CITY OF BOULDER
CITY COUNCIL AGENDA ITEM

MEETING DATE: January 20, 2009

AGENDA TITLE: Introduction, first reading and consideration of a motion to order published by title three ordinances that amend Chapters 4-20, 11-1, 11-2, B.R.C. 1981, changing certain development-related fees as follows:

1. An ordinance amending sections 4-20-4, "Building Contractor License and Building Permit Fees," B.R.C. 1981, and setting forth related details.
2. An ordinance amending section 4-20-43, "Development Application Fees," B.R.C. 1981, and setting forth related details.
3. An ordinance amending sections 4-20-26, "Water Plant Investment Fees," 4-20-29, "Wastewater Plant Investment Fees," 4-20-46, "Stormwater and Flood Management Utility Plant Investment Fee," 11-1-2, "Definitions," 11-1-35, "Meter Size Requirements," 11-1-52, "Water Plant Investment Fee," and 11-2-33, "Wastewater Plant Investment Fee," B.R.C. 1981, and setting forth related details.

PRESENTER/S: Jane S. Brautigam, City Manager
Stephanie Grainger, Deputy City Manager
Bob Eichem, Finance Director
Ruth McHeyser, Executive Director of Community Planning
Maureen Rait, Executive Director of Public Works
Ned Williams, Director of Public Works for Utilities
Joanna Crean, Public Works Administrator
Trish Jimenez, Senior Financial Manager
Steve Buckbee, Civil Engineer II

EXECUTIVE SUMMARY:

At the Oct. 14, 2008 study session, staff presented City Council with a comprehensive view of proposed development related fee changes. Council was given the opportunity to provide feedback on the proposed fee changes. As a result of the discussion, council:

1. Generally supported moving forward with the proposed building permit, development review and plant investment fee changes;
2. Asked clarifying questions for which responses are provided in this memo; and
3. Generally supported a "hybrid" approach that would move from our current Development Excise Taxes to a combination of impact fees and excise taxes and asked that the changes be brought back for consideration in 2009 after additional analysis and discussion is conducted.

The purpose of this item is to consider ordinances to change the following development related fees:

Building Plan Review, Permit & Inspection Fees – Building fees are established to recover the full cost of services related to construction in the city. The current cost recovery policy for building permit and inspection services is 100 percent (includes all direct and indirect costs). The proposed changes include an adjustment to the square foot construction cost table to more accurately reflect construction costs (**Attachment G**) and changes to B.R.C. section 4-20-4 to reflect adjustments made to the building permit fee table. Although the service is currently 100 percent cost recovered, the revenue generated from the residential and non-residential customer groups does not align with the true cost of providing the service for that specific customer group.

Development Review Fees - Development Review is the process established by the city that is used to evaluate proposed developments and land uses. The current cost recovery policy for all Development Review services combined is 50 percent. The proposed changes to B.R.C. section 4-20-43 reflect the changes made to some of the development review fees. The 50 percent cost-recovery target for development review is currently being met. However, minor adjustments need to be made to some of the fees to more accurately reflect the true cost of providing that service.

Plant Investment Fees (PIFs) – PIFs are used to recapture initial capital improvement investments in water, wastewater and stormwater/flood management infrastructure. The fees are charged to new and existing customers who need new or additional utility service. The proposed changes to B.R.C. section 4-20 for the water and wastewater PIF sections reflect the replacement of the current PIF methodology and fees with the new PIF methodology that links to water budgets and updated asset values. The stormwater PIF continues to use the current method (square feet of impervious area) but reflects updated asset values. The PIFs for the water, wastewater and stormwater are reflective of a three-year phase-in period beginning March 9, 2009. The phase-in implementation responds to council concerns to soften the financial impact over a three-year period, given the current and anticipated situation with the local and national economy.

Development Excises Taxes will be scheduled for consideration later in 2009. Staff has received a revised report from the consultant that includes additional analysis based on council's feedback including: a fee/tax schedule based on residential unit size (square footage) and calculating a park land and fleet excise tax for consideration as part of a reallocation of the existing excise tax. Staff will need to analyze the report and develop options for council consideration later this year.

STAFF RECOMMENDATION:

Staff recommends introduction, first reading and consideration of a motion to order published by title only ordinances (**Attachments A, B & C**), that amend Chapters 4-20, 11-1 and 11-2, B.R.C. 1981, changing certain development-related fees. Alternatively, the following options may also be considered for each of the three proposed ordinances:

- Make a motion to introduce and order published by title only the proposed ordinance.
- Make a motion to amend the proposed ordinance in support of council direction.

- Make a motion to table the ordinance until such time as council would like to reconsider the ordinance.

Motion:
Staff requests council consideration of this matter and action as follows:

1. Motion to introduce and order published by title only an ordinance amending sections 4-20-4, "Building Contractor License and Building Permit Fees," B.R.C. 1981, and setting forth related details.
2. Motion to introduce and order published by title only an ordinance amending section 4-20-43, "Development Application Fees," B.R.C. 1981, and setting forth related details.
3. Motion to introduce and order published by title only an ordinance amending sections 4-20-26, "Water Plant Investment Fees," 4-20-29, "Wastewater Plant Investment Fees," 4-20-46, "Stormwater and Flood Management Utility Plant Investment Fee," 11-1-2, "Definitions," 11-1-35, "Meter Size Requirements," 11-1-52, "Water Plant Investment Fee," and 11-2-33, "Wastewater Plant Investment Fee," B.R.C. 1981, and setting forth related details.

BACKGROUND:
Development related fee studies, identified as a 2008 key issue, are intended to implement the city's policy that growth will be expected to pay its own way, with the requirement that new development pay the cost of providing needed facilities and an equitable share of services.

The commitment to council at the beginning of 2008 was that the associated processes for each study would directly involve public stakeholder review and input and those efforts would be coordinated, given the potential cumulative impacts to customers. At the Oct. 14, 2008 study session, staff presented City Council with a comprehensive view of proposed development related fee changes. The study session summary was accepted by council at the Nov. 10, 2008 meeting.

Because proposed fee changes reflect current assessed system values and the true estimated costs of development, significant increases have been projected for PIFs and Development Excise Tax (DET). Proposed changes to the Development Review and Building Permit/Plan Review and Inspection Fees reflect more modest adjustments as cost recovery objectives have been achieved, but corrections are needed to address equity across customer groups.

Additional background information is provided as attachments including Community Sustainability Assessment and Impacts (**Attachment D**) and Board and Public Feedback (**Attachment E**), which includes a response to a letter from the business community dated Nov. 24, 2008.

RESPONSES TO QUESTIONS FROM CITY COUNCIL:

The questions/issues raised by council at the Oct. 14, 2008 study session related to PIFs and building permit fees are listed below along with responses.

1. Unintended Landscaping Consequences – Some council members were concerned that allowing customers to select a smaller irrigable area would unintentionally create incentives for more impervious (hard surface) areas and less landscaped areas and trees.

RESPONSE: Currently, the only landscape requirement for single-family residential (SFR) customers is one tree for every 40 feet of street frontage. Implementing the new PIF methodology would allow SFR customers to select a smaller irrigable area for water budget purposes, but not below a minimum of 2,000 square feet. The minimum area equals an annual water budget of 30,000 gallons for irrigation, which can support several trees. Commercial/ multifamily developments have additional landscape requirements. The greater the area requested by the applicant or the area shown as irrigated on the approved landscape plans will be used to determine the water budget and irrigation PIF.

2. Commercial, Industrial & Institutional (CII) Customers Potentially Limiting Investment – Some council members indicated that developers may choose the smallest PIF and then pass the cost of water service enlargement onto subsequent tenants/owners. The city needs to figure out how to prevent CII developers/users from taking advantage of the system.

RESPONSE: Some developers may tend to minimize their costs and pass the costs onto future tenants or owners. It is important for potential customers to understand what they are buying when they purchase or rent a commercial space in terms of their PIF and monthly water budget. If a tenant or subsequent owner finds that they are consistently using more water than their monthly water budget, such that they are consistently in blocks 4 or 5, then they may choose to purchase an additional PIF in order to increase their water budget and remain in the lower blocks. The city will track which customers purchase an additional PIF in order to increase their water budget. If the city finds that there is a pattern of new tenants needing to come in and purchase additional PIFs, then the city can raise the minimum percent of the CII PIF. Currently, the staff recommendation offers the 25th, 50th, and 85th percentile of water usage for a specific meter size.

If a developer selects the largest PIF in order to maximize the marketability of a property, it seems reasonable that the developer would attempt to pass along this added cost to future tenants or owners. All parties negotiating a sale or lease should be aware of the utility service level (water meter size, PIF characteristics, annual water budget, etc) associated with the property. This is a standard "due diligence" process with the real estate professionals. City staff can distribute an informational letter on how the PIFs are calculated to the real estate and business community and city staff is able to provide information related to specific real estate transactions, if contacted.

3. Need Stronger Link Between PIFs and Actual Demand/Consumption – Some council members were concerned that PIFs are based on water demand/consumption projections, not actual water usage and that PIFs need to be matched to actual costs based on actual usage, not just on forecasted consumption and demand. PIFs have been based on theoretical maximum water demands and class average usages. A customer may have paid for a class average of usage, but they end up using a lot more water than the average user and have impacts on the system that are greater than the PIF reflects.

RESPONSE: This concern has been addressed by the recommendation to link PIFs to water budgets based on the assumption that water budgets are a reflection of water use. The residential water budgets are developed based on an indoor average usage and pervious area for outdoor use. The CII water budget provides several options, each of which is based on some type of water use consumption. Irrigation-only water budgets are based on irrigable area. All water budgets use measurable characteristics within a customer class to reasonably estimate future consumption/demand. A well-designed block rate structure and water budget adjustment process can make corrections and bring PIF payments and actual system impacts into alignment over time. For example, customers who use more and more water annually because of expanding business needs will likely undertake work requiring a building permit, at which time the PIF will be reviewed and an increase to their water budget allocation will be made if they make an additional PIF payment.

4. Evaluating Blocks 3, 4, & 5 Water Rates – Some council members indicated that linking the PIFs to the monthly water budgets may change what the city is charging for blocks 3, 4, and 5 water rates. Therefore, the water rates would need to be evaluated to determine if blocks 3, 4 and 5 water rates adequately recover the cost of capital facilities.

RESPONSE: Staff will continue to gather and evaluate data about water budgets and rates. Staff will work with the Water Resources Advisory Board (WRAB) to evaluate possible changes that may be warranted in order to adequately recover costs for capital facilities. The earliest changes may be proposed would be for the 2010 or 2011 budget.

5. Possibility of Financing or Waiving PIFs – Some council members indicated that they want to understand the pros and cons of providing financing for PIFs when a property is annexing to the city. Council also wanted to understand when the city has waived PIFs in the past.

RESPONSE: Normally, at the time of annexation or connection to the utility, property owners are required to pay the PIFs in full based on the existing condition of the property with respect to the various PIF parameters. Also, properties become subject to the monthly fee for water, wastewater and stormwater/flood upon annexation or connection to the utility.

The city has financed PIFs or offered to do so through "large user agreements" when the PIFs due are substantial. The city has offered the Peloton, Somatogen, White Wave and AMGEN financing although, to date, only AMGEN has financed PIFs. The only other

time the city has been involved in financing a PIF was in 2008 for a residential property at 1545 Cherryvale. The owners had a failing septic system and claimed financial hardship. The city financed approximately $13,000 at 8 percent interest with three annual payments. The property was annexed without any new development potential.

The city processes 300-400 PIFs each year. If the city were to finance 10 percent or more of these, additional administrative resources would be required to set up and process these payment agreements. Should there be interest in expanding the city's role in financing PIFs, staff would need to more fully evaluate the benefits and risks associated with financing PIFs and the value to ratepayers in order that the full cost of this service can be recovered. The advantage to financing PIFs is enhanced customer service to property owners and additional incentives to achieve a larger "city benefit" through an annexation or redevelopment opportunity. Alternatively, financing PIFs puts the city in the same financing business as the private sector and the management of risk associated with non-payment or default (such as certifying unpaid PIFs to County Assessor for tax collection).

PIFs have not been waived in the past. In the case of the proposed annexation of properties in the Gapter Road area, the city extended an offer in 2008 to property owners to credit the stormwater PIF for development that existed prior to the formation of the city's Stormwater and Flood Management Utility in 1969. The rationale for this proposal is that stormwater facilities built prior to 1969 were funded by city sales tax that was likely paid by both city and county residents. The proposal requires that water and wastewater PIFs be paid in full at time of annexation. The city's annexation offer was not accepted by the Gapter Road area property owners.

When properties in the Crestview West area were annexed, the water PIF was not paid by property owners but was paid by parties responsible for contaminating the groundwater.

6. Stormwater Valuation – A council member was concerned that the stormwater valuation was too high and that this would unnecessarily increase the stormwater PIF.

RESPONSE: The 2008 PIF Study incorporated a number of changes from the last PIF Study (2001) and resulted in an 88 percent increase in the PIF valuation. The significant increase in asset value is primarily due to the following:

- Updated estimates of the replacement cost of existing utility infrastructure. Replacement costs have escalated dramatically since the last PIF study. Although the city has attempted to adjust these costs yearly based on the Engineering News Record (ENR) Cost Index for Denver, this index has not kept pace with actual cost increases as reflected in recent construction cost information.
- Significant facilities were added over the past seven years (i.e., Goose Creek Drainageway Improvements, Bear Canyon Creek Improvements, etc.).
- City completed a comprehensive asset inventory to verify each utility's assets, including those of the Stormwater/Flood Management Utility. This inventory resulted in a more complete and accurate list (inventory) of pipes, facilities and land/easements that more fully account for all of the city's assets.

To help mitigate a significant increase in the asset values in the future, staff will more fully assess the asset inventory and valuation specific to Boulder each year during the annual budget process and not depend on state or regional cost indices.

7. Amortize PIFs Over Longer Time Period – A council member was concerned about the issue of commercial tenant finishes and whether there is a way (as will be done with Renewable Energy projects since County Referendum 1A passed) that the PIF could be amortized over a longer period of time that would more nearly match the benefit, and so the burden does not fall entirely on the first tenant.

RESPONSE: The tenant/business owner could pay a lower PIF to purchase a smaller water budget and, if their monthly water use exceeds their budget, pay for their usage at block 3, 4 and 5 rates on the monthly water bill. Once the business has established itself, the owner could pay an incremental PIF to receive a higher water budget and stay within blocks 1 and 2 on the monthly water bill. In this manner, the first tenant could bear the risk of financing the PIF themselves through the monthly water bill. If the burden, or risk, of financing the PIF does not fall entirely on the first tenant, the risk would transfer to either subsequent tenants or other city ratepayers.

For the commercial tenant finish scenario used in the Oct. 14 study session packet, the water budget went from a 1" meter at 50 percent average winter consumption (AWC) usage to a 2" meter at 50 percent AWC usage. This is a change in the annual water budget from 108,000 gallons to 483,000 gallons. An alternative would be for the business owner to have chosen the 25 percent AWC usage for the 2" meter, in which case the increase to the annual water budget would be from 108,000 gallons to 183,000 gallons. The total 2009 cost for this commercial tenant finish example would be $25,572 at 25 percent AWC usage for a 2" meter when compared to $69,732 for a 50 percent AWC usage.

Alternatively, the city could become more proactive in financing PIFs, which could have a similar effect as amortizing the PIF amount over a longer period of time. This would require that the Utility get more active in the financing business and would need to more fully evaluate the benefit and risk of financing PIFs and the value to its ratepayers.

8. Lower PIF for High Performance Buildings – A council member was interested in knowing if the city has considered charging a lower PIF to high performance buildings (LEED certified, for example), since presumably they would put a smaller demand on city infrastructure for new growth. These buildings would use less water, less energy, produce less stormwater and wastewater and therefore should be assessed a lower PIF.

RESPONSE: It is possible that a high performance commercial/industrial building would be able to purchase a 25 percent capacity meter and pay a lower PIF than an average performance building, which may need a 50 percent capacity meter. Therefore, the proposed PIF structure does provide an incentive to commercial/ industrial customers that use very efficient water fixtures and practices. In the future, it may be possible to develop

a PIF incentive for high performance residential buildings that also considers energy, stormwater, wastewater, solid waste or other environmental considerations.

Incentives are currently provided through the building permit process. When a permit is issued for installing new plumbing fixtures, the 2006 International Plumbing Code (IPC) requires maximum flow rates of 2.2 gallons per minute (gpm) for sinks, 2.5 gpm for shower heads and 1.6 gallons per flush for toilets. In addition, the residential Green Points program provides incentives for going further with high efficiency fixtures. As listed below, a total of 12 points are available related to water saving fixtures and appliances:

- 2 points when 25 percent of the fixtures meet Green Point flow limits
- 4 points when 50 percent of the fixtures meet Green Point flow limits
- 6 points when 75 percent of the fixtures meet Green Point flow limits

The Green Points water conserving flow limits were picked based on the availability of fixtures that are more efficient than the IPC requirements. Whenever the city considers adopting higher standards, we strive to get as much conservation as possible without making the requirement so stringent that only a few manufacturers could comply.

