



Capital Improvement Impact Fees

Loveland Fire Rescue Authority (LFRA) provides fire protection, emergency medical services, hazardous materials mitigation, community safety services and public education in a 194 square-mile area that includes the City of Loveland, Town of Johnstown “25/34” area and surrounding unincorporated Larimer County.

The LFRA service area is experiencing a 2 to 2.5 percent annual population growth; projections assume this will continue annually from 2018-2026. This increase has resulted in corresponding construction of residential subdivisions and commercial structures, and a 6 percent annual increase in call volume each of those five years within the jurisdiction (6,400 emergency responses in 2013, 8,393 calls in 2017). However, LFRA, like other fire districts throughout the state, has not been able to realize the full property tax revenue due to the Gallagher/TABOR legislation.

In 2016, the Colorado Legislature passed the “Public Safety Fairness Act” allowing fire districts to charge capital improvement impact fees to assist capital development of fire and emergency medical service resources to accommodate community growth. LFRA received approval from its board of directors, the Johnstown Town Council and Larimer County Board of Commissioners to implement the impact fee, becoming one of the first fire departments in the state to have access to the funding. Impact fee approval does not require approval from the voters. Neighboring fire districts in Larimer County are also working to approve impact fees.

The impact fee will enable LFRA to build capital infrastructure, and purchase new apparatus and equipment associated with new development, and may defer a mil levy increase. LFRA has identified that three additional fire stations will need to be constructed and staffed in the next 15 years, in order to meet the additional demand for fire protection and emergency services. Additionally, the Loveland fire training center and the existing Fire Station 3 will need to be replaced.

A Nexus study, prepared by BBC Research & Consulting, was conducted on the need and feasibility of impact fees and produced a fee schedule.

The fee began collection beginning April 2, 2018, on Johnstown projects and July 1, 2018, on projects in unincorporated Larimer County. On March 1, 2020 a rate increase was approved.

Within the City of Loveland, development capitol expansion fees (CEFs) have funded the expansion of government services, including fire services, for over 20 years; the City CEFs are the same rate as the new impact fees for the rest of the LFRA response area.

The impact fee is not charged for fire-protection system permits, such as automatic fire sprinklers or fire alarms.



Frequently Asked Questions

What is Colorado HB1088 ("Public Safety Fairness Act")?

CONCERNING THE AUTHORIZATION FOR A FIRE PROTECTION DISTRICT TO IMPOSE AN IMPACT FEE ON NEW DEVELOPMENT, AND, IN CONNECTION THEREWITH, ENACTING THE "PUBLIC SAFETY FAIRNESS ACT".

The bill authorizes the board of a fire protection district to impose an impact fee on the construction of new buildings, structures, facilities or improvements, on previously improved or on unimproved real property, if the impact fee is:

- Reasonably related to the overall cost of the fire protection district's services; and
- Imposed in accordance with a fee schedule that is legislatively adopted by the board and that applies to all construction of new buildings, structures, facilities, or improvements.

When must the fire impact fee be paid?

Fees are to be collected from properties within the Loveland Rural Fire Protection District when building permits are issued for new structures. For residential buildings, this will be when the owner obtains a building permit at Larimer County or the Town of Johnstown, as applicable. For industrial or commercial buildings in unincorporated Larimer County, the fee will be paid when the applicant obtains a building permit at the Larimer County Building Department. For industrial or commercial buildings in Johnstown, the fee will be paid at the LFRA Community Safety Division, when the applicant obtains a building permit from the fire department.

How much is the impact fee for a residential building?

The fee is \$912.00 for a single-family home and \$634.00 per dwelling unit for a multi-family residential structure. (In Johnstown the fee is still \$895.00 and \$622.00, pending increase approval.) A "dwelling" is defined as any building or portion thereof that is used as the private residence or sleeping place for one or more people.

How much is the impact fee for industrial property?

The fee for an industrial building is \$0.031 per square foot. The impact fee for a 10,000 square foot industrial building would be \$310.00 (10,000 x 0.03). (In Johnstown the fee is \$0.030, pending increase approval.) Examples of "industrial" uses include but are not limited to manufacturing, fabricating, and oil and gas sites.

How much is the impact fee for a commercial building?

The fee for commercial-use development is calculated by multiplying the total square footage by 0.31. As an example, the impact fee for a 15,000 square foot commercial building would be \$4,650.00. (In Johnstown the fee is \$0.30 per square foot, pending increase approval.) Examples of "commercial" uses include but are not limited to churches, hotels, motels, schools, office and professional buildings, banks, restaurants, nightclubs, retail stores, theaters, storage facilities and indoor sports facilities.

What is the impact fee for "mixed-use" buildings?

If a building is part-Commercial use and part-Industrial use, the impact fee will be assessed based on the majority use of the building (predominant square footage). If a building is combined residential use and either Commercial or Industrial use, the impact fee will be assessed using number of residential units, combined with square footage of commercial or industrial use.