

**ORDINANCE NO. 2018-030**

**AN ORDINANCE AMENDING CHAPTER 3.16 ADDING A NEW SECTION 3.16.005 ENTITLED AUTHORITY; AMENDING SECTION 3.16.030 ADJUSTING THE DEVELOPMENT IMPACT FEES FOR RESIDENTIAL AND NON-RESIDENTIAL USES; AND ADDING A NEW SECTION 3.16.035 ENTITLED INFLATION**

**WHEREAS**, the Town of Castle Rock (“Town”) is authorized by § 29-20-104(1)(g) C.R.S. to regulate the use of land on the basis of the impact thereof on the community or surrounding areas;

**WHEREAS**, the Town engaged a nationally-recognized, independent rate and fee consulting firm, Economic & Planning Systems, Inc. (“EPS”), to analyze anticipated growth-related effects on the Town’s facilities and equipment in the areas of transportation, fire, police, parks and recreation, and municipal facilities;

**WHEREAS**, EPS identified a necessity to increase impact fees if the Town is to maintain the current level of service in the areas of transportation, fire, police, parks and recreation, and municipal facilities;

**WHEREAS**, the Town Council has considered and accepted the staff analysis and recommendations and the following supporting report and analysis prepared EPS;

**WHEREAS**, the Town has determined that the increase of impact fees ensure the Town’s established levels of service to the community can be maintained as the Town experiences substantial, annual growth;

**WHEREAS**, in establishing the fee impact structure, the Town recognizes that non-residential developments generate revenue to support the provision of municipal services;

**WHEREAS**, the Town Council finds that it is necessary to differentiate the levels of fees and charges imposed in order to reflect updated projections on the costs the Town has and will incur.

**NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO:**

**Section 1. Legislative Findings.** The recitals to this ordinance are adopted as findings of the Town Council in support of enactment of this ordinance, and in addition, the Town Council finds that:

A. The fee structure established by this Ordinance is supported by:

1. The Development Impact Fee Report, 2018 prepared by Economic & Planning Systems, Inc.

2. The Agenda Memorandum dated September 4, 2018 prepared by the Town Manager.

3. Public comment and testimony provided at the public hearings held on September 4, 2018 and September 18, 2018.

B. The fees and charges imposed by this Ordinance comply with the legislative restrictions on impact fees adopted by local governments in §29-20-104.5, C.R.S.

**Section 2. Amendment.** Chapter 3.16 of the Castle Rock Municipal Code is amended to add a new Section 3.16.005, entitled Authority, to read as follows:

**3.16.005 Authority.**

Development impact fees are enacted pursuant to the authority granted in the Charter, Article XX, Section 6 of the Constitution of the State of Colorado and §29-20-104.5, C.R.S. Said fees shall be in addition to all other development fees levied and assessed by the Town.

**Section 3. Amendment.** Section 3.16.030 of the Castle Rock Municipal Code is amended in its entirety to read as follows:

**3.16.030 - Assessment and collection.**

Fees shall be assessed and collected according to the following provisions, except as modified by the Town pursuant to this Section 3.16.030:

A. Residential uses. No building permit shall be issued for any dwelling unit prior to the payment of the following applicable fees:

**Development Impact Fees for Residential Uses**

<i>Parks and Recreation</i>					
<i>Unit Type</i>	<i>Square Footage</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022 and thereafter</i>
Single-Family	<2000	\$2,757	\$3,550	\$4,473	\$4,986
	2,000 – 2,499	\$3,406	\$4,385	\$5,524	\$6,159
	2,500 – 2,999	\$3,720	\$4,789	\$6,033	\$6,726
	3,000 – 3,499	\$3,936	\$5,067	\$6,384	\$7,117