Further experience with water budgets is expected to inform the evaluation of additional mandatory water conservation measures and the 2009 evaluation of 2009 IPC and changes to the Green Building and Green Points Program.

9. Change in Tenants and Water Use Related to PIFs – A council member was concerned about the situation in which the first tenant in a new building is a restaurant and pays a high PIF consistent with a high demand for city utilities, but that a business failure after two years is followed by the space being taken over by a book store. Has the city unfairly collected a high PIF from the first tenant?

RESPONSE: The city has appropriately collected a PIF when a restaurant is converted to a bookstore because the city still provides the PIF value and corresponding water budget of the restaurant-paid PIF to the property during the term that it's a bookstore. Thereafter, when the bookstore becomes a medical office (or some other use), and water demand increases, there may not be any additional PIF payment required. The PIF credit is retained on the property and that credit increases as the asset value increases over time. Eventually, the value of the credit can be used at the time of redevelopment to offset any additional PIF payments.

10. Residential Construction Use Tax – A council member expressed concern regarding the large variations in residential valuations given the types of materials used and it was asked how the city can capture the appropriate construction use tax when an average per square-foot cost is used to calculate valuation.

RESPONSE: The cost to conduct plan review and inspections for a building permit does not change based on the types of building materials a contractor uses. However, the type of building materials used can have an impact on the construction use tax calculation.

The city does not typically conduct residential audits. It is anticipated that if a new square foot valuation system is implemented it will reduce the low valuations given by contractors. Staff would like to examine the impacts this will have on the construction use tax before any additional changes are made. Additionally, staff has committed to contacting other home rule municipalities to see how they handle this issue.

ANALYSIS:

See **Attachment F** for analysis of proposed fee changes related to PIFs, building permits and development review and details on the potential customer impacts and a comparison to other Front Range communities.

NEXT STEPS:

If City Council supports the staff recommended fee changes for building permit, development review and plant investment fees, the second reading of the ordinances to implement the proposed fee changes will be scheduled for Feb. 3, 2009. The building permit, development review and plant investment fee changes would go into effect March 9, 2009, as reflected in the proposed ordinances. Development review and PIFs are based on the fee schedule that is in effect at the time of application. Building permit fees are based on the fee schedule that is in effect when the building permit is issued.

As discussed at the Oct. 14 study session on all development-related fees, the Development and Education Excise Tax/Impact fee changes will be brought back for City Council consideration in 2009 after additional analysis and discussion is conducted.

Approved By:

Alisa D Lewis, for

Jane S. Brautigam,
City Manager

ATTACHMENTS:

- Attachment A – Ordinance amending sections 4-20-4, "Building Contractor License and Building Permit Fees," and 4-20-43, "Development Application Fees," B.R.C. 1981, and setting forth related details.
- Attachment B – Ordinance amending section 4-20-43, "Development Application Fees," B.R.C. 1981, and setting forth related details.
- Attachment C – Ordinance amending sections 4-20-26, "Water Plant Investment Fees," 4-20-29, "Wastewater Plant Investment Fees," 4-20-46, "Stormwater and Flood Management Utility Plant Investment Fee," 11-1-2, "Definitions," 11-1-35, "Meter Size Requirements," 11-1-52, "Water Plant Investment Fee," and 11-2-33, "Wastewater Plant Investment Fee," B.R.C. 1981, and setting forth related details.
- Attachment D – Community Sustainability Assessments and Impacts
- Attachment E – Board and Public Feedback
- Attachment F – Analysis of Proposed Fee Changes
- Attachment G – PIF Phase in Over Three-Years

- Attachment H – Proposed Options for Development Related Fee Changes (Scenarios)
- Attachment I – 2008 Development Related Fee and Tax Comparison with Other Front Range Communities
- Attachment J – Square Foot Construction Cost Table
- Attachment K – Building Permit Fee Table

ATTACHMENT A

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 4-20-4, "BUILDING CONTRACTOR LICENSE AND BUILDING PERMIT FEES," B.R.C. 1981, AND SETTING FORTH RELATED DETAILS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO:

Section 1. Section 4-20-4, B.R.C. 1981, is amended to read:

4-20-4 Building Contractor License and Building Permit Fees.

...

(c) Building permit fees are as follows:

	Value	*Fee*
(1)	$ 500.00 or less	~~$28.05~~25.00
(2)	500.01 through $2,000.00	~~$28.05~~25.00 for the first $500.00 plus ~~$3.65~~3.25 for each additional $100.00 or fraction thereof, to and including $2,000.00.
(3)	2,000.01 through 25,000.00	~~$82.15~~74.00 for the first $2,000.00 plus ~~$16.60~~14.95 for each additional $1,000.00 or fraction thereof, to and including $25,000.00.
(4)	25,000.01 through 50,000.00	~~$464.50~~418.00 for the first $25,000.00 plus ~~$11.95~~10.75 for each additional $1,000.00 or fraction thereof, to and including $50,000.00.
(5)	50,000.01 through 100,000.00	~~$763.40~~686.00 for the first $50,000.00 plus ~~$8.30~~7.45 for each additional $1,000.00 or fraction thereof, to and including $100,000.00.
(6)	100,000.01 through 500,000.00	~~$1,178.45~~1,059.00 for the first $100,000.00 plus ~~$6.60~~5.95 for each additional $1,000.00 or fraction thereof, to and including $500,000.00.
(7)	500,000.01 through 1,000,000.00	~~$3,835.00~~3,447.00 for the first $500,000.00 plus ~~$5.60~~5.05 for each additional $1,000.00 or fraction thereof, to and including $1,000,000.00.
(8)	1,000,000.01 and up	~~$6,651.35~~5,979.00 for the first $1,000,000.00 plus ~~$4.30~~3.85 for each additional $1,000.00 or fraction thereof.

...

Section 2. This ordinance is necessary to protect the public health, safety, and welfare of the residents of the city, and covers matters of local concern.

Section 3. The council deems it appropriate that this ordinance be published by title only and orders that copies of this ordinance be made available in the office of the city clerk for public inspection and acquisition.

INTRODUCED, READ ON FIRST READING, AND ORDERED PUBLISHED BY TITLE ONLY this 20th day of January, 2009.

_____
Mayor

Attest:

_____
City Clerk on behalf of the
Director of Finance and Record

READ ON SECOND READING, PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY this _____ day of _____, 2009.

_____
Mayor

Attest:

_____
City Clerk on behalf of the
Director of Finance and Record

ATTACHMENT B

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 4-20-43, "DEVELOPMENT APPLICATION FEES," B.R.C. 1981, AND SETTING FORTH RELATED DETAILS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO:

Section 1. Section 4-20-43, B.R.C. 1981, is amended to read:

4-20-43 Development Application Fees.

...

(b) Land use regulation fees:

(1) Applicant for a blue line amendment shall pay $131.00 per hour of staff time required, with a minimum charge of one hour.

(2) An applicant for zoning of land to be annexed shall pay the following fees:

Feasibility study

Annexation feasibility study .....$ 2,100.00

(Will apply as credit to initial annexation application fee if submitted within the same calendar year.)

Simple Single-family Residential

Initial application .....$ 5,000.00

Reapplication for same type of revision on same property within six months (if initial application is withdrawn or denied) .....$ 2,500.00

Standard

Initial application .....~~$17,340.00~~15,000.00

Reapplication for same type of revision
on same property within six months
(if initial application is withdrawn or denied) .....$~~8,670.00~~7,500.00

~~Residential, no potential for additional dwelling units~~Complex

Initial application ..... $~~8,670.00~~20,000.00

Each additional annexation agreement .....$ 2,500.00

Reapplication for same type of revision
on same property within six months
(if initial application is withdrawn or denied).....$10,000.00

...

(4) An applicant for the concept plan review and comment process shall pay $~~6,915.00~~8,915.00. Applicant shall also pay the planning board/city council administrative fee.

(5) An applicant for approval of a site review or an amendment to a site review shall pay the following fees:

...

Complex site review

Initial application .....$~~26,895.00~~24,895.00

Reapplication for same type of revision
on same property within six months
(if initial application is withdrawn or denied) .....$~~13,450.00~~12,447.00

...

(25) An applicant for vacation of a public street or alley shall pay $~~9,230.00~~4,000.00 for a vacation feasibility study and $5,230.00 for a vacation processing fee. An applicant for vacation of a public easement shall pay $505.00.

(c) Technical document review fees: The utility documents and fees listed in this section may be required as part of a technical document review, but may also be requested for any review process which would warrant a review type listed below:

...

~~(5) An applicant for a right-of-way/easement dedication shall pay $210.00.~~

~~These fees are not applicable for dedications which occur on a plat as part of a subdivision process.~~

~~Revisions (if applicable) - an hourly rate for staff~~

~~time required after issuance of the first set of comments.....$ 131.00/hour~~

(~~6~~5) An applicant for a final plan review shall pay the following fees:

Final architecture, landscaping and site plan combined.....$1,050.00
- this only applies to site review simple category

Revisions (if applicable) - an hourly rate for staff
time required after issuance of the first set of comments..... $ 131.00/hour

Final architecture plan 840.00

Revisions (if applicable) - an hourly rate for staff
time required after issuance of the first set of comments $131.00/hour

Final landscaping plan 840.00

Revisions (if applicable) - an hourly rate for staff
time required after issuance of the first set of comments.....$131.00/hour

Final site plan 840.00

Revisions (if applicable) - an hourly rate for staff
time required after issuance of the first set of comments 131.00/hour

The above fees are applicable whether plans are submitted individually or as part of a full construction plan set.

(~~7~~6) An applicant for a miscellaneous plan review (additional plan review required by changes, additions or revisions to approved plans) shall pay $131.00 per hour or staff time required with a minimum charge of one hour.

An application fee paid under this section may be refunded, but only if an unambiguous written request to withdraw the application and refund the fee is received in the city office where the application was presented within five days of the date on which the application was received at that office.

Section 2. This ordinance is necessary to protect the public health, safety, and welfare of the residents of the city, and covers matters of local concern.

Section 3. The council deems it appropriate that this ordinance be published by title only and orders that copies of this ordinance be made available in the office of the city clerk for public inspection and acquisition.

INTRODUCED, READ ON FIRST READING, AND ORDERED PUBLISHED BY TITLE ONLY this 20th day of January, 2009.

_____
Mayor

Attest:

_____
City Clerk on behalf of the
Director of Finance and Record

READ ON SECOND READING, PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY this _____ day of _____, 2009.

_____
Mayor

Attest:

_____
City Clerk on behalf of the
Director of Finance and Record

ATTACHMENT C

ORDINANCE NO._____

AN ORDINANCE AMENDING SECTIONS 4-20-26, "WATER PLANT INVESTMENT FEES," 4-20-29, "WASTEWATER PLANT INVESTMENT FEES," 4-20-46, "STORM WATER AND FLOOD MANAGEMENT UTILITY PLANT INVESTMENT FEE," 11-1-2, "DEFINITIONS," 11-1-35, "METER SIZE REQUIREMENTS," 11-1-52, "WATER PLANT INVESTMENT FEE," AND 11-2-33, "WASTEWATER PLANT INVESTMENT FEE," B.R.C 1981, AND SETTING FORTH RELATED DETAILS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO:

Section 1. Section 4-20-26, B.R.C. 1981, is deleted in its entirety and replaced with the following:

4-20-26 Water Plant Investment Fees.

~~(a) Water utility customers shall pay the following plant investment fees:~~

~~Customer Description~~	~~PIF Amount~~
~~(1) Detached residential:~~	
~~Small size residence~~	~~$ 7,995.00~~
~~Mobile home~~	~~7,995.00~~
~~Average size residence~~	~~9,995.00~~
~~Large size residence (if 24 gpm or less)~~	~~11,995.00~~
~~Large size residence (if more than 24 gpm)~~	~~Base 9,995.00~~ ~~(+ $555.00 per each gpm of the customer's instantaneous peak water demand in excess of 18 gpm)~~
~~(2) Attached residential:~~	
~~Rooming house unit~~	~~$ 3,000.00~~
~~Small size unit~~	~~5,995.00~~
~~Average size unit~~	~~7,995.00~~
~~Large size unit (if 18 gpm or less)~~	~~9,995.00~~
~~Large size unit (if more than 18 gpm)~~	~~Base 7,995.00~~ ~~(+ $555.00 per each gpm of the customer's instantaneous peak water demand in excess of 15 gpm)~~

~~(3) Nonresidential:~~	
~~Base amount~~	~~$ 9,995.00~~
~~Additional fee for each gpm over 18 gpm, provided that the water use does not exceed the water use demand described in subsection 11-1-52(l), B.R.C. 1981.~~	~~555.00/gpm~~
~~(4) Irrigation service:~~	
~~Detached residential and attached residential~~	~~0.00~~
~~Nonresidential through 180 gpm~~	~~666.00/gpm~~

~~(5) The PIF for a customer whose total water demand exceeds the water use demand described in subsection 11-1-52(l), B.R.C. 1981, is as follows:~~

~~(A) Raw Water~~

~~(AYWA/34,480 acre feet) x $440,400,000.00 plus~~

~~(B) Water Delivery Infrastructure~~

~~(PDWD/50,000,000 gallons per day) x $325,200,000.00 = Total PIF~~
~~Where: AYWA = customer's average year water demand in acre feet~~
~~34,480 acre feet = city's usable water rights capacity~~
~~$440,400,000.00 = value of city's raw water~~
~~PDWD = customer's peak day water demand in million gallons per day~~
~~50,000,000 gallons per day = city's current treated water delivery capacity~~
~~$325,200,000.00 = value of city's water delivery infrastructure~~

(a) Water utility customers shall pay the following plant investment fees:

The number of bedrooms, type of units, number of units, irrigated area and AWC Usage** are used to determine water budgets as well as calculate the Plant Investment Fee. Any changes to these characteristics may require payment of an additional Plant Investment Fee before any water budget adjustments are made.

Customer Description

	PIF Amount		
	2009	2010	2011
(1) Single Unit Dwelling:			
Outdoor [per S.F. of irrigated area (2,000 S.F. minimum)]	$1.78	$2.13	$2.47
Indoor	$7,947	$9,282	$10,602

(2) Multi Unit Dwelling:

Outdoor (Separate irrigation service under subsection (4) of this section

Indoor

1 or 2 bedroom unit	(per unit)	$4,542	$5,304	$6,060
3 bedroom unit	(per unit)	$5,677	$6,630	$7,574
4 bedroom unit	(per unit)	$6,812	$7,956	$9,088
5 or more bedroom unit	(per unit)	$7,947	$9,282	$10,602

(3) Nonresidential:
Outdoor (Separate irrigation service under subsection (4) of this section.

Indoor

AWC Usage (Gallons)**

Meter Size*	25%	50%	85%
¾"	N/A	30,000	165,000
1"	42,000	108,000	503,000
1 ½"	99,000	228,000	924,000
2"	183,000	483,000	1,941,000
	2009 PIF Amount		
Meter Size*	25%	50%	85%
¾"	N/A	$2,839	$15,613
1"	$3,974	$10,219	$47,596
1 ½"	$9,368	$21,574	$87,433
2"	$17,316	$45,704	$183,666
	2010 PIF Amount		
Meter Size*	25%	50%	85%
¾"	N/A	$3,315	$18,233
1"	$4,641	$11,934	$55,582
1 ½"	$10,940	$25,194	$102,102
2"	$20,222	$53,372	$214,481
	2011 PIF Amount		
Meter Size*	25%	50%	85%
¾"	N/A	$3,787	$20,826
1"	$5,301	$13,632	$63,488
1 ½"	$12,496	$28,778	$116,627
2"	$23,098	$60,964	$244,991

*Nonresidential meters larger than 2" require a special agreement described under subsection (5) of this section. The efficiency standard option with a corresponding special agreement is available to all nonresidential customers.

**Average Winter Consumption Usage, (AWC Usage) is based on a usage distribution of all nonresidential accounts with a given meter size.

"N/A" means this option is not available for purchase.

(4) Irrigation service:

[Per Square Foot of Irrigated Area (2,000 S.F. Minimum)]	PIF Amount		
	2009	2010	2011
	$1.78	$2.13	$2.47

(5) The PIF for a customer whose total water demand exceeds the water use demand described in subsection 11-1-52(j), B.R.C. 1981, is as follows:

(A) Raw Water

(AYWA/30,650 acre feet) x **A** plus

(B) Water Delivery Infrastructure

(PDWD/53,000,000 gallons per day) x **B** = Total PIF

Where: AYWA = customer's average year water demand in acre feet

30,650 acre feet = city's usable water rights capacity

A = value of city's raw water

PDWD = customer's peak day water demand in million gallons per day

53,000,000 gallons per day = city's current treated water delivery capacity

B = value of city's water delivery infrastructure

Water Asset Valuations

	2009	2010	2011
A	$432,763,775	$425,381,364	$418,072,046
B	$472,466,057	$622,707,186	$771,460,779

Section 2. Section 4-20-29, B.R.C. 1981 is deleted in its entirety and replaced with the following:

4-20-29 Wastewater Plant Investment Fees.

