

Street Oversizing Program Responsibilities

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PROGRAM OVERVIEW

Applicable Streets

Fort Collins continues to grow rapidly. Another 120 miles of collector and arterial street lanes will be needed by 2015 to serve new developments and added traffic. City policy requires new developments to pay their fair share of the street network needed to handle the added traffic they create.

The Street Oversizing Program collects fees from new developments and allocates these funds for construction of the “oversized” portion of collector and arterial streets as follows:

- **Collector streets** (neighborhood streets that collect local street traffic) must be built to their full needed size.
- **Arterial streets** (major streets that move traffic across the city) must be fully built on one or both sides of the median strip. If traffic needs can be met for several years with half of the lanes, the other half can often be built later without major disruption. Note that all new arterial streets have median strips.

Street Oversizing Program

The Street Oversizing Program fulfills the following responsibilities:

1. **Determines and assesses impact fees** for new street development projects
2. **Provides funding** for the oversized portion of major streets.
3. **Provides project oversight** including review and inspection services.
4. **Evaluates program parameters** according to City policy, including the items in Table 1.



FIGURE 1: The widening of Harmony Road (shown above) was funded through the Street Oversizing Program and developer participation.

TABLE 1: City-Adopted Policies that Affect Street Oversizing

- **North Front Range Transportation & Air Quality Planning Council** – Provides estimates of future traffic demands
- **Larimer County Growth Management Area** – Sets future city limits boundaries
- **City Area Plans** – e.g. Mountain Vista area in NE Fort Collins; sets zoning and locates major streets
- **City Master Street Plan** – Defines needed upgrades, including changes like the re-routing of East Vine Dr.
- **Larimer Urban Area Street Standards** – Incorporates newest City policy for lane widths, bike, pedestrian, and transit features, etc.

TRANSPORTATION IMPACT FEE

City Philosophy for Transportation System Costs

The City of Fort Collins sets policy to ensure that safe and sufficient streets will be built and funded. Basic City philosophy for funding new streets is as follows:

- **New Development Responsibility.** New development must pay its fair share for the added traffic impacts it creates.
- **City-Wide Benefit.** Rather than treating each area differently, the City considers the benefits of street oversizing to be community-wide. As a result, the Transportation Impact Fee structure is uniform for all areas of the city.

The City charges a Transportation Impact Fee for each building permit that will create new traffic loads. Table 2 gives examples. Contractors pay this fee upon building permit issuance. Collected fees go into the Street Oversizing Fund to pay for oversized portions of new streets.

How the Transportation Impact Fee is Calculated

The City uses a “trip generation” basis to estimate the traffic impact of each new project. Until 1997, the City used a per-acre fee for most types of development. The current trip generation approach more equitably reflects the traffic impacts of each project.

The Impact Fee Examples in Table 2 show several common facility types. The fee is calculated as follows:

- **Unit Cost.** In 2002 the unit cost is about \$353 for each added weekday vehicle trip. City staff updates the unit cost each year based on data for planned streets, construction rates, and estimated vehicle use.
- **Transportation Impact Fee Formula.** Table 3 shows the Transportation Impact Fee formula.

TABLE 2: Examples of Transportation Impact Fees		
FACILITY TYPE	Avg. Weekday Vehicle Trips	Transportation Impact Fee
Residential <i>Per Dwelling Unit</i>		
SF Detached	9.55	\$1721
Duplex	7.18	\$1294
Townhome	5.86	\$1056
Mobile Home	4.92	\$886
Apartment	6.12	\$1103
Commercial <i>Per Square Foot</i>		
Shopping Center:		
1000K Sq. Ft.	32.09	\$3.37
200K Sq. Ft.	54.50	\$5.72
50K Sq. Ft.	91.65	\$6.61
General Offices:		
200K Sq. Ft.	11.54	\$2.03
50K Sq. Ft.	16.31	\$2.88
10K Sq. Ft.	24.39	\$4.30
Light Industrial	6.97	\$1.23
Warehousing	4.96	\$0.87
For a current impact fees, contact the City Engineering Department or visit our website at: http://www.fcgov.com/engineering/oversizing.php		

