Bastrop Impact Fee Advisory Committee Agenda

Bastrop City Hall City Council Chambers
1311 Chestnut Street
Bastrop, TX 78602
(512) 332-8800

May 25, 2023

Agenda - Impact Fee Advisory Committee at 6:00 PM

Bastrop Planning and Zoning Commission meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at (512) 332-8800 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

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1. **CALL TO ORDER**

2. **CITIZEN COMMENTS**

At this time, three (3) minute comments will be taken from the audience on any topic. Anyone in attendance wishing to address the Board/Commission must complete a citizen comment form and give the completed form to the Board/Commission Secretary prior to the start of the Board/Commission meeting. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, the Board/Commission cannot discuss issues raised or make any decision at this time. Instead, the Board/Commission is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Manager for research and possible future action.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Board/Commission to allow a member of the public to slur the performance, honesty and/or integrity of the Board/Commission, as a body, or any member or members of the Board/Commission individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Board/Commission and/or any person in the Board/Commission's presence will not be tolerated.

3. **ITEMS FOR INDIVIDUAL CONSIDERATION**

3A. Potential Action on Transportation Impact Fees Land Use Assumptions and Capital Improvements Plan for City Council.

4. **WORKSHOP**

4A. Presentation and discussion on Transportation Impact Fees, Maximum Fee Calculation and Policy Information for City Council.

5. **ADJOURNMENT**

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place of convenient and readily accessible to the general public, as well as to the City's website, www.cityofbastrop.org and said Notice was posted on the following date and time: Friday, May 19, 2023 at 9:00 a.m. and remained posted for at least two hours after said meeting was convened.

/s/Nicole Peterson
Nicole Peterson, Project Coordinator

STAFF REPORT

MEETING DATE: May 25, 2023

TITLE:
Potential Action on Transportation Impact Fees Land Use Assumptions and Capital Improvements Plan for City Council.

STAFF REPRESENTATIVE:
Trey Job, Assistant City Manager

BACKGROUND/HISTORY:
The City of Bastrop has been experiencing steady growth in population and development. This increased development leads to an increase in vehicles that drive in and around Bastrop. All development, residential and commercial creates an impact to the existing street network and causes the need for new streets and improvements (stop lights, acceleration lanes, turn lanes, etc.). The Transportation Impact Fee Study will examine the Future Land Use Plan, the Master Transportation Plan and historic growth trends to determine the maximum assessable roadway impact fee that may be assessed per Chapter 395 of the Texas Local Government Code. With this information, the City can adopt the roadway impact fee to implement the Transportation Master Plan through future Capital Improvement Plan projects. This study was funded for FY2023 and Kimley-Horn and Associates was awarded the project in October.

Jake Gutekunst with Kimley-Horn will present on the Transportation Impact Fee Study process and land use assumptions.

ATTACHMENTS:
- Report

CITY OF BASTROP, TEXAS
LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN FOR THE 2023 TRANSPORTATION IMPACT FEE STUDY

May 2023

Prepared for the City of Bastrop

Prepared by:

Kimley-Horn and Associates, Inc.

10814 Jollyville Road, Campus IV, Suite 200

Austin, TX 78759

Phone 512 418 1771

TBPE Firm Registration Number: F-928

Project Number: 069243307

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LIST OF EXHIBITS

1. INTRODUCTION

Chapter 395 of the Texas Local Government Code describes the procedure Texas cities must follow in order to create and implement impact fees. Senate Bill 243 (SB 243) amended Chapter 395 in September 2001 to define an impact fee as "a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development."

The City of Bastrop has retained Kimley-Horn to provide professional transportation engineering services for the 2023 Transportation Impact Fee (TIF) Study. The final impact fee report will include details of the Transportation Impact Fee calculation methodology in accordance with Chapter 395, the applicable Land Use Assumptions, development of the TIF Capital Improvements Plan (CIP), and the Land Use Vehicle-Mile Equivalency Table.

This preliminary report introduces and references two of the basic inputs to the Transportation Impact Fee:

1. **Land Use Assumptions**
2. **Capital Improvement Plan**

Information from the Land Use Assumptions and this Capital Improvement Plan are used extensively throughout the remainder of the report.

The finalized impact fee report, to be submitted at a later date, will consist of a detailed discussion of the methodology for the computation of impact fees, to be broken into three components:

1. **Methodology for Transportation Impact Fees**
2. **Transportation Impact Fee Calculation**
3. **Plan for Awarding the Transportation Impact Fee Credit**

2. TRANSPORTATION IMPACT FEE CALCULATION INPUTS

A. LAND USE ASSUMPTIONS

Purpose

Impact Fees are a mechanism for funding the public infrastructure necessitated by growth. In the most basic terms, impact fees are meant to recover the incremental cost of the impact of each new unit of development growth creating new infrastructure needs. In order to assess an impact fee, Land Use Assumptions must be developed to provide the basis for residential and employment growth projections within a municipality. As defined by Chapter 395 of the Texas Local Government Code, these assumptions include a description of changes in land uses, densities, and development in the service area. The land use assumptions are then used in determining the need and timing of transportation improvements to serve future development.

This section documents the process used to develop the Land Use Assumptions for the City of Bastrop's Impact Fee Study. In accordance with Chapter 395 of the Texas Local Government Code, Transportation Impact fees must be calculated based on reasonable expectations of residential and employment growth within the next ten years (2023-2033). The following resources provided the information required to complete the Land Use Assumptions:

- Projected new developments
- Developments currently under construction
- Recently platted developments
- City of Bastrop Comprehensive Plan
- City of Bastrop Transportation Master Plan (Thoroughfare Plan)
- City of Bastrop Staff

Components of the Land Use Assumptions Section

The Land Use Assumptions include the following components:

1. **Impact Fee Study Service Areas** - Explanation of the divisions of Bastrop into service areas for Transportation Impact Fees.

2. **Land Use Assumptions Methodology** - An overview of the general methodology used to generate the land use assumptions.

3. **Ten-Year Growth Assumptions** - Walk-through of the growth projections for 2023-2033.

