

ORDINANCE 4-2026 LAND DEVELOPMENT IMPACT FEES

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PURPOSE

Does council support an ordinance amending Chapter 14 of Title 1, Land Development Impact Fees?

Background of Impact Fees

WHAT IS AN IMPACT FEE

DEFINITION OF IMPACT FEES

- Impact fees are one-time charges assessed on new development projects to fund the construction or expansion of public infrastructure to support the new growth.
- These charges ensure new development covers its share of increased services due to growth.
- Impact fee revenue can only be spent on projects attributed to growth.

LITTLETON'S IMPACT FEES

- Multimodal Improvements
- Museum
- Library
- Police
- Facilities
- Transportation



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BACKGROUND OF IMPACT FEES

AUGUST
2013

Initial adoption of
Capital
Facility/Land
Development
Impact Fees

JULY
2014

Amended all fee
schedules

NOVEMBER
2018

- Amended Transportation and Fire fee schedules
- Impact fees relocated from subdivision chapter to administrative chapter in city code

APRIL
2019

- Amended Museum, Library, Police and Facilities fee schedules
- Removed Fire Impact fees

MAY
2021

- Amended all fees schedules
- Added Multi-modal fees

BACKGROUND OF IMPACT FEES CONTINUED

OCTOBER
2023

Amended all fees
by CPI 8.011% for
2024

Multimodal 3 year
phased approach

DECEMBER
2024

Amended all fee
schedules by CPI
5.22% for 2025

Multimodal 3 year
phased approach

JANUARY
2026

Requesting
annual CPI
Increase

2026 Fee Changes

CURRENT VS. NEW FEES

RESIDENTIAL

Use	Land Development Impact Fee Rate Residential (per unit)						Total
	Multimodal Improvements	Museum	Library	Police	Facilities	Transpor- tation	
Single Family (Current)	\$1,205	\$1,027	\$780	\$421	\$2,188	\$2,547	\$8,169
Single Family (New)	\$1,238	\$1,055	\$801	\$433	\$2,247	\$2,616	\$8,390
Multiple Dwelling Unit (Current)	\$791	\$674	\$512	\$277	\$1,436	\$1,975	\$5,664
Multiple Dwelling Unit (New)	\$812	\$692	\$526	\$284	\$1,475	\$2,028	\$5,817

CURRENT VS. NEW FEES

NON-RESIDENTIAL

Use	Land Development Impact Fee Rate Non-Residential (per square foot)						Total
	Multimodal Improvements	Museum	Library	Police	Facilities	Transpor- tation	
Auto Dealership (Current)	\$0.91	\$0.00	\$0.00	\$0.41	\$1.84	\$3.18	\$6.34
Auto Dealership (New)	\$0.93	\$0.00	\$0.00	\$0.42	\$1.89	\$3.27	\$6.51
Industrial (Current)	\$0.91	\$0.00	\$0.00	\$0.41	\$1.84	\$0.54	\$3.70
Industrial (New)	\$0.93	\$0.00	\$0.00	\$0.42	\$1.89	\$0.55	\$3.79
Lodging (Current)	\$0.91	\$0.00	\$0.00	\$0.41	\$1.84	\$1.25	\$4.41
Lodging (New)	\$0.93	\$0.00	\$0.00	\$0.42	\$1.89	\$1.28	\$4.52
Office (Current)	\$0.91	\$0.00	\$0.00	\$0.41	\$1.84	\$1.04	\$4.20
Office (New)	\$0.93	\$0.00	\$0.00	\$0.42	\$1.89	\$1.07	\$4.31
Retail/Commercial (Current)	\$0.91	\$0.00	\$0.00	\$0.41	\$1.84	\$3.18	\$6.34
Retail/Commercial (New)	\$0.93	\$0.00	\$0.00	\$0.42	\$1.89	\$3.27	\$6.51
Warehouse/Storage (Current)	\$0.91	\$0.00	\$0.00	\$0.41	\$1.84	\$0.19	\$3.35
Warehouse/Storage (New)	\$0.93	\$0.00	\$0.00	\$0.42	\$1.89	\$0.20	\$3.44

Comparisons

OTHER TYPES OF IMPACT FEES

Service Related

- Affordable Housing
- Fire
- Drainage
- Storm Drainage
- Capital Facilities
- Major Streets
- General Services
- Traffic
- School
- Raw Water Irrigation
- Animal Services

Recreation Related

- Parks
- Trails
- Open Spaces
- Neighborhood Parks
- Recreation Buildings
- Community Parks
- Community Centers

FEES CHARGED

Denver

- Drainage – \$0.25-\$0.40 per sq ft
- Fire – \$450-\$600 per unit
- Parks – \$950-\$1,150 per unit
- Affordable Housing - \$5 - \$9 per sq ft
- Roads - \$1,850-\$2,400 per unit

Example: 2,000 sq ft home (at lowest rates)

Total Impact Fee - \$14,950

Aurora

- Storm Drainage – \$0.053-\$0.16 per sq ft
- Public Land – \$450-\$600 per unit
- Capital – \$9,327 per single family unit
- Forestry - \$8.65/lineal foot

Example: 12,500 sq ft lot (at lowest rates)

Total Impact Fee - \$11,400

Fort Collins

- Police – \$313-\$521 per unit
- Fire – \$560-\$931 per unit
- Parks – \$5,515-\$9,078 per unit
- General Govt - \$762-\$1,269 per unit
- Transportation - \$2,958-\$8,941 per unit

Example: Single Family (at lowest rates)

Total Impact Fee - \$10,108

Colorado Springs

- Parkland – \$1,800-2,300 per unit
- Police – \$398 per unit
- Fire – \$368 per unit
- School - \$400-\$900 per unit

Example: Single Family (at lowest rates)

Total Impact Fee - \$2,966

Boulder

- Police – \$266-\$695 per unit
- Fire – \$240-\$620 per unit
- Parks – \$3,292-\$8,550 per unit
- Human Services - \$100-\$262 per unit
- Municipal Facilities - \$321-\$834 per unit
- Transportation - \$120-\$331 per unit

Example: Single Family (2,000 sq ft)

Total Impact Fee - \$8,992

Other

- Arvada
- Thornton
 - Fees based on density
 - Based on other factors



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COMPARISON EXAMPLES

Example – Single Family Home – 2,000 sq.ft.

City	Similar Impact Fee						Total Impact Fees Charged
	Multimodal	Museum	Library	Police	Facilities	Transportation	
Littleton	\$ 1,237.93	\$ 1,055.11	\$ 801.01	\$ 432.80	\$ 2,247.14	\$ 2,615.80	\$ 8,389.79
Denver						1,850.00	14,950.00
Fort Collins				313.00		2,958.00	10,108.00
Aurora					9,327.00		11,400.00
Colorado Springs			398.00				2,966.00
Boulder				555.00	667.00	262.00	8,992.00



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2026 FEE CHANGES

Inflation Factor

- Title 1, Chapter 14 allows for an inflation factor annually at minimum
- The fees last adjusted in December 2024 for 2025
- Established the use of the Denver-Aurora-Lakewood CPI
- Adjusting all fees to the 2025 CPI of 2.7%

Impact Fee Study

- 2019 Impact fee study
- 2027 RFP for an impact fee study

Alternatives

Alternatives

- Approve amendments as proposed
- Make no changes at this time and provide direction to staff for an alternative fee structure or means to pay for infrastructure needed to serve community growth.

Staff Recommendation

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Staff recommends approval of the impact fees on second reading



QUESTIONS?



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