



STAFF REPORT

DATE: **November 12, 2019**

TO: **David Ellison, Interim City Manager**

FROM: **Danielle Singh, Executive Director of Public Works**

SUBJECT: **Public Hearing on Adoption of Impact Fees**

BACKGROUND AND FINDINGS:

On October 16, 2018, City Council authorized the creation of the Capital Improvements Advisory Committee (CIAC) to move forward with the process of implementing impact fees. Since that time, the CIAC, City Staff, and Kimley-Horn and Associates have continued to discuss the proposed Impact Fee Capital Improvements Plan, Land Use Assumptions, and the draft study.

On September 24, 2019, the City Council approved the Impact Fee Capital Improvement Plan and Land Use assumptions and set the 2nd Impact Fee public hearing date for November 19, 2019.

In accordance with the Texas Local Government Code, the draft Impact Fee Study has been posted on the City's website for public viewing.

The CIAC has voted 7 to 0 to recommend approval of the draft Impact Fee Study to Council. The CIAC has also voted 6 to 2 to recommend that Impact Fees be adopted in increasing yearly intervals as outlined below:

- Year 1: 20% of the maximum assessable impact fee for Roadways, Water, and Wastewater
- Year 2: 40% of the maximum assessable impact fee for Roadways, Water, and Wastewater
- Year 3: 60% of the maximum assessable impact fee for Roadways, Water, and Wastewater
- Year 4: 80% of the maximum assessable impact fee for Roadways, Water, and Wastewater
- Year 5: 100% of the maximum assessable impact fee for Roadways, Water, and Wastewater

THE ALTERNATIVES CONSIDERED:

Which alternative is recommended? Why?

1. Do not continue the process of implementing impact fees.
2. Continue discussing impact fees. Final action is required on/or before December 17th.

3. Change the CIAC recommendations on the adoption of impact fees.
4. Direct staff to draft an ordinance for the adoption of impact fees as outlined by the CIAC recommendations.

CONFORMITY TO CITY POLICY:

This item complies with all federal, state, and local regulations.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring expenditure?

N/A

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

Hold a public hearing on the adoption of impact fees and direct staff to draft an ordinance for the adoption of impact fees.

DEPARTMENTAL CLEARANCES:

City Attorney, Finance

ATTACHED SUPPORTING DOCUMENTS:

Draft Impact Fee Study