Impact Fee Study Service Areas

Service Area Definition

According to Chapter 395 of the Local Government Code, a Service Area refers to the area within the corporate boundaries or extraterritorial jurisdiction of the political subdivision to be served by the capital improvement or facilities specified in the Capital Improvement Plan. For roadway impact fees (called "transportation impact fees" in Bastrop), Service Areas are limited to the corporate boundaries of the City. Funds collected in the specific service areas must be spent in the service area collected. Chapter 395 specifies that "the service area is limited to an area within the corporate boundaries of the political subdivision and shall not exceed six (6) miles." This resulted in the creation of two (2) service areas in the City of Bastrop.

Transportation Impact Fee Service Areas

The geographic boundaries of the two (2) impact fee service areas for transportation facilities are shown in **Exhibit 1**. For roadway facilities, the service areas are limited to those areas within the current corporate limits. Therefore, areas within the extraterritorial jurisdiction (ETJ) are excluded from this study.

The Colorado River serves as the primary service area boundary, dividing the City into Service Area A to the west and Service Area B to the east, with the exception of an area within a bend in the Colorado River on the south side of the City to keep Service Area A contiguous. At locations where service area boundaries follow a thoroughfare facility, the proposed boundary is intended to follow the centerline of the roadway. In cases where a service area boundary follows the City Limits, only those portions of the facility within the City Limits area are included in the service area.

Exhibit 1.1
Transportation Service Areas
Bastrop Impact Fees
April 2023

Kimley»Horn

N

BASTROPTX
Heart of the Lost Pines

0 0.2 0.4 0.8 1.2 1.6 Miles

Legend

Service Areas
- A
- B
- City Limits

Lake Bastrop
Colorado River
Shiloh
Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA

Land Use Assumptions Methodology

The following factors were considered in developing the residential and employment projections:

- Character, type, density, location, and quantity of existing development;
- Growth trends and historical data;
- Location of vacant land;
- City of Bastrop Comprehensive Plan;
- City of Bastrop Transportation Master Plan (Thoroughfare Plan);
- Physical restrictions (i.e. flood plains); and
- Planned development data.

The residential and employment estimates were all compiled in accordance with the following categories:

Residential Units – Number of residential dwelling units, including *single-family* and *multifamily*

Employment – Square feet of building area based on three (3) different classifications. Each classification has unique trip making characteristics.

Basic - Land use activities that produce goods and services, including those that are exported outside the local economy (i.e. manufacturing, construction, transportation, wholesale, trade, warehousing, and other industrial uses)

Service - Land use activities which provide personal and professional services such as government and other professional offices

Retail - Land use activities which provide for the retail sale of goods that primarily serve households and whose location choice is oriented toward the household sector (i.e. grocery stores and restaurants)

As outlined above, the residential and employment land uses are broken down into the five broader categories of single-family, multifamily, basic, service, and retail land uses. These five categories are used in the development of the assumptions for impact fees. In the calculation of the specific Transportation Impact Fee, a more specific and expanded classification based on the Institute of Transportation Engineers (ITE) Trip Generation Manual will be utilized.

Growth projections for the next 10 years (2023-2033) for the City of Bastrop were established using the City's future land use and historical census data.

Residential Development Neighborhoods

The City provided future land use data for known **single family** and **multifamily** developments that are currently planned for construction within the next ten years. For some developments, the data indicates the total number of undeveloped dwelling units. For those developments that didn't provide an indication of total dwelling units, the projected acreage of each site was used to calculate a unit estimate for each property.

The analysis assumes ratios of 4 dwelling units/acre for each unknown future single-family development and 20 units/acres for each unknown future multifamily development. The projected acreage for each unknown residential site was multiplied by the respective constant unit assumption (4 for single-family, 20 for multifamily) to determine an assumed number of dwelling units associated with the site.

Projections for new single-family and multifamily developments in the next ten years were determined by the City of Bastrop and can be found in **Table 1**.

Commercial Developments

The City also provided future land use data for known commercial (non-residential) developments that are currently planned for construction within the next ten years. Each of these developments was categorized as a **basic**, **service**, or **retail** land use type, based on its respective projected trip characteristics.

The available existing plat data provides acreages for commercial developments at the parcel level; however, as mentioned previously, commercial developments are measured by square footage of building area. To determine the estimated building area for each development, a

floor area ratio (FAR) was applied to the square footage of each development based on its commercial classification. Each FAR was assigned based on standard planning principles and assumptions as well as by looking at average FAR of several sites that exist in the City for each land use type to calibrate the FAR used in the assumptions.

Projections for commercial developments in the next ten years were determined by the City of Bastrop and can be found in **Table 1**.

10-Year Growth Assumptions

Table 1 summarizes the residential and employment growth projections by service area.

Table 1. Land Use Assumptions Growth Projections (2023-2033)

Service Area	Residential		Commercial		
	Single-Family	Multifamily	Basic	Service	Retail
	Dwelling Units		*Sq. Ft.*		
	4 units/acre	*20 units/acre*	*FAR 0.25*	*FAR 0.20*	
SA A	1,078	3,470	0	491,000	2,347,000
SA B	1,780	1,575	2,170,000	217,000	949,000
Sub-total	2,858	5,045	2,170,000	708,000	3,296,000
Total	**7,903**		**6,174,000**		

B. Capital Improvement Plan

The City has identified transportation projects needed to accommodate the projected growth within the City. These transportation projects include those that are fully funded by the City of Bastrop, as well as some roadway facilities maintained by the Texas Department of Transportation (TxDOT). TxDOT-maintained facilities are currently projected to be funded by both the City and TxDOT. All of these City-identified projects come together to form the **Transportation Impact Fees Capital Improvement Plan (CIP)**. The CIP includes State Highway and City facilities that provide capacity for non-local vehicular traffic, as well as intersection improvements.

The CIP for Transportation Impact Fees for the 2023 Impact Fee Study are listed in **Tables 2-3** and mapped in **Exhibits 2-3**. The table shows the length of each project as well as the facility's lane configuration and available right-of-way (listed under "Impact Fee Class"). The CIP was developed in conjunction with input from City staff and represents those projects that will be needed to accommodate the growth projected by the 2033 Land Use Assumptions for the Transportation Impact Fee Study.

