

ORDINANCE NO. 2019-

AN ORDINANCE REPEALING AND REENACTING SECTION 3.16.030 OF THE CASTLE ROCK MUNICIPAL CODE ADJUSTING THE DEVELOPMENT IMPACT FEES FOR RESIDENTIAL USES AND AMENDING STORMWATER DEVELOPMENT IMPACT FEES FOR RESIDENTIAL AND NON-RESIDENTIAL USES AND AMENDING SECTION 3.16.035 OF THE CASTLE ROCK MUNICIPAL CODE FOR 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; and

WHEREAS, in 2018 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; and

WHEREAS, in 2018 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; and

WHEREAS, the Town Council has considered and accepted the staff analysis and recommendations and the following supporting report and analysis prepared EPS in 2018; and

WHEREAS, in 2018 the Town 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; and

WHEREAS, in establishing the fee impact structure in 2018, the Town recognized that non-residential developments generate revenue to support the provision of municipal services; and

WHEREAS, in 2018 the Town Council found 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; and

WHEREAS, given the immediate capital needs in the community as necessitated by growth, the Town Council now seeks to increase residential impact fees in 2020 to the amount supportable based on the 2018 EPS study; and

WHEREAS, the Town Council has considered and accepted staff’s analyses regarding Stormwater Development Impact Fees and recommendations and the following supporting reports and analyses prepared by a nationally-recognized independent rates and fees consulting firm, Stantec Consulting Services, Inc. for the 2019 update:

- 2019 Castle Rock Water Rates and Fees Study Update – Vol. 1 of 2: 2020–2024 Rates Final Report dated September 2019
- 2019 Castle Rock Water Rates and Fees Study Update – Vol. 2 of 2: System Development Fees Final Report dated September 2019; and

WHEREAS, increases in the actual rate of growth for the last five years over projected growth rates, changes to estimates on long term build out of the Town, and updates to long term capital plans to support growth substantiate changes to the Stormwater Development Impact Fees.

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.
 4. The Agenda Memorandum Dated September 3, 2019 prepared by the Town Manager.
 5. 2019 Castle Rock Water Rates and Fees Study Update – Vol. 1 of 2: 2020-2024 Rates Final Report dated September 2019;
 6. 2019 Castle Rock Water Rates and Fees Study Update – Vol. 2 of 2: System Development Fees Final Report dated September 2019
 7. The Agenda Memorandum dated September 3, 2019 prepared by the Director of Castle Rock Water and the accompanying PowerPoint presentation offered at first and second reading of Ordinance No. _____; and
 8. Public comment and testimony.

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. Repeal and Reenact. Section 3.16.030 of the Castle Rock Municipal Code is hereby repealed and reenacted in its entirety to read as follows:

3.16.030 - Assessment and collection.

Commencing January 1, 2020, impact fees shall be assessed and collected according to the following provisions, including Section 3.16.035:

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

Parks and Recreation		
<i>Unit Type</i>	<i>Square Footage</i>	<i>Impact Fee</i>
Single-family	<2,000	\$ 4,986 3,550
	2,000 – 2,499	\$ 6,158 4,385
	2,500 – 2,999	\$ 6,726 4,789
	3,000 – 3,499	\$ 7,116 5,067
	3,500 – 3,999	\$ 7,926 5,644
	4,000 – 4,499	\$ 8,628 6,144
	4,500 – 4,999	\$ 9,247 6,584
	>5,000	\$ 9,801 6,978
Multi-family (per unit)	All sizes	\$ 4,420 3,011
Municipal Facilities		
<i>Unit</i>	<i>Square Footage</i>	<i>Impact Fee</i>
Single-family	<2,000	\$26 2 3
	2,000 – 2,499	\$32 4 5
	2,500 – 2,999	\$35 4 5
	3,000 – 3,499	\$375
	3,500 – 3,999	\$41 7 8
	4,000 – 4,499	\$45 4 5

	4,500 – 4,999	\$48 7 <u>8</u>
	>5,000	\$51 6 <u>7</u>
Multi-family (per unit)	All sizes	\$233
Fire		
<i>Unit Type</i>	<i>Square Footage</i>	<i>Impact Fee</i>
Single-family	<2000	\$81 3 <u>4</u>
	2,000 – 2,499	\$1,00 4 <u>5</u>
	2,500 – 2,999	\$1,09 7 <u>8</u>
	3,000 – 3,499	\$1,161
	3,500 – 3,999	\$1,293
	4,000 – 4,499	\$1,40 7 <u>8</u>
	4,500 – 4,999	\$1,50 8 <u>9</u>
	>5,000	\$1,599
Multi-family (per unit)	All sizes	\$721
Police		
<i>Unit Type</i>	<i>Square Footage</i>	<i>Impact Fee</i>
Single-family	<2000	\$40 1 <u>2</u>
	2,000 – 2,499	\$49 6 <u>7</u>
	2,500 – 2,999	\$542
	3,000 – 3,499	\$57 3 <u>4</u>
	3,500 – 3,999	\$639
	4,000 – 4,499	\$69 5 <u>6</u>
	4,500 – 4,999	\$74 5 <u>6</u>
	>5,000	\$790
Multi-family (Per unit)	All sizes	\$356
Transportation		
<i>Unit Type</i>	<i>Square Footage</i>	<i>Impact Fee</i>

