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## Aurora considers impact fee

City might charge developers to cover cost of services for each new house

By Carlos Illescas  
The Denver Post

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AURORA — The city might charge developers an impact fee for each home built or try for a tax increase to pay for infrastructure and services for new developments.

Those were the recommendations of a study released Thursday that found that for each home built, the city has to pay about \$5,100 to provide services.

An impact fee would require homebuilders to pay that amount. However, the cost probably would be lower, as developers questioned the city's figure Thursday. Even city officials acknowledged the number would be somewhat lower than that.

Charging developers a per-home fee could be tricky for the city, which has welcomed new development in the past. The fee could lead developers to build in other parts of the metro area.

"We don't oppose a fee. We just want it to be fair," said Susan Patterson, general manager of the South shore development in Aurora.

The city has lost millions of dollars because it did not claim money from a 20-plus-year-old urban services extension fee.

Instead of collecting the fee, the city negotiated other items from developers, including a new firetruck and a house for an emergency services station.

Councilman Steve Hogan said the city would not be in this predicament if it had charged the \$131 annual fee for homeowners. Now the city must come up with a new funding vehicle to offset the services it provides, including the Fire Department and roads.

No decisions were made on how to proceed. But the city and developers are trying to reach an agreement on how much is fair.

"I don't think we're there yet on a solution," Hogan said.

If an impact fee of \$5,100 is charged per new home, it could bring in about \$5 million annually for services and also new capital improvements, such as a library for a new subdivision.

In the past, some services and improvements have been paid for by bond issues. City officials worry that shifting policies would send the message that residents don't need to support future bond projects.

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And Hogan said he is concerned about providing services and new projects to older neighborhoods, which cannot be assessed an excise tax retroactively. Any tax increase would still need voter approval.

"The need for services is citywide," Hogan said.

Carlos Illescas: 303-954-1175 or [cillescas@denverpost.com](mailto:cillescas@denverpost.com)

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