

\*\*\*\*PUBLIC NOTICE\*\*\*\*



**CAPITAL IMPROVEMENTS ADVISORY COMMITTEE**

**Monday, August 28, 2023 at 6:00 PM**

**City Hall | 3300 Corinth Parkway**

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**AGENDA**

**A. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT**

**B. ESTABLISH VOTING MEMBERS AND DESIGNATE ALTERNATES**

**C. PLEDGE OF ALLEGIANCE**

**D. BUSINESS AGENDA**

1. Receive a report and provide comments on the 2023 Impact Fee Update related to Roadway, Water, and Wastewater Capital Improvements. (Case No. CIP23-0004 – Impact Fee Update)

**E. ADJOURNMENT**

As a majority of the Council Members of the City of Corinth may attend the above described meeting, this notice is given in accordance with Chapter 551 of the Texas Government Code. No official action will be taken by the City Council at this meeting.

I, the undersigned authority, do hereby certify that the meeting notice was posted on the bulletin board at City Hall of the City of Corinth, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: **Friday, August 25, 2023, at 11:30 AM.**

*John S Webb*

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John Webb, AICP  
Director of Development Services  
City of Corinth, Texas

\_\_\_\_\_  
August 25, 2023  
Date of Notice

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Corinth City Hall is wheelchair accessible. Person with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf, or hearing impaired, or readers of large print, are requested to contact the City Secretary's Office at 940-498-3200, or fax 940-498-7576 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

**BRAILLE IS NOT AVAILABLE**



# CITY OF CORINTH Staff Report

<b>Meeting Date:</b>	8/22/2022	<b>Title:</b>	Impact Fee Update (CIP23-0004)
<b>Ends:</b>	<input type="checkbox"/> Resident Engagement <input checked="" type="checkbox"/> Proactive Government <input type="checkbox"/> Organizational Development <input type="checkbox"/> Health & Safety <input type="checkbox"/> Regional Cooperation <input type="checkbox"/> Attracting Quality Development		
<b>Governance Focus:</b>	<i>Focus:</i> <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Customer <input checked="" type="checkbox"/> Stakeholder		
	<i>Decision:</i> <input checked="" type="checkbox"/> Governance Policy <input type="checkbox"/> Ministerial Function		

**Item/Caption**

Receive a report and provide comments on the 2023 Impact Fee Update related to Roadway, Water, and Wastewater Capital Improvements. (CIP23-0004 – Impact Fee Update)

**Item Summary**

Impact fees are a one-time fee assessed to recover infrastructure costs required to serve new development. The City of Corinth currently assesses impact fees for roadways, wastewater and water. The purpose of this impact fee study is, per the Texas Local Government Code, to provide an analysis which formulates land use assumptions from which to base any needed impact fee changes, and to recommend a maximum water, wastewater and roadway impact fee. State law requires that cities who have adopted impact fees periodically study and update the fees. Normally, the impact fees are updated every five years.

The role of the Capital Improvements Advisory Committee (CIAC), per State Law, is to review the land use assumptions that were used to generate the proposed impact fees and related capital improvements and file written comments with the City Council. The City has retained the professional services of Kimley Horn to prepare the update.

**Staff Recommendation/Motion**

Staff recommends the CIAC receive the report and provide comments to the City Council. Should the CIAC determine it requires more time to provide written comments to the City Council, an additional meeting can be scheduled. However, the CIAC must file its comments to the City Council on or before September 27, 2023. The City Council Public Hearing for this item has been advertised for October 5, 2023. State Law requires the CIAC to file its comments before the 5<sup>th</sup> business day prior to the City Council Public Hearing.

Attachment:    Kimley Horn Presentation



Corinth Impact Fee Update  
**Roadway, Water, and Wastewater**  
August 28, 2023



Kimley»Horn

# Agenda



- *Why Perform These Updates*
- Impact Fee Basics
- Impact Fee Components
- 2023 Impact Fee Study
- Feedback and Next Steps



# Impact Fee Basics



# Impact Fee Basics

- **What are they**
  - One-time fee assessed to recover infrastructure costs required to serve new development
  - Governed by Chapter 395 of the Texas LGC
  - Required to be updated every 5 years
- **Impact fees benefits**
  - Provides an additional funding tool for infrastructure systems
  - Provides for the orderly growth of the community
  - Shifts a portion of costs for future infrastructure from existing residents



# Impact Fee Basics

- **What Costs Are Recoverable?**
  - Construction, Planning, Surveying, and Engineering
  - Land Acquisition and Associated Costs
  - Capital Imp. Planning and/or Financial Consulting
  - Projected Interest and Finance Costs
  - Local Share for State and Federal Roadways



# Impact Fee Basics

- **What Costs Are Non-Recoverable?**
  - Capital Improvements NOT Identified in the CIP
  - Operations and Maintenance Costs
  - Improvements to Remedy Existing Deficiencies
  - Administrative and Operational Costs of the City





# Impact Fee Basics

- **“Maximum Assessable” Impact Fee**
  - Engineer Provides Maximum Allowable
  - Council Establishes Actual
    - Can be less than or equal to Maximum Assessable

# Impact Fee Basics: Maximum Impact Fee Determination



$$\text{Maximum Impact Fee Per Unit} = \frac{\text{Cost of the Impact CIP Needed to Serve Growth (\$)}}{\text{New Service Units}}$$



