

Denver Sidewalk Ordinance 307 Stakeholder Committee

DRAFT Recommendations for Public Feedback

Background

The Denver Department of Transportation and Infrastructure (DOTI) established the Denver Sidewalk Ordinance 307 Stakeholder Committee composed of representatives from each of the City Council Districts, solicited through an open application process, as well as representatives from the DOTI Advisory Board and proponents of the citizen initiated ordinance. The Committee has been meeting approximately twice a month since August of 2023, with the agreed-upon purpose to make recommendations on refinements to the sidewalk ordinance and details of implementation that honor the will of the voters and are in keeping with the following key pillars of the ordinance as written:

- Funding sidewalks via a property fee
- Minimizing the burden on lower-income households through discounts on the fee and a deferral option
- Ensuring the buildout of a complete sidewalk network in a timely manner
- Ensuring the ongoing maintenance of sidewalks in good condition in perpetuity

A top priority of the Committee has been consideration of potential changes to the sidewalk fee structure, so that City Council can enact any changes before the first bills are sent to property owners. After careful consideration of several alternatives, the Committee recommends the following amendments to the ordinance that 1) address concerns that community members have raised regarding fees assessed to residential properties (particularly properties that would be assessed fees substantially higher than the average under the original ordinance) and the potential burden on lower-income households, 2) ensure that the ordinance remains compliant with TABOR requirements, and 3) ensure that DOTI is able to successfully implement a sustainable program for the construction, reconstruction, and ongoing repairs of sidewalks citywide.

Recommended Changes to the Overall Fee Structure

For *residential properties only* (as defined below) the Committee recommends replacing the annual sidewalk fee per linear foot of property frontage outlined in Section 49-148(a) of the ordinance with the following annual fee *per residential unit*:

Residential property type	Fee per residential unit
Single Family residential (Defined as properties classified by the Denver Assessor's Office as "Residential" with exactly 1 residential unit located on the parcel)	\$148.64
Multifamily residential (Defined as properties classified by the Denver Assessor's Office as "Residential" with 2 or more residential units located on the parcel)	\$27.83

For example, a 10-unit multi-family complex would have a fee of \$278.30 ($\27.83×10).

For all other properties, the Committee recommends keeping the sidewalk fee per linear foot of property frontage outlined in Section 49-148(a) of the ordinance.

Rationale

Under the original ordinance, fees charged to residential properties varied widely from \$0 (for properties that do not have any frontage on the public right-of-way) to more than \$500, raising concerns about fairness and the burden to property owners at the higher end of this range. The recommended change eliminates this variability by charging residential properties owners the *average* fee per unit that would have been charged based on the linear foot of property frontage under the original ordinance, calculated separately for single family and multifamily properties. The lower fee per unit for multifamily properties reflects the fact that these properties are generally more compact, and therefore the linear frontage of these properties (and in turn, the linear feet of sidewalk to be constructed, reconstructed, and/or repaired adjacent to these properties) is lower per unit. Setting the fee separately for single family and multifamily residential thereby acknowledges that higher-density development allows for more efficient provision of basic infrastructure such as sidewalks.

This recommended change is also revenue neutral, and retains the mathematical relationship between the fee charged to residential properties owners and the linear feet of sidewalk to be constructed, reconstructed, and/or repaired adjacent to residential properties. This clearly defined relationship between the property fee that is charged, and the purpose for which the fee is to be used, in turn helps ensure compliance with TABOR requirements.

Note that under the original ordinance, residential parcels that do not have any frontage on the public right-of way are not charged a fee. With the recommended change, these residential properties would be charged a fee, with the rationale that these properties benefit from the better pedestrian access provided by complete sidewalk networks in residential areas.

Recommended Changes to Fee Discounts

The Committee recommends replacing the 20% discount on the fee for properties located in neighborhoods identified through the city's Neighborhood Equity & Stabilization (NEST) program outlined in Section 49-148(b) of the ordinance, with the following:

- A 20% instant rebate on the fee for properties with income-restricted housing, where at least 25% of the residential units are available only to households meeting certain low income criteria; and
- An instant rebate program for income-qualified property owners that is aligned with [Denver's Solid Waste Service Rebate program](#). Currently under this program, property owners that receive trash and recycling collection services from Denver's Solid Waste division (a single family home, townhome, duplex or apartment in a complex with 7 or fewer units), are eligible to apply for the following-income based rebates:

Income	Instant rebate
<60% of the Area Median Income (AMI)	50%
<50% of the AMI	75%
<30% of the AMI	100%

Rationale

While the automatic 20% discount on the fee for properties located in NEST neighborhoods was intended to reduce the fee burden on low-income households with minimal administrative burden for both the City and property owners, community members raised two primary concerns regarding this approach: 1) the discount is too indiscriminate, because it applies to all properties within NEST neighborhoods, regardless of the income level of the property owner, and 2) the discount is too limited, because it is not available to low-income households residing in non-NEST neighborhoods. The recommended change addresses these concerns by targeting an automatic instant rebate more narrowly to properties with income-restricted units, and by making an instant rebate available via application to property owners throughout the city.

Recommended Changes to the Timeline for Implementation

The Committee recommends revising the timeline for implementation of an initial capital investment plan, as outlined in Sec. 49-146(b) of the ordinance, from "within nine years of the effective date of this section," to "within nine years of the effective date of this section, *or as soon thereafter as determined feasible by the manager of transportation and infrastructure.*" The Committee further recommends revising this section of the ordinance to state that the initial

capital investment plan should *“prioritize the repair or reconstruction of all existing sidewalks that are in severe disrepair, that represent a safety hazard, or which do not minimally comply with legally mandated accessibility standards.”*

Rationale

The amount of time required to build out a complete sidewalk network with the revenues that will be generated by the sidewalk fee directly relates to how much it will cost to construct, reconstruct, and repair sidewalks, as well as the costs to administer the sidewalk program. The Department of Transportation and Infrastructure is currently conducting a study to understand in greater detail what the high and low end of what these costs might be. Where the costs actually fall within this range depend on a number of factors including how the program is financed and delivered, and trade-offs that may be considered to reduce costs by deviating from the City’s current design guidelines in certain circumstances (for example, by allowing for attached sidewalks in some circumstances where the design guidelines call for detached sidewalks).

The recommended changes allows the City more flexibility to establish a reasonable timeline for implementation that reflects the findings of the cost study; incorporates community input on potential cost-saving trade-offs; avoids placing the City in jeopardy of violating TABOR requirements by ensuring the City is not forced to incur costs greater than can be covered by the revenues that are generated by the fee (including through financing mechanisms such as bonding); directs the City to prioritize sidewalk repairs and reconstruction in a way that minimizes other liability concerns; and honors the intention of the original ordinance approved by voters to complete the buildout of the sidewalk network in as timely a manner as possible.