



IMPACT FEES

PH-19-026A/B

September 17, 2019

Purpose

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- The purpose of Impact Fees is to allocate a proportionate and fair portion of the cost of general infrastructure, which is necessary to support new growth, to the properties that create the need for expanded infrastructure rather than to the entire tax base of the city.

Background

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- ❑ The process for establishing impact fees is tightly controlled and prescribed by the state.
- ❑ This process has previously been considered, started, and stopped on several occasions by the Killeen City Council.
- ❑ It was last started on October 16, 2018 when the City council authorized the creation of a state-required Capital Improvements Advisory Committee (CIAC) to make recommendations to the City Council. The CIAC is supported by an engineering company hired to provide necessary professional services.

Background, continued

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- The CIAC has met, reviewed information, and made the first round of recommendations to the City Council.
- A required public hearing was held on August 27, 2019.

Required Process

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1. Appoint a CIAC committee with specific membership to ensure input from affected parties.
2. Receive CIAC recommendations regarding the land-use assumptions, growth projections, and potential projects that could apply to future impact fees.
3. Hold a public hearing on CIAC recommendations.
4. City Council approves, rejects or amends CIAC recommendations.
5. CIAC receives engineering report regarding infrastructure costs and maximum allowable fees.
6. CIAC makes a recommendation on the engineering report.

Required Process, Continued

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7. Hold a second public hearing on the CIAC recommendations regarding infrastructure costs and maximum allowable fees.
8. City Council approves, rejects, or amends CIAC recommendations.
9. If approved, Impact Fees are implemented.

Where we are today in the process.

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- We are at step 4 of 9.
- The next thing that needs to be done is for the City Council to approve, reject, or amend the CIAC recommendations regarding land-use assumptions, growth projections, and a potential project list.

Recommendation

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- City staff recommends that:
 - ▣ City Council approve the land-use assumptions, growth projections, and potential projects that could apply to future impact fees.
 - ▣ Direct the CIAC committee to continue forward with their work.