~~(a) Sanitary sewer utility customers shall pay the following plant investment fees:~~

~~**Customer Description**~~	~~**PIF Amount**~~
~~(1) Detached residential:~~	
~~Small size residence~~	~~$1,530.00~~
~~Mobile home~~	~~1,530.00~~
~~Average size residence~~	~~1,910.00~~
~~Large size residence (if 24 gpm or less)~~	~~2,290.00~~
~~Large size residence (if more than 24 gpm)~~	~~Base 1,910.00~~
	~~(+ $106.00 per each gpm of the customer's instantaneous peak water demand in excess of 18 gpm)~~
~~(2) Attached residential:~~	
~~Rooming house unit~~	~~$ 575.00~~
~~Small size unit~~	~~1,150.00~~
~~Average size unit~~	~~1,530.00~~
~~Large size unit (if 18 gpm or less)~~	~~1,910.00~~
~~Large size unit (if more than 18 gpm)~~	~~Base 1,530.00~~
	~~+ $106.00 per each gpm of the customer's instantaneous peak water demand in excess of 15 gpm)~~
~~(3) Nonresidential:~~	
~~Base amount~~	~~$1,910.00~~
~~Additional fee for each gpm over 18 gpm, provided that the wastewater discharge does not exceed the wastewater discharge described in subsection 11-2-33(k), B.R.C. 1981~~	~~106.00/gpm~~

~~(4) The PIF for a customer who exceeds the wastewater discharge described in subsection 11-2-33(k), B.R.C. 1981, is calculated as follows:~~

~~[(PDH/25,000,000 gallons per day) x $88,100,000.00] plus~~

~~[(ABOD/23,360 lbs. per day) x $16,200,000.00] plus~~

~~[(ATSS/22,060 lbs. per day) x $15,100,000.00] plus~~

~~[(ANH_3/830 lbs. per day) x $2,300,000.00] = Total PIF~~

~~Where: PDH = customer's peak day hydraulic loading in million gallons per day~~

~~25,000,000 gallons per day = city's current hydraulic and collection capacity~~

~~$88,100,000.00 = value of city's hydraulic and collection capacity~~

~~ABOD = thirty-day average BOD_5 loading removal in lbs. per day~~

~~23,360 lbs. per day = city's current BOD_5 removal capacity~~

~~$16,200,000.00 = value of city's BOD_5 removal capacity~~

~~ATSS = customer's thirty-day average total suspended solids (TSS) loading requiring removal in lbs. per day~~

~~22,060 lbs. per day = city's current TSS removal capacity~~

~~$15,100,000.00 = value of city's TSS removal capacity~~

~~ANH_3 = customer's thirty-day average ammonia nitrogen as N (NH_3-N)~~

~~loading requiring removal in lbs. per day~~

~~830 lbs. per day = city's current NH_3-N removal capacity~~

~~$2,300,000.00 = value of city's NH_3-N removal capacity~~

The number of bedrooms, type of units, number of units, irrigated area and AWC Usage** are used to determine water budgets as well as calculate the Plant Investment Fee. Any changes to these characteristics may require payment of an additional Plant Investment Fee before any water budget adjustments are made.

(a) Sanitary sewer utility customers shall pay the following plant investment fees:

Customer Description

	PIF Amount		
	2009	2010	2011
(1) Single Unit Dwelling:	$2,561	$3,356	$4,136
(2) Multi Unit Dwelling:			
1 or 2 bedroom unit (per unit)	$1,463	$1,919	$2,363
3 bedroom unit (per unit)	$1,829	$2,398	$2,954
4 bedroom unit (per unit)	$2,195	$2,877	$3,545
5 or more bedroom unit (per unit)	$2,561	$3,356	$4,136

(3) Nonresidential:

	AWC Usage (Gallons)**		
Meter Size*	25%	50%	85%
¾"	N/A	30,000	165,000
1"	42,000	108,000	503,000
1 ½"	99,000	228,000	924,000
2"	183,000	483,000	1,941,000

	2009 PIF Amount		
Meter Size*	25%	50%	85%
¾"	N/A	$915	$5,030
1"	$1,280	$3,292	$15,334
1 ½:"	$3,018	$6,951	$28,169
2"	$5,579	$14,725	$59,173
	2010 PIF Amount		
Meter Size*	25%	50%	85%
¾"	N/A	$1,199	$6,592
1"	$1,678	$4,315	$20,097
1 ½"	$3,955	$9,109	$36,917
2"	$7,311	$19,297	$77,549
	2011 PIF Amount		
Meter Size*	25%	50%	85%
¾"	N/A	$1,477	$8,123
1"	$2,068	$5,317	$24,764
1 ½"	$4,874	$11,225	$45,492
2"	$9,010	$23,780	$95,562

*Nonresidential meters larger than 2" require a special agreement described under subsection (4) of this section. The efficiency standard option with a corresponding special agreement is available to all nonresidential customers.

**Average Winter Consumption Usage, (AWC Usage), is based on a usage distribution of all nonresidential accounts with a given meter size.

"N/A" means this option is not available for purchase.

(4) The PIF for a customer who exceeds the wastewater discharge described in subsection 11-2-33(j), B.R.C. 1981, is calculated as follows:

[(PDH/25,000,000 gallons per day) x **A**] plus

[(ABOD/36,000 lbs. per day) x **B**] plus

[(ATSS/39,000 lbs. per day) x **C**] plus

[(ANH_3/4060 lbs. per day) x **D**] = Total PIF

Where: PDH = customer's peak day hydraulic loading in million gallons per day
25,000,000 gallons per day = city's current hydraulic and collection capacity

A = value of city's hydraulic and collection capacity

ABOD = thirty-day average BOD_5 loading removal in lbs. per day where BOD_5 is the amount of dissolved oxygen consumed in five days by biological processes breaking down oganic matter.

36,000 lbs. per day = city's current BOD_5 removal capacity

B = value of city's BOD_5 removal capacity

ATSS = customer's thirty-day average total suspended solids (TSS) loading requiring removal in lbs. per day

39,000 lbs. per day = city's current TSS removal capacity

C = value of city's TSS removal capacity

ANH_3 = customer's thirty-day average ammonia nitrogen as N (NH_3-N) loading requiring removal in lbs. per day

4,060 lbs. per day = city's current NH_3-N removal capacity

D = value of city's NH_3-N removal capacity

Water Asset Valuations

	2009	2010	2011
A	$137,939,128	$188,276,648	$237,617,385
B	$ 19,522,752	$22,878,731	$26,168,255
C	$11,602,191	$8,069,404	$4,606,573
D	$5,051,733	$7,830,983	$10,555,199

Section 3. Section 4-20-46, B.R.C. 1981 is deleted in its entirety and replaced with the following:

4-20-46 Storm Water and Flood Management Utility Plant Investment Fee.

~~Owners of all parcels of land in the city submitting building permit applications shall pay a storm water and flood management plant investment fee based on a base rate of $1,875.00. The base rate shall be multiplied by the ratio of the area of the parcel in square feet to a seven thousand square foot parcel and by the ratio of the runoff coefficient of the parcel less 0.2 to a runoff coefficient of 0.2.~~

Owners of all parcels of land in the city submitting building permit applications shall pay a storm water and flood management plant investment fee based on the square feet of added impervious area.

	PIF Amount		
	2009	2010	2011
(Per Square Foot of Impervious Area)	$1.25	$1.56	$1.87

Section 4. Section 11-1-2, B.R.C 1981 is amended to read:

11-1-2 Definitions.

For the purpose of this chapter and chapter 11-2, "Wastewater Utility," B.R.C. 1981, and the related fees in chapter 4-20, "Fees," B.R.C. 1981, the following words have the following meanings, unless the context clearly indicates otherwise:

~~"Attached residential unit size" means the following in the customer description for PIF valuation:~~

~~(a) A small size unit does not have more than one bathroom, and does not have an EQR greater than 0.6.~~

~~(b) An average size unit does not have more than two bathrooms, and does not have an EQR greater than 0.8.~~

~~(c) A large size unit has more than two bathrooms, and does not have an EQR greater than 1.0 if eighteen gpm or less. If more than eighteen gpm, an EQR shall be calculated on a case-by-case basis.~~

"Average ~~w~~Winter ~~c~~Consumption" means the average number of gallons of water use per month reflected on a user's water bill for the period covering the most recent consecutive months of December, January, February, and March. For accounts registering no water use in one or more of the four monthly billing periods, an average shall be established using those months in which there was usage, historical use records, or other available data.

~~"Bathroom" means a room containing at least a lavatory and a water closet (toilet).~~

...

~~"Detached residential unit size" means the following in the customer description for PIF valuation:~~

~~(a) A small size residence does not have more than two bathrooms, and does not have an EQR greater than 0.8. A mobile home is a small size residence.~~

~~(b) An average size residence does not have more than three bathrooms, and does not have an EQR greater than 1.0.~~

~~(c) A large size residence has more than three bathrooms, and does not have an EQR greater than 1.2 if twenty-four gpm or less. If more than twenty-four gpm, an EQR shall be calculated on a case-by-case basis.~~

"Developer" means any person who participates in any manner in the development of land.

~~"EQR" means an equivalent residential unit, which reflects the water demand and wastewater discharge of a detached average size residential unit. Other customer descriptions are proportionally related to that of a detached average size residential unit, which has an EQR of one. An EQR equals one when the instantaneous peak demand is eighteen gpm, the annual water demand is 0.34 acre-feet, the peak day demand is one thousand fifty gallons per day, and the average annual demand is three hundred four gallons per day.~~

...

"gpm" means gallons per minute and reflects the instantaneous peak demand for a customer. This information is obtained by counting water supply fixture units and then converting to a water demand in gallons per minute. The gpm value is used in determining water meter size, ~~EQR value,~~ and PIF.

...

~~"Limited living unit" means an efficiency apartment providing minimum housing accommodations for occupancy by two persons, which may include a private bath or kitchen facilities, all of which does not exceed a maximum interior floor area of four hundred square feet, and shall be considered as a small size attached residence for PIF valuation.~~

"Multi- U~~u~~nit D~~d~~welling" means a residential building used by two or more ~~of the following~~ groups of persons living independently of each other in separate dwelling units but not including motels, hotels, and resorts: Mobile home parks and residential water districts that are not individually metered by city water meters and/or have city master water meters are included under this definition.

~~"Detached residential unit size" means the following in the customer description for PIF valuation:~~

~~(a) The members of family plus one or two roomers. The quarters the roomers use shall not exceed one-third of the total floor area of the dwelling unit and shall not be a separate dwelling unit;~~

~~(b) Up to three individuals in RR-1, RR-2, RE, and RL zones;~~

~~(c) Up to eight persons sixty years of age or older in RR-1, RR-2, RE, and RL zones;~~

~~(d) Up to four individuals in RM, RMX, MU-1, MU-3, RH-2, RH-1, RH-4, RH-5, BT, BC, DT-4, DT-5, DT-2, DT-3, DT-1, IS, IG, IM, IMS, BMS, MU-2, and BR zones; or~~

~~(e) Two individuals and any of their children by blood, marriage, guardianship, including foster children, or adoption.~~

"Nonresidential " means any structure or any portion of a structure used exclusively for office, commercial, industrial, institutional or governmental purposes

~~"Permanently affordable unit" means a dwelling unit that in the city manager's judgment is pledged to the city to remain affordable forever to households earning up to eighty percent of the area median income (as determined by the United States Department of Housing and Urban Development or any successor agency of the United States Government) through contractual arrangements, restrictive covenants, and sale restrictions, subject to reasonable exceptions determined by the city manager, including, without limitation, subordination of such arrangements, covenants, and restrictions to a mortgagee.~~

...

~~"Rooming house dwelling unit" means a type of housing accommodation that consists of a room or group of rooms for a roomer, arranged primarily for sleeping and study, and that may include a private bath but does not include a sink or any cooking device, and shall be considered as an attached residential unit with an EQR of 0.3 for PIF valuation.~~

...

"Single-~~u~~Unit D~~d~~welling" means a detached principal residential building including townhomes, other than a mobile home, designed for or used as a dwelling exclusively by one group ~~of the following persons as an independent living unit:~~

~~(a) The members of a family plus one or two roomers. The quarters the roomers use shall not exceed one-third of the total floor area of the dwelling unit and shall not be a separate dwelling unit;~~

~~(b) Up to three individuals in RR-1, RR-2, RE, and RL zones;~~

~~(c) Up to eight persons sixty years of age or older in RR-1, RR-2, MU-2, RE, and RL zones;~~

~~(d) Up to four individuals in RM, RMX, MU-1, MU-3, RH-2, RH-1, RH-4, RH-5, BT, BC, DT-4, DT-5, DT-2, DT-3, DT-1, IS, IG, IM, IMS, BMS, MU-2, and BR zones; or~~

~~(e) Two individuals and any of their children by blood, marriage, guardianship, including foster children, or adoption.~~

...

Section 5. Section 11-1-35, B.R.C. 1981 is amended to read:

11-1-35 Meter Size Requirements.

(a) The meter provided shall be of a size so that the largest instantaneous demand required, without regard to ditch or well water rights, does not exceed eighty percent ~~of the rated capacity of the water meter for peak flows, or fifty percent~~ of the rated capacity of the water meter for continuous flows, as set forth by the meter manufacturer and in the latest version of Sizing Water Service Lines and Meters, Manual M22 of the American Water Works Association, ~~1975.~~

(b) All irrigation connections, except those for ~~single-family residences,~~ single unit dwellings, shall be separately metered and shall be sized based on the maximum gallons per minute demand at any one time.

(c) The largest meter for a ~~detached single-family residence~~single unit dwelling is one inch, unless otherwise approved by the city manager.

Section 6. Section 11-1-52, B.R.C. 1981 is amended to read:

11-1-52 Water Plant Investment Fee.

...

(b) Residential Uses: For purposes of this section, residential uses include, without limitation, single-unit and multi-unit dwellings~~, limited living units, mobile home dwellings, townhouses and rooming units~~. All other utility customers are ~~"other than residential uses,"~~ "nonresidential," including, without limitation, business, commercial, industrial, and institutional connections; ~~landscape irrigation service lines;~~ and recreational facilities appurtenant to residential developments.

(c) Combined Uses: Developments with combined residential and nonresidential uses in the same structure shall pay a plant investment fee based on the individual uses within the structure. The ~~"other than residential"~~ "nonresidential" portion of the developments shall

be assessed in accordance with the ~~"other than residential"~~ "nonresidential" fee schedule. The residential portion shall be assessed in accordance with the residential fee schedule.

~~(d) Permanently Affordable Units: The plant investment fee for each permanently affordable unit which is subject to concept review under section 9-2-13, "Concept Plan Review and Comment," B.R.C. 1981, and was reviewed by the planning board before September 16, 1999, the effective date of this ordinance, shall be set at the fee level in effect at the time of the final approval of the concept plan for the residential development, including such unit.~~

~~(e) Condominium Type Developments: Nonresidential developments designed to be sold and occupied in a manner similar to residential condominiums shall be assessed a plant investment fee (based on the entire building) pursuant to the schedule of fees for other than residential uses. Any installation of additional plumbing fixtures in one of the privately owned units may require an additional plant investment fee to be paid by the owner of the individual unit.~~

(~~f~~d) Landscape Irrigation Systems: All utility customers (except owners of single-unit dwellings and townhouse units) who desire to install landscape irrigation systems, including the developer of a townhouse complex or an association of townhouse owners desiring to install a landscape irrigation system on a portion of the commonly owned land, shall install a separate meter and pay a water plant investment fee based on the schedule of fees.

(~~g~~e) Information Required: All applicants ~~except those connecting three-fourths-inch meters for detached residential dwelling units~~ shall provide all pertinent information that the city manager may require to determine the plant investment fee, including, without limitation, a set of plans certifying the number and type of plumbing fixtures and the maximum design and demand in gallons per minute of any desired landscape irrigation system, along with the area of said irrigated land~~signed by a registered professional engineer~~.

(~~h~~f) Changes to Water Use: No customer of the water utility or a water district obtaining service under contract with the city shall make any changes or additions to the property that would affect the use of water without first obtaining permission to make such changes and a new permit for the use of the water under section 11-1-14, "Permit to Make Water Main Connections," B.R.C. 1981, and paying the plant investment fee. The

city manager shall credit such user an amount equal to the plant investment fee that would have been charged before the change or addition, but if the credit is less than the amount previously paid for a water plant investment fee, the amount paid shall be allowed as a credit. The credit shall be based upon documented historic water use data or other available, relevant data. But no credit shall be allowed for a plant investment fee collected from out-of-city customers that exceeds that charged to in-city customers. No refund shall be paid to any water user who obtains permission to decrease the demand for service. No cash refunds shall be paid for allowable credit exceeding the new plant investment fee. The credit prescribed by this subsection applies to only the property served by the existing water service line and to only water plant investment fees owed to the city and not to other utility fees or charges. Credit will not be allowed for service line stubs or for services not in use for a continuous period of five years or more. Prior to the expiration of the five years, the applicant may request an extension of time to receive a credit for water plant investment fees owed to the city. The city manager may grant such extensions based on a showing of good cause by the applicant.

(~~i~~g) Collection of Fee: The city may look only to the owner and the owner's successors in interest of each premises, building, lot, house, or dwelling unit desiring water service for the payment of the assessed water plant investment fee.

(~~j~~h) Processing of Requests: All building permit applications and other requests for water service received by the water utility will be processed in compliance with the plant investment fee schedule prescribed by section 4-20-26, "Water Plant Investment Fees," B.R.C. 1981 in effect as of the date of submission.