Table 2. Capital Improvement Plan for Transportation Impact Fees - Service Area A

Service Area	Proj. #	Impact Fee Class	Project	Limits	Length (mi)	% In Service Area
A	*Roadway Improvements*					
	A-1	4D_(80)	Agnes (1)	Bear Hunter Drive to Hunter's Crossing	0.46	100%
	A-2	4D_(80)	Agnes (2)	Hospital Drive to Schaefer Blvd	0.35	100%
	A-3	4D_(80)	Bear Hunter Drive (1)	Bear Hunter Drive (existing) to 1,000' N of Shiloh Rd	0.42	100%
	A-4	2U_(50)	Blakey Ln (1)	Edward Burleson Ln to 1,830' E of Edward Burleson Ln	0.35	100%
	A-5	2U_(50)	Blakey Ln (2)	City Limits to Old Austin Highway	0.43	100%
	A-6	3U_(56)	Greenleaf Fisk Dr	Bass Drive to Schaefer Blvd	0.57	100%
	A-7	4D_(80)	Hasler Blvd (1)	Old Austin Hwy to Colorado River	0.26	100%
	A-8	2U_(50)	Marie St	Schaefer Blvd to Hasler Blvd	0.25	100%
	A-9	3U_(56)	Orchard Pkwy	SH 71 to Hunters Point Drive	0.42	100%
	A-10	4D_(80)	Agnes (3)	Schaefer Blvd to Childers Drive	0.60	100%
	A-11	4D_(80)	Edward Burleson	Blakey to SH 21 EBFR	0.32	100%
	A-12	4D_(110)	FM 969 (1)	City Limits to Blakey Ln	0.46	100%
	A-13	4D_(110)	FM 969 (2)	Blakey Ln to State Highway 21	0.28	100%
	A-14	4D_(80)	Hasler Blvd (2)	Old Austin Hwy to SH 21	0.25	100%
	A-15	4D_(80)	Home Depot Way	Hunter's Crossing to SH 304	0.34	100%
	A-16	4D_(80)	Agnes (4)	SH 304 to Hospital Drive	0.41	100%
	A-17	4D_(80)	Bear Hunter Drive (2)	State Highway 21 to Bear Hunter Drive (existing)	0.63	100%
	A-18	4D_(110)	SH 304	SH 21 EBFR to Hunters Point Dr	0.55	100%
	Intersection Improvements					
	I-1	-	Highway 71 & FM 20	Traffic Signal	-	100%
	I-2	-	FM 969 / Bear Hunter & SH 21	Overpass	-	100%
	I-3	-	Edward Burleson Ln / SH 304 & SH 21	Intersection Improvements	-	100%
	I-4	-	Hasler Blvd & SH 21	Intersection Improvements	-	100%
	I-5	-	Loop 150 / Childers Dr & SH 21	Intersection Improvements	-	100%
	I-6	-	Agnes & Hasler	Roundabout	-	100%
	I-7	-	Old Austin & Loop 150	Roundabout	-	100%

Table 3. Capital Improvement Plan for Transportation Impact Fees - Service Area B

Service Area	Proj. #	Impact Fee Class	Project	Limits	Length (mi)	% In Service Area
B	*Roadway Improvements*					
	B-1	2U_(50)	Carter St	Mesquite St to Magnolia St	0.17	100%
	B-2	2U_(50)	Chambers St	Cedar St to Farm St	0.29	100%
	B-3	2U_(50)	Future Collector A	Pitt St to Future Collector B	0.22	100%
	B-4	2U_(50)	Future Collector B	Lost Pines Ave to SH 71	0.19	100%
	B-5	2U_(50)	Future Collector C	Technology Drive extension to City Limits	0.17	100%
	B-6	2U_(50)	Future Collector D	Jackson St extension to 420' E of Jackson St extension	0.08	100%
	B-7	4D_(80)	Hasler Blvd (3)	Colorado River to Willow St	0.29	100%
	B-8	4D_(80)	Jackson St (1)	Jackson St (existing) to 1,260' S of Jackson St	0.24	100%
	B-9	2U_(50)	Jasper St (1)	Jackson St to 930' E of Jackson St	0.18	100%
	B-10	2U_(50)	Jasper St (2)	930' E of Jackson St to Hidden Hollow Ct	0.51	100%
	B-11	2U_(50)	Majestic Pine Dr	Majestic Pine Dr (existing) to Mauna Loa Ln	0.10	100%
	B-12	2U_(50)	Mauna Loa Ln (1)	Pine Lodge Dr to Briar Forest Dr	0.95	100%
	B-13	3U_(56)	Mesquite St (1)	800' W of Wilson St to Wilson St	0.15	100%
	B-14	3U_(56)	Mesquite St (2)	SH 95 to Piney Ridge Dr	0.41	100%
	B-15	2U_(50)	Pitt St	SH 71 to Jasper St	0.10	100%
	B-16	3U_(56)	South Street (1)	Lovers Lane to South St (existing)	0.33	100%
	B-17	3U_(56)	South Street (2)	1,200' E of Jackson St to Mauna Loa Ln	0.21	100%
	B-18	2U_(50)	Technology Drive (1)	Mill St to Business Park Dr	0.14	100%
	B-19	2U_(50)	Technology Drive (2)	Technology Drive (existing) to City Limits	0.46	100%
	B-20	2U_(50)	Walnut Street	Martin Luther King Dr to SH 21	0.22	100%
	B-21	4D_(80)	Jackson St (2)	SH 21 to South St	0.25	100%
	B-22	3U_(56)	Lovers Ln	City Limits to College St	0.29	100%
	B-23	2U_(50)	Mauna Loa Ln (2)	Briar Forest Dr to Tahitian Dr	0.23	100%
	B-24	3U_(56)	Mesquite St (3)	Wilson St to SH 95	0.52	100%
	B-25	4D_(110)	SH 95 (1)	Mesquite St to 700' S of Mesquite St	0.13	100%
	B-26	4D_(110)	SH 95 (2)	700' S of Mesquite St to Hawthorne St	0.51	100%
	B-27	4D_(110)	SH 95 (3)	Hawthorne St to Cedar St	0.30	100%
	B-28	4D_(110)	SH 95 (4)	Cedar St to Spring St	0.36	100%
	B-29	4D_(110)	SH 95 (5)	Farm St to Chestnut St/SH 21	0.16	100%
	B-30	3U_(56)	South Street (3)	650' W of Jackson St to 1,200' E of Jackson St	0.32	100%
	B-31	4D_(110)	SH 21 (1)	Chestnut St to Walnut St	0.30	100%
	B-32	4D_(110)	SH 21 (2)	Walnut St to SH 21 WBFR	0.43	100%
	B-33	4D_(110)	SH 95 (6)	SH 21 WBFR to SH 21 EBFR	0.11	100%
	Intersection Improvements					
	I-8	-	Mesquite St & SH 95	Traffic Signal	-	100%
	I-9	-	SH 95 & Cedar St	Traffic Signal	-	100%

