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## MEMORANDUM

**DATE:** January 13, 2017

**TO:** Mayor Troxell and Councilmembers

**THRU:** Darin Atteberry, City Manager   
Kevin R. Gertig, Utilities Executive Director 

**FROM:** Lance Smith, Utilities Strategic Finance Director 

**RE:** January 10, 2017 Work Session Summary: Electric Capacity Fees

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The purpose of this work session was to provide the Mayor and Council with an overview of the proposed changes to the current Electric Capacity Fee (ECF) calculation method. The challenges of the existing model and the proposed new model were presented by Scott Burnham, NewGen Strategies and Solutions. Mayor Troxell, Mayor Pro Tem Horak and Councilmembers Cunniff, Martinez, Overbeck and Stephens were present.

Council feedback was supportive of the intent of the ECF to fairly recover the investments made in the electric system to serve growth. More specific Council feedback and direction included:

- The shift in the method for calculating the ECF may be more reflective of the current development, however, the new assessed fees can be significantly different than the previous model's assessment so outreach is necessary
- Concern that both the existing and the proposed ECF model do not adequately address the potential issue associated with "pro-sumers" – customers who could push more energy onto the distribution system than they would consume and / or utilize battery storage to eliminate their demand on the system entirely under normal conditions
- The summary table that shows the impacts of the change on various types of residential and commercial developments will be modified for future presentations

Tim McCollough, Light & Power Operations Manager, answered several questions from Council on how a "prosumer" may impact the distribution system. Staff will consider how to adequately address this concern and if it is appropriate to do so through the ECF or not. As a capacity charge, the ECF recognizes the potential demand a development may place on the system. The ECF is intended to recover the cost of the capacity being allocated to a development and a "prosumer" would still need system capacity to draw energy from the grid during low distributed resource production and to push energy back onto the system during excess production.



The February 14, 2017 work session will include a discussion of citywide development fees including the ECF. The implementation of the updated ECF rates will involve community outreach before being brought forward for Council consideration through an Ordinance within the next few months.



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MEMORANDUM

DATE: January 11, 2017

TO: Mayor Troxell and Councilmembers

FM: Ginny Sawyer, Project and Policy Manager *g/s*  
Clay Frickey, City Planner

TH: Darin Atteberry, City Manager *DA*  
Kelly DiMartino, Assistant City Manager *KD*

RE: January 10, Work Session Summary: Short Term Rental Activity (STR)

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All Councilmembers were present. Staff provided a draft regulatory licensing and Land Use Code framework for both Primary and Non-Primary STRs.

Themes of the discussion centered on:

- Protecting neighborhood livability and predictability.
- Providing predictability and protection for neighborhoods and STR operators.
- A desire to move forward in a more restrictive manner than the current proposal.

Specific Meeting Direction:

- Incorporate the direction given into a new draft ordinance (see attached matrix.)
- Schedule for a regular meeting at least 4 weeks after making the new draft public.

Next Steps

Staff will:

- Incorporate new direction into a draft ordinance and make public for citizen review.
- Schedule first reading for the March 7 regular meeting.
- Continue to inform stakeholders.

PROVISION	CURRENT DRAFT	NEW DIRECTION
Primary STRs	Allowed everywhere	Only allowed where Bed & Breakfast and Lodging Establishments allowed (see map)
Non-Primary STRs	Only allowed where Bed & Breakfast and Lodging Establishments allowed	Only allowed where Lodging Establishments allowed
Non-Primary Licenses	Only 3 per person/entity	No limit based on zoning restrictions
Grandfathering	Grandfather in existing Non-Primary STRs	Grandfather in existing Primary and Non-Primary STRs that have remitted sales and lodging tax and put an amortization schedule in place
Inspections	All STRs inspected	No Change
Minimum Parking Requirements	TOD exemption	No TOD exemption