# Impact Fee Components



# Impact Fee Components

- Land Use Assumptions
- Service Unit Calculations
- Capital Improvement Plans



# Impact Fee Components

## Land Use Assumptions

- Land Use Assumptions
  - Establishes Infrastructure Demands
- Consistent with Future Land Use Plan
- **10-Year Growth**
- Can be different for Water, Wastewater, and Roadway due to various Service Areas



# Impact Fee Components

## Service Units

- **Chapter 395 “Service unit” definition**
  - Standardized measure of consumption attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards and based on historical data and trends applicable to the political subdivision in which the individual unit of development is located during the previous 10 years
- **Roadway utilizes vehicle miles - One vehicle to travel one mile**
- **Water and wastewater utilize standard water meter (5/8” x 3/4” Meter)**
  - Standard water meter equates to one (1) service unit, all larger meters are some equivalent number of service units based on meter capacity

# Impact Fee Components Service Units - Roadway



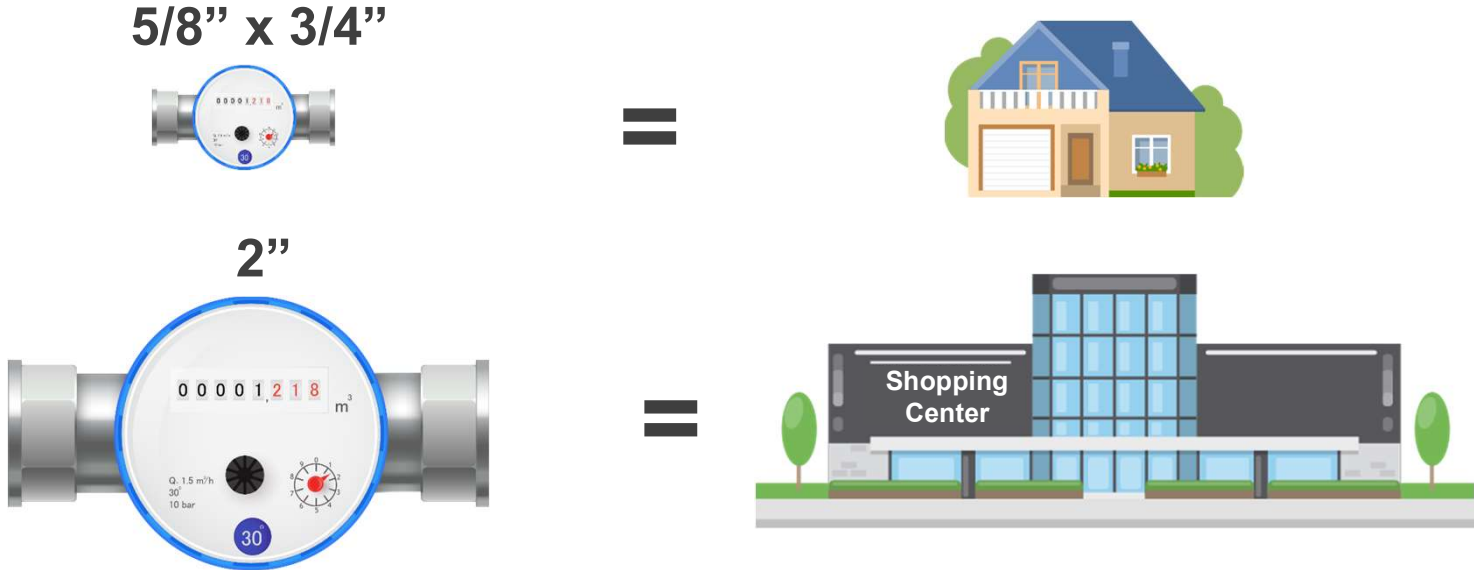
<b>Trips</b>	<b>0.94 Vehicles (PM Peak)</b> <i>(ITE Trip Generation)</i>
<b>X Trip Length</b>	<b>4.00 Miles*</b> <i>*Based on DFW metroplex data from the National Household Travel Survey</i>
<b>Vehicle-Miles</b>	<b>3.76 Vehicle-Miles</b>