Exhibit 1.2
Impact Fee CIP - Service Area A
Bastrop Impact Fees
April 2023

Kimley»Horn

0 0.13 0.25 0.5 0.75 1 Miles

N

BASTROPTX
Heart of the Lost Pines

Legend

CIP Project Type
- New
- Widening
- Widening 1/2
- Access Management
- Non-TIP Roadway Network

Intersections
City Limits

Service Areas
- A
- B

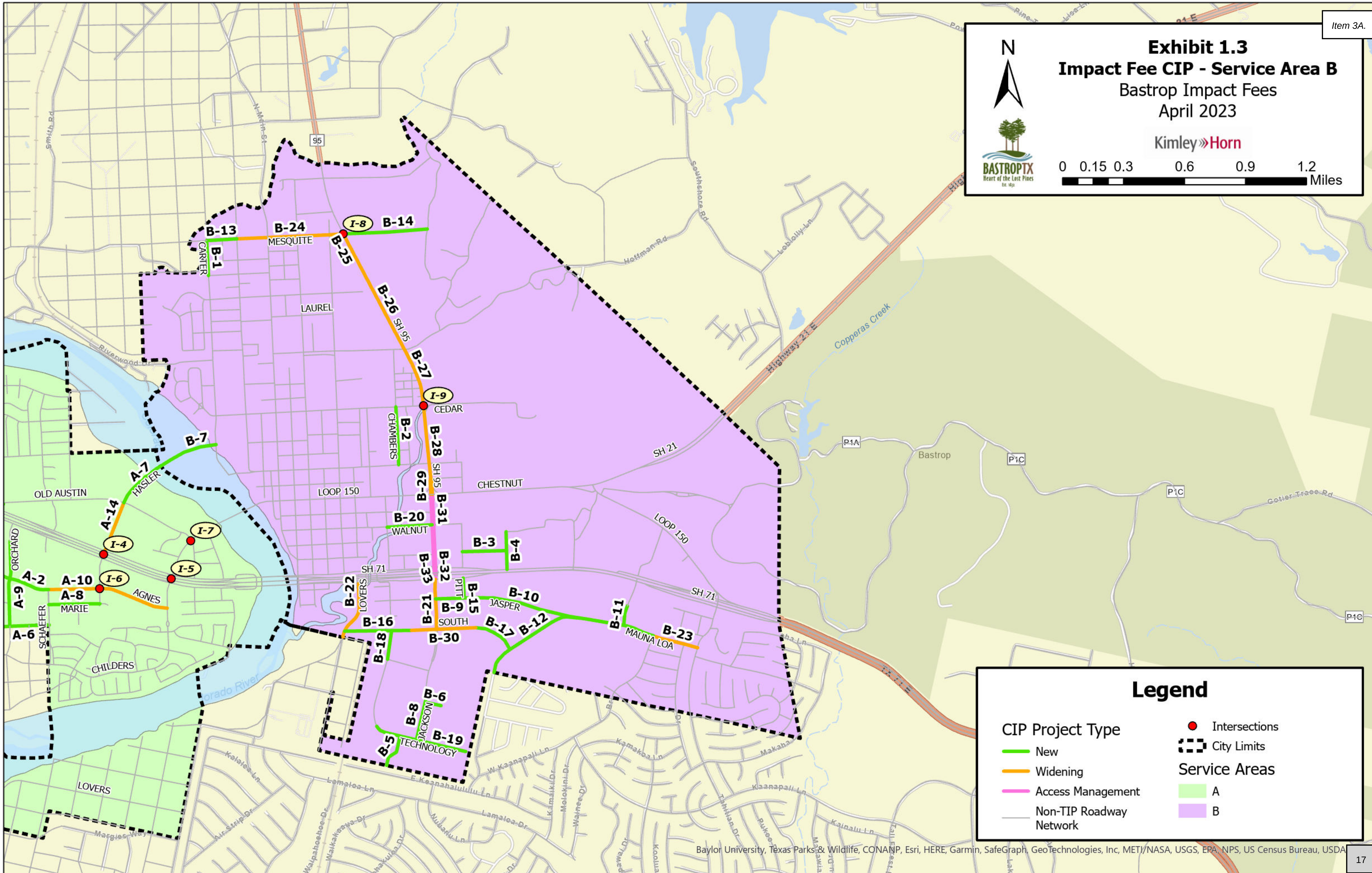


Exhibit 1.3
Impact Fee CIP - Service Area B
Bastrop Impact Fees
April 2023
N
BASTROPTX Heart of the Lost Pines
Kimley»Horn
0 0.15 0.3 0.6 0.9 1.2 Miles
Legend
CIP Project Type
New
Widening
Access Management
Non-TIP Roadway Network
Intersections
City Limits
Service Areas
A
B
B-13
B-24
MESQUITE
I-8
B-14
B-25
B-1
CARTER
LAUREL
B-26
SH 95
B-27
I-9
CEDAR
CHAMBERS
B-2
B-28
B-7
A-7
HASLER
OLD AUSTIN
LOOP 150
B-29
B-31
CHESTNUT
SH 21
LOOP 150
A-14
B-20
WALNUT
I-7
I-4
B-3
B-4
ORCHARD
I-5
SH 71
B-33
B-32
A-2
A-10
I-6
A-9
A-8
AGNES
MARIE
B-22
LOVERS
PITT
B-15
B-10
JASPER
B-21
B-9
SH 71
B-11
SCHAEFER
A-6
B-16
SOUTH
B-17
B-12
B-23
MAUNA LOA
B-30
B-18
CHILDERS
B-6
B-8
JACKSON
B-19
B-5
TECHNOLOGY
LOVERS
95
Copperas Creek
Highway 21 E
Bastrop
Baylor University, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA

