



HOUSING & BUILDING
ASSOCIATION
OF COLORADO SPRINGS

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January 14, 2025

Honorable Members of the Colorado Springs City Council
107 N. Nevada Ave. Suite 300
Colorado Springs, CO 80903

Re: 2025 Park Land Dedication Ordinance Acreage and Fee Update

Members of Council:

On behalf of the Housing & Building Association of Colorado Springs (HBA), we appreciate the opportunity to review the proposed demographic and valuation changes to the Park Land Dedication Ordinance (PLDO) and the details and appraisals used in the process. We also appreciate the meeting with representatives from the City Parks Department and the explanations provided.

As you are well aware, our community is presently experiencing a housing crisis as housing costs continue to significantly exceed increases in household incomes. The development of new homes includes payment of a myriad of direct and indirect fees that are paid by the new homebuyer. Each additional fee and fee increase places housing out of the reach of more families' loan qualification ability, especially with the increases in borrowing costs. The industry is focused on assuring that any fee increases are fair and manageable.

The primary purpose of the Park Land Dedication Ordinance in general is to ensure that the development of new homes also provides the land necessary for the creation of new parks to serve the new communities. We appreciate the City's priority to work with the development community to identify park sites for dedication, using the collection of paid park fees for future land acquisition by the City only as an alternative to land dedication.

The overview of the methodology for calculating the fees and the supporting appraisals was informative. This transparency helps us understand the rationale behind the proposed fee changes. We have performed an independent review of the changes to the demographics and the valuation of park land under the requirements of the PLDO.

Of particular note is that the dedication of a typical 5.5 acre neighborhood site now has a value of nearly \$1 million and a 35 acres community park site has a value over \$4 million. Instead of waiting for funding, it is now common practice for developers to also arrange for the development and completion



of parks that are above the land dedication values. Those parks are then commonly maintained by the community metro districts, and do not impose a cost on the City taxpayers, even though those metro district residents are part of and contribute to the general tax base.

The update to the PLDO is in keeping with the requirements contained in the ordinance, and therefore the HBA accepts the proposed fee increases that will be effective in 2025.

We value the Park Department's willingness to engage in open dialogue with the HBA. While we recognize the need for fee adjustments, it is crucial to ensure that these adjustments are fair, transparent, and reflective of the actual costs.

Respectfully,

A handwritten signature in blue ink, appearing to read "Chris Jorgensen".

Chris Jorgensen
2025 Public Policy Chair

