

AGENDA ITEM: 16
MEETING DATE: 4/19/2016
TO: City Council
FROM: City Attorney's Office
PRESENTER: Tami Yellico, City Attorney



TITLE:

A Motion to Continue First Reading of An Ordinance Granting Larimer County an Exemption from Certain Capital Expansion Fees and Other Development Fees for the Larimer County Animal Shelter Project to the May 3, 2016 Regular Meeting

RECOMMENDED CITY COUNCIL ACTION:

Approval of the ordinance on first reading.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action.
3. Adopt a modified action.
4. Refer back to staff for further development and consideration.

SUMMARY:

This is a legislative action to continue to May 3, 2016 the first reading of an ordinance granting a waiver of certain capital expansion fees (CEFs) and other impact fees assessed to Larimer County by the City in the amount of \$366,325.32 for the construction of a new animal shelter in the City and waive the requirement to reimburse such fees to the CEFs by the general fund or other fund.

BUDGET IMPACT:

- Positive
- Negative
- Neutral or negligible

BACKGROUND:

At its April 5, 2016 regular meeting, City Council continued the first reading consideration of the Ordinance Granting Larimer County An Exemption From Certain Capital Expansion Fees And Other Development Fees For The Larimer County Animal Shelter Project item to April 19, 2016. The County requested that the City waive these fees. Staff communicated with County representatives and are requesting that City Council continue first reading of the ordinance to May 3, 2016 to allow County staff to discuss this issue with the Board of County Commissioners.

City Council directed Staff at the April 5, 2016 meeting to review the "impact" to determine if each of the fees were justified, and to verify whether the impact fees and roadway improvements were included in the proposed budget for the ballot issue.

The Larimer Humane Society, in support of the County-wide ballot initiative for the Shelter, budgeted \$100,000 in development permitting fees, so the budget included \$100,000 for all capital expansion fees.

Staff reviewed the Stormwater System Investment Fee, which was initially based upon the Building Permit Fee Estimate Request Form, and the lot area used in the calculations was 27.043 acres. A review of the Bates-Larimer Humane Society First Subdivision final plat and the final construction drawing indicates that the development is only being proposed on Lot 1, which contains 19.642 acres. Minor grading is proposed on Lot 2, but no development is planned. A recalculation of the Stormwater System Investment Fee based upon the acreage of Lot 1, is 19.642 acres x \$4,950/acre = \$97,227.90. The Stormwater System Investment Fee should be adjusted from \$133,800.32 to \$97,227.90.

The property is properly subject to the City’s Stormwater Investment Fee because drainage from the property does make use of the City’s stormwater system. The stormwater runoff from the Larimer Humane Society property travels from the property north under Larimer County Road 30 and through the Eagle Ranch Estates II P.U.D. development, in Larimer County, on its way to the Poudre River. Stormwater runoff is being over detained by both the airport’s existing regional detention pond as well as the Larimer Humane Society’s detention pond, because the downstream infrastructure within the Eagle Ranch Estates II P.U.D. development does not have capacity for any additional upstream Stormwater runoff. These detention facilities attach to a City of Loveland stormwater pipe.

With regard to the street fees and arterial road widening fees, staff determined that the Humane Society project is a good case for using the cash-in-lieu option because the future loss would be less than the cost to maintain a short section of improved roadway for the next 10 to 15 years. The Humane Society project is located on County Road 30, which is ultimately classified as a two lane arterial roadway, so the Humane Society would have to build one-half of the arterial cross section if it were to construct the roadway improvements today. Since the City agreed to accept the cash-in-lieu option, that amount is what the developer is financially responsible for, which is one-half of a collector street, the logic being that it is not appropriate to collect the additional oversizing funds only to return them later. The City will use the CEFs collected to cover the oversized portion when the road is constructed in the future, rendering a reimbursement or agreement unnecessary.

While the street CEF fee of \$63,080 is accurate, the arterial oversizing fee should be adjusted from \$164,205 to \$39,928.25, to account for the fact that the Humane Society is only using Lot 1 for its development. The cash-in-lieu amount for Lot 1 is \$39,928.25 considering the frontage footage of Lot 1 is 143.57’ x \$278.11 per foot.

