



City of Littleton Impact Fee Update

EXECUTIVE SUMMARY

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CITY OF LITTLETON IMPACT FEE UPDATE.

Executive Summary

The City of Littleton (the City) collects capital impact fees when it issues building permits to help offset the costs of the various capital facilities it uses for serving residents. In 2013, BBC Research & Consulting (BBC) completed a design analysis of the City's impact fees to develop fees that accurately reflect the City's facilities and assets. (BBC completed an update to the analysis in 2014.) That analysis became the foundation of the impact fees that the City currently charges for new residential and non-residential development, which are presented in Figure 1.

Figure 1.
Current capital impact fees

Note:

Per Ordinance 43-2018, fire impact fees were eliminated as of 1-1-2019; transportation fees have been adjusted since the 2014 fee update due to a change in capital projects.

BBC Research & Consulting/City of Littleton, 2014.

Facility	Development type	
	Residential	Non-residential
Fire	\$ -	\$ -
Transportation	\$ 1,049	\$ 2.607
Museum	\$ 515	\$ -
Library	\$ 542	\$ -
Police	\$ 319	\$ 0.160
General facilities	\$ 1,550	\$ 0.775
Total	\$ 3,975 per dwelling unit	\$ 3.542 per square foot

This report provides an update to the City's capital impact fees based on new asset valuations and other data relevant to four fee areas: Museum, Library, Police, and General Facilities. The update relies on BBC's original 2013 analysis and should be interpreted in context of the full 2013 report. We have used the same design theory, process, and data sources as we did in developing the original analysis. However, the updated analysis is based on: (1) updated and expanded data from the City's asset inventory, which it uses for insurance valuations; (2) more precise information of the allocation of capital debt among various asset categories; and (3) updated information on the share of commercial and residential land use.

Museum Fee

The Littleton Museum is the primary archive for the history, art, and cultural artifacts of Littleton. It comprises two living history farms; a small lake; a collections center; and a main exhibition and administration building. The Littleton Museum is one of only 700 museums to be fully accredited by the American Association of Museums and one of only 140 members of the Smithsonian Affiliates, representing the only Smithsonian Affiliate in Colorado. The City also has art collections at the Depot Arts Center and the Arts Collection Center.

Unlike most other City facilities, the City's museums and programs serve a broad, regional audience. Survey data that the City provided indicate that 42 percent of facility visitors are non-Littleton residents. BBC recommends that the proportional Museum impact fee should account for the fact that

the museums' audience extends beyond the City's residents and should thus only reflect the share of museum patronage that is made up of City residents (58%). Doing so ensures reasonable fee proportionality.

Figure 2 presents current information on assets, associated valuations, residential share adjustments, and changes to the City's debt allocation schedule that inform the facilities and assets amount that BBC used to calculate the proportional Museum impact fee. As shown in the last line of Figure 2, the facilities and assets amount that BBC included in its calculations of the fee was \$12,659,352.

Figure 2.
Museum facilities and assets

Capital infrastructure	Allocated replacement value	Littleton resident share	Amount to include in fees
Museum			
Pump House	\$1,863	0.58	\$ 1,081
Exhibition Bridge	\$52,200	0.58	\$ 30,276
School House	\$40,390	0.58	\$ 23,426
Blacksmith House	\$89,848	0.58	\$ 52,112
Icehouse	\$72,200	0.58	\$ 41,876
Interpreters Den	\$344,828	0.58	\$ 200,000
Bemis House	\$177,724	0.58	\$ 103,080
Barn	\$146,400	0.58	\$ 84,912
McBroom Loghouse	\$91,610	0.58	\$ 53,134
Farm Barn	\$83,200	0.58	\$ 48,256
Greenhorn Grove Fishing Dock	\$85,100	0.58	\$ 49,358
Historic Building Collections*	\$564,318	0.58	\$ 327,304
Caretaker Residence	\$376,248	0.58	\$ 218,224
Museum	\$8,396,441	0.58	\$ 4,869,936
Other facilities			
Arts Collection Center (Gray Elephant)	\$2,482,820	0.58	\$ 1,440,036
Depot Arts Center	\$239,502	0.58	\$ 138,911
Depot Arts Center - Outhouse	\$12,787	0.58	\$ 7,416
Depot Arts Center - Caboose	\$40,000	0.58	\$ 23,200
Town Hall Arts Center	\$4,065,844	0.58	\$ 2,358,190
Fine Arts Collection	\$12,218,850	0.58	\$ 7,086,933
Fee study	\$1,375	0.58	\$ 798
Subtotal	\$ 29,583,548		\$ 17,158,458
Less outstanding debt	(\$4,499,106)		(\$4,499,106)
Total	\$ 25,084,442		\$ 12,659,352

Note: *Historic Building Collection includes 19 structures.