TABLE 3: Transportation Impact Fee Calculation Formula

Trips Generated per traffic impact study or ITE Manual	x	Trip Adjustment Factor from Table 4	x	Unit Cost \$352.58 per added weekday trip (2002 value)	=	Transportation Impact Fee for Street Oversizing
For a current unit cost and impact fee calculation data, contact the City Engineering Department or visit our website at: http://www.fcgov.com/engineering/oversizing.php						

- **Trip Adjustment Factors.** Table 4 shows trip adjustment factors. For example, a gas station attracts “trips” from traffic that is passing by on other trips. Gas station trips are adjusted to discount these “passby” trips.

TABLE 4: Trip Adjustment Weighting Factors		
Source: Institute of Transportation Engineers (ITE) “Trip Generation” Manual		
Residential	0.511	(homes, condos, motels, etc.)
Commercial/Shopping Center	0.32	(shopping centers, strip malls)
Other Non-residential	0.5	(e.g. general office building)
Neighborhood Service	0.125	(e.g. sit down restaurant, gas station)
Neighborhood Mixed Use	0.22	(e.g. supermarkets)
Notes: 1. A facility likely to be the start or end of a trip has a higher factor; stop-by facilities have accordingly lower factors based on typical use patterns. 2. Both leaving and arriving are counted as “trip ends”, so adjustment factors are halved to avoid double counting. 3. The residential factor includes an adjustment for commuters whose destination is outside the city.		

- **Examples of Impact Fee Calculation.** Table 5 shows two examples of the Transportation Impact Fee calculation. Residential Transportation Impact Fees are fixed amounts per dwelling unit, set as City policy. Commercial Impact Fees rely on the best available information. The office building example in Table 5 uses a simple per-square-foot trip generation rate from the ITE Trip Generation manual. The Street Oversizing Program uses the more accurate trip generation rates from a project’s Traffic Impact Study when they are available.

TABLE 5: Examples of Traffic Impact Fee Calculation				
Residential Example: Single Family Home				
9.55 (Incr. trips per unit, Table 2)	x	\$352.58 (Cost per trip increase, Table 3)	x	0.511 (Trip adjust. factor, Table 4)
				= \$1721 Impact Fee (Per Dwelling unit)
Commercial Example: 50,000 Square Foot General Office Building				
16.31 (Incr. trips per 1000 SF, Table 2)	x	\$352.58 (Cost per trip increase, Table 3)	x	0.5 (Trip adjust. factor, Table 4)
				= \$2.88 Impact Fee (Per square foot)
Notes: 1. These baseline trip rates are from the Institute of Transportation Engineers (ITE) “Trip Generation” manual. 2. When available, the Street Oversizing Program generally will use vehicle trips from a project’s Traffic Impact Study rather than the more general ITE values. 3. For further information, contact the City Engineering Department or visit our website: http://www.fcgov.com/engineering/oversizing.php				

Transportation Impact Fees are due when building permits are issued. The City has an appeal process to consider alternate methods of fee calculation.

STREET OVERSIZING FUND

Sources of Funding

The Street Oversizing Fund receives money from two sources:

- **Transportation Impact Fees.** Impact fee revenue depends on the number and size of projects that are issued building permits. The actual amount collected varies year to year with development activity. The average amount collected in a year is about four million dollars.
- **General Fund Contribution.** Some of the new vehicle trips are not caused by new development. Regional increases and changed travel behavior are examples of other causes. The City's General Fund contributes about 22% of the total Street Oversizing Fund to cover these other trips. The General Fund contribution in 2002 is \$550,000.