A summary of the fees as recalculated, based on the correct street frontage of Lot 1:

Fire:	1,140
Law Enforcement:	1,900

The above fees are not contested; the County said they would pay them. Others:

Street CEFs	63,080.00
Arterial Road Widening	39,928.25
Stormwater Investment Fee:	97,227.90
General Government CEFs:	2,280.00
Street Inspection:	1,450.00
Stormwater Inspection:	1,450.00

TOTAL

208,456.15

City staff continue in discussions with the County, Humane Society and construction manager. The County has indicated it needs additional time to bring any changes in fees and waivers to the County Board.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Ordinance
2. Larimer County Attorney Correspondence to City Attorney Tami Yellico dated February 3, 2016
3. Larimer County Attorney Correspondence to Assistant City Attorney Moses Garcia dated March 4, 2016
4. Larimer Humane Society New Facility Program and Schematic Design Executive Summary Updated 9/4/14

ORDINANCE NO. _____

AN ORDINANCE GRANTING LARIMER COUNTY AN EXEMPTION FROM CERTAIN CAPITAL EXPANSION FEES AND OTHER DEVELOPMENT FEES FOR THE LARIMER COUNTY ANIMAL SHELTER PROJECT

WHEREAS, in November 2014 the citizens of Larimer County (the “County”) voted in favor of a sales tax increase to fund construction of a new animal shelter (the “Shelter”) to replace the animal shelter built in 1974 and located in south Fort Collins; and

WHEREAS, the County selected 3437 East 71st Street, a site located in the City of Loveland (the “City”) and owned by the Larimer Humane Society, a private nonprofit organization, for construction of the Shelter; and

WHEREAS, following construction of the Shelter the County intends to deliver the Shelter to the Larimer Humane Society pursuant to a deed restriction that ensures the continued use of the Shelter as an animal shelter for the benefit of the public; and

WHEREAS, in order to construct the Shelter in the City, the County is subject to certain development fees, including capital expansion fees and other impact fees identified and estimated in **Exhibit “A”** attached hereto and incorporated by reference (collectively, the “Development Fees”); and

WHEREAS, the County desires to forego payment of Development Fees, other than Fire and Law Enforcement Capital Expansion Fees, in order to maximize the use of funds raised through the sales tax increase for construction of the Shelter; and

WHEREAS, the City desires to encourage use of such funds for construction of the Shelter, but the City Code does not have a specific provision relating to the waiver of capital expansion fees and other impact fees for governmental entities, and the subsequent transfer of the Shelter to a non-profit agency; and

WHEREAS, City Code provisions that may allow waiver of the Development Fees would place unnecessary regulatory requirements on the County by requiring development agreements and deed restrictions, or negatively impact the general fund or other City funds by requiring reimbursement to the capital expansion funds of the Development Fees; and

WHEREAS, the City believes that such waiver of the Development Fees, other than Fire and Law Enforcement Capital Expansion Fees, by ordinance to address the unique circumstances set forth above will be in the best interest of the public by encouraging construction of the Shelter that will, in turn, offer services that provide significant social, economic and cultural benefits to the citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the City Council hereby finds that waiver of the Development Fees, other than Fire and Law Enforcement Capital Expansion Fees, for construction of the Shelter is in the best interest of the public by encouraging activities that provide significant social, economic or cultural benefits as identified above.

Section 2. That the Development Fees, other than Fire and Law Enforcement Capital Expansion Fees, are hereby waived up to the actual amount of fees assessed by the City for the purpose described above and there shall be no reimbursement to the capital expansion funds by the general fund or any other fund.

Section 3. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

ADOPTED this ___ day of May, 2016.

Cecil Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Assistant City Attorney

AN ORDINANCE GRANTING LARIMER COUNTY AN EXEMPTION FROM CERTAIN CAPITAL EXPANSION FEES AND OTHER DEVELOPMENT FEES FOR THE LARIMER COUNTY ANIMAL SHELTER PROJECT

**Exhibit A
Development Fees**

CEF/Impact Fees	Animal Shelter Fees (Estimated)
Fire	1,140.00
Law Enforcement	1,900.00
General Gov't	2,280.00
Streets	63,080.00
Storm Water Investment Fee	97,227.20
Arterial Road Widening	39,928,25
Street Inspection	1,450.00
Stormwater Inspection	1,450.00
Total	208,456.15



LARIMER COUNTY ATTORNEY

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February 3, 2016

Tami Yellico
City Attorney
City of Loveland, Colorado
500 East Third Street, Suite 330
Loveland, Colorado 80537

Re: Fees in Connection with City of Loveland Fees and Charges Animal Shelter Project

Dear Ms. Yellico:

I am writing to convey the position of Larimer County related to the animal shelter project located within the municipal limits of Loveland. As you know, this project is being completed by Larimer County pursuant to its statutory authority stated in Section 30-15-101(1)(a)(IV) C.R.S. The voters of Larimer County passed an initiated measure to tax themselves for purposes of building the animal shelter.