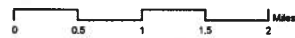
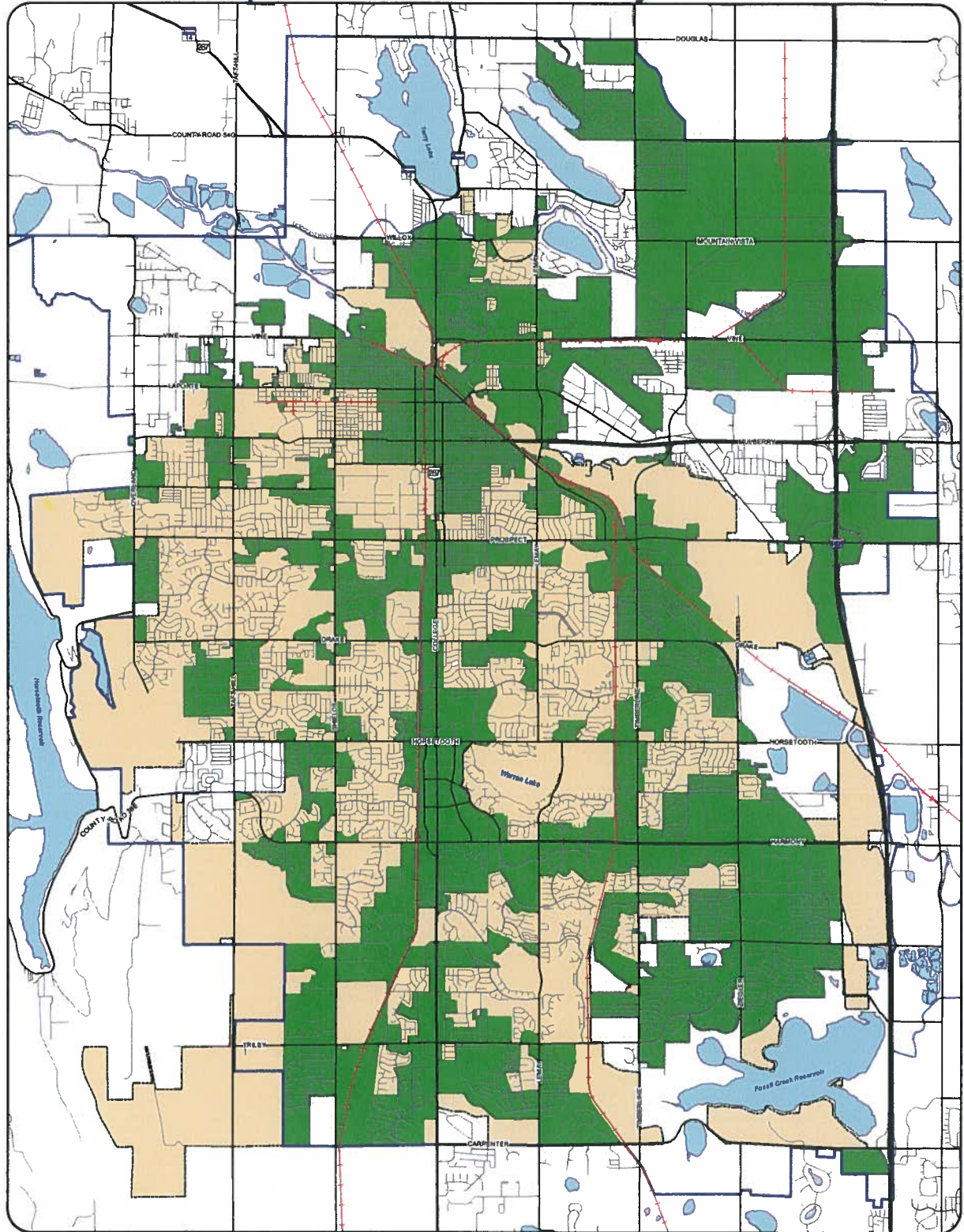
# Zoning Matrix - Old

Zone District	Lodging Establishments	Bed and Breakfast	Bed and Breakfast (Less than 6 beds)	Non-Primary Short Term Rental
Rural Lands (RUL)				
Urban Estate (UE)			X	X
Residential Foothills (RF)				
Low Density Residential (RL)				
Low Density Mixed-Use Neighborhood (LMN)			X	X
Medium Density Mixed-Use Neighborhood (MMN)			X	X
High Density Mixed-Use Neighborhood (HMN)			X	X
Neighborhood Conservation, Low Density (NCL)				
Neighborhood Conservation, Medium Density (NCM)			X	X
Neighborhood Conservation, Buffer (NCB)				
Public Open Lands (POL)			X	X
River Conservation (RC)				
Downtown - Old City Center (DOC)	X		X	X
Downtown - Canyon Avenue (DCA)	X		X	X
Downtown - Civic Center (DCC)	X		X	X
River Downtown Redevelopment (RDR)	X			X
Community Commercial (CC)	X		X	X
Community Commercial - North College (CCN)	X		X	X
Community Commercial - River (CCR)	X		X	X
General Commercial (CG)	X		X	X
General Commercial - I-25/SH 392 Corridor Activity Center (cac CG)	X			X
Service Commercial (CS)	X		X	X
Neighborhood Commercial (NC)				
Limited Commercial (CL)	X		X	X
Harmony Corridor (HC)	X		X	X
Employment (E)	X		X	X
Industrial (I)			X	X



