

Developers should pay up, says study

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Some citizens opposed to high-density projects in Littleton have complained that the city doesn't charge developers for its trouble, but city council appears poised to silence that concern.

"In light of renewed interest in development and the prospect of considerable future development activity, the city council is considering development impact fees as part of its larger strategy to ensure that growth pays its own way and that existing residents and existing services are not financially burdened by new growth," writes Ford Frick of BBC Research and Consulting, hired by the city to help formulate a plan.

BBC recommends charging impact fees of \$5,274 per dwelling unit for residential construction, and \$1,811 per 1,000 square feet of commercial, which he said is moderate compared to other metro-area cities.

The money can only be used for expansion of capital assets necessary due to growth, not maintenance. But Frick warns that not all growth causes costs, and not all costs are caused by growth.

"As we've become acutely aware in the last few years, our capital needs continue even though we stop growing," he said of Littleton.

Councilor Bruce Stahlman wondered where downtown parking fell on that spectrum, and Frick said that would be more akin to fixing an existing problem.

"I don't think it would be keeping in the spirit or the letter of the law, but someone licensed to have that opinion should weigh in," he said.

Littleton is mostly built out, so there likely will be more and more infill projects as developable land runs out. According to BBC, redevelopment will be charged only for net new space added.

But if such fees had been in place when the 385-unit Littleton Commons was approved for the empty land at County Line Road and Lucent Boulevard, developers would have paid more than \$2 million in one-time fees.

If the Littleton Village plan is approved for the old Marathon Oil property on Broadway, and if council approves development fees in advance, the move will bring roughly \$4.7 million in residential fees and \$450,000 in commercial fees to the city's coffers.

Multifamily units currently on the drawing board include Littleton Village (900), Villages of Belleview (346), Broadstone (250) and Meadows at Platte Canyon (250). If they all get approved under the proposed fee structure, the total would be about \$9.2 million.

John Watson, a former developer who is running for city council, says Littleton should be charging twice that amount. In March, he tried to convince council to impose a moratorium on rezoning until impact fees were in place.

"I feel that the citizens will continue to present these issues until they are resolved," he said. "We all have the best interests of the city at heart, and we expect them to get resolved."

In the end, council unanimously shot down the moratorium while expressing some sympathy to the cause.

“Community values were expressed tonight that council needs to keep at the forefront of the discussion,” said Beckman.

“We concur with all the comments here about development paying its own way,” agreed City Manager Michael Penny.

Council will vote on whether to implement the fees next month.