Under applicable statutes and reported decisions, the authority of the City of Loveland over this project is limited to a review of the location and extent of this project. This review was carried out on November 9, 2015. The County has override authority of the City of Loveland land use requirements concerning this project. See, Section 31-23-206(1)(b); *Board of County Commissioners of the County of Boulder*, 221 P3d 1063 (2009) and *McQuillin Law of Municipal Corporations*, Section 25:17. These authorities all generally say that municipal land use regulations do not apply to the state or any of its subdivisions when such other entities are performing statutory functions. There is no doubt that Larimer County is performing a statutory function as it pursues the animal shelter project. Moreover, given the election authorizing the imposition of a tax for this purpose, the County is required to collect the tax build the animal shelter.

Pursuant to its land use authority and its land development review authority, the City of Loveland has provided for the collection of various fees, charges, and the imposition of various

regulatory burdens to minimize the impacts of development. This animal shelter is one of the projects so encumbered.

This letter is to advise that the Board of County Commissioners is exercising its override authority and will not include these fees, charges, and burdens in its project budget and will not be paying these fees or accepting the regulatory burdens as part of the project.

The fees and burdens that Larimer County specifically objects to are:

Fee Description	Estimated Amount (taken from City of Loveland Permit Estimate – January 14, 2015)
Stormwater investment Fee (Industrial)	\$133,860.00
General Government Fee (Industrial)	\$2,280.00
Street Fee (Industrial)	\$63,080.00
Street Inspection (non-residential)	\$150.00
Street Inspection (non-residential – per acre above 2)	\$1,300.00
Stormwater Inspection (non-residential)	\$150.00
Stormwater Inspection (non-residential – per acre above 2)	\$1,300.00
Subtotal	\$202,120.00
Cash-in-Lieu (arterial road widening) Current cost estimate	\$164,205.00
Total	\$366,325.00

In addition to the Capital Expansion Fees outlined above, the County specifically objects to payments for future arterial road widening not connected specifically to the impacts of this development. The City is requesting payment-in-lieu of these improvements which is estimated at \$164,205.00. East 71st Street is very rural in nature and certainly does not warrant installation of sidewalk, curb, gutter and a wider street cross section at this time.

The County and its representatives have also been working collaboratively with City Transportation staff to address City concerns regarding the off-site road design parameters. While the City's master transportation plan directs developers to design roadways to the street plan standard, here we have been asked to design our off-site improvements to the current posted speed. Our engineers have worked out a reasonable solution that will meet this request without further encumbering the project.

Lastly, the City's requirement for storm-water runoff from our site is to detain at a 100-year developed condition while releasing at a 10-year historic condition. We have designed our detention facility to release runoff at a 2-year historic condition thereby over-detaining runoff further benefiting the City's downstream collection facilities.

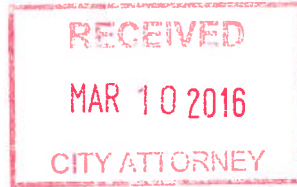
The County is very interested in completing this project for the benefit of all County residents and understands the project should pay for its relative impacts due to its development. We feel this proposal, coupled with the plans, drawings and details already reviewed by City staff accomplishes this goal.

If you have questions or desire additional comment about the position of the County, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "George H. Hass".

George H. Hass
OF COUNSEL



LARIMER COUNTY ATTORNEY

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970- 498-7430 (Fax)

March 4, 2016

Mr. Moses Garcia
Assistant City Attorney
City of Loveland, Colorado
500 East Third Street, Suite 330
Loveland, CO 80537

Re: Animal Shelter Project

Dear Mr. Garcia:

On February 3, 2016, I sent to you a letter outlining Larimer County's position with respect to payment of Loveland's fees and charges in connection with the Animal Shelter Project.

On February 17, 2016, at the City Attorney's invitation, I attended a meeting with you to discuss my February 3 letter. During that meeting I reiterated several times that this is a public project being built at the directive of the voters, including voters who reside within the City of Loveland. As such, the usual approvals and fees exacted from developers of private projects do not apply. The voters authorized a set amount specifically devoted to construction of an animal shelter, not for payment of impact fees. At the conclusion of the meeting, you stated that you intended to respond to my letter by the end of the week. To date there has been no response.