(~~k~~i) Access to Premises: The city manager may have access at reasonable times to all premises of water utility users for purposes of counting and verifying existence of fixtures to determine plant investment fees.

(j) Special Agreements and Contracts: Any applicant desiring to use water from the water utility, if such water use demand is greater than the water use demand anticipated for the property and use, based on land use zoning and approved utility master planning, shall enter into a special agreement with the city and shall pay a water plant investment fee pursuant to section 4-20-26, "Water Plant Investment Fees," B.R.C. 1981. Such special agreement shall contain the legal description of the property, the use to be served, and a

description of the instantaneous peak, daily peak, and annual water demand for the property and use, a description of the water use demand as anticipated by the city, and terms of the PIF payment. In addition, such special agreement may also contain financing, connection and monitoring provisions to accommodate equitably the needs of the user, and no statement contained in this chapter shall be construed as prohibiting such provisions. A copy of each proposed special agreement shall be placed on a city council agenda prior to execution, so that the council has an opportunity to call the agreement up for council review.

~~(m) Business Incentive Rebates: Repealed.~~

Section 7. Appendix A is deleted in its entirety, along with the table entitled P.I.F Computation Sheet which immediately follows Appendix A.

~~APPENDIX A~~

~~**Demand Equation for Predominately Flush Valves:**~~
~~For fixture unit counts 9 or less GPM is given to be zero.~~
~~For fixture units between 10 and 999 use the following equation (Fixture units = X):~~ ~~GPM = (0.000006 * X3) - (0.0029 * X2) + (0.664 * X) + 1.349~~
~~For fixture units = 1000 or greater use the following equation (Fixture units = X):~~ ~~GPM = (0.000000008 * X3) - (0.00006 * X2) + (0.2424 * X) + 17.451~~
~~**Demand Equation for Predominately Flush Tanks:**~~
~~For fixture unit counts 7 or less GPM is given to be zero.~~
~~For fixture units between 8 and 224 use the following equation (Fixture units = X):~~ ~~GPM = (0.000006 * X3) - (0.0029 * X2) + (0.664 * X) + 1.349~~
~~For fixture units = 225 or greater use the following equation (Fixture units = X):~~ ~~GPM = (0.000000008 * X3) - (0.00006 * X2) + (0.2424 * X) + 17.45~~

P.I.F. COMPUTATION SHEET					
Date: _____					Calculation Done by: _____
Applicant: _____					Existing Meter Size: _____
Property Address: _____					Exist Water Stub Size: _____
Lot:	Block:	Subdivision:			Quarter Section: _____

Existing Use:		Proposed Use:	
CIRCLE ONE:	Single Family	Attached Residential	Commercial

Type of Fixture	Fixture Units		Number of Existing Fixtures	Number of Proposed Fixtures	New Total of Plumbing Fixtures	Total WATER Fixture Units	Total SEWER Fixture Units
	Private	Public					
Water Closet (Toilet – Tank)	3	5					
Water Closet (Toilet – Flush Valve)		8					
Urinal		5					
Bathtub or Bathtub Shower Combo	2						
Shower Stall	2	4					
Shower Gang (Per Head)	2	4					
Lavatories (Bathroom Sinks)	1	2					
Sink (Kitchen or Compartment Type)	2	4					
Sink (Bar or Hand Type)	1	2					
Sink (Service, Mop, Janitor type)		4					
Lab Sink		2					
Clothes Washer(Per each pair of faucets)	2	4					
Laundry Tub (Per each pair of faucets)	2	4					
Dishwasher	2	4					
Drinking Fountains (Each Head)		1					
Hose Bibb/Sill Cock	3	5					
Floor Drain		2					
Floor Sink		2					
Beverage Hookup (Pop/Coffee/Ice Tea)		1					
Ice Machine, _____" line size							
Dip Wells		1					
Interceptor (Grease/Oil/Solids)		3					
Interceptor (Sand/Autowash)		6					
Bidet	2						
	Water	Sewer	TOTAL FIXTURE UNITS				
Existing Fixture Unit Total:							
Existing GPM:						WATER	SEWER
					New GPM		
					P.I.F. Total		
					P.I.F. Credit		
					NET P.I.F. DUE		

Section 7. Section 11-2-33, B.R.C 1981 is amended to read:

11-2-33 Wastewater Plant Investment Fee.

...

(b) For purposes of this section, residential uses include, without limitation, single-unit and multi-unit dwellings~~, limited living units, mobile home dwellings, townhouses, and rooming units~~. For purposes of this section, "nonresidential" uses include, without limitation, business, commercial, industrial, and institutional connections and recreational facilities appurtenant to residential developments.

(c) Developments with combined residential and nonresidential uses in the same structure shall pay a plant investment fee based on the individual uses within the structure. The ~~other than residential~~ "nonresidential" portion of the development shall be assessed in accordance with the ~~"other than residential"~~ "nonresidential" fee schedule. The residential portion shall be assessed in accordance with the residential fee schedule.

(d) ~~The plant investment fee for each permanently affordable unit which is subject to concept review under section 9-2-13, "Concept Plan Review and Comment," B.R.C. 1981, and was reviewed by the planning board before September 16, 1999, the effective date of this ordinance, shall be set at the fee level in effect at the time of the final approval of the concept plan for the residential development, including such unit.~~

~~(e)~~ Nonresidential developments designed to be sold and occupied in a manner similar to residential condominiums shall be assessed a plant investment fee based on the entire building pursuant to the schedule of fees for other than residential uses. Any increase resulting from the installation of additional plumbing fixtures in one of the privately owned units may require, an additional plant investment fee to be paid by the owner of the individual unit.

(~~f~~e) All applicants ~~except those connecting three-quarter inch meters for detached residential dwelling units~~ shall provide all pertinent information that the city manager may require to determine the plant investment fee including without limitation, a set of plans certifying the number and type of plumbing fixtures ~~signed by a certified professional engineer~~.

(~~g~~f) No customer of the wastewater utility or a sanitary sewer district obtaining service under contract with the city shall make changes or additions to the property that would affect demand on the sanitary sewer system without first obtaining permission to make such changes and a new permit for the use of the sewer under section 11-2-9, "Permit to Make

Sanitary Sewer Connection," B.R.C. 1981, and paying the plant investment fee. The city manager shall credit such user an amount equal to the fee that would have been charged before the change or addition, but if the credit is less than the amount previously paid for a sanitary sewer plant investment fee, the amount paid shall be allowed as a credit. The credit shall be based upon documented historic water or sewage discharge data or other available, relevant data. But no credit shall be allowed for a plant investment fee collected from out-of-city customers that exceeds that charged to in-city customers. No refund shall be paid to any sanitary sewer customer who obtains permission to decrease the demand for service. No cash refunds shall be paid for allowable credit exceeding the new sewer plant investment fee. The credit prescribed by this subsection applies only to the property served by the existing sanitary sewer service line and only to sanitary sewer plant investment fees owed to the city and not to other utility fees or charges. Credit will not be allowed for service line stubs or for services not in use for a continuous period of five years or more. Prior to the expiration of the five years, the applicant may request an extension of time to receive a credit for sanitary sewer plant investment fees owed to the city. The city manager may grant such extensions based on a showing of good cause by the applicant.

(~~h~~g) The city may look only to the owner and the owner's successors in interest of each premises, building, lot, house, or dwelling unit desiring wastewater service for the payment of the assessed sanitary sewer plant investment fee.

(~~i~~h) All building permit applications or requests for sanitary sewer service received by the wastewater utility will be processed in compliance with the plant investment fee schedule prescribed by section 4-20-29, "Wastewater Plant Investment Fees," B.R.C. 1981 in effect as of the date of submission.

(~~j~~i) The city manager may have access at reasonable times to all premises of water utility users for purposes of counting and verifying the existence of fixtures to determine plant investment fees.

(~~k~~j) Any applicant desiring to discharge wastewater into the wastewater utility, if such wastewater discharge (quantity or quality) is greater than that anticipated for the property and use, based upon land use zoning and approved utility master planning, shall enter into

a special agreement with the city and shall pay a wastewater plant investment fee pursuant to section 4-20-29, "Wastewater Plant Investment Fees," B.R.C. 1981.

Section 8. This ordinance is necessary to protect the public health, safety, and welfare of the residents of the city, and covers matters of local concern.

Section 9. The council deems it appropriate that this ordinance be published by title only and orders that copies of this ordinance be made available in the office of the city clerk for public inspection and acquisition.

INTRODUCED, READ ON FIRST READING, AND ORDERED PUBLISHED BY TITLE ONLY this 20th day of January, 2009.

_____
Mayor

Attest:

_____
City Clerk on behalf of the
Director of Finance and Record

READ ON SECOND READING, PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY this ___ day of _____, 20 __.

_____
Mayor

Attest:

_____
City Clerk on behalf of the
Director of Finance and Record

COMMUNITY SUSTAINABILITY ASSESSMENTS AND IMPACTS

COMMUNITY SUSTAINABILITY ASSESSMENTS AND IMPACTS

- Economic: It is anticipated that the proposed fee changes will have an economic impact on residential and commercial builders by increasing construction costs. If new PIFs are adopted and phased in over three-years, then the customer impact in 2009 would depend on whether or not it was an existing or new customer. In general, new commercial and multifamily customers would see a decrease in their water PIF and they may see an increase or a decrease in their wastewater PIF. New single-family customers will see an increase in the water and wastewater PIF. All new customers will see an increase in their stormwater PIF. In general, existing customers who are remodelling, doing an addition or doing a tenant finish will see a significant decrease in the water and wastewater PIF. If an existing customer increases their impervious area, they will see an increase in their stormwater PIF.

  If the proposed building permit fees are adopted, generally the cost for residential development will decrease while the cost for commercial development will increase. On average, 1,200 building permits are issued each year for small residential projects such as replacing water heaters, gas fireplaces, furnaces and electrical service changes. These types of home improvement projects will not be affected by the proposed building permit fee changes. Additionally, for a homeowner who adds a deck, porch, carport or completes a small addition, the permit fees will decrease.

  If the proposed development review fees are adopted, some review types will cost an applicant more while other review types will cost less.

- Environmental: The higher stormwater PIF will encourage developers to limit new impervious area by using pervious hard scape materials like modular block paving, porous pavement and green roofs as well as preserve existing landscape areas. This has the side benefit of lessening storm water detention and water quality requirements for a site. If the new water and wastewater PIF methodology is adopted then PIFs would be linked to the new water budget rate structure, and thereby continue to promote the city's water conservation goals and objectives. Customers would also be able to select a smaller irrigable area (and get a smaller water budget) but not below a minimum so that we don't unintentionally create incentives for more impervious areas and less landscaped areas and trees.

  No negative impacts on the environment are anticipated as a result of the proposed building and development review fee changes.

- Social: Impacts to low and moderate income populations, along with middle income populations, who are doing an addition or remodeling will be significantly decreased in relation to PIFs.

  On average, 1,200 building permits are issued each year for small residential projects such as water heater, gas fireplace, furnace and electrical service changes. These types of home improvement projects will not be affected by the proposed building permit fee changes.

Additionally, for a homeowner who adds a deck, porch, carport or completes a small addition, the permit fees will decrease.

OTHER IMPACTS:

- Fiscal: No expenditure impacts are anticipated. There will be no revenue impacts for building permit and development review fee changes. If the staff recommendation for PIFs is approved and implemented using a three-year phase-in beginning in February 2009, there will be minimal revenue impact on the overall respective utility fund in 2009. The details of the revenue projections can be found in the analysis section (**Attachment F**).
- Staff Time: Implementation of the proposed changes is included within the staff work program.

BOARD AND PUBLIC FEEDBACK

BOARD FEEDBACK

Water Resources Advisory Board (WRAB) Recommendation on PIFs
WRAB met on July 7, 2008 and voted 4 to 1 to support the staff recommendation of linking the PIFs to water budgets for water and wastewater PIFs and continuing with the status quo for the stormwater PIFs. WRAB recommended using the updated asset values. WRAB also recommended conducting a Commercial, Industrial, & Institutional (CII) study to gather specific user characteristic information, and provided suggestions for how to use any additional PIF revenue (reduce rate increases and use for capital expenses).

Planning Board
Planning Board met on June 26, 2008 and discussed the proposed development review fee changes. They supported the proposed changes and will continue to discuss the processes related to concept plan and site review which will help inform future fee changes in these areas.

PUBLIC FEEDBACK

Planning and Development Services (P&DS) Advisors' Feedback
The proposed fee changes have been discussed at the June 18, July 30 and Oct. 22 Planning & Development Services (P&DS) Advisors' meetings. The final proposed building permit and development review fee changes resulted from input received from this group. The biggest concern was related to PIFs and the increase in cost between the current asset values and the updated asset values. The discussion involved understanding cost recovery objectives and why the city needs to collect more money and what is the city going to do with the additional revenue. Staff indicated the objective of the PIF is to recoup the cost of capacity to serve new development. If more PIF revenue is collected, then the city would use the money for capital expenditures, increase fund reserves (to be used for future capital expenditures) or decrease the revenue requirements needed from monthly utility charges (reducing the amount of capital expenditures currently paid from this revenue source). Conversely, if the city collected less PIF revenue, then the city would decrease capital expenditures, decrease fund reserves or increase the revenue requirements needed from monthly utility charges.

Stakeholder Advisory Group Recommendation on PIFs
A stakeholder advisory group was formed in September 2007 to provide feedback and assistance in determining PIF options. The group met approximately monthly with staff and the consultant. A majority of the stakeholder advisory group recommended linking the PIFs to water budgets for the water and wastewater PIF. All stakeholder members agreed with continuing to use the status quo method for calculating the stormwater PIF.

In addition, the stakeholder members indicated that a comprehensive CII study to further refine water budgets for this customer class should be considered in the future. The study would help to disaggregate the CII customers beyond meter size groups and into homogenous sub-categories within the utility billing system.

Chamber of Commerce Feedback on PIFs

Staff met with approximately a dozen members of the Chamber of Commerce on May 28, 2008. Overall, the feedback was that the city should consider using the current method for assessing PIFs. Several attendees felt that there was no reason to link PIFs and the monthly water budgets since those are separate issues. The PIFs focus on infrastructure costs and the monthly rates focus on consumption and operating costs. There was also concern regarding the administrative challenges in linking water budgets and PIFs. In addition, attendees felt that it is already expensive to do business in Boulder and they would prefer that the PIFs not increase in price. This group's advice was that if there is already enough money to maintain the existing system through the combined monthly rates and PIF revenues, there may not be a need to collect more money by increasing the price of PIFs. Some meeting attendees understood that the increase in PIF cost for new development (i.e., new customer) will be tempered by the increase in value of the PIF credit related to redevelopment.

Letter from Chamber of Commerce, Commercial Brokers of Boulder, Boulder Economic Council, Downtown Boulder, Inc., Boulder Area Realtors Association, Boulder Tomorrow

On November 24, 2008, a collective group of the Boulder business community sent a letter to City Council requesting a delay in implementing an increase in development-related fees. The letter raised a number of issues such as the need for a more comprehensive review including the completion of the Blue Ribbon Commission – Phase II report; the concern of an increase in certain development fees, some as high as 71 percent; a decrease in redevelopment; and the potential for Boulder to charge some of the highest fees when compared to neighboring communities.

Development related fees are intended to implement the city's policy that growth pay its own way by requiring that new development pay the full cost of providing needed facilities and an equitable share of services. On Oct. 14, 2008 a study session was held to provide City Council with a comprehensive view of the proposed development related fee changes. This comprehensive approach provided a more complete understanding of the full costs of development in Boulder.

Five scenarios were used to demonstrate the impact of the proposed fee changes. The percent change ranges from a decrease of 42 percent to an increase of 55 percent depending on the specific scenario. The possible increase of 71 percent that is referred to in the business community letter is actually reflected in a two-year implementation example for PIFs. However, City Council indicated that they wanted to implement the PIF changes over a three-year period in which case there is the potential for a 55 percent increase in the first year. The business community letter referred to the commercial tenant finish scenario used in the Oct. 14 study session packet. Alternatively, if the commercial customer had not changed meter sizes (meaning, the customer had not substantially increased their water usage and water budget), then the customer would have paid $0 in PIFs under the proposed changes.

A fee comparison was conducted with other Front Range communities to assess the relative cost position of the city of Boulder's fees to other Front Range communities' fees. Three scenarios including a new commercial, new multifamily and new single-family residential were used for this comparison which was presented at the Oct. 14 study session. Boulder's development related fees and taxes are either near or at the top end of costs among Front Range communities. However, for a single-family residential addition, Boulder is on the lower end for PIFs. In fact, in some cases, other communities charge four times as much as Boulder would if the proposed PIFs were implemented. Under the proposed plan, the water and wastewater PIFs would be $0 and the stormwater PIF would be $3,176. In comparison, the highest community, Westminster, would charge a total of $18,022 for PIFs ($8,342 for water PIF and $9,441 for wastewater PIF).