STAFF REPORT

MEETING DATE: May 25, 2023

TITLE:
Presentation and discussion on Transportation Impact Fees, Maximum Fee Calculation and Policy Information for City Council.

STAFF REPRESENTATIVE:
Trey Job, Assistant City Manager

BACKGROUND/HISTORY:
The City of Bastrop has been experiencing steady growth in population and development. This increased development leads to an increase in vehicles that drive in and around Bastrop. All development, residential and commercial, creates an impact on the existing street network and causes the need for new streets and improvements (stop lights, acceleration lanes, turn lanes, etc.). Kimley-Horn has provided a presentation on Transportation Impact Fees, Maximum Fee Calculation and Policy Information for discussion.

The Master Transportation Plan and historic growth trends to determine the maximum assessable roadway impact fee that may be assessed per Chapter 395 of the Texas Local Government Code. With this information, the City can adopt the roadway impact fee to implement the Transportation Master Plan through future Capital Improvement Plan projects. This study was funded for FY2023, and Kimley-Horn and Associates was awarded the project in October.

Jake Gutekunst with Kimley-Horn will present on the Transportation Impact Fees, Maximum Fee Calculation and Policy Information.

ATTACHMENTS:
- Presentation

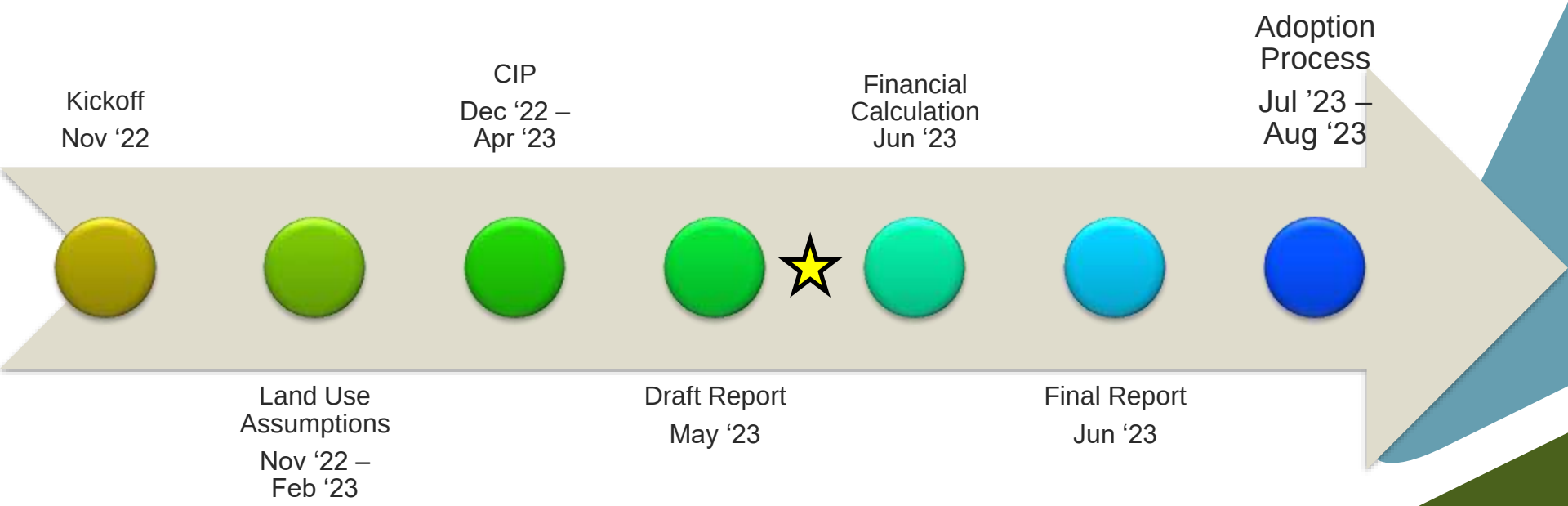
Impact Fee Advisory Committee
Transportation Impact Fees
Maximum Fee Calculation, Policy Intro

May 25, 2023

Rough Outline

- Potential Action: Land Use Assumptions and CIP comments for Council
- Maximum Fee Calculation Overview
- Maximum Fee (Pre-Credit) Results
- Policy Framework

Project Timeline



Roadway Impact Fee 101, Overview on draft Land Use Assumptions & CIP, no action

Kimley»Horn

POTENTIAL ACTION: LUA & CIP

Potential Action: Comments on Land Use Assumptions and CIP

Presentation on land use assumptions & CIP at April Meeting
Report including assumptions in backup materials for action

- Options for IFAC:
  - Comments recorded at today's meeting to share with council
  - Share comments prior to 5 business days before the public hearing date with council (*by June 6th*)
    - Could be to chair in letter format or individually
- Comments can be "no comments"

MAXIMUM FEE (PRE-CREDIT)