This letter is sent to confirm again, the County's position remains as stated in my February 3 letter. The County must diligently proceed with steps to insure commencement of construction occurs within the next month or so. These steps include completion of financing and execution of construction contracts in accordance with the County's existing project budget. I did not want any misapprehension that the County will delay its work or change its budget in anticipation of a response by you to my letter.

Sincerely,

George H. Hass
OF COUNSEL

cc: Board of County Commissioners

Larimer Humane Society

New Facility

Program and Schematic Design

Executive Summary

Updated 9/4/14



I. Project Background

In late 2007, Larimer Humane Society purchased 27 acres of land at 3437 and 3501 East County Road in Loveland, Colorado as the site for a new facility. As part of the purchase, the land was annexed into the City of Loveland. Following the purchase, leadership transition at Larimer Humane Society and the economic downturn required a temporary delay in the project. After paying off the loan on the land in early 2011, the Board of Directors of Larimer Humane Society decided to move forward with the planning process for the new facility.

The initial step in that process was the issuance of a Request for Proposal for Architectural and Engineering Services for Programming and Schematic Design. As a result of the selection process, Larimer Humane Society retained Animal Arts Design Studios, Inc. of Boulder Colorado to assist with this phase in the development of the new animal shelter.

Animal Arts used the following assumptions in developing a program for the new shelter:

- The building shall meet current PACFA (Colorado Department of Agriculture Pet Animal Care Facilities Program) regulations.
- The program shall implement the Association of Shelter Veterinarians Guidelines for Standards of Care in Animal Shelters, released in 2010, when possible.
- The building shall implement best practices for biological risk management.
- The animal environments shall be designed using proven methods for reducing stress.
- The shelter shall be easy to operate and shall be designed to minimize maintenance.
- The interior and exterior spaces shall comply with current building codes, regulations, and handicapped accessibility laws.
- Human environments shall be designed to be welcoming.
Provide for excellence in animal care and customer service.

II. Larimer Humane Society Background

Founded in 1969, Larimer Humane Society is an open door, animal sheltering organization serving approximately 12,000 animals annually. Larimer Humane Society is an independent, non-profit organization. Larimer Humane Society contracts with several local governments to provide animal protection and control services.

Larimer Humane Society is a leader locally and nationwide for these reasons:

- High return to owner rate for dogs and cats using industry-accepted metrics.
- High adoption rate using industry-accepted metrics.
- Outreach and cooperation with many local, state and national organizations.
- Full-service programs including education, foster, and spay/neuter programs.

- Partnership with CSU College of Veterinary Medicine & Biomedical Sciences and Veterinary Teaching Hospital.

Larimer Humane Society has been occupying the building at 6317 Kyle Avenue in Fort Collins since 1974 with two additions to the original building. Despite rigorous operational protocols, it is clear that the building has outlived its useful life. Problems include, but are not limited to:

- structural issues due to shifting soils,
- water and air infiltration,
- ongoing maintenance costs,
- poor traffic flow,
- insufficient square footage for and separation of necessary functions,
- insufficient staff and volunteer meeting and work areas,
- over-crowded animal areas,
- animal housing that does not meet current best practices, and
- space constraints that required housing administrative functions at a separate building at 5137 South College Avenue.

The new shelter will provide one location for shelter and administrative staff to improve efficiency and promote collaboration.

Larimer Humane Society continues to strive to improve conditions for animals in the community by planning for the future. Strategic goals are as follows:

- The placement of all healthy and treatable cats and dogs by 2020.
- To become an employer of choice within the animal welfare community in the Mountain States Region.
- Establishment of a viable funding framework that provides for the growth of Larimer Humane Society programs and services.
- Promote a collaborative effort with other concerned entities in Larimer County focusing on responsible pet ownership and increasing live release rates.
- Design, fund and construct a new state of the art facility for Larimer Humane Society.
- Recruit new Larimer Humane Society board members and promote increased training for new and existing board members.

III. Description of Programming Phase

The overarching goal for the needs assessment and programming phase of the project was to use a rigorous information gathering process to ensure that the needs of the community and the shelter were properly identified and justified. This phase included surveys of staff, board members and volunteers, meetings with key staff members, a programming workshop, and analysis of service data (especially animal intake and outcome data) for the past ten years.

