

Larimer County Urban Area Street Standards

1.9.3 Reimbursement Policy

B. Additional Policies in Loveland (City Limits Only) Street Construction Cost Reimbursement Process

Street Oversizing Reimbursements in the City of Loveland (City)

General. Only streets identified in the City's current adopted Transportation Master Plan are eligible for oversizing reimbursement by the City.

When a Developer is required to construct an arterial street, the Developer may be eligible to receive a reimbursement from the City for the costs necessary to oversize the street from a major collector to the arterial standard. In accordance with the City of Loveland's Street Standards known as the Larimer County Urban Area Street Standards (LCUASS), the Developer is responsible to construct all street improvements up to and including those of a major collector street; only those costs incurred to increase a public street's structure and width beyond the major collector to an arterial may be eligible for reimbursement and these streets may be within, adjacent to, or off-site from the development.

For the City to consider a street oversizing reimbursement, the Developer must provide a letter of intent to enter into a Street Oversizing Agreement with the City at the time of their Civil Construction Plans submittal. The Developer's written request shall include a letter along with a map of the location of the planned street improvements and a signed and sealed Engineer's Estimate of the City's portion of the costs. The City Engineer or their Designee will respond to this request in 30-days.

When the Developer's request is approved by the City, the Developer shall:
Competitively bid the construction work shown on the City-approved Civil Construction Plans CCPs to a minimum of three contractors.

Provide the bid results to the City. The lowest bid will be the basis for reimbursement of the construction costs; however, the Developer may use the contractor of their choice.

Construct the improvements depicted in the CCPs to LCUASS.

Obtain Initial Acceptance and begin the two-year warranty period per LCUASS.

The Developer shall, within sixty (60) days of receiving Initial Acceptance submit to the City documentation of the Street Oversizing costs along with other items required by the City Engineer or their Designee.

The Developer's submittal for reimbursement shall include:

A letter from the Designer with detailed breakdown of all costs that are directly attributable to the street, alley or pedestrian-bike way improvements eligible for reimbursement and a statement certifying that all such costs have been paid in full.

The full payment documentation shall include certification that all costs for the construction, inspection, management or other services that are associated with the installation of the improvements are fully paid by the Developer. All the associated documentation must be

received and accepted by the City before the Developer will be entitled to reimbursement under any Street Oversizing Agreement established hereunder.

A letter from the Contractor(s) with a detailed breakdown of costs for all improvements eligible for reimbursement and a statement certifying that all such costs have been paid in full.

A letter from the Developer's financing office certifying any financial charges assessed that are eligible for reimbursement.

Record drawings prepared by a licensed Engineer per the requirements of LCUASS. Also included shall be drawings that clearly show the oversizing areas, thicknesses, and widths of the improvements for that area greater than a major collector street.

Reimbursement agreement forms submitted to the City. The City Engineer will provide written notice of acceptance of the Developer's costs along with the Street Oversizing Reimbursement forms. The Developer shall complete and submit three signed original forms. Following execution of the Street Oversizing Agreement by the City, one signed original shall be returned to the Developer.

Timing of Reimbursements. The timing for reimbursements to Developers for Street Oversizing Agreements is subject to available transportation revenues, the regional significance of the project, and subject to City Council's appropriation of those revenues. The regional significance will be based on identified projects in the current adopted Transportation Master Plan. All other projects will be reimbursed in the order they were completed. Reimbursements may be made several years after completion of the construction, made as annual partial payments as funding is available and are subject to City Council appropriation.

Adjustment of Street Oversizing Agreement Amount - Construction Cost Adjustment. Construction Costs for inflation will be adjusted per the Colorado Department of Transportation Construction Cost Index. A multiplier for the costs will be determined by taking the Index for the date the Initial Acceptance was issued and divided into the Index at the time the payment is made. The adjustment will be based on the amount owed at the time of payment to the Developer.

Reimbursements from Adjoining Properties (Third Party) - City of Loveland (City)

General. When a Developer is required by the City to construct a public street, alley, or pedestrian-bike way through undeveloped areas or areas that may be underdeveloped, the Developer may be eligible for reimbursement of a portion of the costs of construction from properties adjacent to the street improvements (the Third Party). As described in LCUASS the Developer is responsible for the entire costs for the engineering and construction, right-of-way acquisition, and other costs up to and including those of a major collector street. However in situations where the Developer constructs improvements that may be considered the responsibility of future developers of adjacent properties, those Third Parties may be required to reimburse the Developer for their portion of those improvements. Such reimbursement may occur by agreement between the Developer and the Third Party/Parties or, if no private agreement can be reached with the Third Party, the City may facilitate the reimbursement at the time the Third Party develops or redevelops its property.

The Third Party Reimbursement Process:

The Developer must take the following steps prior to construction of the street improvements to be eligible to enter into a Third Party Reimbursement Agreement with the City:

The Developer shall contact the Third Party in writing by certified mail with the intention of creating a private agreement for reimbursement. If the Developer and the Third Party are unable to reach an agreement the Developer may then contact the City Engineer's office.