Source: City of Littleton – Colorado Intergovernmental Risk Sharing Agency, Property and Casualty Report, 2019
Debt allocation from the discussions with the City's finance department.

Figure 3 presents BBC's calculation of the proportional Museum impact fee based on the facilities and assets amount presented in Figure 2. Because the demand for Museum services is almost entirely residential in nature, BBC allocated 100 percent of the proportional Museum impact fee to residential

development. As shown in the last line of Figure 3, BBC recommends that the City revises its proportional Museum impact fee to \$602 per residential dwelling unit, based on the 21,034 residential dwelling units that currently exist in the City.

Figure 3.
Proportional Museum
impact fee

Source:
BBC Research & Consulting, 2019.

Fee components	Development type	
	Residential	Non-residential
Facilities and assets amount	\$ 12,659,352	\$ 12,659,352
Proportion allocation	1.0	0.0
Allocated fees	\$ 12,659,352	\$ -
Existing units or square feet	21,034	4,761,386
Impact Fee	\$ 602 per dwelling unit	\$ - per square foot

Library Fee

Littleton has one central library building, the Bemis Library, which circulates an extensive collection of more than 190,000 books, audio books, and electronic media. The principal changes in the Library fee calculation involve updated asset listings and new asset valuation information derived from City insurance data. Figure 4 presents those data and the facilities and assets amount that BBC used to calculate the proportional Library impact fee. As shown in the last line of Figure 4, the facilities and assets amount that BBC included in its calculations of the fee was \$11,953,348.

Figure 4.
Library facilities and assets

Source:
City of Littleton – Colorado Intergovernmental Risk
Sharing Agency, Property and Casualty Report 2019.

Capital infrastructure	Allocated replacement value
Bemis Library	\$ 11,951,973
Fee study	\$1,375
Total	\$ 11,953,348

Figure 5 presents BBC's calculation of the proportional Library impact fee based on the facilities and assets amount presented in Figure 4. Like museums, because the demand for Library services is almost entirely residential in nature, BBC allocated 100 percent of the proportional Library impact fee to residential development. As shown in the last line of Figure 5, BBC recommends that the City revises its proportional Library impact fee to \$568 per residential dwelling unit, based on the 21,034 residential dwelling units that currently exist in the City.

Figure 5.
Proportional Library
impact fee

Source:
BBC Research & Consulting, 2019.

Fee components	Development type	
	Residential	Non-residential
Facilities and assets amount	\$ 11,953,348	\$ 11,953,348
Proportion allocation	1.0	0.0
Allocated fees	\$ 11,953,348	\$ -
Existing units or square feet	21,034	4,761,386
Impact Fee	\$ 568 per dwelling unit	\$ - per square foot

Police Fees

The Littleton Police Department is responsible for public safety and the safe flow of traffic through the community. The department operates two divisions: Patrol Division and Investigations/Support Services. The Patrol Division includes police patrol teams, the traffic unit, parking enforcement, animal control, and school resource officers. The Investigations/Support Services Division includes detectives, property/evidence officers, victim services, liquor code violations, communications, and records. The principal changes in the Police fee calculation involve updated asset listings and new valuations derived from City insurance data. Figure 6 presents those data and the facilities and assets amount that BBC used to calculate the proportional Police impact fee. As shown in the last line of Figure 4, the facilities and assets amount that BBC included in its calculations of the fee was \$9,389,526.

Figure 6.
Police facilities and assets

Source:
City of Littleton – Colorado Intergovernmental Risk
Sharing Agency, Property and Casualty Report 2019.
Debt allocation is from discussions with the City's
finance department.

Capital infrastructure	Allocated replacement value
Facilities	
Police Storage Facilities	\$229,813
Police Station	\$7,844,027
Dispatch Equipment	\$1,860,858
Fee study	\$1,375
Subtotal	\$ 9,936,073
Less outstanding debt	(\$546,547)
Total	\$ 9,389,526

Figure 7 presents BBC's calculation of the proportional Police impact fee based on the facilities and assets amount presented in Figure 6. Based on the relative valuations of residential and non-residential property in Littleton, BBC allocated 89.3 percent of the proportional Police impact fee to residential development and the remaining 10.7 percent to non-residential development. As shown in the last line of Figure 7, BBC recommends that the City revises its proportional Police impact fees to \$399 per residential dwelling unit, based on the 21,034 residential dwelling units that currently exist

in the City, and \$0.21 per non-residential square foot, based on the 4,761,386 square feet of non-residential development that currently exist.

Figure 7.
Proportional Police
impact fee

Source:
BBC Research & Consulting, 2019.

