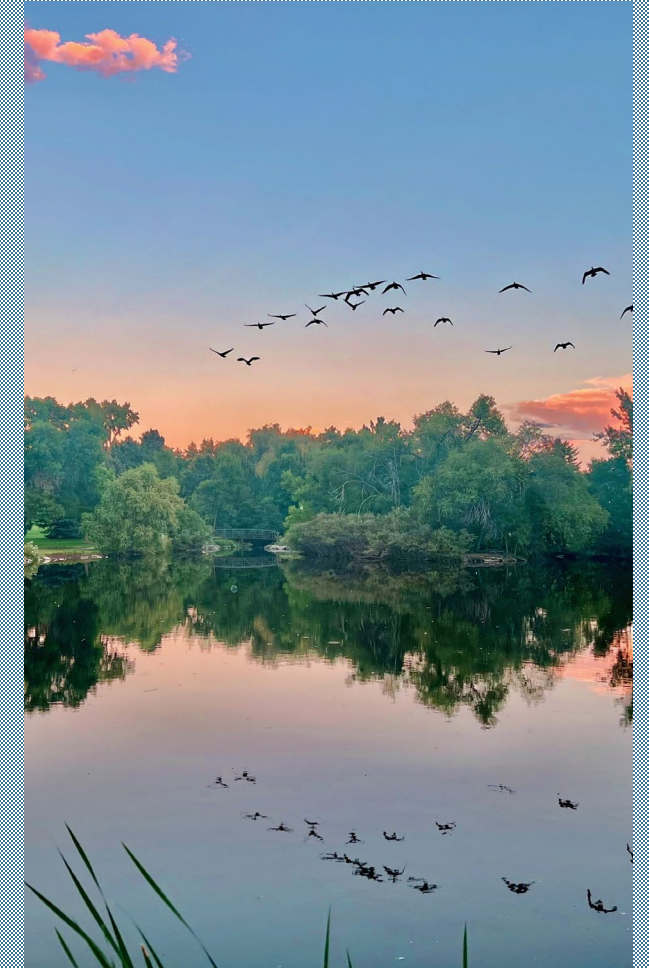


COST OF SERVICES – DEVELOPMENT SERVICES FEES

Kevin Orton, Budget Manager
Tiffany Hooten, Finance Director
Matt Knight, Community Development
Director

JANUARY 14, 2025



AGENDA

City Revenue Policy & Fee Schedule

Development Services Fees

Cost of Services Methodology

Proposed Adjustment to Fee Schedule

CITY REVENUE POLICY & FEE SCHEDULE

Revenue Policy

- Adopted in 2018 & amended in 2023
- City fees are to recapture cost of providing services
- On a regular basis, cost of services study to determine full cost of recovery levels
- Study is used to compare current fee structure and recommend adjustments presented to City Council

Fee Schedule

- Adopted annually
- 2025 Fee Schedule adopted on Dec. 3, 2024
- Development services fees cost of services study completed after fee schedule adoption

DEVELOPMENT REVIEW FEES

- Help to defray cost of providing development review
- Last adjusted in 2023
 - Divided fees between Public Works and Community Development
- In 2024, Public Works development review staff moved to Community Development

DEVELOPMENT REVIEW FEES

- Development fees are currently charged separately
 - Community Development fees
 - Public Works Fees
- 81 fees that include:
 - Subdivision Review
 - Site Plan/Rezoning Review
 - Master Development Plan Review
 - Major and Minor Plan Amendments
 - Historic District Designation
 - Tax Credit Application
 - Variance
 - Other Misc. Development Review Fees

COST OF SERVICES METHODOLOGY



- 11 positions
- Includes Benefits

- Non-Personnel Expenses
- Personnel Support
 - CMO
 - HR
 - Finance
 - City Attorney's Office
- Software Expenses



- Each position assigned to task

- Time for each position

PROPOSED ADJUSTMENTS

Recommended fee adjustments based on cost of services study

Fee Adjustments

- Combine Community Development and Public Works fees into one fee
- 20 Fee Decreases
 - Average Decrease: \$725.50 per fee
- 55 Fee Increases
 - Average Increase \$2,155 per fee
- 6 fees with no change
 - 4 fees with increase in cost of serve recommended for no change.

New Fees

- 8 new recommended fees
- Work currently performed without a fee
 - ICC Test (Class A, B, C, or D): \$100
 - Municipal Right of Way: \$400
 - State Licensing
 - Plumbing - \$50
 - Electrical - \$50
 - Arborist - \$150

EXAMPLE TOTAL FEES

Approx. Development Fees for Residential & Commercial

	Small 25,000 sq. ft 4 units	Medium 50,000 sq. ft 15 units	Large 150,000 sq. ft 40 units
Littleton Current	\$22,400	\$42,600	\$84,650
<i>Littleton Proposed</i>	<i>\$33,500</i>	<i>\$54,500</i>	<i>\$95,750</i>

- Amounts are approximate only and may change based on different acreage or other variations between developments
- Commercial properties use square footage and residential use units

FUTURE FEE POLICY DISCUSSIONS

Fall 2025

- Review Inclusionary Housing In-lieu Fee
- Comprehensive fee schedule study session

2026

- Impact fee study and City Council policy review

SUMMARY

- City Revenue Policy is based on determining cost of services prior to fee adjustments
- Combine Community Development and Public Works fees.
- Adjust fee schedule based on cost of services study
 - 20 fee decreases
 - 55 fee increases
 - 8 new fees

CITY COUNCIL OPTIONS

- Maintain current fee schedule without adjustments
- Adjust fee schedule based on staff recommendation at the January 21st City Council Meeting
- Consider alternative adjustments based on City Council discretion for the January 21st City Council meeting or another future meeting



QUESTIONS?