The Developer shall contact the City Engineer's office in writing stating the Developer's intent to enter into a Third Party Reimbursement Agreement. The request shall include a letter of intent; a signed and sealed Engineer's Estimate of the Third Party's portion of the costs; a map of the location of the street improvements; a map of the affected property or properties; and copies of the certified notices that were provided to the Third Party prior to this request. The City Engineer or their Designee will respond to this request in 30-days.

When the Developer's request to initiate the process of entering into a Third Party Reimbursement Agreement with the City is approved, the Developer shall:

Competitively bid the construction work shown in the City approved Public Improvement Civil Construction Plans (CCPs) to a minimum of three contractors.

Provide the bid results to the City Engineer's office. The lowest bid will be the basis for collection of the construction costs; however, the Developer may use the contractor of its choice.

Construct the CCPs per LCUASS

Obtain Initial Acceptance to begin the two-year warranty per LCUASS.

The Developer, within 60-calendar days of receiving Initial Acceptance shall provide the following along with any other items that may be required by the City Engineer or their designee:

Documentation of the actual construction costs along with a list of the obligated properties.

All costs for the construction, inspection, management or other services that may be associated with the installation of the improvements must be fully paid by the Developer before such person shall be entitled to reimbursement under an Agreement.

A letter from the Designer with detailed breakdown of all fees that are directly attributable to the street, alley, or pedestrian-bike way improvements eligible for reimbursement and a statement certifying that all such fees have been paid in full.

A letter from the Contractor(s) with a detailed breakdown of costs for all improvements eligible for reimbursement and a statement certifying that all such costs have been paid in full.

A letter from the Developer's financing office certifying any financial charges assessed that are eligible for reimbursement.

Front Footage Charge. If the following conditions are satisfied, the City may enter into an Agreement with the installing Developer such that, as a condition of approval of subsequent development or re-development of property adjacent to the newly constructed public street, alley, or pedestrian-bike way, the City may collect a front footage charge from the abutting Developer prior to the issuance of any building permits for the abutting property. The front footage charge shall be established by prorating the total amount of original certified costs to the lineal frontage of all properties abutting the constructed improvement.

Inflation Adjustment. Construction Costs for inflation will be adjusted per the Colorado Department of Transportation Construction Cost Index. A multiplier for the costs will be determined by taking the Index for the date the Initial Acceptance was issued and divided into the Index at the time the payment is made. The adjustment will be based on the amount owed at the time of payment to the Developer.

An accurate map prepared by a licensed Engineer or Surveyor which shows:

- the location and limits of the eligible street, alley, or pedestrian-bike way improvements;
- the name, address, and telephone number of the owner of each property abutting the eligible improvements;
- the frontage of each property with the lineal footage shown;
- the reimbursement amount due from each property based on the original certified costs, divided by the frontage of all abutting properties, multiplied by the frontage of the individual property;
- the book, page, and/or reception number from the records of the County Clerk and Recorder or the name of the recorded plat from which the information for each property was obtained; and
- any other information deemed necessary by the City Engineer to properly prepare a reimbursement agreement.

Reimbursement Agreement Forms Submitted to the City. The City Engineer will provide written notice of acceptance of the Developer's costs along with the Agreement forms. The Developer shall complete and submit three signed original Agreement forms. Following execution of the agreement by the City, two signed originals shall be returned to the Developer, who shall record the agreement with the Larimer County Clerk and Recorder.

Notification of Agreement. After execution and recording of the Agreement, the installing Developer shall certify, by affidavit, that all owners of properties obligated to provide reimbursement have been notified in writing through certified mail with return receipt requested. The City shall then cause to be published a public notice listing the properties and reimbursement amounts. The City shall endeavor to provide notice on future plats of property obligated to provide reimbursement of the recorded agreement, but the failure to provide notice shall not relieve the Third Party owner of the platted property of any reimbursement obligation.

The City, as a condition of approval of subsequent development or re-development of the Third Party's property adjacent to the newly constructed public street, alley, or pedestrian-bike way, may collect a front footage charge from the abutting Developer prior to the issuance of the first building permit for the abutting property.

The City shall not attempt to make such collection until the reimbursement agreement is properly prepared and executed and the owners of abutting property have received or reasonably should have received notice of the reimbursement agreement.

The City's obligation to reimburse the Developer shall be contingent upon the City's actual collection of the front footage charge from the abutting developer. The City shall have no obligation to reimburse any funds that it fails to collect, for whatever reason, provided that the City made a good faith attempt to collect such funds.

Payment. When the front footage charge is collected, the City shall reimburse the installing Developer to the extent of such collection after deducting a service charge of \$500 or 3 percent of the amount collected, whichever is greater, to cover the Local Entity's legal, engineering, and administrative costs.

Funds collected pursuant to a Third Party Reimbursement Agreement shall be paid to such person as identified in the Third Party Reimbursement Agreement, and if such person cannot be found, to an alternate if designated in the Third Party Reimbursement Agreement.

Limitations. Any right to reimbursement pursuant to this provision shall not exceed a period of 10 years from the acceptance by the City of the street, alley, or pedestrian-bike improvements. The Loveland City Council may approve extensions of the Third Party Reimbursement Agreement for additional 10-year periods upon request of the Developer made no later than one-hundred eighty (180) days prior to expiration of an applicable period. No such reimbursement shall be made unless the person entitled to reimbursement has fully satisfied their obligations under any other agreements with the Local Entity.