

RATES OVERVIEW

In order to promote sustainability in terms of growth and maintenance of the stormwater utility system, the City periodically reviews its General Facilities Charge (GFC) and monthly stormwater utility rates charged to customers for contributing stormwater to the City's system. City Ordinance 1125 adopted on March 10, 2008 updated the amount charged per equivalent billing unit (EBU) to \$1,160, which is assessed and billed to property owners at the time of permitting for development. The monthly rate per EBU on January 1, 2009 increased to \$11.12.

An EBU establishes an amount used to promote fairness amongst its various customer types (businesses, residents, public institutions, etc), and as such, the City charges are based upon the typical contribution to the system generated from a single family residence property. For businesses, multi-family developments, duplexes, and public institutions, the amount of EBUs will vary based upon the impervious surface and plans for individual parcel development. The City has established under Title 14.10 that one EBU is assigned for every 2,200 square feet of impervious surface developed.

CURRENT EBUS

The City of Gig Harbor maintains a utility billing system that can separate customers according to various customer classes. The estimated number of stormwater utility customers in the City's billing system as of Dec 31, 2008 is provided in Table 1.

Table 1: Current EBUs by Customer Type

Customer Type	EBUs
Single Family Residence	1,925
Multi-Family Residence	703
Commercial	1,894
Municipal	40
Government	319

The EBUs estimated based on City billing data serve as the basis for projecting future EBUs and revenue.

POPULATION AND EMPLOYMENT GROWTH

Population and Employment growth within the City considers several variables and assumptions. As discussed in Section 3 of this Plan, the City’s 2007 Comprehensive Sewer System Plan Update (Sewer Plan) provided the forecasting data needed to estimate the population and employment growth expected in the City over the next 20 years. Table 2 below shows estimated population and employment within the City limits and designated Urban Growth Area based upon the estimates compiled in the Sewer Plan.

Table 2: Projected Population and Employment

Year	City Limits		Urban Growth Area	
	Population	Employment	Population	Employment
2008	6,910	7,464 ¹	13,935	23,678
2015	14,757	28,731	17,284	30,565
2030	22,528	41,451	22,528	41,451
Build-out	24,366	45,647	24,366	45,647

Notes: 1 - Employment figure is for the year 2006.

State Growth Management Act planning dictates that Counties throughout the State are to assign urban growth boundaries to urban areas within the county, such as the City of Gig Harbor in Pierce County. Periodically, the urban growth area is evaluated for its effectiveness and its boundaries are subject to change. As of January 1, 2009, the Gig Harbor city limits comprised of approximately 56% (3,220 acres) of the total urban growth area designated (5,770 acres). For the purposes of this Plan, it was assumed the City would expand its city limits outward to meet the urban growth area boundary over time, and that all annexations would occur by the year 2030. This assumption is reflected in Table 2 above.

LAND USE GROWTH AND ANNEXATIONS

Table 3 shows the estimated incremental increases in the percentage of total land use in the UGA that is also within the city limits. Please note that all land use types will reach 100% by 2030. The largest increase in annexed land use outside of the city limits is land zoned for single family residential use, which was assumed to increase from 47% in 2008 to 100% in 2030 as annexations occur. A majority of the multi-family and commercial/business zoned land in the UGA already currently (2008) exists within the City limits.

Table 3: Assumed Land Use in City Limits as a Percentage of UGA Land Use

Land Use / Zoning	2008	2010	2015	2020	2030
Single Family Residential	47%	50%	75%	90%	100%
Multi-Family Residential	95%	96%	97%	98%	100%
Commercial/Business/Employment Center	89%	90%	94%	98%	100%
Public/Municipal/Government	40%	40%	80%	80%	100%

Land zoned for Public/Municipal/Government development increases from 40% to 80% in 2015 because it is assumed the State Correction Center for Women will be annexed into the City by then, which would effectively double the amount of land use designated as public/municipal/government in the City. Peninsula High School and Purdy Elementary School properties, since they exist further outside the City limits than the State Corrections facility, are assumed to be annexed by the year 2030.

FORECASTED EBUS

Since a the vast majority (87%) of land that exists outside of the City Limits within the UGA is zoned for single family residential use, EBU growth will be driven primarily by annexation and single family home development. Single family EBUs are expected to increase by 360% over current (2008) levels by the year 2030, bringing more revenue for the City to assist in maintenance and additions to existing stormwater facilities. The estimated growth in employment could bring new development of commercial/industrial or employment center zoned lots, and in some instances the redevelopment of existing properties already within the City. Since a majority of employment and land use zoned for employment already exists within the City limits, the rate of growth in EBUs for commercial/business customers is significantly lower than the rate of growth for Single Family EBUs.

Based upon assumed future annexations and estimated growth in population and employment, EBUs were estimated for the years 2008 – 2030, and are summarized in Table 4.

Table 4: Estimated EBUs

Customer Class	2008	2010	2015	2020	2030
Single Family	1,925	2,219	4,232	5,439	6,992
Multi-Family	703	741	827	914	1,087
Commercial/Business	1,894	1,996	2,229	2,462	2,929
Municipal	40	42	47	52	62
Government/Education	319	319	638	638	798