Impact Fee Components: Maximum Fee

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

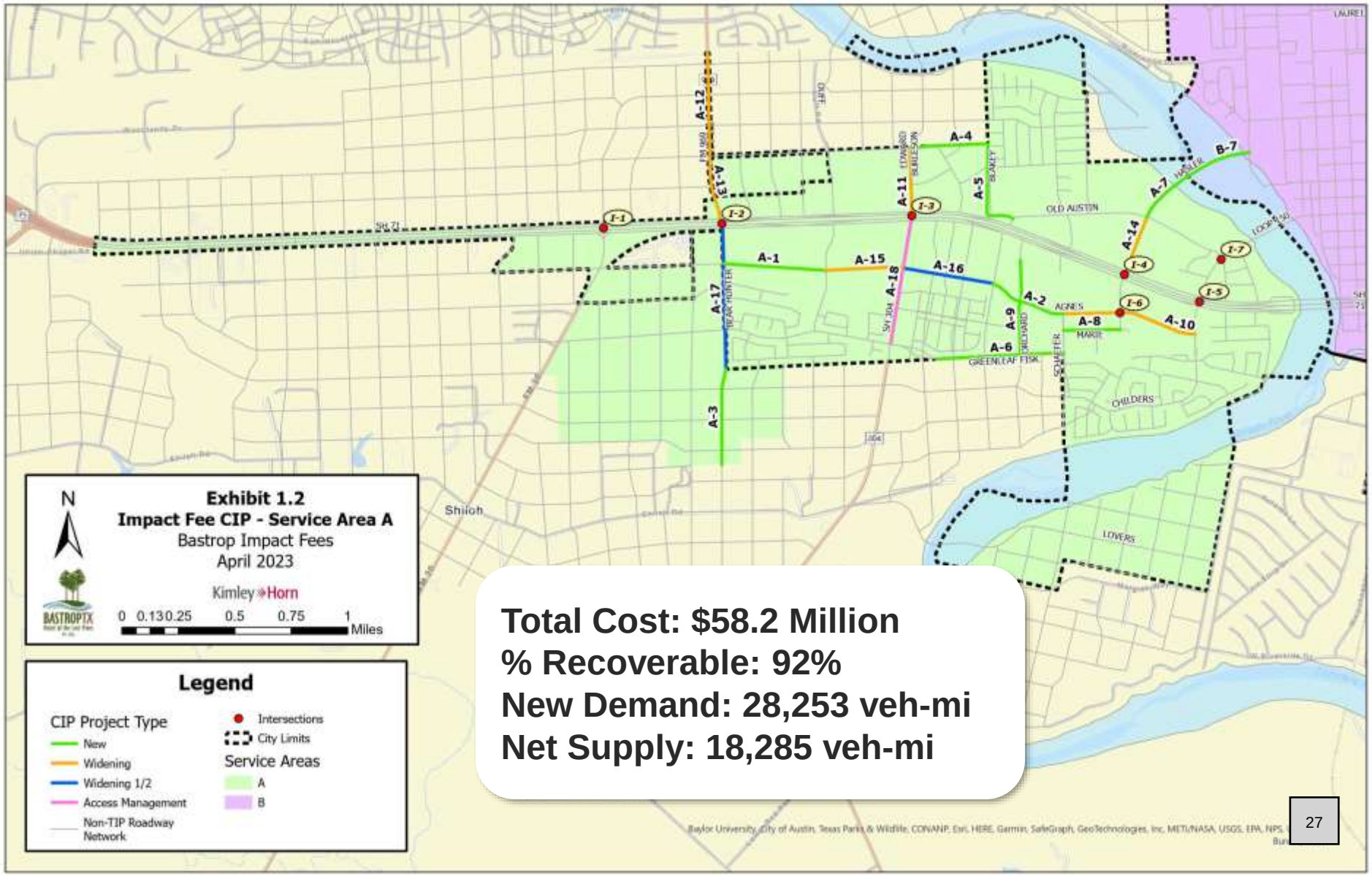
- New Service Units are derived from Land Use Assumptions (10-Year Growth) and Future Land Use Plan
- Impact Fee Capital Improvements Plan based on the portion of the Thoroughfare Plan needed for future growth
- Credits against impact fees due when a developer constructs or contributes to a thoroughfare facility
- Impact Fee calcs must be updated at least every 5 years

Impact Fee Components: Maximum Fee Application

- Example: $1,000/vehicle-mile (TBD by Study)

