



IMPACT FEE DIRECTION

DS-19-104

December 3, 2019

Required Process

2

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

Required Process

3

6. CIAC makes a recommendation on the engineering study. **Complete**
7. Hold a second public hearing on the CIAC recommendations regarding infrastructure costs and maximum allowable fees.
Complete
8. City Council approves, rejects, or amends CIAC recommendations.
December 3, 2019
 - Direct staff to make any amendments to the ordinance
9. Consider adopting the Impact Fee Ordinance. **December 17, 2019**
 - Consider adopting the Impact Fee Study

Follow-Up Questions

4

- ❑ Can impact fees be used for Fire Stations, Police, or Parks?
 - ▣ Texas allows impact fees for water, wastewater, roadways, and drainage. Other states allow for impact fees for other uses.
- ❑ Are roadway impact fees charged differently for service areas?
 - ▣ The maximum fees are different, but Council can set the fees equal to the same rate.

Follow-Up Questions

5

- Will certain land uses pay higher fees in relation to their traffic generation versus other land uses?
 - ▣ No, the fees are calculated from the number of trips x the length of trips for each use.
 - ▣ This is calculated from thousands of traffic counts nationwide and are specific for each land use.
- What happens if impact fees are not spent within 10 years as required by state law?
 - ▣ If fees are not spent within 10 years from the date of collection, they must be refunded to the owner of the property.

Follow-Up Questions

6

- Why does an apartment complex unit have different fees per unit than a single family home?
 - ▣ A low-rise, multi-family unit generates 0.54 trips during the peak hour.
 - ▣ A single family home generates 0.99 trips during the peak hour.
- Are all apartments charged the same?
 - ▣ Multi-family developments have two categories, low-rise or mid-rise.
 - ▣ A mid-rise, multi-family unit generates 0.44 trips during the peak hour.

Follow-Up Questions

7

- Why do the fees vary from each of the service areas for roadways?

$$\text{Impact Fee Per Service Unit} = \frac{\text{Recoverable Cost of the CIP (\$)}}{\text{New Service Units}}$$

Service Area	Water	Wastewater	Roadway - A	Roadway - B	Roadway - C
10-Year Recoverable Cost	\$11,886,954.5	\$4,721,039	\$1,833,869	\$4,466,614	\$13,008,505
Service Units	10,240	10,240	9,643 veh-mile	35,122 veh-mile	18,420 veh-mile
Max Impact Fee per Service Unit	\$1,161	\$418	\$190	\$127	\$706

Follow-Up Questions

8

- What is the difference in roadway impact fees between a discount superstore versus a grocery store?

	Unit	Service Area A	Service Area B	Service Area C
Discount Super-Store	1,000 Sq Ft	\$1,953.20	\$1,305.56	\$7,257.68
Supermarket	1,000 Sq Ft	\$3,762.00	\$2,514.60	\$13,978.80

- What is the difference in revenue generation between 300 units of an apartment vs 300 single family homes?

	Service Area A	Service Area B	Service Area C
Single Family (300 units)	\$231,420	\$154,686	\$859,908
Multi-family (low-rise)	\$131,100	\$87,630	\$487,140

Follow-Up Questions

9

- ❑ What are the roadway impact fees for churches, movie theaters, entertainment events, or ball parks?
 - ▣ 70+ Land Use Categories
 - ▣ Appeal process for developments that don't fit categories

	Units	Service Area A	Service Area B	Service Area C
Church/Religious	1,000 Sq Ft	\$186.20	\$124.46	\$691.88
Shopping Center	1,000 Sq Ft	\$1,597.90	\$1,068.07	\$5,937.46
Multi-purpose Rec.	1,000 Sq Ft	\$2,190.70	\$1,464.31	\$8,140.18