The program developed reflects existing Larimer Humane Society functions and its desire to provide excellence in animal care and exceptional community service. Enhancements to existing functions reflect changing trends in service, such as increased medical and behavioral work for “treatable” animals. Other enhancements included necessary improvements based on current regulations or industry best practices, such as increased or improved size, quality and quantity of animal housing areas and better separation of customer service areas.

IV. Summary of Program Analysis

The program analysis of space needs for Larimer Humane Society emphasized the animal capacity requirements. For purposes of developing the program, 2010 statistics were used, but ten year trends were reviewed.

Animal Arts considered the human population of the area served and compared it to the number of animals that enter the shelter each year. The number of companion animals entering the shelter is 2.9% of the human population. The Humane Society of the United States uses these averages for the number of animals that may be expected to be cared for by the local animal shelters:

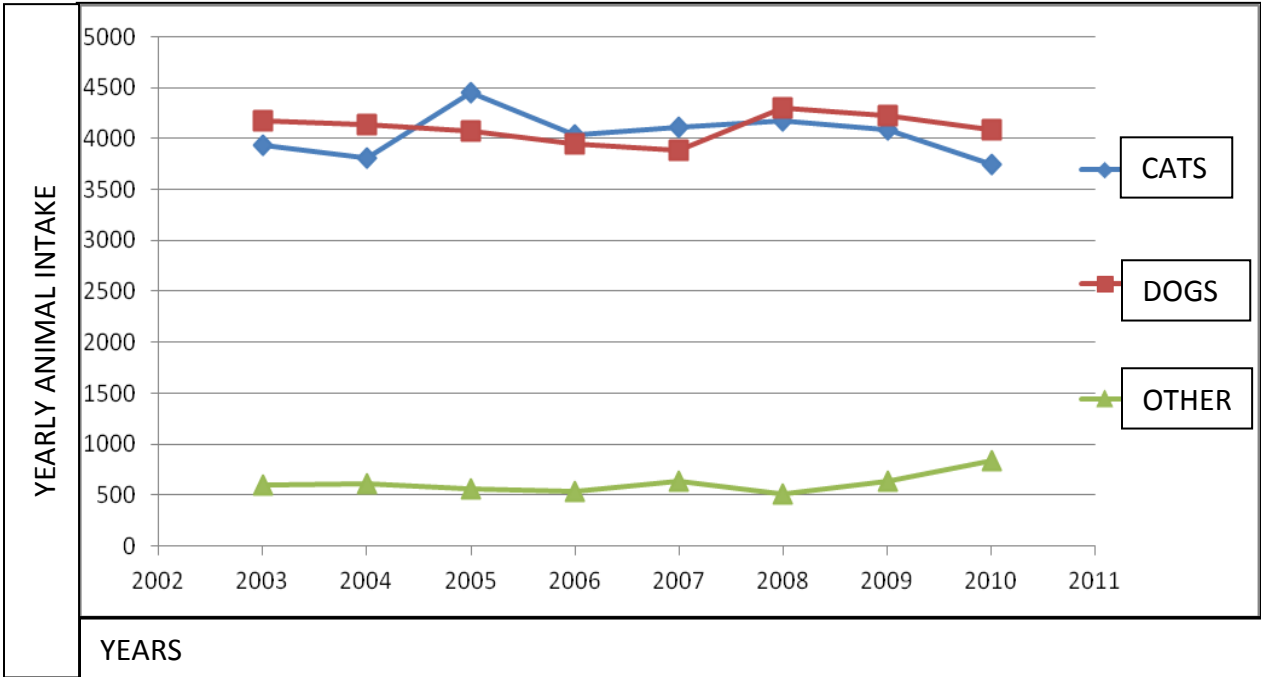
- Rural areas: 5-7% of human population
- Urban areas: 4-5% of human population

While at first it may seem that our numbers are statistically low, we are serving the community well based on the following facts:

- The Front Range of Colorado has lower than average numbers of homeless animals,
- We have been in the same location for decades,
- Our return to owner rates for stray animals are significantly higher than average, and
- Abundant wildlife results in fewer feral cats entering the shelter.

The graph below shows historical intake data for Larimer Humane Society, broken down into dogs, cats, and other animals over the period of 2003 until 2010.