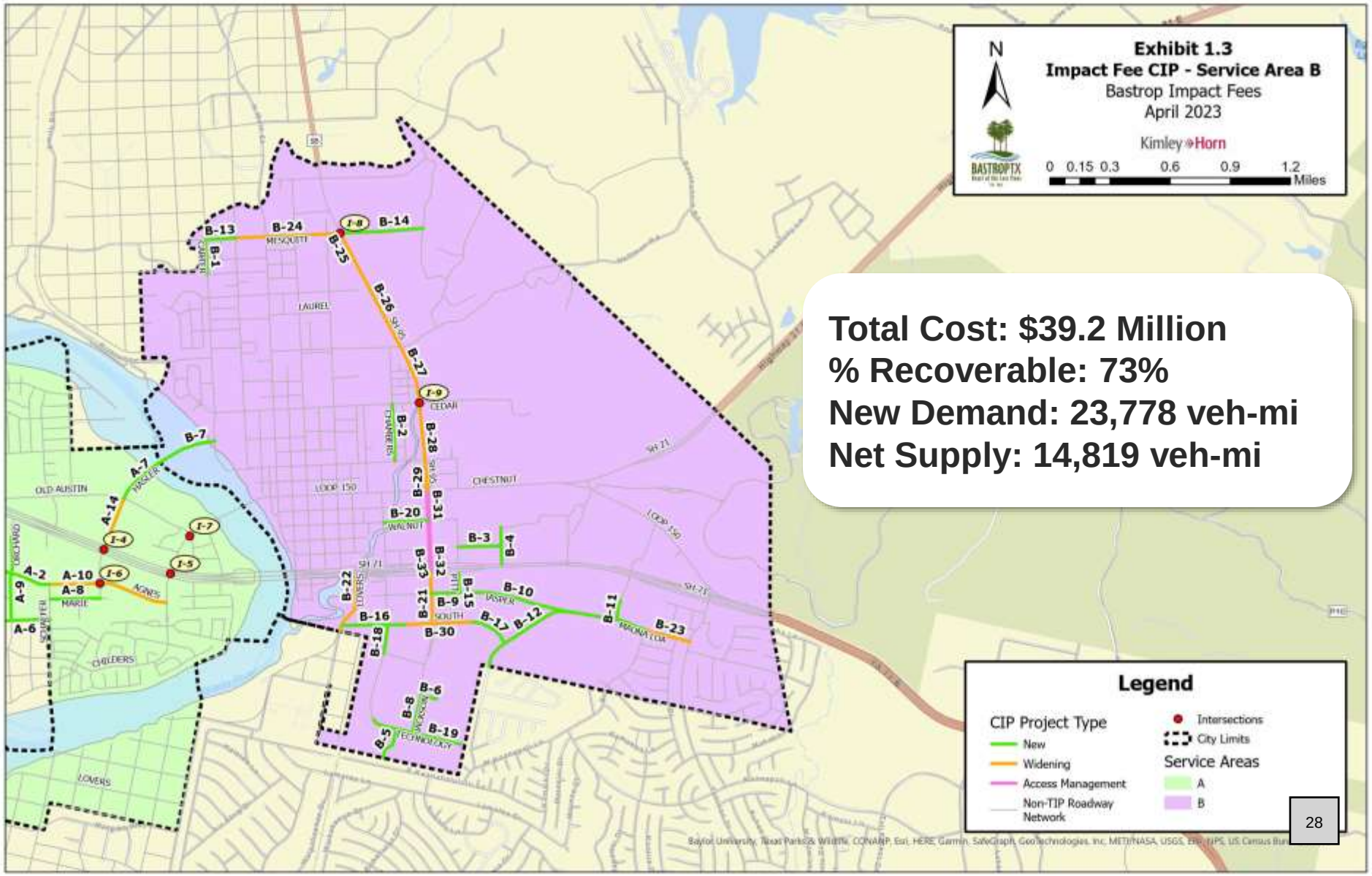
1. Example Multifamily Development (350 Unit Apartment Complex) –
   - $1,000 * 350 units * 2 veh-mi per unit = $700,000
- Rate collected is based on Council decision (Policy).

Service Area A Calculation



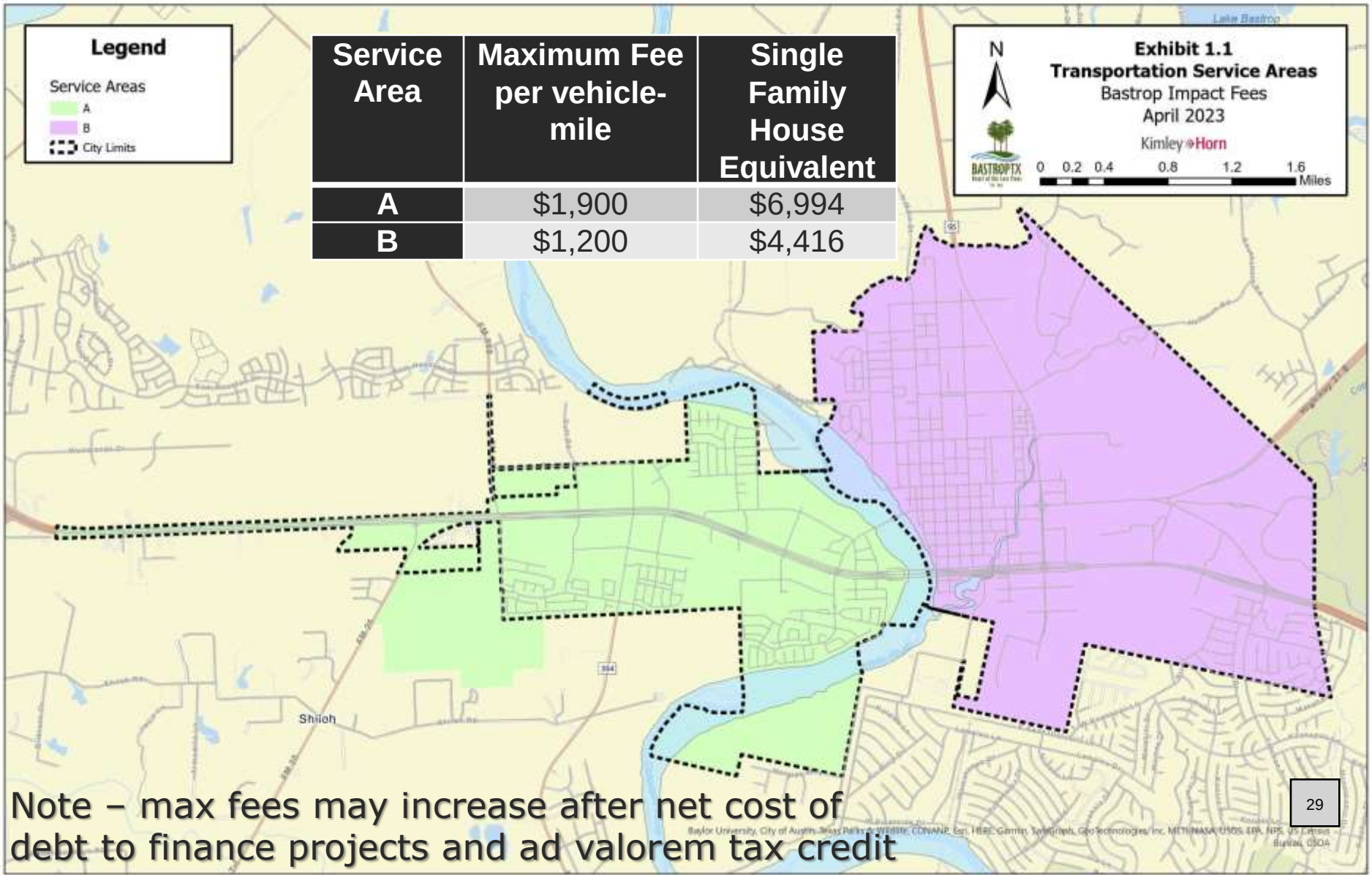
Total Cost: $58.2 Million
% Recoverable: 92%
New Demand: 28,253 veh-mi
Net Supply: 18,285 veh-mi

