

Initiative- Growth impact fees for new capital construction for political subdivisions that issue residential permits and certificates of occupancy and exceed 4% annual growth in residential units

Shall the constitution of the state of Colorado be amended to allow political subdivisions to collect growth impact fees as defined in this amendment effective January 1, 2005.

Growth impact fees- if a political subdivision has exceeded 4% growth in any residential classification in the preceding year per the growth indicator in that growth impact area the political subdivision shall collect a fee as follows- the political subdivision shall increase all fees collected at the time a residential permit is issued in that residential classification by 25%. This includes water and sewer tap fees, park and recreation fees, traffic impact fees, open space fees, and any other required permit fee that is required to build new capital construction faculties or infrastructure

If the growth rate falls below 4% for an entire year then the fees will not apply. If a political subdivision never exceed 4% annual growth per the growth indicator for any growth impact area in that political subdivision then these fees shall not apply.

These funds must be kept in a separate fund and can only be used for new capital construction as defined in this amendment. These funds cannot be used for political subdivision employee's wages or benefits in any way. These funds cannot be used for renovations or ongoing maintenance.

These fees are designed to make growth pay its way and therefore are exempt from TABOR Taxpayers Bill Of Rights. If there is conflict between this amendment and any other constitutional provision this amendment shall prevail. If any part of this amendment is found to be unconstitutional the remainder shall be in full force.

The following definitions, exemptions, and provisions shall apply to this amendment.

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Definitions

Political subdivision- The city, town, county, city and county, or the political subdivision that has the power by state law to issue residential permits and certificate of Occupancy.

Growth indicator date- December 31 of each year

Growth indicator- Total number of units that have been given certificates of occupancy for residential units in each growth impact area is totaled by the three different residential classifications. All percentage calculations shall be based on the totals of each residential classification as of the growth indicator date of the preceding year.

Growth impact area- that area within each city, town, city and county, or the political subdivision that has the power by the state law to issue residential permits and certificates of occupancy (where the residential permit application is required to be filed). County growth impact areas shall be limited to areas that are unincorporated such as unincorporated Adams County with the exception of city and county political subdivisions such as Denver and Broomfield.

Residential classification I- any single family residential unit attached or detached

Residential classification II- any multi family residential complex that does not exceed 4 units. Includes duplexes, triplexes, 4-plex

Residential classification III- any multi-family residential complex that exceeds 4 units. Includes apartment, townhouse, and condominium developments.

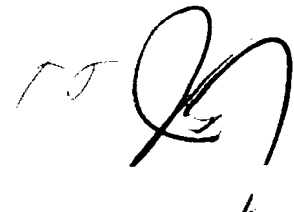
Unit- one residential unit

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Exemptions

These exemptions are needed to be fair to small businesses, individual who build their own home, residential homes that are unintentionally destroyed, the agricultural community, and replacement of existing residential units, but if large developer or builders find loopholes to abuse these exemptions the state legislative body shall create statutes to protect the intent of these exemptions

- **Small business exemption-builders and developers that build and/or develop less than 20 units a year shall be exempt from this amendment. This exemption is intended to protect small business.**
- **Individuals who build their own residential unit without hiring or compensating any general contractor to build their owner occupied home shall be exempted for one residential unit every seven years. This provision is intended to protect individuals who want to build their own home.**
- **Urban renewal authority areas shall be exempt under the following conditions. 1-the site is an existing development and will be demolished and rebuilt with all or some residential units. 2-the urban renewal area must be 75% developed. The intent of this exemption is to allow legitimate urban renewal area of true renewal efforts to be exempt, not newly formed urban renewal authorities that are for new developments on mostly vacant ground.**
- **Any home that is destroyed and rebuilt on the same site area. The intent is for anyone whose house is destroyed needs to be able to rebuild without being charged an impact fee.**
- **Farmers and Ranchers shall be exempt for residential units needed to conduct their business of farming, agriculture, and ranching. The intent of the exemption is to allow farmers and ranchers the ability to provide residential units for their family run business and labor needs.**
- **Another residential unit on the same building site can replace the existing residential unit. This requires the existing residential unit being replaced to be removed or demolished. The intent is to allow old residential units to be replaced by new residential units.**

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Provisions

- The funds shall be held in a separate political subdivision account labeled "Growth impact fund" and not commingled with any other funds until appropriated. The funds shall be invested per state law requirements and any interest earned shall remain in the Growth impact fund.
- All percentages shall be based on the preceding growth indicator date
- The political subdivision shall monitor and start collecting all impact fees at the time of permit application for each residential unit when the growth impact areas exceed the percentages allowed.
- The political subdivision shall have complete local control to use the funds as designated in this amendment.
- Growth impact funds can be used with other political subdivision funds for new capital construction. Example would be bond election, sales tax revenues, and certificate of participation (COP).
- These funds can only be used to build new capital construction projects and cannot be used for renovations, maintenance, or replacement of existing facilities.
- All projects using these funds must use the Colorado state laws regarding sealed bid procedures.
- These funds shall not be allowed to be spent on any wages or benefits for any political subdivision employee or administration of capital construction for any political subdivision employee.
- These funds cannot be used to pay off past debt prior to the enactment of this amendment.
- This amendment shall be effective January 1, 2005 using December 31, 2004 as the first growth indicator date.
- Each political subdivision that can issue residential permits and issue certificate of occupancy shall certify to the state controller office the growth indicator for each growth impact area and the three different residential classification counts as of the previous December 31 by January 31 of the current year. The state controllers shall maintain these records as public records
- Private donations with no conditions can be contributed to any of these growth impact funds
- It shall be unlawful for any, political subdivision, elected official, or government employee to knowingly reduce, eliminate, and circumvent the intent of these fees by changing other fees. These fees



shall not be used to penalize any current laws, taxes, or fees that provide revenue to make growth pay its way.



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Jim Nelms	Date