	3,500 – 3,999	\$4,384	\$5,644	\$7,110	\$7,927
	4,000 – 4,499	\$4,772	\$6,144	\$7,740	\$8,629
	4,500 – 4,999	\$5,114	\$6,584	\$8,295	\$9,247
	>5,000	\$5,420	\$6,978	\$8,792	\$9,801
Multi-Family (per unit)	All sizes	\$2,732	\$3,011	\$3,320	\$3,669
<b><i>Municipal Facilities</i></b>					
<b><i>Unit Type</i></b>	<b><i>Square Footage</i></b>	<b><i>2019</i></b>	<b><i>2020</i></b>	<b><i>2021</i></b>	<b><i>2022 and thereafter</i></b>
Single-Family	<2000	\$263	\$263	\$263	\$263
	2,000 – 2,499	\$325	\$325	\$325	\$325
	2,500 – 2,999	\$355	\$355	\$355	\$355
	3,000 – 3,499	\$375	\$375	\$375	\$375
	3,500 – 3,999	\$418	\$418	\$418	\$418
	4,000 – 4,499	\$455	\$455	\$455	\$455
	4,500 – 4,999	\$488	\$488	\$488	\$488
	>5,000	\$517	\$517	\$517	\$517
Multi-Family (per unit)	All sizes	\$233	\$233	\$233	\$233
<b><i>Fire</i></b>					
<b><i>Unit Type</i></b>	<b><i>Square Footage</i></b>	<b><i>2019</i></b>	<b><i>2020</i></b>	<b><i>2021</i></b>	<b><i>2022 and thereafter</i></b>
Single-Family	<2000	\$814	\$814	\$814	\$814
	2,000 – 2,499	\$1,005	\$1,005	\$1,005	\$1,005
	2,500 – 2,999	\$1,098	\$1,098	\$1,098	\$1,098
	3,000 – 3,499	\$1,161	\$1,161	\$1,161	\$1,161
	3,500 – 3,999	\$1,293	\$1,293	\$1,293	\$1,293
	4,000 – 4,499	\$1,408	\$1,408	\$1,408	\$1,408
	4,500 – 4,999	\$1,509	\$1,509	\$1,509	\$1,509

	>5,000	\$1,599	\$1,599	\$1,599	\$1,599
Multi-Family (per unit)	All sizes	\$721	\$721	\$721	\$721
<b><i>Police</i></b>					
<b><i>Unit Type</i></b>	<b><i>Square Footage</i></b>	<b><i>2019</i></b>	<b><i>2020</i></b>	<b><i>2021</i></b>	<b><i>2022 and thereafter</i></b>
Single-Family	<2000	\$402	\$402	\$402	\$402
	2,000 – 2,499	\$497	\$497	\$497	\$497
	2,500 – 2,999	\$542	\$542	\$542	\$542
	3,000 – 3,499	\$574	\$574	\$574	\$574
	3,500 – 3,999	\$639	\$639	\$639	\$639
	4,000 – 4,499	\$696	\$696	\$696	\$696
	4,500 – 4,999	\$746	\$746	\$746	\$746
	>5,000	\$790	\$790	\$790	\$790
Multi-Family (per unit)	All sizes	\$356	\$356	\$356	\$356
<b><i>Transportation</i></b>					
<b><i>Unit Type</i></b>	<b><i>Square Footage</i></b>	<b><i>2019</i></b>	<b><i>2020</i></b>	<b><i>2021</i></b>	<b><i>2022 and thereafter</i></b>
Single-Family	<2000	\$7,004	\$7,416	\$7,826	\$8,237
	2,000 – 2,499	\$7,004	\$7,416	\$7,826	\$8,237
	2,500 – 2,999	\$7,004	\$7,416	\$7,826	\$8,237
	3,000 – 3,499	\$7,004	\$7,416	\$7,826	\$8,237
	3,500 – 3,999	\$7,004	\$7,416	\$7,826	\$8,237
	4,000 – 4,499	\$7,004	\$7,416	\$7,826	\$8,237
	4,500 – 4,999	\$7,004	\$7,416	\$7,826	\$8,237
	>5,000	\$7,004	\$7,416	\$7,826	\$8,237
Multi-Family (per unit)	All sizes	\$3,445	\$4,039	\$4,703	\$5,441
<b><i>Unit Type</i></b>		2019 and thereafter			

<b><i>Stormwater - Cherry Creek Basin (per dwelling unit)</i></b>	
Single-Family Detached	\$843
Single-Family Attached	\$563
Multi-Family	\$511
<b><i>Stormwater - Plum Creek Basin (per dwelling unit)</i></b>	
Single-Family Detached	\$1,317
Single-Family Attached	\$880
Multi-Family	\$798

For purposes of this Subsection, any remodeling activity which results in the creation of an additional dwelling unit shall be subject to the payment of the fee as specified in this Subsection. For purposes of this Subsection, *single-family detached* shall include duplexes and mobile homes.