**Shopping Plaza (40-150k)**  
(1,000 sq. ft.)

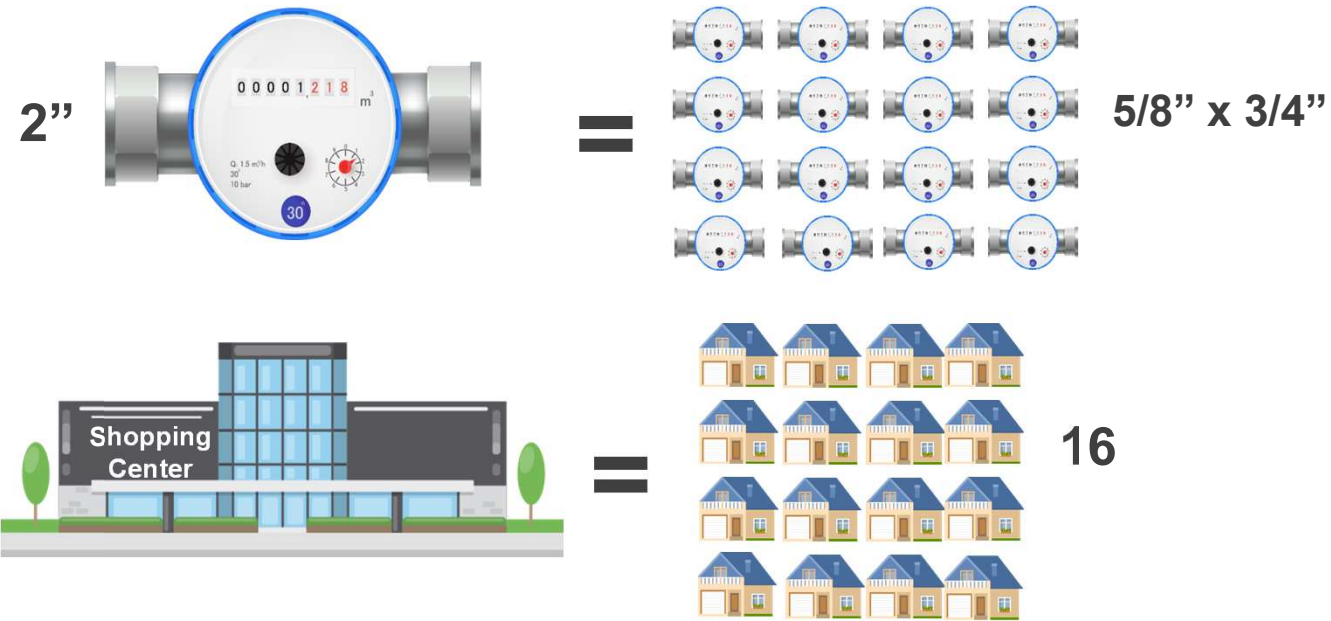
<b>Trips</b>	<b>5.19 Vehicles (PM Peak)</b> <i>(ITE Trip Generation)</i>
<b>Reduction for Pass-by Trips</b>	<b>34% (ITE Trip Generation Handbook)</b> <b>3.43 Vehicles (PM Peak)</b>
<b>X Trip Length</b>	<b>2.80 Miles (Service Area Length)*</b> <i>*NHTS trip length</i>
<b>Vehicle-Miles</b>	<b>9.60 Vehicle-Miles</b>

# Impact Fee Components Service Units – Water/Wastewater





# Impact Fee Components Service Units – Water/Wastewater





# Impact Fee Components Capital Improvement Plans

- **Impact Fee CIP**
  - Projects required within the 10-year planning window
  - Only Projects required for future growth
  - May include previously completed projects with surplus capacity
- **City Adopted CIP**
  - Includes projects which may not be for growth
    - (e.g. rehab projects, current deficiencies)
  - Does not include previously completed projects



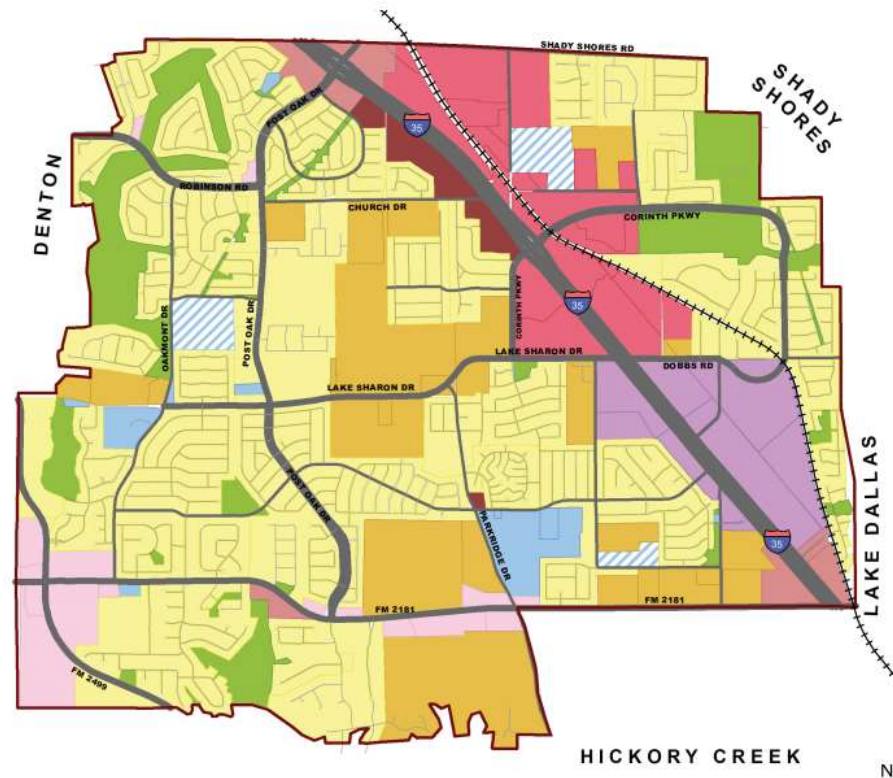
# 2023 Impact Fee Study

# Impact Fee Components Land Use Assumptions



### LEGEND

- Corinth City Limits
- Neighborhood
- Mixed-Residential
- Mixed Use - TOD
- Mixed Use - Node
- Retail/Commercial
- Corridor Commercial
- Office/Employment
- Institutional/Public/Civic
- Educational
- Parks/Open Space
  
- Railroad
- Highway
- Major/Minor Arterial
- Collector
- Local





# Impact Fee Components Land Use Assumptions

- Summary of Growth Projections (City Limits)**

Service Area	Residential (Units)		Employment (Square Feet)		
	Single Family	Multi-Family	Basic	Service	Retail
<b>Corinth</b>	1,175	3,525	0	1,650,000	1,050,000