Balancing the Street Oversizing Fund

The Street Oversizing Program uses revenue from new developments to construct roadways that will benefit newly developing areas. Transportation Impact Fees go into the Street Oversizing Fund. Street oversizing expenses come out of the fund. The Street Oversizing Fund balance cycles up and down as follows:



- **New Developments.** New developments are financed and built when the economy is robust. At these prosperous times, the Street Oversizing Program tends to spend more money than it can take in. New roadways must be constructed to serve the newly developed areas.
- **Ongoing Building Construction.** As these new developments are constructed and building lot inventory climbs, new developments slow down while building construction continues. Transportation Impact Fee revenue tends to exceed street oversizing expenses during this period even if the economy is sluggish. The Street Oversizing Fund can build a reserve during this time in preparation for the next development construction cycle.

Accurate cost estimates by Developers and the Street Oversizing Program staff are crucial to ensure that reimbursement funds will be available as each street oversizing project is completed.

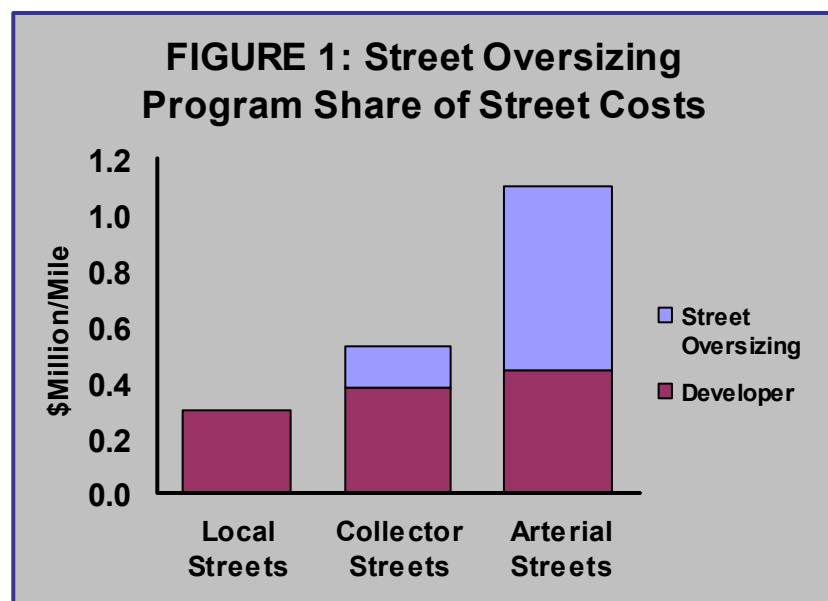
REIMBURSEMENTS TO DEVELOPERS

Reimbursement Approach

New developments in Fort Collins must upgrade adjacent streets to meet City standards. The Street Oversizing Program works closely with Developers to identify eligible oversizing costs.

Once the street work is completed and accepted by the City, the Street Oversizing Program reimburses the Developer for the oversizing costs.

Figure 1 shows the average portion of new collector and arterial street costs that are paid by the Street Oversizing Program. Local streets include no oversizing because all new traffic is caused by the



development. Collector streets include moderate oversizing. Arterial streets require more extensive oversizing; about 60 percent of the total arterial street cost is reimbursed.

Eligibility of Projects for Reimbursement

The Street Oversizing Program staff works closely with each Developer to examine the particular project and explain how oversizing and reimbursements will apply. Basic guidelines for qualifying a new development for street oversizing are as follows:

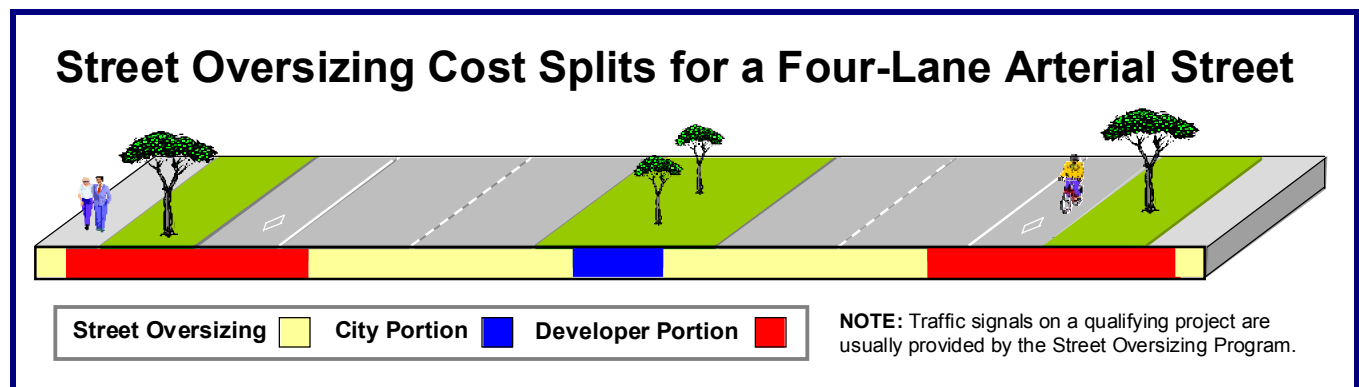
1. How a Project Qualifies for Street Oversizing

