One time payments to fund capacity system improvements

Not a revenue raising mechanism but a way to meet growth-related infrastructure needs

Basic legal requirements are:
  » Need
  » Benefit
  » Proportionality

Levels of service: If a higher level of service is assumed, other (non-impact fee) sources of revenue will be needed to fund this higher level of service for existing development
Review: General Impact Fee Methodologies

- **Cost Recovery (past)**
  - Oversized and unique facilities

- **Incremental Expansion (present)**
  - Formula-based approach documents level-of-service with both quantitative and qualitative measures

- **Plan-Based (future)**
  - Common for utilities but can also be used for other public facilities with non-impact fee funding

TischlerBise routinely considers all methodologies for each component in all infrastructure categories.
## Development-Related Funding Strategy

<table>
<thead>
<tr>
<th>Impact Fee / Development Excise Tax Update</th>
<th>Affordable Housing Commercial Linkage Fee</th>
<th>Public Art Program</th>
<th>Multimodal Transportation Capital &amp; Operating Funding Strategy</th>
</tr>
</thead>
</table>
- Land Use Assumptions and Growth Projections [Julie]
- Impact Fee/Excise Tax Study Update [Julie]
  - Library
  - Parks and Recreation
  - Human Services
  - Municipal Services
  - Police
  - Fire
  - Park Land [Excise Tax]
- Capital and Operating Impacts to Multimodal Transportation Facilities and Services [Dwayne]
Review: Boulder Impact Fee Study

Task 1: Project Initiation/Data Acquisition
Task 2: Prepare Land Use Assumptions & Development Projections
Task 3: Determine Capital Facility Needs & Service Levels
Task 4: Evaluate different allocation methodologies
Task 5: Determine “Credits”
Task 6: Conduct Funding & Cash Flow Analysis
Task 7: Prepare Impact Fee/Excise Task Report
Task 8: Public Outreach (ongoing)
Boulder Current Development Base

- Population: 104,808
- Housing Units: 45,740
- Jobs: 98,510
- Nonresidential Floor Area: 37 million square feet
Boulder Residential Trends

Housing Units Added by Decade in the City of Boulder

Sources: City of Boulder, 2015 BVCP Trends Report; US Census American Community Survey
Boulder Residential Trends

City of Boulder Housing Distribution by Type

Source: 2015 BVCP Trends Report
# Residential

## 2013 Summary by Two House Types: City of Boulder

<table>
<thead>
<tr>
<th>Units in Structure</th>
<th>Persons</th>
<th>Households</th>
<th>Persons per Household</th>
<th>Housing Units</th>
<th>Persons per Housing Unit</th>
<th>Housing Mix</th>
<th>Vacancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Unit*</td>
<td>57,742</td>
<td>22,479</td>
<td>2.57</td>
<td>23,284</td>
<td>2.48</td>
<td>52.9%</td>
<td>3%</td>
</tr>
<tr>
<td>All Other</td>
<td>36,747</td>
<td>19,828</td>
<td>1.85</td>
<td>20,767</td>
<td>1.77</td>
<td>47.1%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>94,489</strong></td>
<td><strong>42,307</strong></td>
<td><strong>2.23</strong></td>
<td><strong>44,051</strong></td>
<td><strong>2.14</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group Quarters</td>
<td>8,674</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>103,163</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Single unit includes detached and attached (e.g. townhouse).

Source: Tables B25024, B25032, B25033, and B26001.