Fee components	Development type	
	Residential	Non-residential
Facilities and assets amount	\$ 9,389,526	\$ 9,389,526
Proportion allocation	0.893	0.107
Allocated fees	\$ 8,384,847	\$ 1,004,679
Existing units or square feet	21,034	4,761,386
Impact Fee	\$ 399 per dwelling unit	\$ 0.21 per square foot

General Facilities Fees

The City provides myriad municipal services associated with General Facilities, including City Council; City Manager; City Clerk; City Attorney; Finance and Information Services; Municipal Courts; and Development and Community Services. Most City offices are consolidated in the Littleton City Center Courthouse and the City's Public Works Service Center with additional facilities located throughout Littleton. Certain facilities, such as police, are included in other impact fee calculations.

The principal changes in the general facilities fee calculation involve updated asset listings, new valuations derived from City insurance data, and changes to the City's debt allocation schedule. Figure 8 presents those data and the facilities and assets amount that BBC used to calculate the proportional General Facilities impact fee. As shown in the last line of Figure 8, the facilities and assets amount that BBC included in its calculations of the fee was \$44,849,824.

Figure 8.
General facilities and assets

Source:

City of Littleton – Colorado Intergovernmental Risk Sharing Agency, Property and Casualty Report, 2019.

Debt allocation is from discussions with the City's finance department.

Capital infrastructure	Allocated replacement value
Facilities	
Bemis Residence	\$318,100
Bemis Garage	\$32,500
Service Center Building 1	\$2,830,483
Service Center Building 2	\$2,633,346
Service Center Building 3	\$1,017,588
Rio Grande Train Depot	\$351,700
Littleton City Center	\$19,631,765
Courthouse	\$6,486,580
South Platte Maintenance Shop	\$76,370
Service Center Loading Dock	\$134,274
Service Center Salt and Sand Storage	\$313,491
Service Center Fuel Station	\$174,679
Service Center Fleet Storage Shed	\$37,712
Service Center Fleet Mtnc Shop Building 5	\$3,447,153
Horse Barn and Related Properties	\$455,300
City Center Pedestrian Bridge	\$261,400
Jamison Entrance Structure	\$262,000
Service Center Open/Closed Storage	\$327,945
Storage Canopy	\$347,000
Geneva Village Properties	\$3,062,658
Geneva Village Lodge	\$1,603,270
Geneva Village Irrigation Pump Vault	\$191,000
Fire Station 11	\$2,162,582
Fee study	\$1,375
Subtotal	\$ 46,160,271
Less outstanding debt	(\$1,310,447)
Total	\$ 44,849,824

Figure 9 presents BBC's calculation of the proportional General Facilities impact fee based on the facilities and assets amount presented in Figure 8. As with Police, based on the relative valuations of residential and non-residential property in Littleton, BBC allocated 89.3 percent of the fee to residential development and the remaining 10.7 percent to non-residential development. As shown in the last line of Figure 9, BBC recommends that the City revises its proportional General Facilities impact fees to \$1,904 per residential dwelling unit, based on the 21,034 residential dwelling units that currently exist in the City, and \$1.01 per non-residential square foot, based on the 4,761,386 square feet of non-residential development that currently exist.

Figure 9.
Proportional General
Facilities impact fee

Source:
BBC Research & Consulting, 2019.

Fee components	Development type	
	Residential	Non-residential
Facilities and assets amount	\$ 44,849,824	\$ 44,849,824
Proportion allocation	0.893	0.107
Allocated fees	\$ 40,050,893	\$ 4,798,931
Existing units or square feet	21,034	4,761,386
Impact Fee	\$ 1,904 per dwelling unit	\$ 1.01 per square foot

Overall Capital Impact Fees

BBC combined updated proportional impact fees for Museum, Library, Police, and General Facilities with the current fees for Fire and Transportation to calculate revised overall capital impact fees for the City, which are presented in Figure 10. As shown in the last line of Figure 10, BBC recommends that the City revise its overall capital impact fees to \$4,522 per residential dwelling unit and \$3.83 per non-residential square foot. The City can choose to charge less than the recommended fees, but it must apply any discounts uniformly to residential and non-residential development.

Figure 10.
Revised overall
facilities impact fees

Source:
BBC Research & Consulting, 2019.

Facility	Development type	
	Residential	Non-residential
Fire	\$ -	\$ -
Transportation	\$ 1,049	\$ 2.607
Museum	\$ 602	\$ -
Library	\$ 568	\$ -
Police	\$ 399	\$ 0.210
General facilities	\$ 1,904	\$ 1.010
Total	\$ 4,522 per dwelling unit	\$ 3.83 per square foot