As a result of the study session discussion, council generally supported moving forward with its final consideration of the proposed building permit, development review and plant investment fee changes. City council supported cost recovery policies that have been established for building permit and development review fees. The cost recovery policies are being met and the proposed fee changes are warranted to address equity across customer groups. The proposed PIFs changes are due to a change in methodology and valuation. Linking PIFs to water budgets was one of the main objectives of the PIF Study. This improves equity among customers and within a customer class by requiring new customers to pay for the water/water budget they will need. The objective of the PIF is to fully charge the cost to serve new development. In order that the PIF be considered a "full cost recovery" fee, it should be based on the current asset value of the entire system. The PIF Study included a full inventory of the all capital assets with a current asset value assigned to that inventory. Having the PIFs based on the current asset value helps ensure intergenerational equity amongst customers and acknowledges that capital costs have increased over time.

Administrative Hearing

An administrative hearing with limited attendance was conducted to acquire additional public feedback on July 9, 2008 for all potential fee changes. The questions at the hearing focused on clarifying and further understanding the development-related fee changes and potential impacts.

City Council Feedback

Council feedback was obtained at the July 15, 2008 PIF study session on the PIF analysis and direction was provided at the October 14, 2008 study session on the Development Related Fee Studies which included PIFs, building permit and development review fees. Please refer to the study session summary as accepted at the Nov. 10, 2008 meeting.

ANALYSIS OF PROPOSED FEE CHANGES

Comprehensive Review

The details of the potential customer impacts and a comparison to other Front Range communities are included below. The remaining analysis discussion is divided between the proposed fee changes related to PIFs, building permits and development review.

Customer Impact

Included below is a cumulative analysis of all the proposed fee changes and an individual analysis of the PIF methodology changes with a phased implementation (33 percent in 2009), building permit and development review fee changes.

Table I. Proposed Development Related Fee Changes demonstrates the cumulative impact of the proposed development related fee changes currently under consideration for 2009 using several selected scenarios. Development review fees were not included as they are not part of the building permit process. Additionally, DET Option I and II demonstrate the range of options that will be considered separately in 2009. **Attachment G** shows the impact of the PIF phase-in over three years. The scenarios used to illustrate the impacts of the proposed fee changes are:

New Commercial - 7,430 sq. ft. building (50 percent retail / 50 percent warehouse)
Commercial Tenant Remodel - 8,000 sq. ft. remodel within an existing 50,000 sq. ft. building
New Single-Family Residential - 4,500 sq. ft., 5 bedrooms, 4 baths
Single-Family Addition - 3,200 sq. ft., 2-bedroom, 3-bath addition
New Multi-family – 15,478 sq. ft. building with 5 3-bedroom/4-bath & 1 4-bedroom/6-bath units

The detail of the five scenarios can be found in **Attachment H**.

Table I. Proposed Development Related Fee Changes

		DET Option I (Impact Fees)		DET Option 2 (Hybrid)	
Development Scenario	**Current Fees**	**2009 Proposed Fees**	**% Change**	**2009 Proposed Fees**	**% Change**
New Commercial					
Building Permits	$7,481	$8,390	12%	$8,390	12%
Sales and Use Taxes	$6,523	$9,315	43%	$9,315	43%
Excise Taxes/Impact Fees	$21,993	$20,499	-7%	$25,596	16%
Education Excise Taxes	$0	$0	0%	$0	0%
Water PIF	$9,995	$3,555	-64%	$3,555	-64%
Wastewater PIF	$1,910	$1,389	-27%	$1,389	-27%
Stormwater/Flood PIF	$17,903	$23,852	33%	$23,852	33%
Irrigation PIF	$6,660	$10,228	54%	$10,228	54%
Materials and Permit Fees	$3,785	$3,785	0%	$3,785	0%
Total	$76,249	$81,014	6%	$86,111	13%

		DET Option I (Impact Fees)		DET Option 2 (Hybrid)	
Development Scenario	**Current Fees**	**2009 Proposed Fees**	**% Change**	**2009 Proposed Fees**	**% Change**
Commercial Tenant Finish					
Building Permits	$2,934	$5,124	75%	$5,124	75%
Sales and Use Taxes	$2,923	$7,957	172%	$7,957	172%
Excise Taxes/Impact Fees	$0	$0	0%	$0	0%
Education Excise Taxes	$0	$0	0%	$0	0%
Water PIF	$26,640	$35,858	35%	$35,858	35%
Wastewater PIF	$5,088	$11,168	119%	$11,168	119%
Stormwater/Flood PIF	$0	$0	0%	$0	0%
Materials and Permit Fees	$3,107	$3,107	0%	$3,107	0%
Total	$40,692	$63,214	55%	$63,214	55%
New Single Family					
Building Permits	$5,688	$4,674	-18%	$4,674	-18%
Sales and Use Taxes	$10,180	$8,761	-14%	$8,761	-14%
Excise Taxes/Impact Fees	$6,592	$7,119	8%	$10,687	62%
Education Excise Taxes	$5,310	$5,445	3%	$5,445	3%
Water PIF	$11,995	$14,315	19%	$14,315	19%
Wastewater PIF	$2,290	$2,900	27%	$2,900	27%
Stormwater/Flood PIF	$3,760	$5,003	33%	$5,003	33%
Materials and Permit Fees	$1,413	$1,413	0%	$1,413	0%
Total	$47,229	$49,630	5%	$53,198	13%
Single Family Addition					
Building Permits	$4,082	$3,352	-18%	$3,352	-18%
Sales and Use Taxes	$7,239	$6,230	-14%	$6,230	-14%
Excise Taxes/Impact Fees	$0	$0	0%	$0	0%
Education Excise Taxes	$0	$0	0%	$0	0%
Water PIF	$6,995	$0	0%	$0	0%
Wastewater PIF	$1,334	$0	0%	$0	0%
Stormwater/Flood PIF	$1,692	$2,251	33%	$2,251	33%
Materials and Permit Fees	$1,186	$1,186	0%	$1,186	0%
Total	$22,528	$13,020	-42%	$13,020	-42%
New Multi-family					
Building Permits	$18,361	$16,783	-9%	$16,783	-9%
Sales and Use Taxes	$29,629	$29,224	-1%	$29,224	-1%
Excise Taxes/Impact Fees	$25,035	$28,355	13%	$42,633	70%
Education Excise Taxes	$18,264	$18,728	3%	$18,728	3%
Water PIF	$67,950	$68,918	1%	$68,918	1%
Wastewater PIF	$12,996	$14,756	14%	$14,756	14%
Stormwater/Flood PIF	$17,788	$23,666	33%	$23,666	33%
Materials and Permit Fees	$4,048	$4,048	0%	$4,048	0%
Total	$194,071	$204,479	5%	$218,756	13%

[1] Includes the development excise tax (fire, human services, library, parks and recreation, police, and transportation) and the housing excise tax
[2] Commercial/Industrial/Institutional (CII) with a 1 inch meter and 50 percent of average winter consumption (AWC)

The impacts of the proposed PIF and building permit changes are described in more detail in the subsequent sections of this attachment.

Boulder Fees Compared to other Front Range Communities A fee comparison was conducted with other Front Range communities to assess the relative cost position of the city of Boulder's fees to other Front Range communities' fees. Three scenarios were used for this comparison. Boulder's development related fees and taxes are either near or at the top end of costs among Front Range communities, as noted in **Attachment I**. Although it may be appropriate for Boulder to charge more, the overall cost of development in the city, including economic vitality and housing affordability may be factors for City Council consideration in determining increases to the city's existing development related fees and taxes. Implementation of Option I will place Boulder at the top end of the costs for the commercial and single family scenarios and above all costs for the multi-family scenario when compared to other Front Range communities. Implementation of Option II will place Boulder above all costs, except in the single family scenario. In addition, it is important to note that the city's proposed fee changes in the table above do not include potential future transportation and housing excise tax increases and only includes the impact of the first year of the PIF phase-in.

Plant Investment Fees (PIFs)

Below are several topics used in the analysis:

1. Methodology,
2. Valuation,
3. Phase-In Implementation, and
4. Revenue Impact.

Each focus area contains background information, options and a recommendation. In summary, the recommendation is to adopt the new PIF methodology that links to water budgets for the water and wastewater PIF and to continue using the current method (square feet of impervious area) for the stormwater PIF. Linking PIFs to water budgets was one of the main objectives of the PIF Study. This improves the equity among customers and within a customer class by requiring new customers to pay for the water that is predicted they will need. The recommendation is also to use the updated asset values and to implement the new fees (with both new methodology and new asset values) over a three-year phase-in period beginning February 5, 2009. Having the PIFs based on the current value of the utility assets helps ensure intergenerational equity amongst customers and acknowledges that capital costs have increased over time as well as the time value of money. The phase-in implementation softens the financial impact over a three year period, which is helpful given the situation with the local and national economy.

1. Methodology

The city charges a separate PIF for water, wastewater and stormwater/flood to recapture initial capital improvement investments. PIFs are charged to new and existing customers who request new or additional utility service from the city. In the 2008 PIF Study, the proposed PIF options are based on a buy-in approach where customers connecting to the system are asked to pay a one-time capital charge to compensate current customers for past investments.

The PIF options that best address the study objectives were presented at the July 15 PIF study session. Included in the table below is the recommendation in comparison to the current methodology.

Water & Wastewater PIF Options *(wastewater PIF only applies to indoor part)*

Customer Class	Methodology
Residential *(Single-family and Multifamily)*	**Option 1 – Status Quo**: count units, bathrooms, type of plumbing fixtures; use equivalent residential unit (EQR)
	Option 2 – Water Budgets (*recommendation*): indoor - fixed amount; outdoor – irrigable area times application rate
Commercial/ Industrial/ Institutional (CII)	**Option 1 – Status Quo:** count number and type of plumbing fixtures; theoretical maximum gallon per minute demand
	Option 2 – Water Budget Meter Size, AWC Account Usage Distributions (*recommendation*): usage distribution (sliding scale of 25%, 50%, or 85%) of meter size class or efficiency standard.
Irrigation-Only	**Option 1 – Status Quo:** gallon per minute demand of largest irrigated zone
	Option 2 – Water Budgets (*recommendation*): irrigable area times application rate
Large User	**Option 1 – Status Quo:** case-by-case basis; separate agreement and individualized PIF
	Option 2 – Meter Size Basis (*recommendation*): any commercial customer requesting meter size 3 inches or larger would require large user agreement

Stormwater PIF Options

Customer Class	Methodology
Residential and CII	**Option 1–Status Quo (*recommendation*):** sq. ft. additional impervious area; same fee for all customers

Recommendation

As presented at the July 15 and Oct. 14 study session, the WRAB, stakeholder advisory group, Red Oak Consulting, and staff recommend applying the water budget-based PIF for all customer classes including single-family residential, multifamily residential, and irrigation water PIFs. The CII approach that is recommended is based on water budgets but uses a different "menu" of options. CII customers would choose between the average winter consumption (AWC) account usage distribution budget for their meter size or an efficiency-standard budget. By using the 25th, 50th and 85th percentiles of usage (AWC) to develop the customers water budget (and assess a PIF), it would encourage conservation rather than being based on historical monthly use (HMU) or average monthly use (AMU).

Linking PIFs to water budgets was one of the main objectives of the PIF Study. This improves the equity among customers and within a customer class by requiring new customers to pay for the water that is predicted they will need. It also satisfies intergenerational equity by eliminating subsidies among customers – new customers will pay for their anticipated water use just as existing customers are required to pay for their current water use.

The recommendation is to apply the meter size basis for large user agreements. This would set a clear threshold for implementing a large user agreement since currently it can be hard to determine.

For all customer classes, the recommendation is that the methodology used for the water PIF also be used for the wastewater PIF. For the stormwater PIF, the recommendation is that the city continue with the status quo which is based on square feet of impervious area for all customers.

As mentioned at the Oct. 14 study session, one addition to the original recommendation that was presented at the July 15 study session is to allow any customer, including CII customers, to select a smaller irrigable area. The smaller irrigable area would be used in calculating the PIF when a customer either connects to the system (i.e., new customer) or redevelops. The PIF and the monthly water budget would be based on the smaller irrigable area. If at a later date, a customer decides to irrigate a larger portion of the property, then the customer would either pay blocks 4 or 5 for the extra water consumption or the customer could purchase an additional PIF based on the larger irrigable area in order to increase their monthly water budget.

2. Valuation

There are two options for calculating the valuation component of the PIF. One is to use the current values and the other option is to use the updated values. The table below compares the current and updated asset valuations for each of the utilities (water, wastewater and stormwater).

Comparing Current and Updated Asset Valuations

	Current Valuation	Updated Valuation
Water	$766 million	$1.1 billion
Wastewater	$122 million	$263 million
Stormwater	$153 million	$287 million

The objective of the PIF is to recoup the cost of capacity to serve new development. In order that the PIF be considered a "full cost recovery" fee, it should be based on the current value of the entire system; a full inventory of all capital assets with an accurate, present-day value assigned to that inventory. This is achieved by a routine (every 5-7 years), comprehensive evaluation by an outside professional firm, as was done for the 2008 PIF Study.

As presented at the PIF study session on July 15 and Oct. 14, the 2008 PIF Study incorporated a number of changes from the last PIF Study (2001), which resulted in approximately 62 percent to 98 percent increases in the PIFs when comparing the current fee to the updated version of the current fee (Option 1- Status Quo/New Values). These significant increases in prices are primarily due to the following:

- Updated estimates of the replacement cost of existing utility infrastructure. Replacement costs have escalated dramatically since the last PIF study. Although the city has attempted to adjust these costs yearly based on the Engineering News Record Construction Cost Index (ENRCCI) for Denver, this index has not kept pace with actual cost increases as reflected in recent construction cost information.
- Significant facilities were added over the past seven years (i.e., Lakewood Pipeline reconstruction, Lakewood Hydroelectric, Betasso and Boulder Reservoir Water Treatment Plant Improvements, Wastewater Treatment Plant improvements, etc.).

- City underwent comprehensive asset review since the 2001 study to verify each utility's assets. This evaluation indicated that the list (inventory) of water and sewer pipes and facilities needed to be updated to fully account for all of the city's assets.

The PIFs presented at the July 15 and Oct. 14 study session represent the maximum supportable fee that can be assessed to new development based on the assumptions used to develop the fees. These fees are designed to recover a new customer's proportionate share of the facilities required to serve their needs. This premise ensures that new customers have paid their share just as previous customers have. The maximum supportable fee also ensures that the utilities are able to maintain the same level of service to existing and new customers.

Red Oak Consulting has indicated that many communities implement fees that are less than the calculated maximum supportable fee for a number of reasons such as spurring economic growth or maintaining a fee level consistent with community values or goals. The City Council may wish to adopt a valuation that is lower than its insurance value because of other community values. If so, staff would recommend that council connect it to specific community values that support the lower PIF.

Recommendation

Staff recommends using the updated values as reflected in the PIF Study. The buy-in methodology for PIFs is based on the concept that existing customers, through rates and other revenues, have developed a valuable utility system. A new customer, or an existing customer increasing demand, should "buy-in" to the system by making a contribution equal to the amount of equity a similar existing customer has in the system. Having the PIFs based on the current value of the utility assets helps ensure intergenerational equity amongst customers and acknowledges that capital costs have increased over time as well as the time value of money.

Since the last PIF study in November 2001, PIFs have been increased annually by the percent change in the ENRCCI for the Denver area. As mentioned previously, this index has not kept pace with actual cost increases as reflected in recent construction cost information. As a result, there is a more dramatic increase in the PIFs. To help mitigate a significant increase in the future, staff will try to keep fee increases current in a more realistic manner that applies directly to Boulder.

3. Phased Implementation

In order to lessen the financial impact to new customers, any adopted PIFs could be implemented or phased-in over a two- or three-year period. The following table shows how the recommended PIF option could be phased-in using the customer scenarios described in the subsequent section, Customer Impacts. For purposes of an example, the numbers shown for a multi-year implementation have also been adjusted to reflect a three percent inflationary increase for each year. The numbers could be reviewed by staff each year during the implementation period and adjusted based on an index tailored to the Boulder area as part of the annual budget process.