## Nonresidential

<table>
<thead>
<tr>
<th>Category#</th>
<th>ITE Code</th>
<th>Nonresidential Land Use</th>
<th>Demand Unit</th>
<th>Employees per Demand Unit*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>820</td>
<td>Retail / Restaurant / Service</td>
<td>1,000 Sq Ft</td>
<td>2.51</td>
</tr>
<tr>
<td>2</td>
<td>710</td>
<td>Office</td>
<td>1,000 Sq Ft</td>
<td>3.59</td>
</tr>
<tr>
<td>3</td>
<td>110</td>
<td>Light Industrial</td>
<td>1,000 Sq Ft</td>
<td>2.31</td>
</tr>
<tr>
<td>4</td>
<td>150</td>
<td>Warehousing</td>
<td>1,000 Sq Ft</td>
<td>0.92</td>
</tr>
<tr>
<td>5</td>
<td>520</td>
<td>Institutional^</td>
<td>1,000 Sq Ft</td>
<td>0.81</td>
</tr>
<tr>
<td>6</td>
<td>610</td>
<td>Hospital</td>
<td>1,000 Sq Ft</td>
<td>2.94</td>
</tr>
<tr>
<td>7</td>
<td>620</td>
<td>Nursing Home/Assisted Living</td>
<td>Bed</td>
<td>0.84</td>
</tr>
<tr>
<td>8</td>
<td>310</td>
<td>Lodging</td>
<td>Room</td>
<td>0.57</td>
</tr>
</tbody>
</table>

* Factors derived from ITE trip data except Retail and Office, which is derived from local data (parcel database and current jobs)

^ Institutional = E.g., schools, churches

Sources: Trip Generation, Institute of Transportation Engineers (ITE), 9th Edition (2012);
Boulder County parcel database for City of Boulder (TischlerBise analysis); QCEW 2014 (CO Dept. of Labor and Employment)
# Boulder Growth Projections

## 10-Year Projection Period

<table>
<thead>
<tr>
<th>City of Boulder</th>
<th>One-Year Intervals</th>
<th>5-Year Interval</th>
<th>2015 to 2025 Average Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>Residential Units</td>
<td>45,740</td>
<td>46,012</td>
<td>46,288</td>
</tr>
<tr>
<td>Nonresidential Sq. Ft. x 1,000</td>
<td>36,991</td>
<td>37,245</td>
<td>37,503</td>
</tr>
</tbody>
</table>

## City of Boulder Growth Indicators

![Graph showing growth indicators for residential units and nonresidential square footage. The graph displays a trend of steady growth with slight increases each year.](image-url)
Boulder Impact Fee Categories

- Impact Fee/Excise Tax Study Update
  - Library
  - Parks and Recreation
    - Park Land [Excise Tax]
  - Human Services
  - Municipal Services
  - Police
  - Fire
# Boulder Impact Fees

## Current Components and Methodologies

<table>
<thead>
<tr>
<th>Type of Facility</th>
<th>METHODOLOGY</th>
<th>Cost Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Incremental Expansion</td>
<td>Plan Based</td>
</tr>
<tr>
<td>Library</td>
<td>▪ Collection Materials</td>
<td>NA</td>
</tr>
<tr>
<td>Parks and Recreation</td>
<td>▪ Park Improvements</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>▪ Recreation Space</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>▪ Parks and Rec Admin &amp; Support Facilities</td>
<td>NA</td>
</tr>
<tr>
<td>Human Services</td>
<td>▪ Human Service Space</td>
<td>NA</td>
</tr>
<tr>
<td>Municipal Services</td>
<td>▪ Government Space</td>
<td>NA</td>
</tr>
<tr>
<td>Police</td>
<td>▪ Station Space</td>
<td>▪ Comm. Center</td>
</tr>
<tr>
<td>Fire</td>
<td>▪ Stations Apparatus</td>
<td>NA</td>
</tr>
</tbody>
</table>
Boulder Update Considerations

- Recently completed Master Plans will support the Impact Fee study
  - Not a prerequisite but helpful

- Potential changes from previous studies
  - Adding Public Safety communications infrastructure component to Police Impact Fees
  - Using plan-based approach (projects identified in Master Plans and/or CIP) to calculate impact fees

- Potential Policy Issues
  - Existing vs. Planned levels of service and financial implications
Library Impact Fee Process

- Cost allocation
  - 100% Residential
- Demand Generator: Population
  - Household size by size of housing unit
- Potential Infrastructure Components
  - Library buildings
  - Library collection materials
- Process
  - Determine current levels of service (e.g., square feet of library space per capita)
  - Determine current cost factors (e.g., cost per square foot to build libraries)
  - Identify planned improvements, timing, and costs
  - Determine appropriate methodologies
  - Determine if any outstanding or planned debt; calculate credit
  - Conduct cash flow analysis
  - Calculate draft impact fees
Parks and Recreation Impact Fee Process

