

TOWN OF NEW CASTLE, COLORADO
ORDINANCE NO. TC 2023-3

AN ORDINANCE OF THE NEW CASTLE TOWN COUNCIL AMENDING
SECTIONS 15.08.020 AND 15.10.020 OF THE NEW CASTLE MUNICIPAL CODE
REGARDING BUILDING PERMIT VALUATION CALCULATIONS

WHEREAS, pursuant to Article IV of the Charter of the Town of New Castle (“Town”) and C.R.S. § 31-16-202, the Town is authorized to adopt codes by reference; and

WHEREAS, in 2018, the Town adopted the 2015 Edition of the International Building Code (“IBC”) and 2015 Edition of the International Residential Code (“IRC”), subject to certain amendments set forth in Sections 15.08.020 and 15.10.020 of the Town Municipal Code, and said editions of the IBC and IRC, as amended, are currently in force within the Town; and

WHEREAS, Section 109.02 of the IBC and Sections 108.2 and 108.3 of the IRC, as amended by the Town, explain how to determine the valuation of new construction in order to calculate building permit fees as set forth in the Directory of Town Fees and Charges (the “Fee Schedule”);

WHEREAS, both the IBC and IRC refer to the valuation schedule in the Business Safety Journal published by the International Code Council as the basis for determining new construction valuation; and

WHEREAS, the Business Safety Journal valuation schedule is based on national averages for different types of construction; and

WHEREAS, based on research and surveys conducted by Town staff, the Business Safety Journal valuation schedule underestimates the actual cost of typical construction activities within the Town; and

WHEREAS, to better align projected valuation estimates in building permit applications with the actual costs of construction within the Town and to generate sufficient revenue from building permit fees to cover the costs of the Town building department, staff recommends applying a valuation multiplier to the construction cost per square foot included in the Business Safety Journal valuation schedule; and

WHEREAS, based on the information and analysis presented by staff and relevant testimony and information, the Town Council now desires to amend Sections 15.08.020 and 15.10.020 of the Code to incorporate a valuation multiplier as set forth below.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NEW CASTLE, COLORADO:

1. Recitals. The foregoing recitals are incorporated by reference herein as findings and determinations of the Town Council.

2. IBC Amendment. The Town Council hereby amends Section 15.08.020 of the Code as follows, with added language in **bold** and underlined. Those provisions of the Municipal Code not expressly amended by this Ordinance shall remain unchanged and in full force and effect.

Section 109.2 is amended to read as follows:

109.2 Schedule of permit fees. A fee for each building permit shall be paid to the building department as set forth in the Building Permit Fee Schedule adopted by the Town, as may be amended. The determination of value or valuation under any of the provisions of this Code shall be made by the building official based on the Valuation Schedule published in the most current edition of the “Building Safety Journal” magazine by the International Code Council, **multiplied by a price-per-square-foot valuation multiplier to be set by the Town not more frequently than annually and published in the Town Fee Schedule.** The value to be used in computing the building permit and building plan review fees shall be the total value of all construction work for which the permit is issued. The building official may waive the building permit fee for any public entity when such entity is applying for a building permit for a governmental use or a proprietary purpose.

3. IRC Amendment. The Town Council hereby amends Section 15.10.020 of the Code as follows, with added language in **bold** and underlined. Those provisions of the Municipal Code not expressly amended by this Ordinance shall remain unchanged and in full force and effect.

Section R108.2 is amended to read as follows:

R108.2 Schedule of permit fees. A fee for each building permit shall be paid to the building department as set forth in the Building Permit Fee Schedule adopted by the Town, as may be amended. The determination of value or valuation under any of the provisions of this Code shall be made by the building official based on the Valuation Schedule published in the most current edition of the “Building Safety Journal” magazine by the International Code Council, **multiplied by a price-per-square-foot valuation multiplier to be set by the Town not more frequently than annually and published in the Town Fee Schedule.** The value to be used in computing the building permit and building plan review fees shall be the total value of all construction work for which the permit is issued. The building official may waive the building permit fee for any public entity when such entity is applying for a building permit for a governmental use or a proprietary purpose.

Section R108.3 is amended to read as follows:

R108.3 Building permit valuations. The applicant for a permit shall provide an estimated permit valuation at the time of application. The value to be used in computing the building permit and building plan review fees shall be the total value of all construction work for which the permit is issued. Permit valuations shall include total value of work, including materials and labor, for which the permit is being issued, such work including but not limited to, excavation, utility service line installation, foundations, framing, interior and exterior finish, decks and porches, gas, mechanical, plumbing, and other permanent systems. The building official shall also make a determination of permit value or valuation based on the Valuation Schedule published in the most current edition

of the "Building Safety Journal" magazine published by the International Code Council, **multiplied by a price-per-square-foot valuation multiplier to be set by the Town not more frequently than annually and published in the Town Fee Schedule.** The building official shall at his discretion use the value most applicable to the work proposed. If, in the opinion of the building official, the valuation stated on the application is underestimated, the building official shall use the calculated valuation to determine the permit fees, unless the applicant can show detailed estimates supporting the valuation stated on the application to meet the approval of the building official.

4. 2024 Multiplier. Town Council hereby determines that the initial valuation multiplier to be applied to determine the valuation of new construction shall be 1.3 per square foot. This multiplier shall take effect on January 1, 2024, and remain in effect until it is changed or eliminated by resolution of Town Council. The Town Clerk is directed to update the Fee Schedule as of January 1, 2024, to reflect the multiplier approved hereby.

5. Severability. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

6. Effective Date. The Code changes made by this Ordinance take effect on January 1, 2024.

INTRODUCED on August 15, 2023, at which time copies were available to the Town Council and to those persons in attendance at the meeting, read by title, passed on first reading, with amendments, and ordered published in full and posted in at least two public places within the Town as required by the Charter.

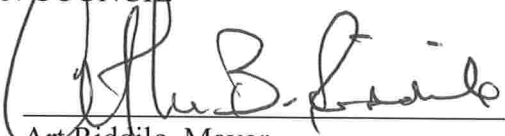
INTRODUCED a second time at a regular meeting of the Town Council of the Town of New Castle, Colorado, on September 5, 2023, read by title and number, passed without amendment, approved, and ordered published as required by the Charter.



ATTEST:


Mindy Andis, Town Clerk

TOWN OF NEW CASTLE, COLORADO
TOWN COUNCIL

By: 
Art Riddile, Mayor