Follow-Up Questions

10

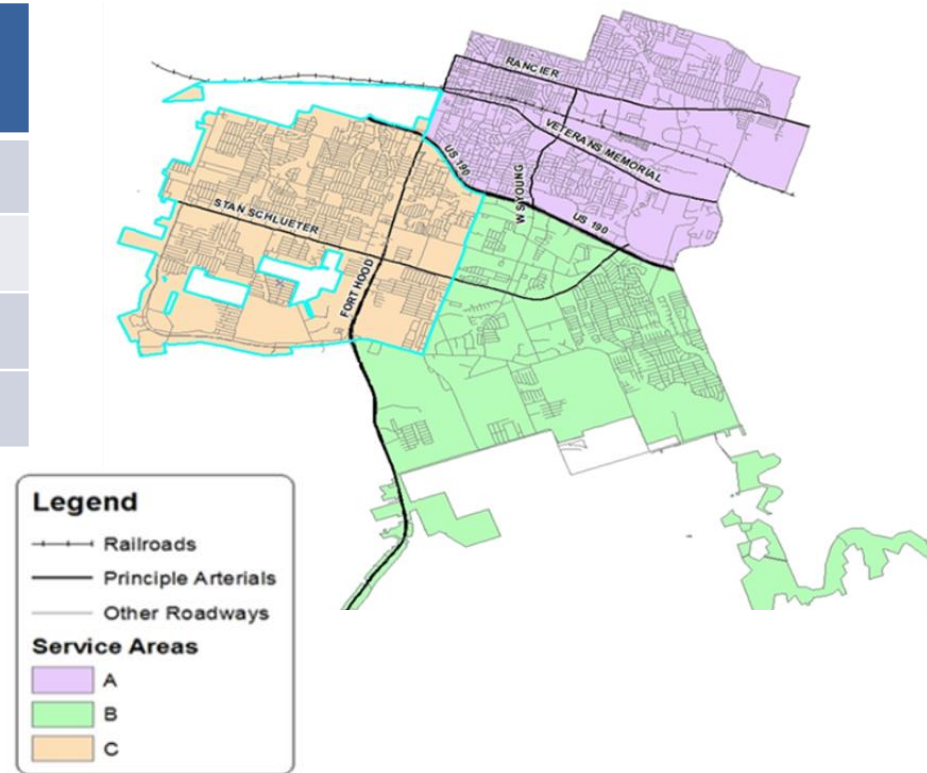
- What alternative revenue sources would generate the same revenues as impact fees?

	Additional Annual Cost	Additional Monthly Cost
Tax rate increase of \$0.03 (for Average Home Value)	\$42.67	\$3.56
Utility Customer	\$26.85	\$2.24
Total	\$69.52	\$5.80

Maximum Assessable Impact Fees

11

	Maximum Assessable Fee per Service Unit		
Water	\$1,161		
Wastewater	\$418		
Roadway	A	B	C
	\$190	\$127	\$706



Alternatives

12

- ❑ Do not continue the process of implementing impact fees
- ❑ Consider adopting the Impact Fee Study but not an Impact Fee Ordinance
- ❑ Amend the CIAC recommendations
- ❑ Accept the CIAC recommendations

Alternatives: Amend Recommendation

13

- Roadways, Water, and/or Wastewater
 - ▣ All or any combination can be adopted
- Adopt % of maximum fee
 - ▣ 0% if no fee is desired at this time
- Residential and/or commercial
 - ▣ Different % for each type
- Adopt different % for Roadway Service Areas
 - ▣ Incentivize revitalization efforts
 - ▣ Standardize fee across service areas

Alternatives: Amend Recommendation

14

Residential Impact Fees			
Water	____%		
Wastewater	____%		
Roadway	A	B	C
	____%	____%	____%

Non-Residential Impact Fees			
Water	____%		
Wastewater	____%		
Roadway	A	B	C
	____%	____%	____%

Alternatives: Accept Recommendation

15

- Implement impact fees in increasing intervals
 - ▣ 20% for Year 1
 - ▣ Increase by 20% each year until Year 5

	Impact Fee per Service Unit				
	Year 1 20%	Year 2 40%	Year 3 60%	Year 4 80%	Year 5 100%
Water	\$232	\$464	\$697	\$929	\$1,161
Wastewater	\$84	\$167	\$251	\$334	\$418

Alternatives: Accept Recommendation

16

- Implement impact fees in increasing intervals
 - ▣ 20% for Year 1
 - ▣ Increase by 20% each year until Year 5

	Impact Fee per Service Unit				
Roadway Service Area	Year 1 20%	Year 2 40%	Year 3 60%	Year 4 80%	Year 5 100%
A	\$38	\$76	\$114	\$152	\$190
B	\$25	\$51	\$76	\$102	\$127
C	\$141	\$282	\$424	\$565	\$706

Recommendation

17

- Accept the Capital Improvements Advisory Committee recommendation for the adoption of impact fees and proceed forward with the ordinance as drafted