of heated living space | | \$2,660 | 68% | \$4,469 |
| | | Residential 1,501 to 1,800 of heated living space | | \$2,660 | 90% | \$5,067 |
| | | Residential 1,801 or more of heated living space | | \$2,660 | 103% | \$5,403 |
| Mobile Home Park | Site | Residential 1,200 or less of heated living space | | \$3,721 | -32% | \$2,543 |
| | | Residential 1,201 to 1500 of heated living space | | \$3,721 | 20% | \$4,469 |
| | | Residential 1,501 to 1,800 of heated living space | | \$3,721 | 36% | \$5,067 |
| | | Residential 1,801 or more of heated living space | | \$3,721 | 45% | \$5,403 |
| | | | | | | |
| Trails Development Fee | Unit | Trails Development Fee | Unit | | | |
| Single Family Detached | Dwelling | Residential 1,200 or less of heated living space | | \$492 | -22% | \$382 |
| | | Residential 1,201 to 1500 of heated living space | | \$492 | 36% | \$671 |
| | | Residential 1,501 to 1,800 of heated living space | | \$492 | 54% | \$759 |
| | | Residential 1,801 or more of heated living space | | \$492 | 65% | \$810 |
| Multi-Family | Dwelling | Residential 1,200 or less of heated living space | | \$369 | 4% | \$382 |
| | | Residential 1,201 to 1500 of heated living space | | \$369 | 82% | \$671 |
| | | Residential 1,501 to 1,800 of heated living space | | \$369 | 106% | \$759 |
| | | Residential 1,801 or more of heated living space | | \$369 | 120% | \$810 |
| Mobile Home Park | Site | Residential 1,200 or less of heated living space | | \$516 | -26% | \$382 |
| | | Residential 1,201 to 1500 of heated living space | | \$516 | 30% | \$671 |
| | | Residential 1,501 to 1,800 of heated living space | | \$516 | 47% | \$759 |
| | | Residential 1,801 or more of heated living space | | \$516 | 57% | \$810 |
| | | | | | | |
| Storm Drainage Development Fee | Unit | Storm Drainage Development Fee | Unit | | | |
| Single Family residential | Dwelling | Impervious Area | Per Impervious Sq.Ft | \$444 | Varies | \$0.264 |
| Multifamily residential | Dwelling | Impervious Area | Per Impervious Sq.Ft | \$319 | Varies | \$0.264 |
| Mobile Home Park | Site | Impervious Area | Per Impervious Sq.Ft | \$444 | Varies | \$0.264 |
| Retail | Impervious Sq.Ft | Impervious Area | Per Impervious Sq.Ft | \$0.123 | 115% | \$0.264 |
| Commercial | Impervious Sq.Ft | Impervious Area | Per Impervious Sq.Ft | \$0.123 | 115% | \$0.264 |
| Industrial | Impervious Sq.Ft | Impervious Area | Per Impervious Sq.Ft | \$0.123 | 115% | \$0.264 |
| Oil and Gas Well | Well Head | Impervious Area | Per Impervious Sq.Ft | \$244 | Varies | \$0.264 |
| | | | | | | |
| Transportation Development Fee | Unit | Transportation Development Fee | Unit | | | |
| Single Family Detached | Dwelling | Residential 1,200 or less of heated living space | | \$4,749 | -33% | \$3,192 |
| | | Residential 1,201 to 1500 of heated living space | | \$4,749 | 24% | \$5,895 |
| | | Residential 1,501 to 1,800 of heated living space | | \$4,749 | 42% | \$6,751 |
| | | Residential 1,801 or more of heated living space | | \$4,749 | 52% | \$7,213 |
| Multi-Family | Dwelling | Residential 1,200 or less of heated living space | | \$3,066 | 4% | \$3,192 |
| | | Residential 1,201 to 1500 of heated living space | | \$3,066 | 92% | \$5,895 |

2023 Development Impact Fee Schedule

| | | | | | | |
|----------------------|-------------|---|--------------------------|---------|------|---------|
| | | Residential 1,501 to 1,800 of heated living space | | \$3,066 | 120% | \$6,751 |
| | | Residential 1,801 or more of heated living space | | \$3,066 | 135% | \$7,213 |
| | | | | | | |
| Mobile Home Park | Site | Residential 1,200 or less of heated living space | | \$1,423 | 124% | \$3,192 |
| | | Residential 1,201 to 1500 of heated living space | | \$1,423 | 314% | \$5,895 |
| | | Residential 1,501 to 1,800 of heated living space | | \$1,423 | 374% | \$6,751 |
| | | Residential 1,801 or more of heated living space | | \$1,423 | 407% | \$7,213 |
| | | | | | | |
| Retail/Commercial | 1,000 Sq.Ft | Retail/Restaurant | 1,000 Sq. Ft of Building | \$6,286 | 33% | \$8,347 |
| Office | 1,000 Sq.Ft | Office & Other Services | 1,000 Sq. Ft of Building | \$5,559 | -3% | \$5,383 |
| Industrial | 1,000 Sq.Ft | Industrial | 1,000 Sq. Ft of Building | \$1,924 | 43% | \$2,742 |
| Warehouse | 1,000 Sq.Ft | Industrial | 1,000 Sq. Ft of Building | \$1,794 | 53% | \$2,742 |
| Public/Institutional | 1,000 Sq.Ft | Office & Other Services | 1,000 Sq. Ft of Building | \$3,113 | 73% | \$5,383 |
| Oil and Gas Well | Well Head | Industrial | 1,000 Sq. Ft of Building | \$2,188 | 25% | \$2,742 |