



HOUSING & BUILDING
ASSOCIATION
OF COLORADO SPRINGS

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MEMO

To: Erin Powers, Stormwater Enterprise

From: Ryan Klein, Public Policy Chair

Date: 10/9/2023

Subject: 2024 Proposed Drainage Fee Increase

On behalf of the Housing & Building Association of Colorado Springs (CSHBA), we would like to thank you for giving us the opportunity to review the proposed fee increases to the 2024 Drainage Fee Schedule. Since the Drainage Basin program is a cost sharing program between private parties and implemented by the City it is important to periodically make fair and balanced cost adjustments. While all increases to development and building costs are taken seriously (as they all play a role in housing attainability), we understand that the proposed fee adjustments are based upon actual cost increases experienced by the industry.

After review from our members, the proposed fee increase of 7.6% over the 2023 Drainage, Bridge & Detention Pond fees appears reasonable and justified by the current inflationary economic environment. It is important to note that as material costs stabilize, we may realize a period when no increase should be applied.

Ideally, in order to have a truly fair system, each drainage basin would be reassessed every 5 to 7 years to ensure that changes in drainage criteria and design plus the costs of construction of actual improvements are taken into account for each Drainage Basin Planning Study. However, we also acknowledge the impediments associated with conducting such frequent studies, as they are both time-consuming and costly. Moreover, we are aware of the potential changes to drainage criteria driven by Army Corps of Engineers and potentially the Colorado Department of Public Health and Environment, which can further complicate the planning and of these assessments. The annual changes to the drainage fees are a responsible shorter term methodology; however, over time the annual increases to the initial cost assumptions based in industry wide costs of construction will tend to significantly depart from a formal DBPS update.





Given these complexities, we appreciate the City's ongoing efforts to monitor and adjust drainage fees to reflect current market costs to build. We look forward to continued collaboration with the Stormwater Enterprise team.

Thank you,

A handwritten signature in black ink, appearing to read "Ryan Klein". The signature is somewhat stylized and scribbled.

Ryan Klein
2023 HBA Public Policy Chair