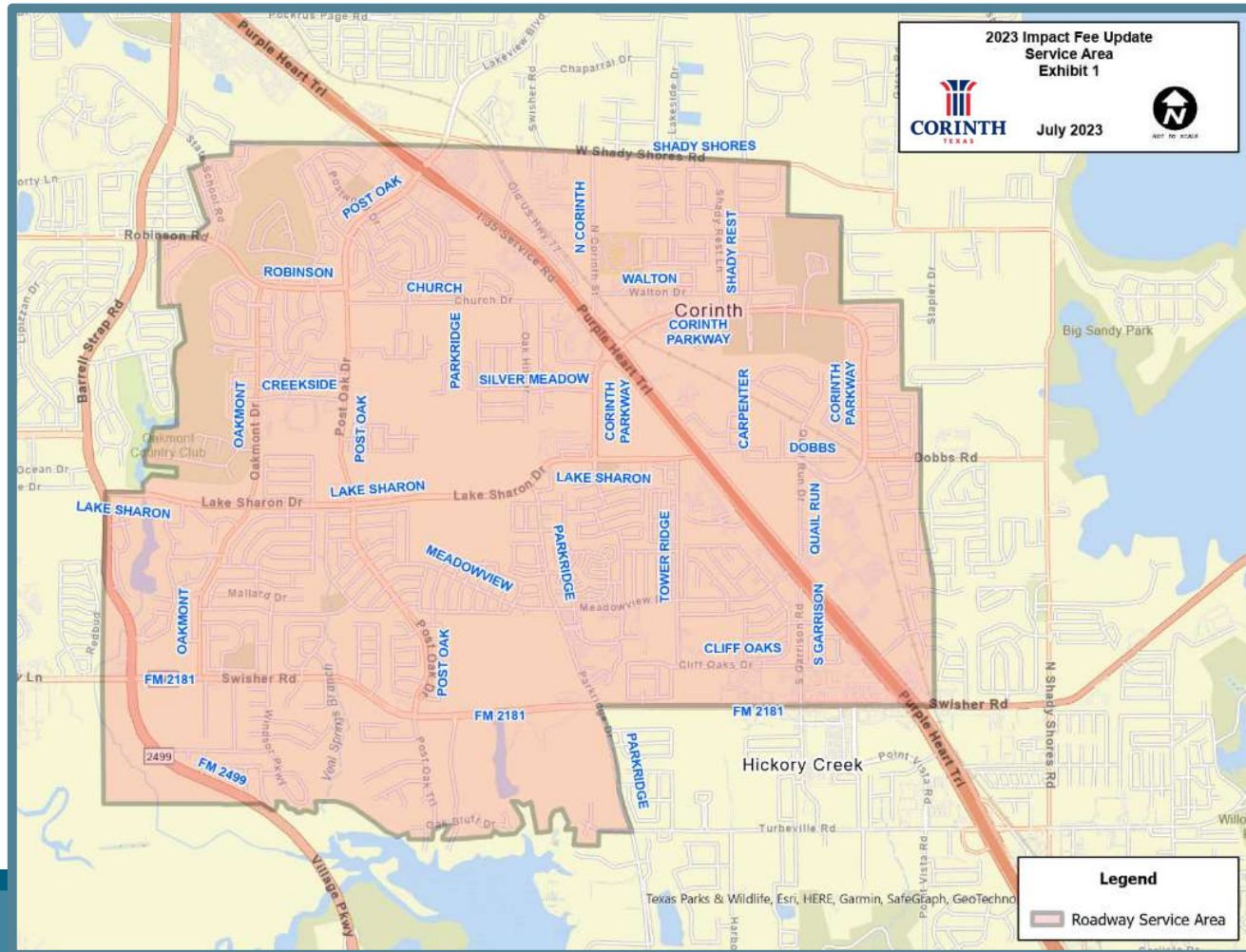
# Roadway Impact Fees



# Impact Fee Components Roadway Service Areas

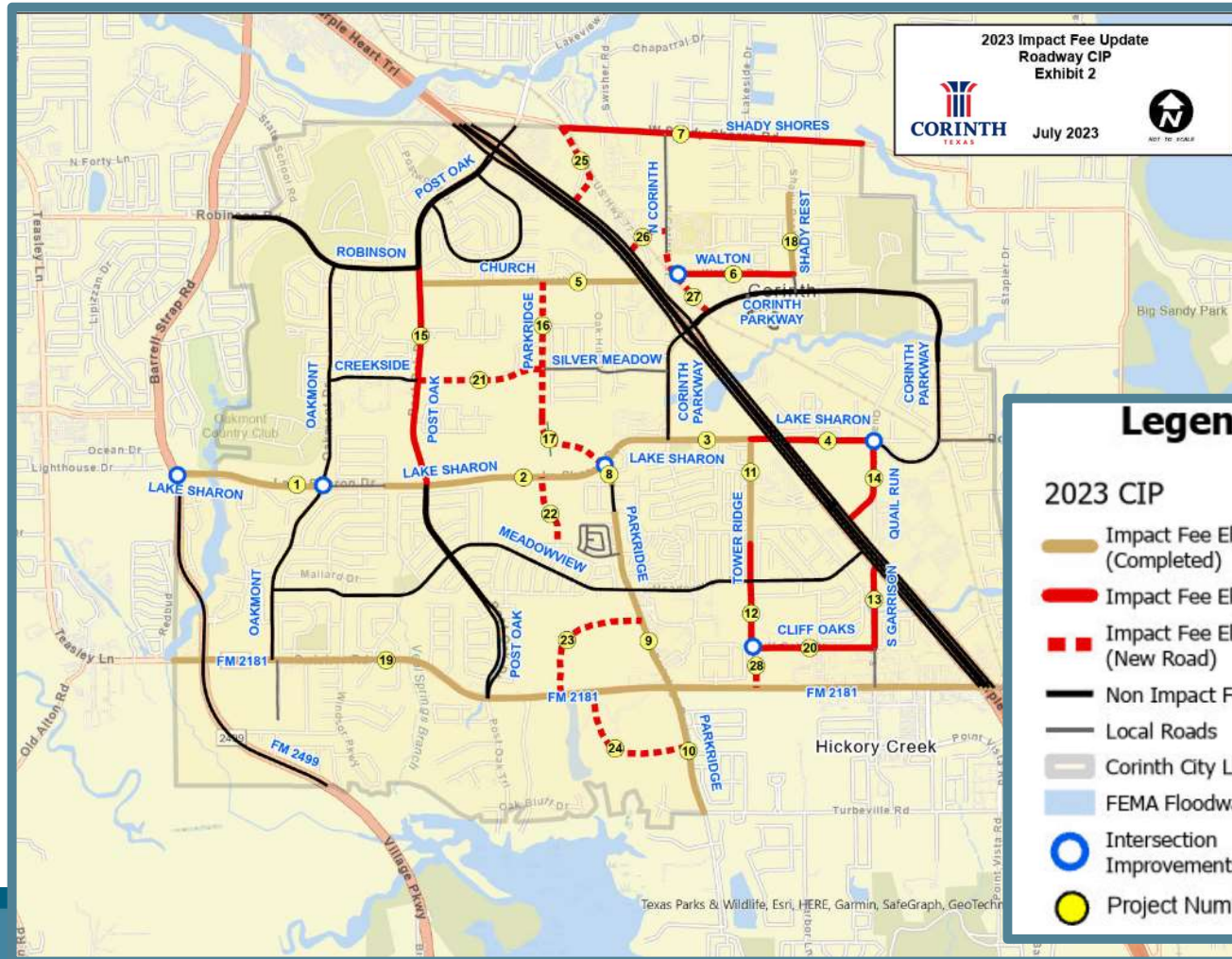
- Area to be served by Impact Fee CIP
- Roadway Service Areas are limited to six (6) miles by state law – Only City Limits
- Money collected in each Service Area must be spent on Impact Fee Capital Improvement Projects in that Service Area

# Impact Fee Components Roadway Service Areas





# Roadway Impact Fee CIP



# Impact Fee Components

## Roadway Impact Fee CIP



Recoverable Impact Fee CIP Costs w/ Debt Service	\$62,614,312
50 Percent Reduction (Per Ch. 395 Code)	\$31,307,156
<b>Maximum Recoverable Cost of Impact Fee</b>	<b>\$31,307,156</b>
10-Yr Growth (Service Units)	31,193

$$\text{Impact fee per service unit} = \frac{\text{10-year recoverable costs}}{\text{10-year additional service units}}$$

$$\text{Impact fee per service unit} = \frac{\$31,307,156}{31,193}$$

$$\text{Maximum assessable impact fee per vehicle mile} = \mathbf{\$1,003}$$

*(Current Adopted Rate - \$500 for residential & \$266 for all others)*



# Impact Fee Example:



Single Family Home

<b>Vehicle-Miles</b>	<b>3.76 Vehicle-Miles</b>
<b>X Maximum Fee</b>	<b>\$1,003 per Vehicle Mile</b>
<b>Maximum Fee/SF Home</b>	<b>3.76 x \$1,003 = \$3,771</b>



Shopping Plaza (50k ft<sup>2</sup>)

<b>Vehicle-Miles</b>	<b>9.60 * 50 = 480 Vehicle-Miles</b>
<b>X Maximum Fee</b>	<b>\$1,003 per Vehicle Mile</b>
<b>Maximum Fee/Shopping</b>	<b>480 x \$1,003 = \$481,440</b>