Proposed Implementation of PIF Changes

Development Scenario	Current 2008 Fees	OPTIONS					
		Full Implementation in 2009	Two-Year Implementation		Three-Year Implementation		
			2009	2010	2009	2010	2011
New Commercial[1]							
Water PIF	$9,995	$3,555	$3,555	$3,662	$3,555	$3,662	$3,771
Wastewater PIF	$1,910	$1,389	$1,389	$1,431	$1,389	$1,431	$1,474
Stormwater/Flood PIF	$17,903	$33,698	$26,306	$34,709	$23,852	$29,801	$35,750
Irrigation PIF	$6,660	$16,367	$11,759	$16,858	$10,228	$13,796	$17,364
Total	$36,468	$55,009	$43,009	$56,660	$39,024	$48,690	$58,359
Commercial Tenant Finish[1]							
Water PIF	$26,640	$51,178	$39,677	$52,713	$35,858	$45,076	$54,294
Wastewater PIF	$5,088	$21,988	$13,868	$22,648	$11,168	$17,247	$23,327
Stormwater/Flood PIF	$0	$0	$0	$0	$0	$0	$0
Total	$31,728	$73,166	$53,545	$75,361	$47,026	$62,323	$77,621
New Single Family							
Water PIF	$11,995	$17,868	$15,200	$18,404	$14,315	$16,636	$18,956
Wastewater PIF	$2,290	$3,883	$3,145	$3,999	$2,900	$3,510	$4,119
Stormwater/Flood PIF	$3,760	$7,058	$5,515	$7,270	$5,003	$6,245	$7,488
Total	$18,045	$28,809	$23,860	$29,673	$22,218	$26,391	$30,563
Single Family Addition							
Water PIF	$6,995	$0	$0	$0	$0	$0	$0
Wastewater PIF	$1,334	$0	$0	$0	$0	$0	$0
Stormwater/Flood PIF	$1,692	$3,176	$2,482	$3,271	$2,251	$2,810	$3,369
Total	$22,528	$3,176	$2,482	$3,271	$2,251	$2,810	$3,369
New Multi-family							
Water PIF	$67,950	$66,786	$66,786	$68,790	$66,786	$68,820	$70,853
Wastewater PIF	$12,996	$17,228	$15,370	$17,744	$14,756	$16,515	$18,277
Stormwater/Flood PIF	$17,788	$33,390	$26,090	$34,392	$23,666	$29,545	$35,423
Total	$98,734	$117,404	$109,830	$120,926	$105,208	$114,880	$124,553

[1] Commercial/Industrial/Institutional (CII) with a 1 inch meter and 50 percent of average winter consumption (AWC)

Recommendation

As illustrated by the table above, the phase-in option softens the financial impact over a two or three year period, but it is not a dramatic adjustment for most situations. In light of the impact on the commercial and business customers and the situation with the national economy, staff recommends the three-year implementation option using the new methodology and the updated values.

4. Revenue Impact

Revenue projections were developed to compare the estimated revenue from each implementation option. The purpose of the revenue analysis is to determine whether PIFs received annually can meet each utility's capital project requirements. Historical billing data and permit data were reviewed by the city to estimate the number of new customers by class.

Projected New Connections by Customer Class

Customer Class	New Accounts Per Year
Single-Family Residential	70
Multifamily Residential	282 (47 accounts @ 6 units each)
CII	13
Irrigation	9

The objective of the PIF is to recoup the cost of capacity to serve new development. If more PIF revenue is collected, then the city would use the money for capital expenditures, increase fund reserves (to be used for future capital expenditures) or decrease the revenue requirements needed from monthly utility charges (reducing the amount of capital expenditures currently paid from this revenue source). Conversely, if the city collected less PIF revenue, then the city would decrease capital expenditures, decrease fund reserves or increase the revenue requirements needed from monthly utility charges.

PIF Revenue Impact

	Additional Annual Revenue with Full Implementation in 2009	**Additional Annual Revenue with Two-Year Implementation**		**Additional Annual Revenue with Three-Year Implementation *(Staff Recommendation)***		
		2009	2010	2009	2010	2011
Water	$400,000	-$20,000	$530,000	-200,000	$200,000	$600,000
Wastewater	$450,000	$220,000	$480,000	$100,000	$300,000	$500,000
Stormwater/ Flood	$500,000	$300,000	$600,000	$200,000	$400,000	$600,000

Recommendation

If the staff recommendation for PIFs is approved and implemented using a three-year phase-in beginning in February 2009, there will be minimal financial impact on the overall respective utility fund in 2009. With a three-year implementation plan and monthly utility rate increase as outlined in the 2009 Budget, which is scheduled to be approved at the Nov. 10 City Council meeting, the projected fund balances and reserve levels are satisfactory. Please note that the revenue projections assume that the city will get the average number of new units and development coming into the city that we have seen over the past five years. If construction slows down, the estimates above will lower proportionately.

Building Permit Fees

Building fees are established to recover the full cost of services related to construction in the city. Fees for building plan review, permit issuance and building inspection services are currently based upon building valuation. Building valuation is calculated using a square foot cost that is based on a national table (**Attachment J**) and multiplying it by the square footage of the project. The valuation is then used to calculate the permit fees (**Attachment K**) and sales and use taxes.

The current building valuation system, in place since 2003, does not reflect current construction costs. The cost recovery policy for building permit and inspection services is 100 percent

(includes all direct and indirect costs) and is currently being met. However, corrections are needed to address equity across customer groups.

Additionally, recent audits have demonstrated that some commercial projects have been undervalued, further warranting adjustments to the square foot construction costs. By adjusting the square foot construction cost table to be more in line with true costs, the number of follow-up audits necessary by city's audit staff will be reduced.

Proposed Fee Changes

Staff is proposing to adjust the square foot construction cost table to more accurately reflect construction costs (**Attachment J**). These square foot costs are used to generate project valuations, which are utilized to calculate permit fees and sales and use taxes. Generally, the per square foot cost for residential development would decrease while the per square foot cost for non-residential development would increase. In order to help offset the changes made to the square foot construction cost table and to keep the cost recovery from exceeding 100%, the building permit fee table would be adjusted accordingly (**Attachment K**). The initial building permit fee would now include resubmittals.

Currently, Planning & Development Services also accepts the estimated project valuation provided by the applicant to determine fees for alterations, repairs, remodels and tenant remodels. Staff is proposing to utilize the square footage of a project and the square foot construction cost table to calculate the project valuation, which is consistent with how project valuation is estimated for new construction and increases equity among all building permit applicants.

As demonstrated by the table below, the impact of the proposed building permit fee changes will affect customers differently. Generally, the cost for residential development will decrease while the cost for non-residential development will increase. Small home improvement projects such as water heater replacements, gas fireplaces, furnaces, etc. will not be affected by the proposed fee changes. Additionally, for a homeowner who adds a deck, porch, carport or completes a small addition, the permit fees will go down as demonstrated by the single family addition below.

Development Scenario	Current Fees	2009 Proposed Fees	% Change
New Commercial			
Building Permits	$7,481	$8,390	12%
Sales and Use Taxes	$6,523	$9,315	43%
Total	$14,003	$17,706	26%
Commercial Tenant Finish			
Building Permits	$2,934	$5,124	75%
Sales and Use Taxes	$2,923	$7,957	172%
Total	$5,857	$13,081	123%
New Single Family			
Building Permits	$5,688	$4,674	-18%
Sales and Use Taxes	$10,180	$8,761	-14%
Total	$15,868	$13,435	-15%
Single Family Addition			
Building Permits	$4,082	$3,352	-18%
Sales and Use Taxes	$7,239	$6,230	-14%
Total	$11,321	$9,583	-15%
New Multi-family			
Building Permits	$18,361	$16,783	-9%
Sales and Use Taxes	$29,629	$29,224	-1%
Total	$47,990	$46,007	-4%

Sales and Use Tax Implications

The city's code provides that contractors pay construction use tax on the materials portion of a project at the time a building permit is issued, a provision common among many Colorado municipalities. This construction use tax is based on an estimate: 50 percent of the project valuation is allocated to taxable building materials and 50 percent is non-taxable labor and services.

As demonstrated by the project scenarios (**Attachment H**), when project valuation changes, the construction use tax amount also changes, and in some cases the difference can be substantial. While the change can increase the cost of development, it's important that the valuation used to estimate taxes is as close to the true project cost as possible. Projects can be audited up to three years after a certificate of occupancy (CO) is issued. If the audit findings show taxes are due to the city, this can be a financial burden on the contractor because contracts have been closed out and penalty and interest charges are typically incurred.

Development Review Fees

Annexation/Initial Zoning

Background:

The city currently has two flat fees associated with review of annexation applications. Residential properties with no development potential pay a flat fee of $8,670 plus a Planning Board administrative fee of $1,580. Other properties pay a flat fee of $17,340 plus a Planning

Board administrative fee of $1,580. Due to the negotiated nature of annexations, an hourly billing component is not currently included in annexation processes. Annexations applications do not currently have an expiration or maximum number of revisions.

Issues Identified:

- Because petitions do not expire and no hourly fee is in place, applications can continue for multiple years and exceed application fees.
- Limited number of fee options may not equitably distribute costs among applicants.
- Application fees for existing properties seeking utility service may be prohibitively high.
- No clear provision for multiple properties included in a single application. Costs associated with multiple agreements, property owner coordination, and mid-process additions/subtractions are not accounted for.

Proposed Fee Structure Change:

Simple Single-Family Residential Annexation – Review of annexation proposals for one single family residential structure with no public improvements (other than utility service lines) or dedication requirements and no further development potential.

Standard Annexation – Review of annexation proposals not meeting the criteria for simple or complex annexation.

Complex Annexation – Review of annexations for properties with the potential to subdivide into more than two single-family residential lots, requiring more than one annexation agreement, requiring extension of any public improvement for more than 100-feet, and/or including requests to vary any land use regulation beyond what is allowed through a concurrent Site Review or Subdivision process.

Type of Annexation	Current Fee	Proposed Fee
Simple Single-Family Residential	$8,670 + Planning Board Fee	$5,000 + Planning Board Fee
Standard Annexation	$17,340 + Planning Board Fee	$15,000 + Planning Board Fee
Complex Annexation	$17,340 + Planning Board Fee	$20,000 + Planning Board Fee + $2,500 for each additional annexation agreement

Right-of-Way/Easement Dedication

Background:
The city currently charges a flat rate of $210 plus an hourly fee for revisions for the review, processing, and recording of rights-of-way and easements dedicated to the city.

Issues Identified:
Dedications are generally a requirement of another review process and provided to the city at no cost. Applicants have expressed concerns with being charged to give property interests to the city.

Proposed Fee Structure Change:
Eliminate the separate application and fee for easement dedications and complete review as part of the associated application. Easement review would be subject to any resubmittal or hourly fees associated with the corresponding application.

Review Type	Current Fee	Proposed Fee
Right-of-Way/Easement Dedication	$210	$0

Right-of-Way/Access Easement Vacation

Background:
Vacation of public rights-of-way and public access easements can only occur through an ordinance passed by city council. The current application fee is set at $9,230 to recover the costs of the detailed analysis, legal support, memorandum preparation, ordinance and deed preparation, meeting attendance, and public notification associated with this application type. Applications to vacate easements not associated with public access (utility, drainage, etc.) are reviewed at the staff level with a fee of $505.

Issues Identified:
The significant cost of the application fee results in applicants wanting a high level of confidence in the potential success of the vacation before applying. As a result, a significant amount of staff analysis tends to occur prior to application. Most inquiries do not result in an application and thus no cost recovery occurs.

Proposed Fee Structure Change:
Similar to the "Annexation Feasibility Study," divide the current fee into two parts to separate review and analysis from the legal and administrative processes associated with city council action. Replace existing $9,230 fee with $4,000 vacation feasibility study and $5,230 vacation processing fee.

Review Type	Current Fee	Proposed Fee
Right-of-Way/Access Easement Vacation Processing	$9,230	$5,230
Right-of-Way/Access Easement Vacation Feasibility Study	$0	$4,000

Concept Plan Review/Site Review

Background:
Staff time-tracking data indicates an increase in time spent on Concept Plan Reviews and a decrease in time spent on Site Reviews. During the past several years, the level of detail of Concept Plan submittals has increased considerably to address requests by the Planning Board. Staff review time has increased to provide associated detailed review and comment. Additional detail has also resulted in greater demand for revisions, which were not previously included in the Concept Plan process. Concept Plan does not include an hourly fee component as revisions were not anticipated. Greater resolution of issues at Concept Plan appears to have contributed to a reduction in staff hours spent during Site Review.

Issues Identified:
- Current fees may not be equitable based on existing procedures

Proposed Fee Structure Change Options:
- Maintain existing fees and work with Planning Board and stakeholders to return to less detailed Concept Plan review process.
- Increase Concept Plan flat review fee and decrease Site Review fee based on available case averages **(Recommended option - Planning Board will continue to discuss this process which will help inform future fee changes in this area.)**
- Formalize revision process for Concept Plan and charge hourly revision fee. Reduce Site Review fee accordingly.
- Adjust thresholds for Concept Plan to better reflect current development trends.
- Develop a three-tiered Concept Plan fee structure with a "Simple" category for vacant sites and a "Complex" category for complex urban sites.

Review Type	Current Fee	Proposed Fee
Concept Plan	$6,915	$8,915
Complex Site Review	$26,895	$24,895

PIF Phase-in over Three Years

This chart demonstrates the full impact of the proposed three-year phase-in of the PIFs. If does not include any other fee changes or CPI increases in 2010.

		DET Option I (Impact Fees)						DET Option 2 (Hybrid)					
Development Scenario	Current Fees	2009 Proposed Fees (PIF 33%)	% Change (2008-2009)	2010 Proposed Fees (PIF 66%)	% Change (2009-2010)	2011 Proposed Fees (PIF 100%)	% Change (2010-2011)	2009 Proposed Fees (PIF 33%)	% Change (2008-2009)	2010 Proposed Fees (PIF 66%)	% Change (2009-2010)	2011 Proposed Fees (PIF 100%)	% Change (2010-2011)
New Commercial													
Building Permits	$7,481	$8,390	12%	$8,390	0%	$8,390	0%	$8,390	12%	$8,390	0%	$8,390	0%
Sales and Use Taxes	$6,523	$9,315	43%	$9,315	0%	$9,315	0%	$9,315	43%	$9,315	0%	$9,315	0%
Excise Taxes/Impact Fees[1]	$21,993	$20,499	-7%	$20,499	0%	$20,499	0%	$25,596	16%	$25,596	0%	$25,596	0%
Education Excise Taxes	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Water PIF	$9,995	$3,555	-64%	$3,662	3%	$3,771	3%	$3,555	-64%	$3,662	3%	$3,771	3%
Wastewater PIF	$1,910	$1,389	-27%	$1,430	3%	$1,474	3%	$1,389	-27%	$3,662	164%	$1,474	-60%
Stormwater/Flood PIF	$17,903	$23,852	33%	$29,801	25%	$35,750	20%	$23,852	33%	$29,801	25%	$35,750	20%
Irrigation PIF	$6,660	$10,228	54%	$13,796	35%	$17,364	26%	$10,228	54%	$13,796	35%	$17,364	26%
Materials and Permit Fees	$3,785	$3,785	0%	$3,785	0%	$3,785	0%	$3,785	0%	$3,785	0%	$3,785	0%
Total	$76,249	$81,014	6%	$90,679	12%	$100,348	11%	$86,111	13%	$98,008	14%	$105,446	8%
Commercial Tenant Finish													
Building Permits	$2,934	$5,124	75%	$5,124	0%	$5,124	0%	$5,124	75%	$5,124	0%	$5,124	0%
Sales and Use Taxes	$2,923	$7,957	172%	$7,957	0%	$7,957	0%	$7,957	172%	$7,957	0%	$7,957	0%
Excise Taxes/Impact Fees[1]	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Education Excise Taxes	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Water PIF	$26,640	$35,858	35%	$45,076	26%	$54,294	20%	$35,858	35%	$45,076	0%	$54,294	20%
Wastewater PIF	$5,088	$11,168	119%	$17,247	54%	$23,327	35%	$11,168	119%	$17,247	0%	$23,327	35%
Stormwater/Flood PIF	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Materials and Permit Fees	$3,107	$3,107	0%	$3,107	0%	$3,107	0%	$3,107	0%	$3,107	0%	$3,107	0%
Total	$40,692	$63,214	55%	$78,511	24%	$93,809	19%	$63,214	55%	$78,511	24%	$93,809	19%
New Single Family													
Building Permits	$5,688	$4,674	-18%	$4,674	0%	$4,674	0%	$4,674	-18%	$4,674	0%	$4,674	0%
Sales and Use Taxes	$10,180	$8,761	-14%	$8,761	0%	$8,761	0%	$8,761	-14%	$8,761	0%	$8,761	0%
Excise Taxes/Impact Fees[1]	$6,592	$7,119	8%	$7,119	0%	$7,119	0%	$10,687	62%	$10,687	0%	$10,687	0%
Education Excise Taxes	$5,310	$5,445	3%	$5,445	0%	$5,445	0%	$5,445	3%	$5,445	0%	$5,445	0%
Water PIF	$11,995	$14,315	19%	$16,636	16%	$18,956	14%	$14,315	19%	$16,636	16%	$18,956	14%
Wastewater PIF	$2,290	$2,900	27%	$3,510	21%	$4,119	17%	$2,900	27%	$3,510	21%	$4,119	17%
Stormwater/Flood PIF	$3,760	$5,003	33%	$6,245	25%	$7,488	20%	$5,003	33%	$6,245	25%	$7,488	20%
Materials and Permit Fees	$1,413	$1,413	0%	$1,413	0%	$1,413	0%	$1,413	0%	$1,413	0%	$1,413	0%
Total	$47,229	$49,630	5%	$53,803	8%	$57,975	8%	$53,198	13%	$57,371	8%	$61,543	7%
Single Family Addition													
Building Permits	$4,082	$3,352	-18%	$3,352	0%	$3,352	0%	$3,352	-18%	$3,352	0%	$3,352	0%
Sales and Use Taxes	$7,239	$6,230	-14%	$6,230	0%	$6,230	0%	$6,230	-14%	$6,230	0%	$6,230	0%
Excise Taxes/Impact Fees[1]	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Education Excise Taxes	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Water PIF	$6,995	$0	-100%	$0	0%	$0	0%	$0	-100%	$0	0%	$0	0%
Wastewater PIF	$1,334	$0	-100%	$0	0%	$0	0%	$0	-100%	$0	0%	$0	0%
Stormwater/Flood PIF	$1,692	$2,251	33%	$2,810	25%	$3,369	20%	$2,251	33%	$2,810	0%	$3,369	20%
Materials and Permit Fees	$1,186	$1,186	0%	$1,186	0%	$1,186	0%	$1,186	0%	$1,186	0%	$1,186	0%
Total	$22,528	$13,020	-42%	$13,578	4%	$14,137	4%	$13,020	-42%	$13,578	4%	$14,137	4%
New Multi-family													
Building Permits	$18,361	$16,783	-9%	$16,783	0%	$16,783	0%	$16,783	-9%	$16,783	0%	$16,783	0%
Sales and Use Taxes	$29,629	$29,224	-1%	$29,224	0%	$29,224	0%	$29,224	-1%	$29,224	0%	$29,224	0%
Excise Taxes/Impact Fees[1]	$25,035	$28,355	13%	$28,355	0%	$28,355	0%	$42,633	70%	$42,633	0%	$42,633	0%
Education Excise Taxes	$18,264	$18,728	3%	$18,728	0%	$18,728	0%	$18,728	3%	$18,728	0%	$18,728	0%
Water PIF	$67,950	$66,786	-2%	$68,820	3%	$70,853	3%	$66,786	-2%	$68,820	3%	$70,853	3%
Wastewater PIF	$12,996	$14,756	14%	$16,515	12%	$18,277	11%	$14,756	14%	$16,515	12%	$18,277	11%
Stormwater/Flood PIF	$17,788	$23,666	33%	$29,545	25%	$35,423	20%	$23,666	33%	$29,545	25%	$35,423	20%
Materials and Permit Fees	$4,048	$4,048	0%	$4,048	0%	$4,048	0%	$4,048	0%	$4,048	0%	$4,048	0%
Total	$194,071	$202,347	4%	$212,019	5%	$221,692	5%	$216,624	12%	$226,296	4%	$235,969	4%