# Short Term Rentals

## Zones Proposed to Allow Non-Primary STRs - Old



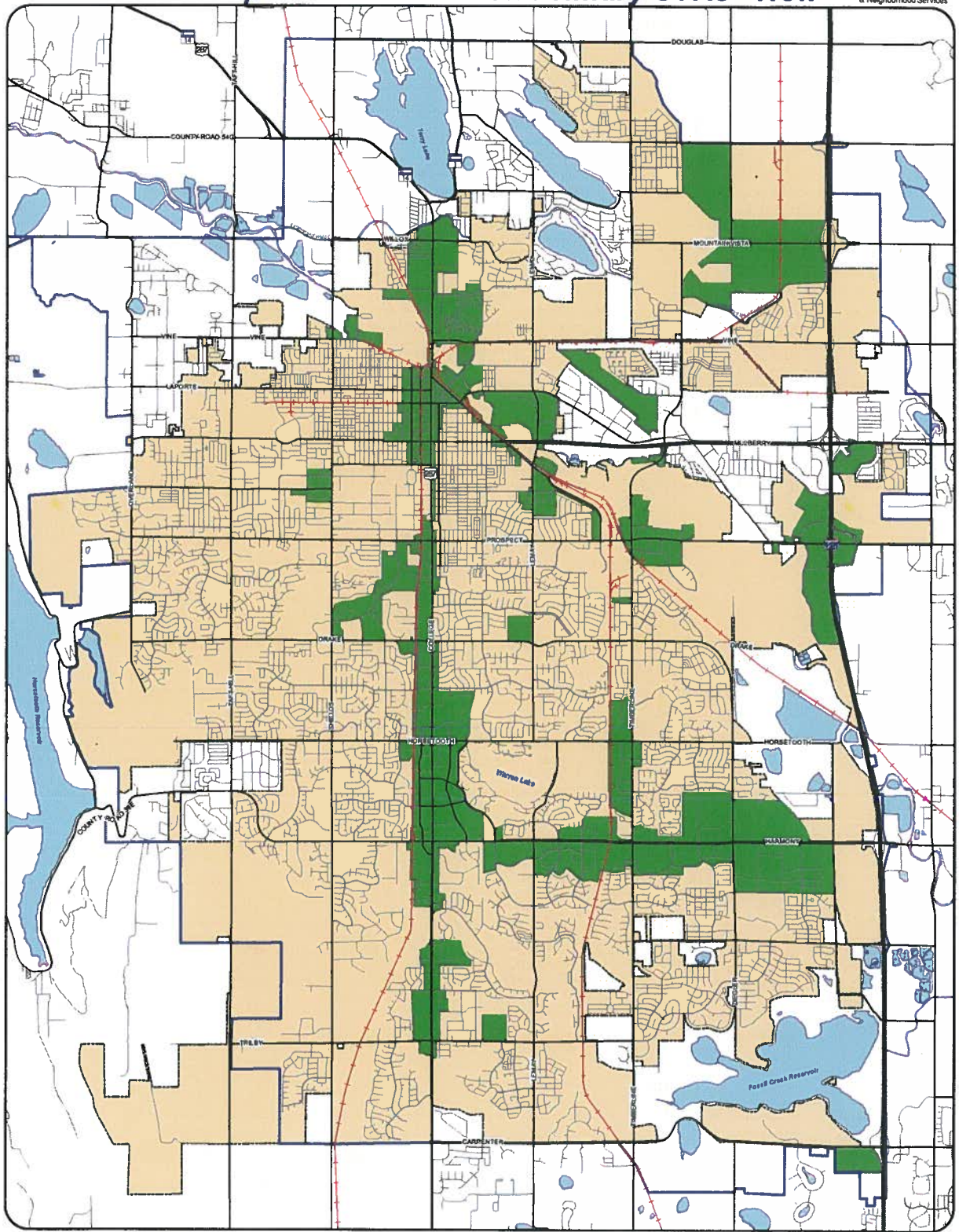
# Zoning Matrix - New

Zone District	Lodging Establishments	Bed and Breakfast	Bed and Breakfast (Less than 6 beds)	Primary STR	Non-Primary STR
Rural Lands (RUL)					
Urban Estate (UE)			X	X	
Residential Foothills (RF)					
Low Density Residential (RL)					
Low Density Mixed-Use Neighborhood (LMN)			X	X	
Medium Density Mixed-Use Neighborhood (MMN)			X	X	
High Density Mixed-Use Neighborhood (HMN)			X	X	
Neighborhood Conservation, Low Density (NCL)					
Neighborhood Conservation, Medium Density (NCM)			X	X	
Neighborhood Conservation, Buffer (NCB)		X		X	
Public Open Lands (POL)					
River Conservation (RC)					
Downtown - Old City Center (DOC)	X	X		X	X
Downtown - Canyon Avenue (DCA)	X	X		X	X
Downtown - Civic Center (DCC)	X	X		X	X
River Downtown Redevelopment (RDR)	X			X	X
Community Commercial (CC)	X	X		X	X
Community Commercial - North College (CCN)	X	X		X	X
Community Commercial - River (CCR)	X	X		X	X
General Commercial (CG)	X	X		X	X
General Commercial - I-25/SH 392 Corridor Activity Center (cac CG)	X			X	X
Service Commercial (CS)	X	X		X	X
Neighborhood Commercial (NC)					
Limited Commercial (CL)	X	X		X	X
Harmony Corridor (HC)	X	X		X	X
Employment (E)	X	X		X	X
Industrial (I)		X		X	



# Short Term Rentals

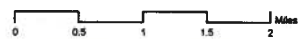
## Zones Proposed to Allow Non-Primary STRs - New



- Growth Management Area
- Zones Proposed to Allow Non-Primary STRs
- City Limits
- Water Features



Scale 1:50,000



Amended: January 20, 2015  
Printed: January 11, 2017