

Development-Related Improvements

There is a well-defined connection between traffic and development (including redevelopment). An example of this is the work done by the Institute of Transportation Engineers (ITE) which has developed trip generation rates for various land uses. ITE has collected over 650 trip generation studies for shopping centers including neighborhood centers, community centers, and regional centers. The centers ranged in size from 1,700 to 2,200,000 square feet of leasable space. By using the ITE rates, or a similar methodology, a process can be developed whereby developments contribute infrastructure and/or money to mitigate their specific impact to the transportation system.

DEVELOPER IMPROVEMENTS

Vehicle traffic can be treated similarly to utilities. The City of Rifle has a finite water supply and sewage treatment system. The pipe systems for these utilities have capacities that cannot be exceeded without consequences (low water pressure for fire fighting or dumping untreated sewage). New developments must match the existing and future infrastructure by installing pipes of sufficient diameter. Sometimes this means extending a line quite a distance or means providing additional capacity for undeveloped properties in the area.

Vehicle traffic must be accounted for with development because failure to plan for growth has consequences (congestion and pollution). Therefore, the developer should be responsible for an appropriate portion of all transportation infrastructure serving the development. Specifically, the on-site and immediately adjacent streets must be dealt with at the time of initial development. Additional impacts (long-range, off-site) can be dealt with in accordance with the City's Impact Fee system. Developers should not be responsible for existing deficiencies.

TRAFFIC IMPACT FEE

The City of Rifle already has an Offsite Street Impact Fee which is "...applicable to all pending and future annexation petitions filed with the City." As of 2003, the fee due per single-family dwelling unit is \$3,762.28 and per multi-family unit is \$2,309.46. These rates increase by five percent (5%) per year. "The amount of the fee due for non-residential uses (i.e., commercial uses) shall be determined by the City on a case-by-case basis based upon a traffic analysis."

LSC has researched the methods of calculating traffic impact fees. What we have found is that different jurisdictions use a variety of methods. There is no readily apparent methodology that is universally recognized. The legal standing of traffic impact fees in Colorado is fairly clear. The fees are "...acceptable as long as they have a rational basis and are tied to the overall cost of the infrastructure required by the development. Mathematical precision in formulating fees is not required, and the particular mode of assessment is generally a matter of legislative discretion." (Loup-Miller Const. v. City and County of Denver, 676 P.2d 1170 (1984) and Stephen Roy, Colorado Lawyer Magazine, p. 67-69).

The proposed methodology consists of: 1) identifying necessary improvements to the infrastructure and their costs, 2) removing improvements related to existing deficiencies, 3) calculation of applicable fees based upon the budget shortcomings.

The projected growth in daily trips in Rifle is projected to be 37,094. The projected growth in housing in Rifle between 2000 and 2025 is expected to be 1,503 dwelling units for the low-growth scenario. That is approximately equivalent to 14,384 daily vehicle-trips. The difference between these values (22,710 vehicle-trips) is the total trips generated by new commercial, office, recreational, and industrial uses. It is assumed that 25 percent of these trips will be pass-by or diverted trips so that there will be 17,032 new non-residential trips for a total of 31,416 daily trips. The calculation of the fee per new trip is:

$$\begin{aligned} \text{FUNDING SHORTFALL} \div \text{NEW VEHICLE-TRIPS} &= \text{IMPACT FEE PER TRIP} \\ \$44,841,000 \div 31,416 \text{ trips} &= \$1,427.33 \text{ per trip} \end{aligned}$$

Based on this calculation, the fee per single-family dwelling unit would be \$13,659.82. Multi-family units would be \$8,364.01. If the bridge is excluded from the calculation, the fee would be \$631.56 per trip or \$6,044 for single-family dwelling units and \$3,701 for multi-family dwelling units.

The fee for non-residential developments should be based on the size of the specific development and trip generation rates published by the Institute of Transportation Engineers. These rates are based on current costs, so the fees should be adjusted annually to account for inflation.

The impact fee has been calculated based on raising sufficient revenue to complete the projects in the Preferred Transportation Plan. The funding shortfall may be met through the street improvement fund, an impact fee program, and other revenue sources. City Council will establish the appropriate funding mechanisms to implement this Transportation Master Plan.