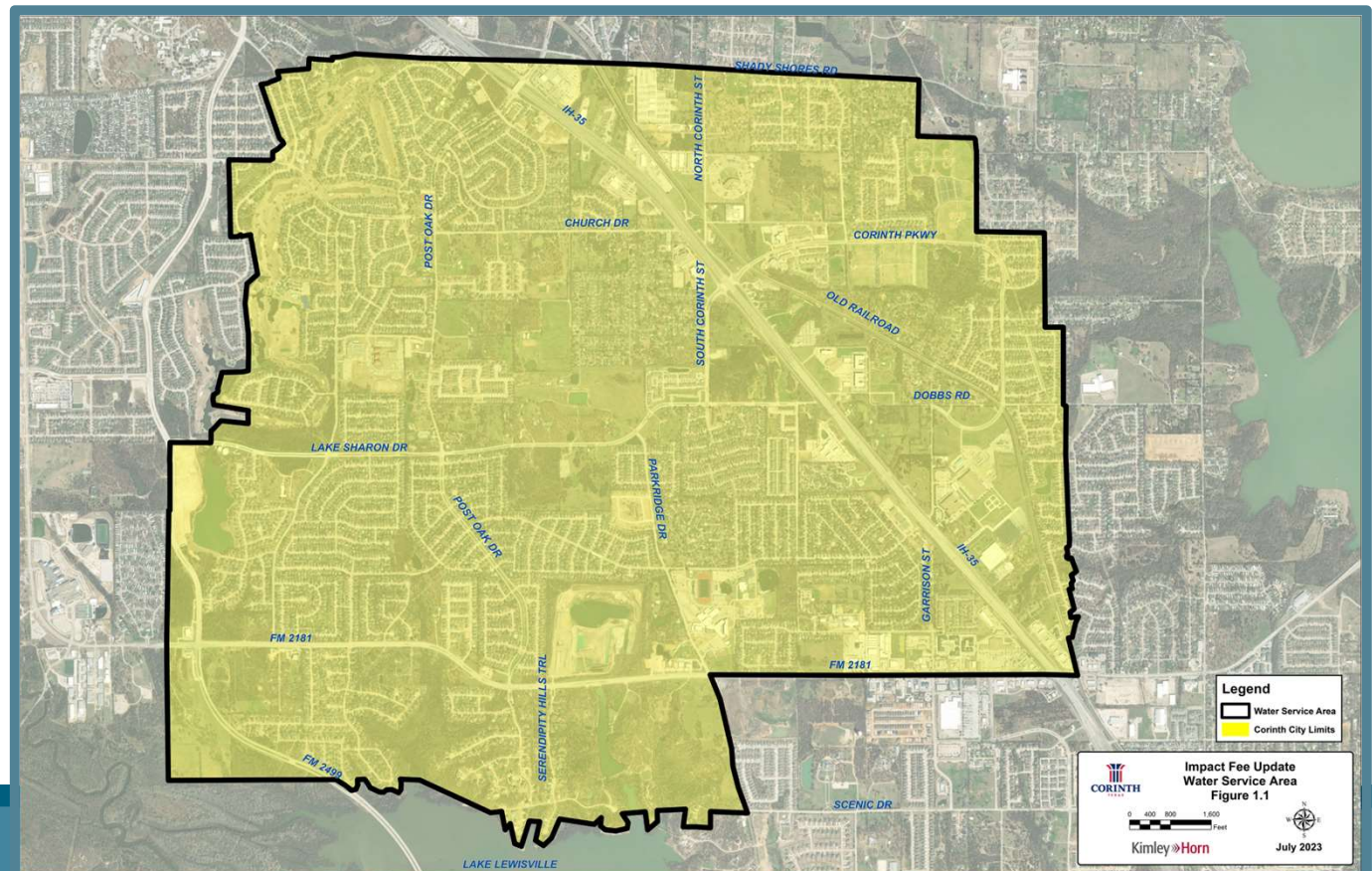
# Water and Wastewater Impact Fees

# Impact Fee Components Service Areas

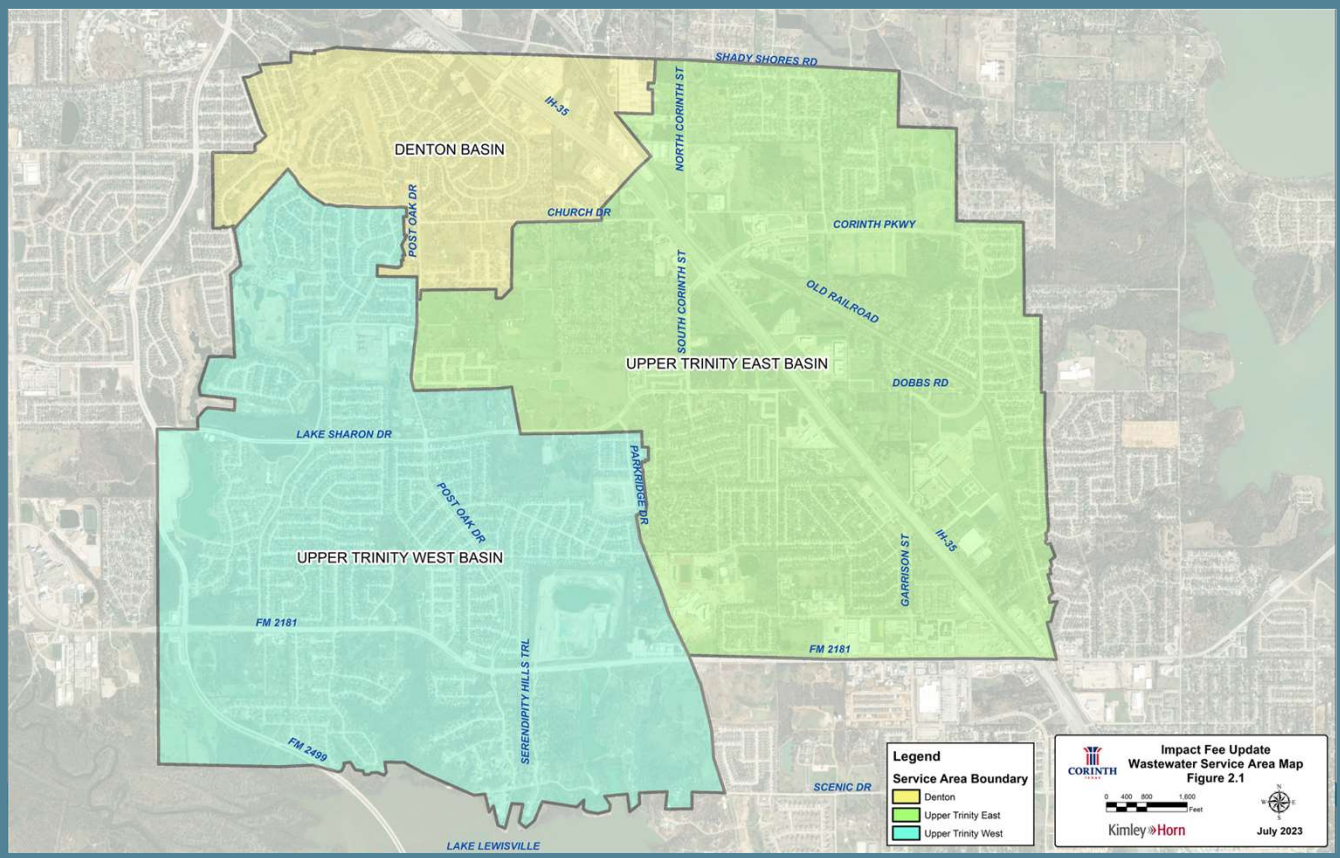


- Area to be served by Impact Fee CIP
- Water service area within City limits
- Wastewater composed of 3 service areas:
  - Denton Basin
  - Upper Trinity East Basin
  - Upper Trinity West Basin