[1] Includes the development excise tax (fire, human services, library, parks and recreation, police, and transportation) and the housing excise tax

[2] Commercial/Industrial/Institutional (CII) with a 1 inch meter and 50 percent of average winter consumption (AWC)

2009 Proposed Options for Development Related Fee Changes
(*New Commercial Scenario)*

	Current 2008	Proposed Building Permit & PIF Fee Changes DET Option I	Proposed Building Permit & PIF Fee Changes DET Option II
Building Permit Fees	$5,762	$6,314	$6,314
Plan Check Fee	$1,718	$2,077	$2,077
Sales and Use Taxes	$6,523	$9,315	$9,315
Development Excise Tax	$5,097	$0	$18,426
Transportation Excise Tax	$13,329	$13,329	
Impact Fees	$0	$3,604	$3,604
Housing Excise Tax	$3,566	$3,566	$3,566
Education Excise Tax	$0	$0	$0
Water Plant Investment Fees	$9,995	$3,555	$3,555
Wastewater Plant Investment Fees	$1,910	$1,389	$1,389
Stormwater/Flood Plant Investment Fees	$17,903	$23,852	$23,852
Irrigation PIF	$6,660	$10,228	$10,228
Water Rights Fee	n/a	n/a	n/a
Permits, Taps, Inspections and Meter Fees	$3,785	$3,785	$3,785
Total	**$76,249**	**$81,014**	**$86,111**

Assumptions for a New Commercial Building Scenario
7,430 sq. ft building (50% retail/50% storage/warehouse)

Total Valuation (sq ft costs)	321,310
Electrical	62,930
Mechanical	28,234
Plumbing	19,800

	Area (square feet)
Lot	25,124
Building	7,430
retail	3,715
warehouse/storage	3,715
Parking	11,667
Landscaping	6,027
ROW landscaping	1,000

Building Permit Fees Include:
- Building Permits
- Electrical Permit
- Mechanical Permit
- Plumbing Permit
- Energy Check

Sprinklers (fire protection)	4"
Water	1" (40gpm)
Sewer	4"
Irrigation	3/4" (10gpm)
Flood (impervious surface)	19,097 sq ft

For building permit fees, the current valuation ($321,310) is based on a per square foot cost of $54.86 (retail) and $31.63 (warehouse).
For Options I & II, the valuation is $458,877 and is based on a per square foot cost of $74.67 (retail) and $48.85 (warehouse).

2009 Proposed Options for Development Related Fee Changes
(Commercial Tenant Remodel Scenario)

	Current 2008	Proposed Building Permit & PIF Fee Changes DET Option I	Proposed Building Permit & PIF Fee Changes DET Option II
Building Permit Fees	$1,979	$3,306	$3,306
Plan Check Fee	$955	$1,818	$1,818
Sales and Use Taxes	$2,923	$7,957	$7,957
Development Excise Tax	$0	$0	$0
Transportation Excise Tax	$0	$0	$0
Impact Fees	$0	$0	$0
Housing Excise Tax	$0	$0	$0
Education Excise Tax	$0	$0	$0
Water Plant Investment Fees	$26,640	$35,858	$35,858
Wastewater Plant Investment Fees	$5,088	$11,168	$11,168
Stormwater/Flood Plant Investment Fees	$0	$0	$0
Permits, Taps, Inspections and Meter Fees	$3,107	$3,107	$3,107
Total	**$40,692**	**$63,214**	**$63,214**

Assumptions for a Commercial Tenant Remodel Scenario

Existing: 50,000 sq.ft. bldg/8,000 sq.ft. tenant remodel (commercial/retail)

Total Valuation (sq ft costs)	144,000
Electrical	6,000
Mechanical	10,000
Plumbing	1,000
	Area (square feet)
Lot	100,000
Building	50,000
Building (remodel sq. ft)	8,000
Parking	30,000
Landscaping	20,000
ROW landscaping	2,400
Impervious surface	80,000
Sprinklers (fire protection)	4"
Water	1" (40gpm)
Sewer	4" (40 gpm)
Irrigation	3/4" (10gpm)

Building Permit Fees Include:
- Building Permits
- Electrical Permit
- Mechanical Permit
- Plumbing Permit
- Energy Check

Resultant: 50,000 sq. ft one story building (100% Commercial/Retail)

Total Valuation (sq ft cos	391,960
Electrical	6,000
Mechanical	10,000
Plumbing	1,000
	Area (square feet)
Lot	100,000
Building	50,000
Building	8,000
Parking	30,000
Landscaping	20,000
ROW landscaping	2,400
Impervious surface	80,000
Sprinklers (fire protection	4"
Water	2" (88gpm)
Sewer	4" (88 gpm)
Irrigation	3/4" (10gpm)

For building permit fees, the current valuation is based on a per square foot cost of $18.00 (average given by applicant) and the proposed per square foot cost (Options 1 & II) is $49.00.

2009 Proposed Options for Development Related Fee Changes
(New Single-Family Scenario)

	Current 2008	Proposed Building Permit & PIF Fee Changes DET Option I	Proposed Building Permit & PIF Fee Changes DET Option II
Building Permit Fees	$4,727	$3,915	$3,915
Plan Check Fee	$962	$759	$759
Sales and Use Taxes	$10,180	$8,761	$8,761
Development Excise Tax	$3,536	$0	$5,630
Transportation Excise Tax	$2,043	$2,062	
Impact Fees	$0	$4,022	$4,022
Housing Excise Tax	$1,013	$1,035	$1,035
Education Excise Tax	$5,310	$5,445	$5,445
Water Plant Investment Fees	$11,995	$14,315	$14,315
Wastewater Plant Investment Fees	$2,290	$2,900	$2,900
Stormwater/Flood Plant Investment Fees	$3,760	$5,003	$5,003
Permits, Taps, Inspections and Meter Fees	$1,413	$1,413	$1,413
Total	**$47,229**	**$49,630**	**$53,198**

Assumptions for a New Single-Family Residential Scenario

4,500 sq. ft building 5 bedrooms, 4 bathrooms

Units	1
Total Valuation (	501,480
Electrical	4,500
Mechanical	12,000
Plumbing	13,000

	Area (square feet)
Lot	7,000
Building	4,500
Landscaping	3,000
ROW landscapir	400

Building Permit Fees Include:

- Building Permits
- Electrical Permit
- Mechanical Permit
- Plumbing Permit
- Energy Check

Water	3/4" (24gpm)
Sewer	4" (24gpm)
Flood (impervious surface)	4,000 sq ft

For building permit fees, the current valuation ($501,480) is based on a per square foot cost of $111.44 and the proposed valuation for Options I & II is $431,595 and is based on a per square foot cost of $95.91.

2009 Proposed Options for Development Related Fee Changes
(Single-Family Addition Scenario)

	Current 2008	Proposed Building Permit & PIF Fee Changes DET Option I	Proposed Building Permit & PIF Fee Changes DET Option II
Building Permit Fees	$3,364	$2,780	$2,780
Plan Check Fee	$719	$573	$573
Sales and Use Taxes	$7,239	$6,230	$6,230
Development Excise Tax	$0	$0	$0
Transportation Excise Tax	$0	$0	$0
Impact Fees	$0	$0	$0
Housing Excise Tax	$0	$0	$0
Education Excise Tax	$0	$0	$0
Water Plant Investment Fees	$6,995	$0	$0
Wastewater Plant Investment Fees	$1,334	$0	$0
Stormwater/Flood Plant Investment Fees	$1,692	$2,251	$2,251
Permits, Taps, Inspections and Meter Fees	$1,186	$1,186	$1,186
Total	**$22,528**	**$13,020**	**$13,020**

Assumptions for a Single-Family Residential Addition Scenario

Existing: 1,800 sq ft building with 3 bedrooms, 2 bathrooms

Units	1
Total Valuation (sq ft costs)	356,608
Electrical	3,200
Mechanical	8,500
Plumbing	9,200
	Area (square feet)
Lot	7,000
Building	1,800
Landscaping	4,400
ROW landscaping	400
Impervious surface	2,600
Water	3/4" (18 gpm)
Sewer	4" (24 gpm)

Building Permit Fees Include:
- Building Permits
- Electrical Permit
- Mechanical Permit
- Plumbing Permit

Resultant: 5,000 sq ft building with 5 bedrooms, 5 bathrooms

Units	1
Total Valuation (sq ft costs)	306,912
Electrical	3,200
Mechanical	8,512
Plumbing	9,200
	Area (square feet)
Lot	7,000
Building	**5,000**
Landscaping	**2,600**
ROW landscaping	400
Flood (impervious surface)	**4,400**
Water	**1" (27 gpm)**
Sewer	**4" (27 gpm)**

For building permit fees, the current valuation is based on a per square foot cost of $111.44 and for Options I & II the proposed per square foot cost is $95.91.

2009 Proposed Options for Development Related Fee Changes
(New Multifamily Scenario)

	Current 2008	Proposed Building Permit & PIF Fee Changes DET Option I	Proposed Building Permit & PIF Fee Changes DET Option II
Building Permit Fees	$12,752	$11,796	$11,796
Plan Check Fee	$5,609	$4,987	$4,987
Sales and Use Taxes	$29,629	$29,224	$29,224
Development Excise Tax	$14,151	$0	$21,745
Transportation Excise Tax	$7,401	$7,467	
Impact Fees	$0	$17,328	$17,328
Housing Excise Tax	$3,483	$3,560	$3,560
Education Excise Tax	$18,264	$18,728	$18,728
Water Plant Investment Fees	$67,950	$66,786	$66,786
Wastewater Plant Investment Fees	$12,996	$14,756	$14,756
Stormwater/Flood Plant Investment Fees	$17,788	$23,666	$23,666
Permits, Taps, Inspections and Meter Fees	$4,048	$4,048	$4,048
Total	**$194,071**	**$202,347**	**$216,624**

Assumptions for a New Multifamily Scenario

15,478 sq. ft building Five 3 bedroom/4 bath, One 4 bedroom/6 bath unit

Units	6
Total Valuation (sq ft costs)	1,459,575
Electrical	120,000
Mechanical	77,000
Plumbing	84,000

	Area (square feet)
Lot	28,175
Building	15,478
Parking	0
Landscaping	9,252
ROW landscaping	500

Building Permit Fees Include:
- Building Permits
- Electrical Permit
- Mechanical Permit
- Plumbing Permit
- Energy Check

Sprinklers (fire protection)	4"
Water	1.5" (54gpm)
Sewer	4"
Irrigation	3/4" (8gpm)
Flood (impervious surface)	18,923 sq ft

For building permit fees, the current valuation ($1,459,575) is based on a per square foot cost of $94.30 and for Options I & II the valuation is $1,439,609 and is based on a per square foot cost of $93.01.

2008 Development Related Fee and Tax Comparison with Other Front Range Colorado Communities (Commercial Scenario)

	Boulder	Boulder (Option 1)	Boulder (Option II)	Broomfield	Ft.Collins	Lafayette	Longmont	Louisville	Loveland	Westminster
Building Permit Fees	$5,762	$6,314	$6,314	$2,177	$1,334	$3,185	$2,572	$3,132	$3,725	$2,325
Plan Check Fee	$1,718	$2,077	$2,077	$1,415	$642	$1,415	$1,672	$1,454	$1,454	$1,512
Sales and Use Taxes	$6,523	$9,315	$9,315	$6,667	$6,105	$8,001	$6,306	$6,466	$6,105	$6,185
Development Excise Tax	$5,097	$0	$18,426	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Transportation Excise Tax	$13,329	$13,329		n/a	n/a	n/a	n/a	n/a	n/a	n/a
Impact Fees	n/a	$3,604	$3,604	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Housing Excise Tax	$3,566	$3,566	$3,566	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Education Excise Tax	n/a	$0	$0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Electric Community Investment Fee	n/a	n/a	n/a	n/a	n/a	n/a	$1,445	n/a	$900	n/a
School District Impact Fees	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Service Expansion	n/a	n/a	n/a	n/a	n/a	$892	n/a	n/a	n/a	n/a
Capital Expansion/Community Investment Fees	n/a	n/a	n/a	n/a	$4,309	n/a	$2,601	$632	$4,309	n/a
Street Oversizing Capital Expansion Fees	n/a	n/a	n/a	n/a	$28,160	n/a	$7,469	$17,981	$19,578	n/a
Parkland Fees/Parks Development Fees	n/a	n/a	n/a	n/a	n/a	$2,229	n/a	n/a	n/a	n/a
Public Arts Fee	n/a	n/a	n/a	n/a	n/a	$186	n/a	n/a	n/a	n/a
Land Dedication Fees	n/a	n/a	n/a	n/a	n/a	$2,895	n/a	n/a	n/a	n/a
Water Plant Investment Fees	$9,995	$3,555	$3,555	$18,653	$6,970	$9,360	$10,100	$22,550	$4,300	$12,513
Wastewater Plant Investment Fees	$1,910	$1,389	$1,389	$35,281	$6,206	$6,360	$4,300	$11,275	$2,480	$6,898
Stormwater/Flood Plant Investment Fees	$17,903	$23,852	$23,852	n/a	$1,938	$2,512	$2,211	n/a	$440	n/a
Irrigation PIF	$6,660	$10,228	$10,228	$14,489	$6,790	n/a	$16,500	n/a	n/a	$10,611
Water Rights Fee	n/a	n/a	n/a	n/a	$11,700	$9,211	$6,901	$22,550	$5,022	$19,482
Permits, Taps, Inspections and Meter Fees	$3,785	$3,785	$3,785	$1,232	$1,027	$330	$303	n/a	$809	$768
Total	**$76,249**	**$81,014**	**$86,111**	**$79,914**	**$75,181**	**$46,575**	**$62,379**	**$86,039**	**$49,122**	**$60,294**

Assumptions for a New Commercial Building Scenario
7,430 sq. ft building (50% retail/50% warehouse)

Total Valuation (sq ft costs)	321,310
Electrical	62,930
Mechanical	28,234
Plumbing	19,800

	Area (square feet)
Lot	25,124
Building	7,430
retail	3,715
warehouse/storage	3,715
Parking	11,667
Landscaping	6,027
ROW landscaping	1,000

Building Permit Fees Include:
- Building Permits
- Electrical Permit
- Mechanical Permit
- Plumbing Permit
- Energy Check

Sprinklers (fire protection)	4"
Water	1" (40gpm)
Sewer	4"
Irrigation	3/4" (10gpm)
Flood (impervious surface)	80,000 sq ft

