

Fiscal Impact Analysis

POTENTIAL COSTS TO THE TOWN

Costs to the Town and to the referral agencies are expected to be minimal, as the numbers of units, bedrooms, residents and vehicles will be essentially identical to historical levels.

Town staff and elected officials have devoted significant time to the accelerated review of this development. The development may result in the Town accelerating infrastructure improvements already contemplated, including sidewalks, paving of the alley, burying of power lines, and improvement of the 318 3rd Avenue Disaster Recovery Buyout Property.

MITIGATION OF COSTS TO THE TOWN

The applicant is making a substantial investment in the development, and particularly in carrying the units at below-market rates. The applicant has also expressed a willingness to help defray direct staff and infrastructure costs. Similarly, Town officials have discussed absorbing certain fees or other costs as an investment in the success of the project. While this should be a topic of discussion in the public hearings, one balanced solution would be for the Town to absorb its own costs and the applicant to absorb their costs.

POTENTIAL REVENUES

Revenues will be generated primarily by the issuance of a building permit, with the fee to be determined. There is also an important, but unquantified, economic benefit to preserving the units as affordable and retaining the ability of workforce residents to live in Lyons.

There are two very substantial water-related transactions that may result in the development making payments to the Town. First, the Town may require the development to upgrade the number of water taps for the property, or the Town could find that the rebuilt property would likely use the same volume of water as it has historically.

Similarly, the Town may require the development to deliver water shares, particularly if the City of Longmont requires an additional dedication. If additional dedications are required, and the Town determines that the development should cover the cost, the applicant would urge the Town to declare the project eligible to meet the requirement with Lake McIntosh shares rather than Colorado-Big Thompson shares.