

**GRAND JUNCTION CITY COUNCIL  
WORKSHOP**

**MONDAY, JUNE 4, 2012, 11:30 A.M.  
CITY AUDITORIUM  
250 N. 5<sup>TH</sup> STREET**

*To become the most livable community west of the Rockies by 2025*

- 1. Transportation Capacity Payment Fee and Policy Review:** Staff will provide Council with a brief history of the Transportation Capacity Payment program and present options for updating the existing policies and fee structure. Staff will be seeking direction from Council regarding the next steps for this program.  
[Attach W-1](#)
- 2. Colorado National Monument – Monument versus Park Designation**
- 3. Council Boards Updates**



Date: June 1, 2012  
Author: Kathy Portner  
Title/ Phone Ext: Neighborhood  
Services Manager/1420  
Proposed Meeting Date:  
June 4, 2012

**Attach W-1**  
**Transportation Capacity Payments**  
**CITY COUNCIL STAFF REPORT**  
**WORKSHOP**

**Topic:** Transportation Capacity Payment Fee and Policy Review

**Staff (Name & Title):** Tim Moore, Public Works and Planning Director

**Summary:**

Staff will provide Council with a brief history of the Transportation Capacity Payment program and present options for updating the existing policies and fee structure. Staff will be seeking direction from Council regarding the next steps for this program.

**Background, Analysis and Options:**

Prior to 1994, development was responsible for half street improvements to all abutting streets not meeting current standards. In 1994 Ordinance 2750 was adopted establishing Transportation Capacity Payment in lieu of half street improvements. The fee was calculated based on cost to construct a lane-mile of roadway and trip generation. The developer was responsible for safety improvements and the City could require half street improvements in lieu of the fee.

The Duncan Study was completed in 2002. The initial concept for the study was for a regional and local fee that would apply to the urban area, including City of Grand Junction, City of Fruita, Town of Palisade and unincorporated Mesa County. The recommended Single Family equivalent fee was \$2,854. City Council adopted a new TCP ordinance (Ordinance 3647) in 2004 based on the Duncan Study, but reduced the recommended fee by almost 50% to \$1,500. The ordinance also included annual adjustments for inflation based on the Consumer Price Index (CPI) for all urban consumers, Western Region published by the Department of Labor. The fee was increased in 2006 and 2007 based on the CPI, resulting in a fee of \$1,589.

Since 2004, construction costs have increased by 78%, far exceeding the CPI, resulting in the TCP fee covering only about 25% of required infrastructure improvements. In 2008 the City Council increased the TCP fee for residential uses to \$2,554, reflecting CDOT's Construction Cost Index and getting the cost recovery closer to the original 50%. However, the commercial and industrial TCP fees were not increased and still remain at the 2007 levels.

Staff will present options for modifying the TCP fee and policy and ask for City Council input and direction.

**Board or Committee Recommendation:**

N.A.

**Financial Impact/Budget:**

Varies with options

**Legal issues:**

N.A.

**Other issues:**

N.A.

**Previously presented or discussed:**

TCP was discussed at the City Council retreat, June 3-4, 2011 and again at a Council meeting September 19, 2011.

**Attachments:**

N.A.