- **Cost allocation**
  - 100% Residential

- **Demand Generator: Population**
  - Household size by size of housing unit

- **Potential Infrastructure Components**
  - Parks (Recreation Facilities, City Parks, Community Parks, Neighborhood Parks (portion), Civic Spaces(?))
  - Recreation Buildings and Pools
  - Parks and Recreation Administrative and Support Buildings
  - Parkland (covered under Development Excise Tax)
Parks and Recreation Impact Fee Process (cont’d)

- **Process**
  - Determine current levels of service (e.g., acres of developed parks per capita)
  - Determine current cost factors (specific to type of amenity and facility)
  - Identify planned improvements, timing, and costs >> consult BPRD Master Plan and current City CIP
  - Determine appropriate methodologies
  - Determine if any outstanding or planned debt; calculate credit
  - Conduct cash flow analysis
  - Calculate draft impact fees
Human Services Impact Fee Process

- **Cost allocation**
  - 100% Residential

- **Demand Generator: Population**
  - Household size by size of housing unit

- **Potential Infrastructure Components**
  - Health and Human Services buildings (Senior Centers; Children Youth and Family Center)

- **Process**
  - Determine current levels of service (e.g., square feet of facilities per capita)
  - Determine current cost factors
  - Identify planned improvements, timing, and costs
  - Determine appropriate methodologies
  - Determine if any outstanding or planned debt; calculate credit
  - Conduct cash flow analysis
  - Calculate draft impact fees
Municipal Facilities Impact Fee Process

- Cost allocation
  - Residential and Nonresidential
  - Proportionate share of residential and nonresidential demand: Based on demand from residents, resident-workers, and non-resident workers

- Demand Generators:
  - Residential: Household size by size of housing unit
  - Nonresidential: Employees per 1,000 square feet of nonresidential space

- Potential Infrastructure Components
  - Municipal office buildings
  - Municipal court

- Process
  - Determine current levels of service (e.g., square feet of municipal office space per capita and per employee)
  - Determine current cost factors
  - Identify planned improvements, timing, and costs
  - Determine appropriate methodologies
  - Determine if any outstanding or planned debt; calculate credit
  - Conduct cash flow analysis
  - Calculate draft impact fees
Police Impact Fee Process

- **Cost allocation**
  - Residential and Nonresidential
  - Proportionate share or calls for service data

- **Demand Generators:**
  - Residential: Household size by size of housing unit
  - Nonresidential: Vehicle trips per 1,000 square feet of nonresidential space

- **Potential Infrastructure Components**
  - Police buildings
  - Communications system equipment (useful life at least 5 years)

- **Process**
  - Determine current levels of service (e.g., square feet of space per capita and per nonresidential vehicle trip)
  - Determine current cost factors
  - Identify planned improvements, timing, and costs
  - Determine appropriate methodologies
  - Determine if any outstanding or planned debt; calculate credit
  - Conduct cash flow analysis
  - Calculate draft impact fees
Fire and Rescue Impact Fee Process

- **Cost allocation**
  - Residential and Nonresidential
  - Proportionate share or calls for service data

- **Demand Generators**:
  - Residential: Household size by size of housing unit
  - Nonresidential: Employees per 1,000 square feet of nonresidential space

- **Potential Infrastructure Components**
  - Fire stations and other space
  - Fire apparatus and major equipment

- **Process**
  - Determine current levels of service (e.g., square feet of station space per capita and per employee)
  - Determine current cost factors
  - Identify planned improvements, timing, and costs
  - Determine appropriate methodologies
  - Determine if any outstanding or planned debt; calculate credit
  - Conduct cash flow analysis
  - Calculate draft impact fees
Wrap-Up

■ Questions and Discussion

■ Next Steps
  ■ Receive feedback from Working Group #1
  ■ Follow-up discussions with City staff on levels of service, planned projects, current costs
  ■ Prepare level of service/cost summaries and initial methodologies for Working Group #2

■ Contact Information
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  301-320-6900 x15