Single-family	<2000	\$8,236,416
	2,000 – 2,499	\$8,236,416
	2,500 – 2,999	\$8,236,416
	3,000 – 3,499	\$8,236,416
	3,500 – 3,999	\$8,236,416
	4,000 – 4,499	\$8,236,416
	4,500 – 4,999	\$8,236,416
	>5,000	\$8,236,416
Multi-family (per unit)	All sizes	\$6,354,039
Stormwater – Cherry Creek Basin (per dwelling unit)		
Unit Type	2020 19 and thereafter	
Single-family Detached	\$868843	
Single-family Attached	\$580563	
Multi-family	\$526511	
Stormwater – Plum Creek Basin (per dwelling unit)		
Unit Type	2020 19 and thereafter	
Single-family Detached	\$13571,317	
Single-family Attached	\$906880	
Multi-family	\$822798	

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 Non-Residential Uses

<i>Municipal Facilities</i>					
<i>Unit Type</i>	<i>Square Footage</i>	<i>2019</i> (per 1,000)	<i>2020*</i> (per 1,000)	<i>2021*</i> (per 1,000)	<i>2022*</i> (per 1,000)

		<i>sq. ft.)</i>	<i>sq.ft)</i>	<i>sq. ft.)</i>	<i>sq. ft.)</i>
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)
Fire					
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	\$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)

<i>Police</i>					
<i>Unit Type</i>	<i>Square Footage</i>	<i>2019 (per 1,000 sq. ft.)</i>	<i>2020*</i> <i>(per 1,000 sq. ft)</i>	<i>2021*</i> <i>(per 1,000 sq. ft.)</i>	<i>2022*</i> <i>(per 1,000 sq. ft.)</i>
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)
<i>Transportation</i>					
<i>Unit Type</i>	<i>Square Footage</i>	<i>2019 (per 1,000 sq. ft.)</i>	<i>2020*</i> <i>(per 1,000 sq. ft)</i>	<i>2021*</i> <i>(per 1,000 sq. ft.)</i>	<i>2022*</i> <i>(per 1,000 sq. ft.)</i>
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)

**These fees are subject to further adjustment in accordance with Section 3.16.035*

***Stormwater - Cherry Creek Basin
(per 1,000 sq. ft.)***

Unit Type	2020 19 and thereafter
Commercial/Industrial	\$391380

***Stormwater - Plum Creek Basin
(per 1,000 sq. ft.)***

Unit Type	2020 19 and thereafter
Commercial/Industrial	\$612594

~~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 a change in use results in a higher fee for the proposed use, the difference between the two (2) fees shall be payable to the Town prior to the issuance of a building permit for the area of the changed use. However, at no time shall a change in use result in a refund or credit of fees by the Town. ~~When any warehouse or industrial use is changed to a commercial/shopping center or office use, the difference between the two (2) 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. 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. ~~Dwelling unit. As used in this Chapter, dwelling unit means a single unit providing complete, independent living facilities for one (1) or more persons, including permanent provisions for living, sleeping, eating and sanitation.~~

E. 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.

F. When a use is not listed in Section 3.16.030, the Town Manager or designee shall have the authority to interpret this Chapter and assess fees accordingly: whether a proposed use is residential or nonresidential; what type of nonresidential use a proposed use is most similar to; the apportionment of multiple-uses within a development; and, for a mixed-use development, how much of the proposed development shall be considered residential and nonresidential. The Town Manager, or designee is authorized to adopt rules and regulations regarding the administration and application of the fees established by this Chapter.

G. 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 3. Amendment. Section 3.16.035 of the Castle Rock Municipal Code is amended in its entirety to read as follows:

3.16.035 - Inflation.

A. Commencing ~~on in January 1, 2020,~~ and on January 1 of each year thereafter, the impact fees levied and assessed pursuant to Subsections 3.16.030.A and 3.16.030.B shall be adjusted ~~for inflation~~ from January, 2019 in accordance with the following indices:

1. Transportation: 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: Forty (40) percent of the total index based on the Denver-Aurora-Lakewood Consumer Price index for all urban consumers and sixty (60) percent 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.

B. Adjusted impact fees- reflecting such inflationary adjustment shall be established annually by the Town Manager or 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 4. Effective Date. Unless otherwise stated to the contrary, the rates, fees and charges established under this Ordinance shall take effect January 1, 2020.

Section 5. 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 6. 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 ____ day of _____, 2019 by a vote of ____ for and ____ 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 _____, 2019 by the Town Council of the Town of Castle Rock, Colorado, by a vote of ____ for and ____ against.

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Robert J. Slentz, Town Attorney

Trish Muller, Finance Director