LARIMER HUMANE SOCIETY ANIMAL INTAKE OVER TIME



The intake of animals into the shelter is relatively stable and Larimer Humane Society’s programs as well as societal trends have compensated for the growth in the human population.

For the purposes of developing the shelter program, 10% growth capacity for cats, small mammals, and exotics was added with no additional growth capacity for dogs. These projections are similar to other communities in the area that are starting to see stabilization or reduction in dog intake and increases in cat intake.

V. Programming Conclusions

Larimer Humane Society has been offering excellent, comprehensive services to the community from its current facilities for many years. As an example, UC Davis Veterinary School’s Shelter Medicine Program states that “the adoption capacity of a community is 6-9 adoptions per thousand people per year.” Good marketing can push this number to 10 animals adopted per thousand people per year. Larimer Humane Society’s adoption rate exceeds 10 per thousand people per year.

Because Larimer Humane Society is doing well in a facility that has outlived its useful life, they must work harder to develop a shelter that will allow them to continue to provide excellence in animal care and exceptional community service for the next 30 years and beyond.

Throughout the programming process, staff, board and volunteers stressed that in order to achieve their goals, they will need high-performance animal environments that reduce stress, prevent the spread of disease, and allow staff and volunteers to perform their jobs efficiently. These environments will, in turn, allow Larimer Humane Society to reduce animal care days for easily adoptable animals and focus efforts on animals that may require more medical treatment or behavior training to be adopted into homes, thus reducing euthanasia rates and increasing live release rates.

VI. Schematic Design

Following from the building Program, the design team worked to develop a schematic design involving building floor plan and site plan schematics. The schematic design meets the project objectives and delivers a solution that is unique to Larimer Humane Society. Architecturally, the Larimer Humane Society building respects the site and the community that it serves. It is intended to be a friendly building that is both professional and memorable.

The current design meets Larimer Humane Society's primary program goals and objectives:

- The building accommodates the requirements for animal capacity, including seasonal peak capacity and future expansion in cat capacity.
- Enough space is allocated in the animal areas to allow them to meet or exceed current best practices for animal housing, including PACFA standards and the ASV Guidelines for Standards of Care in Animal Shelters.
- Most of the animal spaces are on exterior walls, allowing for natural light and opportunities for easy access to outdoor exercise areas.
- Separate primary circulation paths are used by the general public and the shelter staff, which allows for efficient shelter operations.
- Specified materials hold up to heavy use in animal sheltering environments.
- The visitor areas of the building are inviting, quiet, and full of light. Retail strategy was employed to encourage the adoption of all animals, but especially cats.
- Public spaces are located along the east and south sides to take advantage of Colorado's excellent climate.

Animal shelter buildings must be designed with function front and center. They must be easy to clean and operate, and the finishes must be durable. Despite these necessities, architecture must not be forgotten. The new facility is likely to stand for decades and must make a good

impression, and the right impression. The building should look professional enough to boost confidence in the organization, without becoming a monument to architecture.

In order to get the most “bang for the buck,” Animal Arts took the following approach to designing the building:

- The building is oriented with the primary facades facing north and south to reduce energy costs and to take advantage of numerous openings to the outside.
- The circulation pattern was designed with simplicity in mind. It is a linear spine with saddle bags that extend from each side. Both the spine and the saddle bags can be expanded to provide for future additions to the building.
- The building is rectangular in shape. Because of its size, it is necessary to utilize a low-slope roof rather than a pitched roof form. Therefore, the primary form of the building is a box which is a simple shape to build.
- Mechanical units may be set away from building edges to reduce the necessity to construct mechanical screens.

The Animal Arts team agreed that the architectural language of the buildings should refer to the agrarian nature of the site. They developed a language of agriculturally-influenced forms and materials, including:

- Simple pitched gabled roofs with metal roofing.
- Agricultural fabric-roofed structures to enclose outdoor dog exercise areas.
- Long overhanging porches.
- Vertically applied metal siding and concrete block building materials.

The end result is a building that not only looks like it belongs on the site, but also a building that looks like it belongs in Colorado. Animal Arts refrained from using shapes that are overly trendy so that the Larimer Humane Society can maintain a timeless image for years to come.