B. Nonresidential uses. No building permit shall be issued for the occupancy of any structure to be used primarily for nonresidential use prior to the payment of the following applicable fees (per 1,000 square feet of gross floor areas):

**Development Impact Fees for Nonresidential Uses**

<b><i>Municipal Facilities</i></b>					
<b><i>Unit Type</i></b>	<b><i>Square Footage</i></b>	<b><i>2019 (per 1,000 sq. ft.)</i></b>	<b><i>2020 (per 1,000 sq.ft)</i></b>	<b><i>2021 (per 1,000 sq. ft.)</i></b>	<b><i>2022 (per 1,000 sq. ft.)</i></b>
Commercial/ Shopping Center	50,000 or less	\$47	\$49	\$50	\$52
	50,001—100,000	\$41	\$43	\$44	\$45
	100,001—200,000	\$36	\$37	\$38	\$40
	Over 200,000	\$31	\$32	\$33	\$34
Office	25,000 or less	\$66	\$69	\$69	\$69
	25,001—50,000	\$46	\$47	\$47	\$47
	50,001—100,000	\$35	\$36	\$36	\$36
	Over 100,000	\$29	\$30	\$30	\$30
Industrial	All sizes	\$52	\$52	\$52	\$52

Warehousing	All sizes	\$5	\$5	\$5	\$5
Hotel (per room)	All sizes	\$17 (per room)	\$17 (per room)	\$17 (per room)	\$17 (per room)
<b><i>Fire</i></b>					
<b><i>Unit Type</i></b>	<b><i>Square Footage</i></b>	<b><i>2019 (per 1,000 sq. ft.)</i></b>	<b><i>2020 (per 1,000 sq.ft)</i></b>	<b><i>2021 (per 1,000 sq. ft.)</i></b>	<b><i>2022 (per 1,000 sq. ft.)</i></b>
Commercial/ Shopping Center	50,000 or less	\$206	\$206	\$206	\$206
	50,001—100,000	\$180	\$180	\$180	\$180
	100,001—200,000	\$158	\$158	\$158	\$158
	Over 200,000	\$137	\$137	\$137	\$137
Office	25,000 or less	\$213	\$213	\$213	\$213
	25,001—50,000	\$146	\$146	\$146	\$146
	50,001—100,000	\$111	\$111	\$111	\$111
	Over 100,000	\$92	\$92	\$92	\$92
Industrial	All sizes	\$161	\$161	\$161	\$161
Warehousing	All sizes	\$16	\$16	\$16	\$16
Hotel (per room)	All sizes	\$64 (per room)	\$64 (per room)	\$64 (per room)	\$64 (per room)
<b><i>Police</i></b>					
<b><i>Unit Type</i></b>	<b><i>Square Footage</i></b>	<b><i>2019 (per 1,000 sq. ft.)</i></b>	<b><i>2020 (per 1,000 sq.ft)</i></b>	<b><i>2021 (per 1,000 sq. ft.)</i></b>	<b><i>2022 (per 1,000 sq. ft.)</i></b>
Commercial/ Shopping Center	50,000 or less	\$102	\$102	\$102	\$102
	50,001—100,000	\$89	\$89	\$89	\$89
	100,001—200,000	\$78	\$78	\$78	\$78
	Over 200,000	\$68	\$68	\$68	\$68
Office	25,000 or less	\$37	\$37	\$37	\$37
	25,001—50,000	\$25	\$25	\$25	\$25
	50,001—100,000	\$19	\$19	\$19	\$19

	Over 100,000	\$16	\$16	\$16	\$16
Industrial	All sizes	\$80	\$80	\$80	\$80
Warehousing	All sizes	\$8	\$8	\$8	\$8
Hotel (per room)	All sizes	\$11 (per room)	\$12 (per room)	\$12 (per room)	\$12 (per room)
Transportation					
Unit Type	Square Footage	2019 (per 1,000 sq. ft.)	2020 (per 1,000 sq.ft)	2021 (per 1,000 sq. ft.)	2022 (per 1,000 sq. ft.)
Commercial/ Shopping Center	50,000 or less	\$1,594	\$1,662	\$1,732	\$1,805
	50,001—100,000	\$1,394	\$1,453	\$1,514	\$1,578
	100,001—200,000	\$1,219	\$1,271	\$1,325	\$1,381
	Over 200,000	\$1,057	\$1,102	\$1,149	\$1,198
Office	25,000 or less	\$1,456	\$1,517	\$1,581	\$1,648
	25,001—50,000	\$999	\$1,041	\$1,085	\$1,131
	50,001—100,000	\$762	\$793	\$827	\$862
	Over 100,000	\$631	\$657	\$685	\$714
Industrial	All sizes	\$1,418	\$1,479	\$1,542	\$1,608
Warehousing	All sizes	\$1,622	\$1,622	\$1,622	\$1,622
Hotel (per room)	All sizes	\$827 (per room)	\$859 (per room)	\$892 (per room)	\$927 (per room)
Stormwater - Cherry Creek Basin (per 1,000 sq. ft.)					
Unit Type			2019 and thereafter		
Commercial/Industrial			\$380		
Stormwater - Plum Creek Basin (per 1,000 sq. ft.)					