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ATTACHMENT I

2008 Development Related Fee and Tax Comparison with Other Front Range Colorado Communities (Single Family Scenario)

	Boulder	Boulder (Option 1)	Boulder (Option II)	Broomfield	Ft.Collins	Lafayette	Longmont	Louisville	Loveland	Westminster
Building Permit Fees	$4,727	$3,915	$3,915	$3,205	$1,941	$3,363	$3,729	$4,541	$3,787	$2,692
Plan Check Fee	$962	$759	$759	$2,083	$935	$2,108	$1,865	$2,108	$2,108	$1,750
Sales and Use Taxes	$10,180	$8,761	$8,761	$10,406	$9,528	$12,487	$10,420	$1,630	$9,528	$9,653
Development Excise Tax/Impact Fees	$3,536	$0	$5,630	n/a	n/a	n/a	$983	$4,902	n/a	n/a
Transportation Excise Tax/Impact Fees	$2,043	$2,062		n/a	n/a	n/a	$802	$1,753	n/a	n/a
Impact Fees		$4,022	$4,022	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Housing Excise Tax	$1,013	$1,035	$1,035	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Education Excise Tax	$5,310	$5,445	$5,445	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Electric Community Investment Fee	n/a	n/a	n/a	n/a	n/a	n/a	$462	n/a	$1,300	n/a
School District Impact Fees	n/a	n/a	n/a	n/a	$1,800	n/a	n/a	n/a	$1,382	n/a
Service Expansion Fees	n/a	n/a	n/a	$4,500	n/a	$925	n/a	n/a	n/a	n/a
Capital Expansion Fees	n/a	n/a	n/a	n/a	$3,547	n/a	n/a	n/a	$6,361	n/a
Street Oversizing Capital Expansion Fees	n/a	n/a	n/a	n/a	$2,792	n/a	n/a	n/a	$2,045	n/a
Parkland Fees/Parks Development Fees	n/a	n/a	n/a	n/a	$1,969	$1,250	n/a	n/a	$3,032	$1,654
Public Arts Fee	n/a	n/a	n/a	n/a	n/a	$25	n/a	na/	n/a	n/a
Land Dedication Fees	n/a	n/a	n/a	n/a	n/a	$1,680	n/a	n/a	n/a	$876
Water Plant Investment Fees	$11,995	$14,315	$14,315	$22,454	$3,250	$9,360	$7,200	$22,850	$4,300	$12,513
Wastewater Plant Investment Fees	$2,290	$2,900	$2,900	$8,427	$3,194	$6,360	$3,000	$3,221	$2,480	$3,631
Stormwater/Flood Plant Investment Fees	$3,760	$5,003	$5,003	n/a	$406	$700	$709	n/a	$515	n/a
Water Rights Fee	n/a	n/a	n/a	n/a	$4,653	$16,623	$6,502	n/a	$5,022	$6,812
Permits, Taps, Inspections and Meter Fees	$1,413	$1,413	$1,413	$641	$351	$330	$187	n/a	$694	$299
Total	**$47,229**	**$49,630**	**$53,198**	**$51,716**	**$34,366**	**$55,211**	**$35,860**	**$41,004**	**$42,554**	**$39,880**

Assumptions for Single Family Residential
4,500 sq. ft building

Units	1
Total Valuation (sq ft costs)	501,480
Electrical	4,500
Mechanical	12,000
Plumbing	13,000
	530,980
	Area (square feet)
Lot	7,000
Building	4,500
Landscaping	3,000

Building Permit Fees Include:
- Building Permits
- Electrical Permit
- Mechanical Permit
- Plumbing Permit
- Energy Check

Sprinklers (fire protection)	4"
Water	3/4" (24gpm)
Sewer	4"
Flood (impervious surface)	4,000 sq ft

2008 Development Related Fee and Tax Comparison with Other Front Range Colorado Communities (Multi-Family Scenario)

	Boulder	Boulder (Option 1)	Boulder (Option II)	Broomfield	Ft.Collins	Lafayette	Longmont	Louisville	Loveland	Westminster
Building Permit Fees	$12,752	$11,796	$11,796	$7,262	$4,797	$6,999	$7,910	$9,366	$9,699	$5,581
Plan Check Fee	$5,609	$4,987	$4,987	$4,720	$2,309	$4,471	$3,955	$4,324	$4,471	$3,628
Sales and Use Taxes	$29,629	$29,224	$29,224	$30,286	$27,732	$36,343	$28,644	$4,744	$27,732	$28,097
Development Excise Tax/Impact Fees	$14,151	$0	$21,745	n/a	n/a	n/a	$5,898	$17,208	n/a	n/a
Transportation Excise Tax/Impact Fees	$7,401	$7,467		n/a	n/a	n/a	$2,393	$8,556	n/a	n/a
Impact Fees		$17,328	$17,328	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Housing Excise Tax	$3,483	$3,560	$3,560	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Education Excise Tax	$18,264	$18,728	$18,728	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Electric Community Investment Fee	n/a	n/a	n/a	n/a	n/a	n/a	$1,620	n/a	$7,800	n/a
School District Impact Fees	n/a	n/a	n/a	n/a	$5,400	n/a	n/a	n/a	$5,676	n/a
Service Expansion Fees	n/a	n/a	n/a	$15,478	n/a	$3,900	n/a	n/a	n/a	n/a
Capital Expansion Fees	n/a	n/a	n/a	n/a	$21,282	n/a	n/a	n/a	$38,166	n/a
Street Oversizing Capital Expansion Fees	n/a	n/a	n/a	n/a	$10,410	n/a	n/a	n/a	$8,616	n/a
Parkland Fees/Parks Development Fees	n/a	n/a	n/a	n/a	$11,814	$1,250	n/a	n/a	$18,192	$8,064
Public Arts Fee	n/a	n/a	n/a	n/a	n/a	$25	n/a	n/a	n/a	n/a
Land Dedication Fees	n/a	n/a	n/a	n/a	n/a	$6,762	n/a	n/a	n/a	$2,808
Water Plant Investment Fees	$67,950	$66,786	$66,786	$53,890	$17,337	$35,100	$33,100	$114,090	$26,860	$60,188
Wastewater Plant Investment Fees	$12,996	$14,756	$14,756	$50,562	$12,414	$23,580	$8,140	$19,326	$13,740	$23,650
Stormwater/Flood Plant Investment Fees	$17,788	$23,666	$23,666	n/a	$1,920	$2,818	$2,191	n/a	$2,072	n/a
Water Rights Fee	n/a	n/a	n/a	n/a	$23,165	$49,869	$26,171	n/a	$29,235	$20,436
Permits, Taps, Inspections and Meter Fees	$4,048	$4,048	$4,048	$1,706	$1,538	$585	$804	n/a	$2,611	$2,928
Total	**$194,071**	**$202,347**	**$216,624**	**$163,904**	**$140,118**	**$171,703**	**$120,826**	**$177,614**	**$194,870**	**$155,380**

Assumptions for Multi-Family Scenario
15,478 sq. ft building

Units	6
Total Valuation (sq ft costs)	1,459,575
Electrical	120,000
Mechanical	77,000
Plumbing	84,000

	Area (square feet)
Lot	28,175
Building	15,478
Parking	0
Landscaping	9,252

Building Permit Fees Include:
- Building Permits
- Electrical Permit
- Mechanical Permit
- Plumbing Permit
- Energy Check

Sprinklers (fire protection)

Water	1.5" (54gpm)
Sewer	4" (54 gpm)
Irrigation	3/4" (8gpm)
Flood (impervious surface	18,923 sq ft

City of Boulder
Planning and Development Services
1300 Canyon • P. O. Box 791, Boulder, CO 80306-0791
phone 303-441-1880 • fax 303-441-4070 • web www.ci.boulder.co.us/pwplan

Construction Permit Square Foot Valuation Rates

The International Code Council Building Valuation Data was used to establish the valuation rates for each building use and construction type. The contractor's valuation will be used for alterations, repairs, remodels, tenant remodels and swimming pools. The rates are for new construction. All other are a percentage of the new rate (except basement finish) as shown.

Scope	*NonResidential*	*Residential*
Addition	100%	100%
Core and Shell	75%	75% (not R-3)
Tenant Finish	50%	50%
Basement Finish	N/A	100%
Unfinished Basement	N/A	$15.00 per square foot

Proposed
Blue = New Rate
Black = Current Rate

Group	Building Use	Type of Construction								
		I-A	I-B	II-A	II-B	III-A	III-B	IV	V-A	V-B
A-1	Assemby	**177.62**	**171.29**	**166.88**	**159.10**	**148.75**	**143.82**	**153.43**	**134.10**	**128.49**
	Theater	126.27	126.27	92.00	87.63	92.00	87.63	92.00	86.60	81.88
A-2	Assemby	**149.94**	**145.74**	**142.04**	**136.49**	**128.53**	**124.91**	**131.71**	**116.50**	**112.58**
	Nightclub	126.27	126.27	92.00	87.63	92.00	87.63	92.00	86.60	81.88
A-2	Assembly	**148.94**	**144.74**	**140.04**	**135.49**	**126.53**	**123.91**	**130.71**	**114.50**	**111.58**
	Restaurant	116.15	116.15	112.01	95.91	112.01	108.22	112.01	102.58	98.56
A-3	Assembly	**180.72**	**174.39**	**169.98**	**162.21**	**151.82**	**146.89**	**156.54**	**137.18**	**131.57**
	Religious	114.08	114.08	85.68	81.42	93.15	89.01	93.15	87.06	81.88
A-3	Assembly	**152.81**	**146.48**	**141.07**	**134.30**	**122.33**	**118.97**	**128.63**	**108.26**	**103.65**
	Library, Museum, Community Hall	94.76	94.76	57.96	56.70	70.50	66.13	70.50	59.34	54.86
A-4	Assembly	**176.62**	**170.29**	**164.88**	**158.10**	**146.75**	**142.82**	**152.43**	**132.10**	**127.49**
	Arena	126.27	126.27	92.00	87.63	92.00	87.63	92.00	86.60	81.88
A-5	Assembly	**176.62**	**170.29**	**164.88**	**158.10**	**146.75**	**142.82**	**152.43**	**132.10**	**127.49**
	Amusement/Recreational - Indoor, Amusement/Recreational - Outdoor	126.27	126.27	92.00	87.63	92.00	87.63	92.00	86.60	81.88
B	Business	**154.16**	**148.70**	**144.00**	**137.27**	**125.07**	**120.41**	**131.97**	**109.81**	**105.37**
	Financial Institution, Government Uses, Medical and Dental Clinics, Office (Administrative, Professional and Technical), Personal Service, Research & Development	122.82	122.82	82.23	78.32	88.78	84.87	88.78	83.15	78.32
E	Educational	**166.52**	**160.91**	**156.34**	**149.52**	**140.14**	**132.98**	**144.59**	**123.34**	**118.69**
	Schools/Educational	127.88	127.88	87.29	89.82	93.38	89.82	93.38	87.52	83.49
F-1	Factory and Industrial (moderate hazard)	**92.68**	**88.42**	**83.70**	**80.93**	**72.45**	**69.29**	**77.68**	**59.67**	**56.50**
	Manufacturing-Moderate Hazard, Service Industrial-Moderate Hazard	65.44	65.44	45.54	41.86	50.14	47.27	50.14	47.27	43.24
F-2	Factory and Industrial (low hazard)	**91.68**	**87.42**	**83.70**	**79.93**	**72.45**	**68.29**	**76.68**	**59.67**	**55.50**
	Manufacturing-Low Hazard, Service Industrial-Low Hazard, Public Works/Utilities, Telecommunications	65.44	65.44	45.54	41.86	50.14	47.27	50.14	47.27	43.24
H-1	High Hazard	**86.84**	**82.58**	**78.86**	**75.09**	**67.79**	**63.63**	**71.84**	**55.02**	**N.P.**
	High Hazard (explosive)	65.44	65.44	45.54	41.86	50.14	47.27	50.14	47.27	43.24
H-2	High Hazard	**86.84**	**82.58**	**78.86**	**75.09**	**67.79**	**63.63**	**71.84**	**55.02**	**50.85**
	High Hazard (highly flammable)	65.44	65.44	45.54	41.86	50.14	47.27	50.14	47.27	43.24
H-3	High Hazard	**86.84**	**82.58**	**78.86**	**75.09**	**67.79**	**63.63**	**71.84**	**55.02**	**50.85**
	High Hazard (flammable)	65.44	65.44	45.54	41.86	50.14	47.27	50.14	47.27	43.24
H-4	High Hazard	**86.84**	**82.58**	**78.86**	**75.09**	**67.79**	**63.63**	**71.84**	**55.02**	**50.85**
	High Hazard (corrosive and/or toxic)	65.44	65.44	45.54	41.86	50.14	47.27	50.14	47.27	43.24
H-5	HPM	**154.16**	**148.70**	**144.00**	**137.27**	**125.07**	**120.41**	**131.97**	**109.81**	**105.37**
	High Hazard (semiconductor type materials)	65.44	65.44	45.54	41.86	50.14	47.27	50.14	47.27	43.24

Group	Building Use	Type of Construction								
		I-A	I-B	II-A	II-B	III-A	III-B	IV	V-A	V-B
I-1	Institutional	152.30	147.08	143.14	137.34	128.24	124.73	138.61	116.09	111.54
	Assisted living	187.68	187.68	155.37	155.37	155.37	155.37	155.37	148.24	148.24
I-2	Institutional	256.26	250.80	246.11	239.38	226.55	N.P.	234.08	211.31	N.P.
	Hospital	187.68	187.68	155.37	155.37	155.37	155.37	155.37	148.24	148.24
I-3	Institutional	179.18	173.72	169.02	162.30	150.51	N.P.	157.00	135.27	N.P.
	Nursing Home	187.68	187.68	155.37	155.37	155.37	155.37	155.37	148.24	148.24
I-3	Institutional	174.99	169.52	164.83	158.10	147.16	141.52	152.80	131.92	125.48
	Prison	187.68	187.68	155.37	155.37	155.37	155.37	155.37	148.24	148.24
I-4	Institutional	152.30	147.08	143.14	137.34	128.24	124.73	138.61	116.09	111.54
	Day Care	187.68	187.68	155.37	155.37	155.37	155.37	155.37	148.24	148.24
M	Mercantile	111.44	107.24	102.53	97.99	89.62	87.00	93.21	77.59	74.67
	Commercial/Retail, Wholesale	94.76	94.76	57.96	56.70	70.50	66.13	70.50	59.34	54.86
R-1	Residential	154.24	149.02	145.08	139.28	129.95	126.44	140.32	117.80	113.25
	Boarding House	116.15	116.15	100.63	95.91	100.63	95.91	100.63	87.63	85.91
R-2	Residential	129.33	124.11	120.17	114.37	105.16	101.65	115.53	93.01	88.46
	Motel/Hotel/Bed & Breakfast, Multifamily Dwellings	125.58	125.58	102.01	83.26	102.01	83.26	102.01	94.30	73.37
R-3	Residential	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	82.00
	Manufactured/Mobile Home	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	82.00	82.00
R-3	Residential	122.11	118.76	115.86	112.68	108.62	105.77	110.77	101.74	95.91
	Single Family Attached Dwelling, Single Family Detached Dwelling, Studio, Townhomes	111.44	111.44	111.44	111.44	111.44	111.44	111.44	111.44	111.44
R-4	Residential	152.30	147.08	143.14	137.34	128.24	124.73	138.61	116.09	111.54
	Residential Care	187.68	187.68	155.37	155.37	155.37	155.37	155.37	148.24	148.24
S-1	Storage (moderate hazard)	85.84	81.58	76.86	74.09	65.79	62.63	70.84	53.02	49.85
	Service Station/Vehicular Repair, Warehousing-Moderate Hazard	131.56	131.56	86.60	77.28	80.62	77.28	80.62	68.66	54.86
S-2	Storage (low hazard)	84.84	80.58	76.86	73.09	65.79	61.63	69.84	53.02	48.85
	Parking Garage, Warehousing-Low Hazard	56.24	56.24	42.21	32.20	42.55	37.84	42.55	38.76	27.95
U	Utility (miscellaneous)	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	19.09	19.09
	Carport - Attached, Carport - Detached, Deck, Patio Cover, Porch	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	19.09	19.09
U	Utility (miscellaneous)	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	39.23	37.34
	Garage - Attached, Garage - Detached, Shed, Shop	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	N.P.	31.51	27.95

N.P. = not permitted

Building Permit Fee Table

Valuation	Fees
$500.00 or less	$~~28.05~~ **$25.00**
$500.01 through $2,000.00	$~~28.95~~ **$25.00** for the first $500.00 plus $~~3.65~~ **$3.25** for each additional $100.00 or fraction thereof, up to and including $2,000.00
$2,000.01 through $25,000.00	$~~82.15~~ **$74.00** for the first $2,000.00 plus $~~16.60~~ **$14.95** for each additional $1,000.00 or fraction thereof, up to and including $25,000.00
$25,000.01 through $50,000.00	$~~464.50~~ **$418.00** for the first $25,000.00 plus $~~11.95~~ **$10.75** for each additional $1,000.00 or fraction thereof, up to and including $50,000.00
$50,000.01 through $100,000.00	$~~763.40~~ **$686.00** for the first $50,000.00 plus $~~8.30~~ **$7.45** for each additional $1,000.00 or fraction thereof, up to and including $100,000.00
$100,000.01 through $500,000.00	$~~1,178.45~~ **$1,059.00** for the first $100,000.00 plus $~~6.60~~ **$5.95** for each additional $1,000.00 or fraction thereof, up to and including $500,000.00
$500,000.01 through $1,000,000.00	$~~3,835.00~~ **$3,447.00** for the first $500,000.00 plus $~~5.60~~ **$5.05** for each additional $1,000.00 or fraction thereof, up to and including $1,000,000.00
$1,000,000.01 or more	$~~6,651.35~~ **$5,979.00** for the first $1,000,000.00 plus $~~4.30~~ **$3.85** for each additional $1,000.00 or fraction thereof