Service Area B Calculation



Final Maximum Fees (pre-Credit)

Service Area	Maximum Fee per vehicle-mile	Single Family House Equivalent
A	$1,900	$6,994
B	$1,200	$4,416



Note – max fees may increase after net cost of debt to finance projects and ad valorem tax credit

POLICY FRAMEWORK

Policy Considerations

- Is there a better way to do this?
- We need a system that is:
  - **Predictable**; for the development community and City
  - **Equitable**; equal development should pay an equal fee
  - **Transparent**
  - **Flexible**; funds collected need to be used to add capacity to the system, not sit in a bank or in a location where they aren't needed
  - **Legal**; compliant with proportionality rules
  - **Consistent** with the City's overall goals and objectives for growth – perhaps even encourage development where infrastructure already exists

Policy Decisions Outline

- Effective Date
- Collection Rate
- Reductions

Effective Date

- State law requires minimum 1 year grace period from Ordinance effective date for previously platted properties

OTHER CONSIDERATIONS

- Effective date could be any date after adoption of an ordinance
- Could extend grace period length and coverage (to properties not yet platted at effective date)
- Phased-In Approach – rate varies by length of time after adoption (ramps up fees)

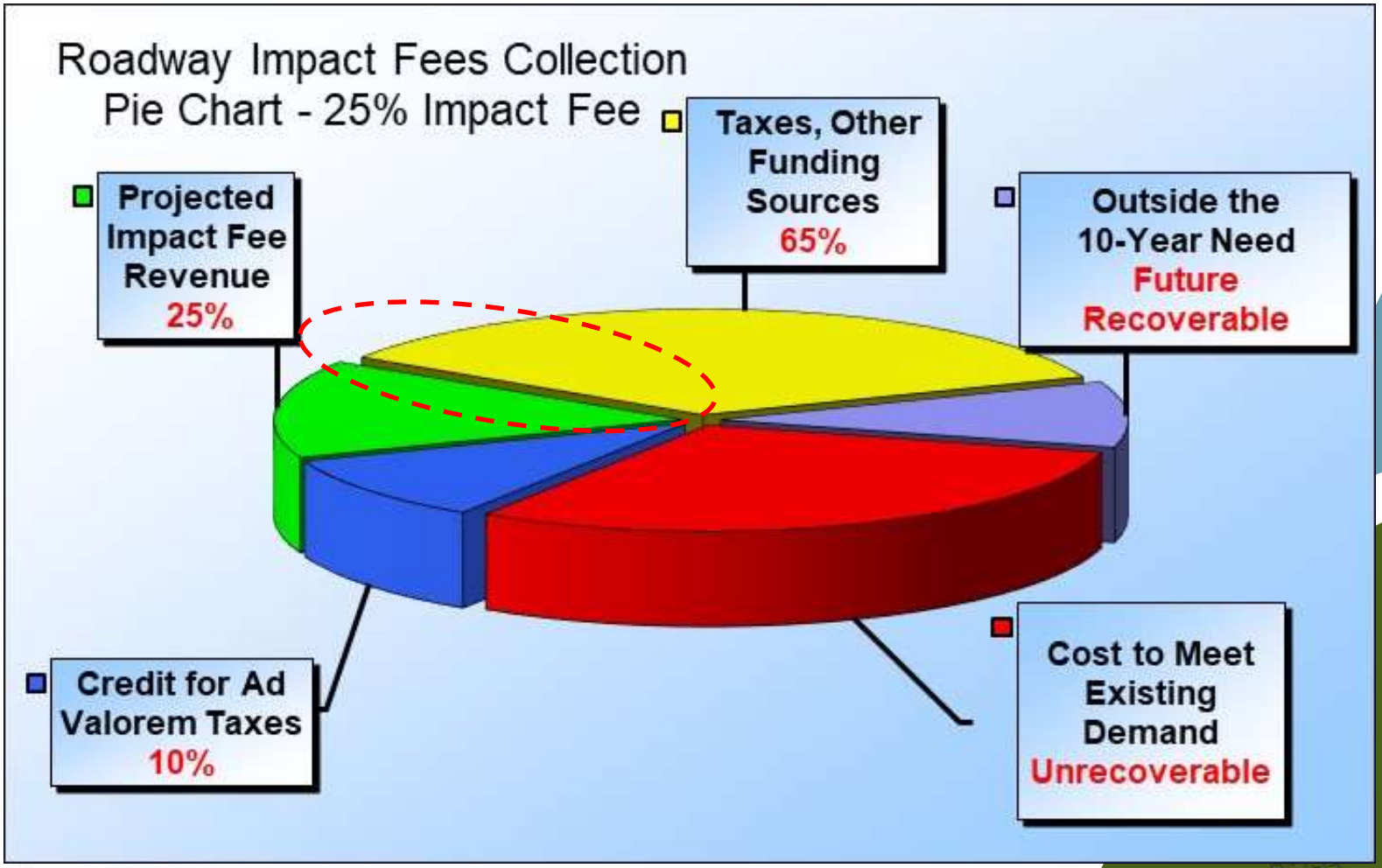
Collection Rate

- Limited by maximum fee in each service area

OTHER CONSIDERATIONS

- Flat option – all the same, limited by lowest maximum fee
- Percent (%) option – rate varies by area, but can be flat percentage of maximum
- Vary by Land Use or Land Use Category (Residential, Non-Residential, or more specific)

Impact Fee Components: Collection Rate



Reductions (Optional)

- Policy to further other City Objectives
- Truly “endless possibilities”, needs focus
- Examples:
  - Affordable Housing
  - Internal Capture
  - Special Districts / Overlays
  - Desired Land Uses in Areas lacking

Next Steps

- June updated maximum fee (with credit) with draft full study and discuss policy items:
  - Collection Rate
  - Effective Date
  - Other policy items

- Other potential features:
  - Other cities info (rates & effective dates)
  - Sample developments with rates
  - Live polling

QUESTIONS?