Commercial/Industrial	\$594
-----------------------	-------

Any structure located in a business zone shall be assessed at the applicable nonresidential use rate, whether or not such structure is intended for nonresidential use. Any structure located in a planned unit development where commercial/shopping center, office, industrial, warehouse or hotel uses are permitted shall be assessed based upon initial proposed use, subject to the provisions of Subsection C. below. *Industrial use* means those uses devoted to the compounding, assembling, processing, treatment or manufacturing of products, including distribution centers and food and beverage processing. *Warehousing use* means uses devoted to the storage of materials.

C. Change in use. When any warehouse or industrial use is changed to a commercial/shopping center or office use, the difference between the two fees shall be payable prior to the issuance of a building permit for the area of the changed use. For example, if a portion of a warehouse is remodeled to include offices or retail space, that portion shall be assessed a fee equal to the difference between the warehouse use fee and the applicable office or commercial/ shopping center fee.

D. Dwelling unit. As used in this Chapter, *dwelling unit* means a single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating and sanitation.

E. Applicability. These fees shall apply only to construction for which a complete building permit application has been submitted. Except as indicated otherwise herein, these fees shall be assessed in accordance with the rates in effect at the time of submittal of a complete application for a building permit.

F. The Town Manager may authorize a system in which a portion of the fees imposed under this Section are to be paid at the time of building permit issuance and the remaining balance paid as a condition of issuance of a temporary or final certificate of occupancy.

G. The Town Manager, or his/her designee is authorized to adopt rules and regulations regarding the administration and application of the fees established by this Chapter.

H. All fees imposed under this Section 3.16.030 are subject to an inflation adjustment in accordance with Section 3.16.035 of this Code.

**Section 4. Amendment.** Chapter 3.16 of the Castle Rock Municipal Code is amended to add a new Section 3.16.035, entitled "Inflation," to read as follows:

**3.16.035 Inflation.**

A. Commencing in 2020, on January 1 of each year, the impact fees levied and assessed pursuant to 3.16.030.A and 3.16.030.B shall be adjusted for inflation in accordance with the following indices:

1. Transportation: ~~1~~The Colorado Construction Cost Index published by the Colorado Department of Transportation.



2. Police: the Denver Building Cost Index published by the Engineering News Record.

3. Fire: 40% of the total index based on the Denver-Aurora-Lakewood Consumer Price index for all urban consumers and 60% of the total index based upon the Denver Building Cost Index published by the Engineering News Record.

4. Parks and Recreation: the Denver Construction Cost Index published by the Engineering News Record.

5. Municipal Facilities: the Denver Construction Cost Index published by the Engineering News Record.

~~2. Police, Fire, Parks and Recreation, and Municipal Facilities: The Consumer Price Index (CPI) published by U.S. Bureau of Labor Statistics.~~

B. Adjusted impact fees shall be established annually by the Town Manager or his designee.

C. A schedule of impact fees adjusted in accordance with this Section shall be published by the Town Manager or his/her designee on an annual basis.

**Section 5. Effective Date.** Unless otherwise stated to the contrary, the rates, fees and charges established under this Ordinance shall take effect January 1, 2019.

**Section 6. Severability.** If any part or provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provisions or application, and to this end the provisions of this Ordinance are declared to be severable.

**Section 7. Safety Clause.** The Town Council finds and declares that this Ordinance is promulgated and adopted for the public health, safety and welfare and this Ordinance bears a rational relation to the legislative object sought to be obtained.

**APPROVED ON FIRST READING** this 4<sup>th</sup> day of September, 2018 by a vote of 6 for and 0 against, after publication in compliance with Section 2.02.100.C of the Castle Rock Municipal Code; and

**PASSED, APPROVED AND ADOPTED ON SECOND AND FINAL READING** this \_\_\_\_ of \_\_\_\_\_, 2018 by the Town Council of the Town of Castle Rock, Colorado, by a vote of \_\_\_\_ for and \_\_\_\_ against.

**ATTEST:**

---

Lisa Anderson, Town Clerk

**Approved as to form:**

---

Robert J. Slentz, Town Attorney

**TOWN OF CASTLE ROCK**

---

Jennifer Green, Mayor

**Approved as to content:**

---

Trish Muller, Finance Director