City policy favors projects that will lead to contiguous development and fit well with other street plans. Some of the formal project criteria are as follows:

- Contiguous to existing City development
- Provides traffic capacity where needed
- Connects to existing improved streets
- Provides operational or safety improvements

2. What Items the Street Oversizing Program Reimburses

The Street Oversizing Program reimburses eligible new developments for the extra width to “oversize” the street from local access standards to arterial or collector standards. The development project is responsible for construction and for the local access portion of the streets abutting the development site. The cross-sectional drawing below shows the portions of a four-lane arterial street that would qualify for street oversizing reimbursement.



Eligible projects may receive reimbursements for extra width to oversize streets beyond the following local access requirements:

- 13 foot wide asphalt pavement (full depth)
- Curb and gutter
- 4.5 foot wide sidewalk
- Parkway with landscaping





Eligible oversizing costs include additional pavement width, additional sidewalk width, striping, and medians. Medians are required for all new arterial streets.

For more specific details about Street Oversizing Program reimbursements, contact the City Engineering Department or visit our website at: <http://www.fcgov.com/engineering/oversizing.php>

STREET OVERSIZING DEVELOPMENT PROCESS

The Street Oversizing Program is an active participant in new development projects. The key steps from initial discussions to requesting reimbursement are as follows:

Street Oversizing Development Process – Key Activities and Milestones:

- ☑ **Initial Discussions.** The Developer should include the Street Oversizing Program in their early considerations for project feasibility and approach. The Program staff will explain the requirements and benefits available, and take a first look at the particular project. The process is the same for residential and commercial projects. 
- ☑ **Transportation and Traffic Engineer Input.** The City's Transportation staff and Traffic Engineer review neighborhood impacts and other factors which will affect the project.
- ☑ **Review Street Oversizing Eligibility.** Based on initial impact findings and other City policy, the Street Oversizing Program will look at specific eligibility for the new development. Both parties can raise questions which either the Developer or the City need to answer.
- ☑ **Development Agreement.** When the new development's design is set, and requirements are met, the Developer and the City enter into a "Development Agreement." This is a legally binding contract. A cost estimate for the full project and estimated Street Oversizing Program reimbursements are clearly spelled out for budgeting purposes. 
- ☑ **Construction Bids.** The Developer must submit three bids for street construction that includes oversizing features. Separate or itemized bids can help simplify paperwork later.
- ☑ **Construction Participation.** The Street Oversizing Program assigns a field representative to follow the project and help coordinate other City requirements and inspections. City policy requires competitive bidding for items over \$30,000 that it will reimburse. The field representative can help keep the Developer aware of City guidelines. 
- ☑ **Formal Request for Reimbursement.** After the City accepts the new street construction for perpetual maintenance, the Developer submits a formal request for reimbursement to the Street Oversizing Program. The request must include the following:
 1. Letter from Developer requesting reimbursement
 2. Calculation of the street oversizing costs (an Excel spreadsheet is provided).
 3. Documentation of prices and quantities, including copies of invoices.
 4. Proof of payments, including lien waivers.
- ☑ **Reimbursement.** The Street Oversizing Program allocates funds to specific projects, and makes every effort to reimburse the Developer quickly when the project is completed. 

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