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Rio Blanco County considers impact fees

By GARY HARMON
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Rio Blanco County is considering billing energy companies for the stress they put on county roads, the additional population and increases in area crime.

The county also wants others to pay up as well, including new businesses and people who build houses worth more than \$250,000 in unincorporated areas.

County Commissioner Ken Parsons conceded that impact fees seem “so alien to Rio Blanco County.”

The county, tucked into the state’s northwest corner, is at the center of the current energy boom and could be powerfully affected should another boom in oil shale take place.

The possibility of oil shale development has something to do with the commission’s thinking in considering impact fees, Parsons said, but there are immediate needs that can’t wait, he said.

A socioeconomic study by the Associated Governments of Northwest Colorado shows Rio Blanco County and its population of 6,000 will need more than \$340 million worth of public improvements over the coming two decades.

“We can’t place that on the existing tax base,” Parsons said.

A consultant’s study shows the county needs to spend \$330 million on roads as well as \$8 million for a new justice center and \$6 million for new administrative facilities.

Energy industry officials have offered to discuss county levies on natural gas wells and also have suggested public improvement districts might be put in place, Parsons said.

The proposed impact-fee schedule calls for drilling companies to pay \$17,981 per well deeper than 5,500 feet. Wells shallower than 5,500 feet would be billed \$10,581.

Those bills would be reduced if multiple wells are drilled from the same pad and the operators employ best practices.

Energy, however, wouldn’t be the only industry to see impact fees. Residences would see fees, as would commercial and industrial development.

Impact fees would tack \$2,043 to the cost of a single-family home or dwelling unit in a multi-unit development. Homes or units priced less than \$250,000 would be exempt from the impact fee.

Nonresidential construction would be charged per 1,000 square feet. Offices would be charged \$3,123 per 1,000 square feet; retail, commercial and lodging would be charged \$3,323 per 1,000 square feet.

Industrial buildings would be charged \$2,423 per 1,000 square feet; warehouses \$2,223 per 1,000 square feet; and manufacturing \$2,023 per 1,000 square feet.

Rio Blanco County is hamstrung by its low level of property taxation, Parsons said.

The county's average property tax levy ranks it 62nd out of 64 Colorado counties, 9.5 mills less than Garfield, 17.5 mills less than Moffat and 33 mills less than Mesa.

The fee schedule before the commission also was drafted to take into account unusual development, such as oil shale.

If the county approves the impact fees, they won't apply in the county's two incorporated towns, Meeker and Rangely.

"I feel we should encourage development in the towns," Parsons said. "It's more cost-effective."

The county commission has scheduled a vote June 9 on the proposed impact fees.

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