# Impact Fee Components Water Service Area

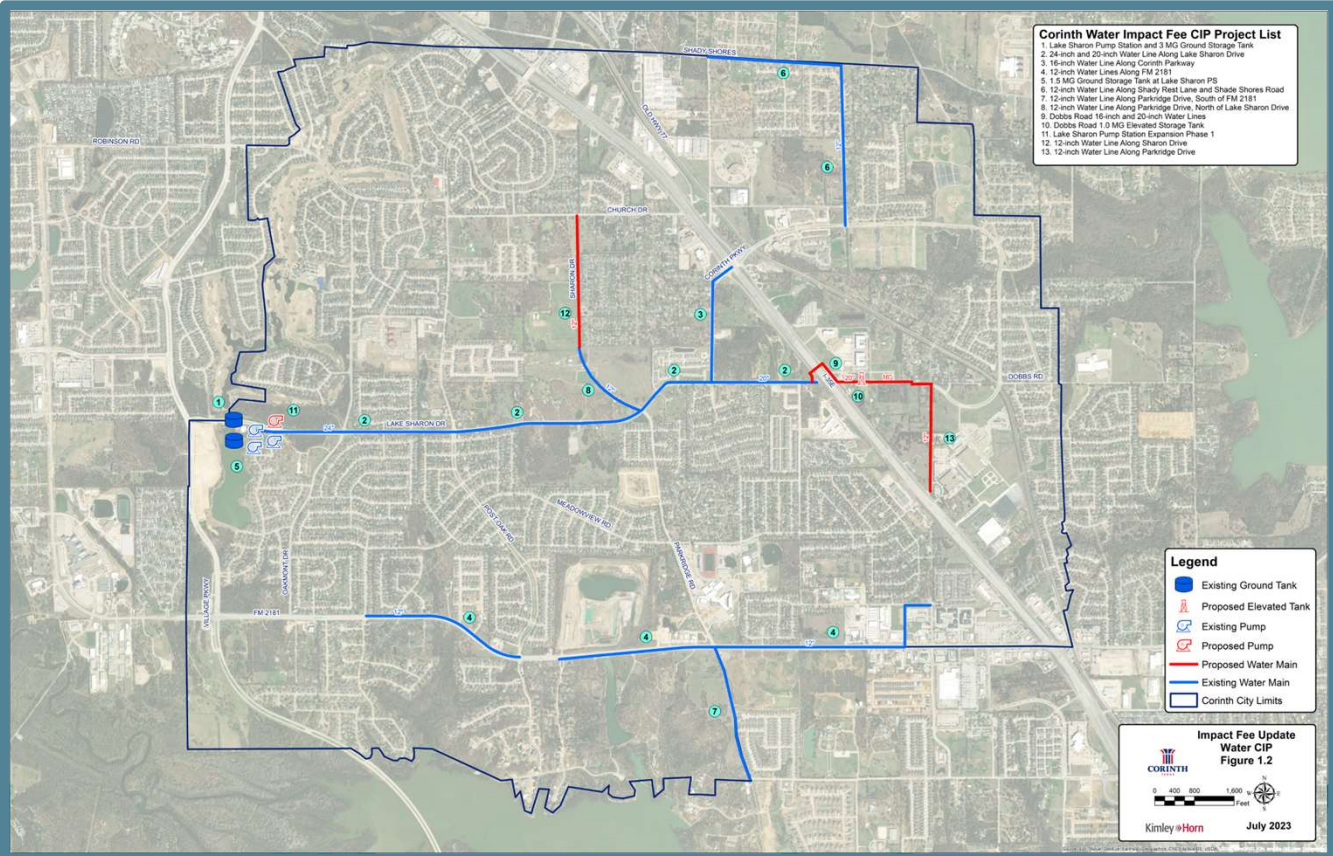


# Impact Fee Components Wastewater Service Area



# Impact Fee Components

## Water Impact Fee CIP





# 2023 Study Results

## Water Impact Fee



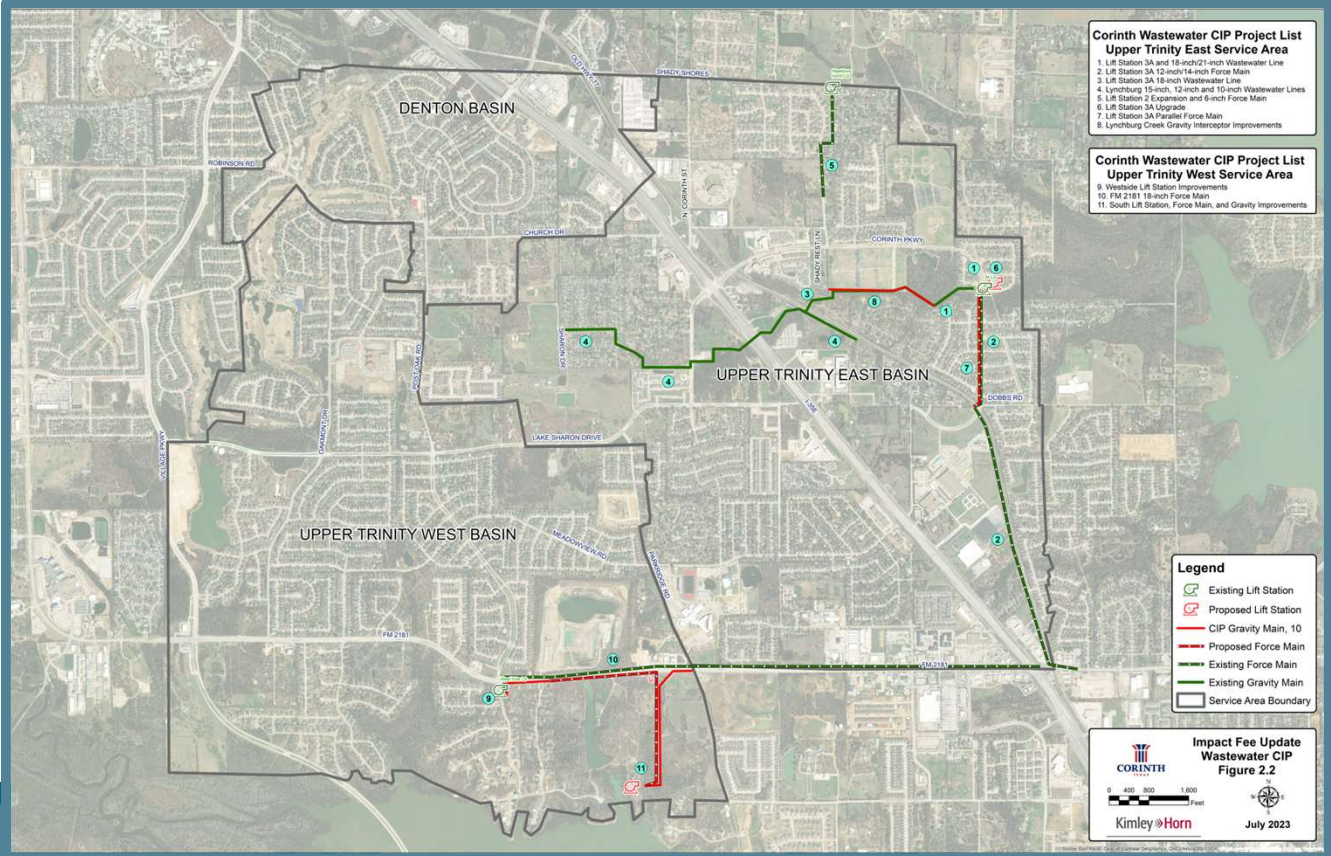
Recoverable Impact Fee CIP Costs w/ Debt Service	\$9,502,206
50 Percent Reduction (Per Ch. 395 Code)	\$4,751,103
<b>Maximum Recoverable Cost of Impact Fee</b>	<b>\$4,751,103</b>
10-Yr Growth (Service Units)	3,571

Impact fee per service unit =  $\frac{\text{10-year recoverable costs}}{\text{10-year additional service units}}$

Impact fee per service unit =  $\frac{\$4,751,103}{3,571}$

Maximum assessable impact fee per service unit = **\$1,330**  
*(Current Adopted Rate - \$2,204)*

# Impact Fee Components Wastewater Impact Fee CIP





# 2023 Study Results

## Wastewater Impact Fee

	Service Area		
	Upper Trinity East	Upper Trinity West	Denton
Recoverable Impact Fee CIP Costs w/ Debt Service	\$3,833,392	\$2,794,730	\$0
50 Percent Reduction (Per Ch. 395 Code)	\$1,916,696	\$1,397,365	\$0
<b>Maximum Recoverable Cost of Impact Fee</b>	<b>\$1,916,696</b>	<b>\$1,397,365</b>	<b>\$0</b>
10-Yr Growth (Service Units)	3,292	292	0

Impact fee per service unit =  $\frac{\text{10-year recoverable costs}}{\text{10-year additional service units}}$

Upper Trinity East Impact fee per service unit =  $\frac{\$1,916,696}{3,292} = \mathbf{\$582}$  (Current Adopted Rate = \$1,271)

Upper Trinity West Impact fee per service unit =  $\frac{\$1,397,365}{292} = \mathbf{\$4,785}$  (Current Adopted Rate = \$1,510)

QUESTIONS?