Durango and La Plata County Local Issues

La Plata County Land Use Code and Building Code

The new Land Use Code is not yet available to the public, but it is currently being reviewed by both the Planning Department and County attorney. However, there is a new user-friendly platform available with the existing code: Existing La Plata County Code user-friendly platform. La Plata County hired consultant, Kendig Keast Collaborative, to assist with revision to the Land Use Code at an estimated cost of \$250,000. The code will be released by Modules and not as a complete code to review at one time, but piece meal. County staff and Kendig Keast has not followed the project schedule: Project Schedule Land Use Development Code 11.29.16. The stakeholder groups' results on the consensus exercise and the low response rate of the survey is here: Survey responses.

The La Plata County Building Department would like your input on proposed revisions and updates to the building codes and standards governing construction in the unincorporated areas of La Plata County. The draft code is available for review and comment **online here**, using an interactive code software. T1his software allows you to view and comment on the draft code so that the Board of Appeals and Board of County Commissioners can review public input when considering code updates.

The guide below describes how to make comments using the County's online tool.

Any <u>online comments</u> posted prior to that meeting will be shared with the Board of County Commissioners.

La Plata County Comprehensive Plan

The La Plata County Planning Commission completed its update of the 2001 Comprehensive Plan and presented it to the Board of County Commissioners on May 11, 2017.

Review the 2017 La Plata County Comprehensive Plan here.

The La Plata County Comprehensive Plan is an advisory document and establishes the framework. The ongoing planning process sets forth the specific actions to carry out the plan to achieve its desired future.

La Plata County District Plan Updates

The Planning Commission is preparing to kick off the process of updating each of the county's 12 District Plans that represent the characteristics and priorities of the distinct communities that define La Plata County. The Planning Commission and planning staff will discuss the District Plans on the first Thursday of the Month from 6-8 PM in the Board Room of the County Administration Building, 1101 E. 2nd Ave., Durango.

Multi-Event Center (new Fairgrounds)

La Plata County has been offered 200 acres on Ewing Mesa, coupled with a grant to the Conservation Trust Fund, which Colorado Lottery money supports, the county kicked off a master planning process for a multi-event center. To learn more about the master planning process for the future multi-event center on La Plata Mesa, visit www.laplatamesaplan.com.

La Plata County and City of Durango Revenue Decline

La Plata County revenue sources is primarily property tax and records show the county expects to collect \$15,432,000 in property tax in 2017, and as of May, the county has collected \$7.1 million below 2016 revenue levels. There will be further decline in oil and gas production tax revenue in 2018.

La Plata County is looking at county fees and revenue opportunities, road impact fees and fairgrounds rental charges. However, they are still not looking at a Use Tax. This was recommendation #2 prior to both failed mill levy attempts: Fiscal Sustainability Report. More than 2 million dollars could be raised with a 2% Use Tax and could fix a lot of pot holes. Mechanisms are already in place to collect this tax. The city and state have no issue with perceived complexity as they have collected a use tax at their level for decades. A Use Tax would address the fairness issue as the lack of a use tax encourages some residents to avoid paying a fair share of taxes to support the services that their presence demands of government entities. This also supports the Buy Local mantra and would trigger the multiplier effect to prevent economic leakage from our county businesses and be incremental to the 2 Million Use Tax collections.

A use tax is designed to impose a comparable tax on goods for which no sales tax has been paid (i.e., vehicles and building materials purchased outside of La Plata County for use in La Plata County). A use tax insures that all resident purchasers of taxable goods are treated equally and that all such purchasers pay their fair share to the governmental entity that has the responsibility of providing services to them. It is a fairness issue.

City of Durango revenue sources is primarily sales and use tax. Records show a 1.7 percent increase in general city sales tax collections from December through May compared with 2016. But the city budgeted for a 3.7 percent increase in sales tax collections in 2017 compared with 2016.

Watch for budget meetings for both the City and the County and consider participating in the budget priority discussions.

La Plata County:	Tuesday, October 3 -Planning Agenda	Tuesday, October 10 Business Agenda	
		(presentation of proposed 2018 budget)	
City of Durango:	October 2017 - Presentation to City	December 2017 - Budget Adoption	
	Council		

City of Durango Tax Rate: Retail sales inside the city limits are taxed at a total tax rate of 7.9% which includes a 2.9% state tax, a 2% county tax, and a 3% city tax. The city collects 3 tax types:

Tax Type	Description	Rate
Sales	Collected by retailer at point of sale or rental	3%
Use	Payable by the "user" of the product when City of Durango sales tax has not been collected at the point of sale or on rental payments	
Lodgers	Payable in addition to the city sales tax	2%

Click here to view the most recent **Sales Tax History Report**

Households	
Households	26,028
Occupied Housing	20,956
Owner Occupied Housing (%)	67%
Median Home Value	\$310,000
Durango	\$370,000
Bayfield	\$262,000
Ignacio	\$109,500
Rest of County	\$322,500
Economic Conditions	
Unemployment Rate	5.3%
Labor Force	32,053
Employed Residents	30,344
Per Capita Income	\$45,476
Median Household Income	\$54,648
Average Annual Wage	\$41,944

Marijuana Excise Tax:

Both La Plata County and the City of Durango shelved their plans for ballot questions that would ask the eligible electorate if they would approve of a special sales tax on medical marijuana and retail marijuana.

Recap of Fees and Taxes Approved:

The Durango City Council voted in 2014 to raise water and sewer rates for three years starting in 2015. In 2018, the rates for both utilities will increase by 2 percent.

- 1) Durango Water Rates (2015) average water rate increase to date: 37 percent
- 2) Durango Sewer Rates (2015) sewer services rate increase to date: 64 percent
- 3) Durango Waste and Recycling (2016) approximately 10 percent

Taxes Approved:

- 4) Durango School District Mill Levy (2016) 3A Brings in an additional \$1.7 million
- 5) Bayfield School District (2016) \$28.6 million bond measure
- 6) Bayfield Sales Tax for Street Fund (2016) 1%

Potential Impact Fees/Addressing Revenue Decline/Fees impacting Housing:

- 7) La Plata County Road Impact Fees (2017-2018) unknown
- 8) Durango Housing (2017) Non-residential fee examples, a hotel could be charged \$15.45 per square foot and a retail store could be charged \$36.20 per square foot
- 9) La Plata County New Development Fees (2017-2018)
- 10) City of Durango transit system needs \$12.6 million over the next 10 years .25 percent sales tax could generate \$20.7 million over 10 years and a 2 percent tax on a utility bill from the city would raise \$6.1 million over 10 years or a fee for transit set by City Council could be added to utility bills and could raise \$12.6 million over 10 years.
- 11) Fire Impact Fees City, County of La Plata and San Juan (2017?)

Non-Taxes that Affect Housing Costs:

- 12) DFRA Driveway Standards (2016)
- 13) DRFA Sprinkler Requirement (failed) (2016)
- 14) La Plata County 2015 Building Code- Energy Requirements (2017)
- 15) I Codes (in addition to 2015 Building Code) (2017)

Fire Protection Mill Levy – 2017 ballot:

Durango Fire Protection District is placing an issue on the November ballot for a 2.5 mill levy increase that will:

- Meet the budgetary needs for current fire and emergency services operations.
- Increase staffing model to meet the service demands and safely deliver emergency response due to increasing call volume.
- Establish a revenue source to address the capital improvement needs of the response area.

For more information: **Durango Fire and Rescue Mill Rate**