At the end of the schematic design phase, the project has the following scope:

- An animal shelter building of approximately 33,362 square feet on the first floor, 3,791 square feet on the second floor, and 5,440 square feet of exterior yards. The total building footprint is **38,802** square feet. (The total building is 37,153 square feet of interior space and 5,440 square feet of covered exterior yard.)
- A separate multipurpose building of approximately 3,000 square feet.
- Associated site and offsite improvements.
- The anticipated capital construction cost for the proposed program is **\$9,997,301**.
- With the addition of other anticipated project costs including professional and development fees, equipment, moving costs, contingencies, cost escalation and fundraising costs, and transition costs the anticipated project budget is **\$16,500,000**.

VII. Summary of Budget Analysis

The goal in developing the budget for Larimer Humane Society was to take into consideration the anticipated hard and soft costs in order to develop a realistic overall project cost. Inflation factors were also included, as well as contingencies, to produce a budget that can be sustained over the number of years that it will take to complete the project.

The budget includes the shelter and multipurpose building, associated site development costs, landscaping and outdoor runs, a dog park, transition costs and fundraising costs.

Following is a description of the rationale behind the preliminary budget estimate:

- **Capital Construction Cost:**
 - The cost for the shelter itself is roughly \$220 per square foot, including site development costs (excluding multipurpose building, offsite road and utility and inflation.) The cost of the building assumes that it is constructed as a state of the industry municipal quality shelter. We are not assuming that it incorporates additional grand architectural statements or unusual green building systems.
 - The outside yards are budgeted as simple structures that are designed to cover but not condition the spaces.
 - The multipurpose building is budgeted as a simpler pre-fabricated metal building.
 - Offsite road and utility costs assumes required offsite road development and bringing 3 phase power and a gas line to the new building. Upgrades to existing sewer and water are in site development costs.
 - Furnishings, fittings, and equipment at approximately 5% of construction costs.
 - Inflation costs are assumed at 5% inflation for the next four years.
- **Professional Services:** Includes architecture and engineering services and an outside project manager to facilitate and manage the project and normal legal fees.
- **Permitting Fees:** Based on fees paid to utility owners and municipalities to develop the site.
- **Fundraising Costs:** Costs for capital campaign and voter initiative efforts.
- **Contingency:** To cover unknowns, change orders, etc. that are a normal part of a construction project.
- **Transition Costs:** This would provide funding to allow for increased expenses and programmatic activities during the first two to three years of operation while revenue catches up with expenses.

Animal Arts put together the following funding comparisons for their report. The names of other organizations have been removed to protect their privacy. (Only hard construction costs are used in this comparison.)

Description	size	animals	people	cost	cost/s.f.	cost/animal	cost/person
Municipal- West	36,000	10,984	600,000	10,500,000	292	956	18
Municipal- East	53,000	13,585	1,100,000	15,700,000	296	1,156	14
Municipal- South	24,000	4,561	133,000	7,400,000	308	1,622	56
Non-Profit-North	38,104	7,252	909,800	9,700,000	255	1,338	11
Non-Profit-South	35,000	8,315	186,880	9,250,000	264	1,112	49
Average	37,221	8,939	585,936	10,510,000	283	1,237	30
Larimer Humane	38,802	8,666	300,000	8,301,060	214	958	28

The two shelters at the top of the list only care for a portion of the animal population in their communities. When you consider this, it is the professional opinion of Animal Arts that Larimer Humane Society is embarking on a project that is reasonable and normal for the size of their community.

**Program Budget
Larimer Humane Society - New Facility
Animal Care Campus**

9/4/14

	Budget
Real Estate Expenses	\$1,400,000
Land Acquisition	\$1,400,000
Professional Services	\$1,543,244
Architectural and Engineering	\$1,076,504
Project and Construction Management	\$456,740
Legal	\$10,000
Permitting	\$225,000
Development Fees	\$100,000
Water and Sewer Fees	\$120,000
Ditch Company	\$5,000
Capital Construction	\$10,235,561
Shelter - Main Facility	\$8,301,066
Multipurpose Building	\$495,235
FF&E	\$750,260
Offsite Road and Utility	\$245,000
Capital Construction Inflation	\$434,000
Commissioning	\$10,000
Outdoor Site Work, Landscaping & Dog Park	\$440,000
Outdoor Dog Runs	\$125,000
Perimeter Fencing & Landscaping	\$175,000
Directional Signage	\$40,000
Dog Park	\$100,000
Transition Costs	\$500,000
Moving Costs	\$50,000
Fundraising and Ballot Initiative Costs	\$750,000
Contingency	\$1,356,195
Total Budget	\$16,500,000