

# Impact Fee Update Ordinances

City Council  
December 11, 2023





# Impact Fees in Burleson

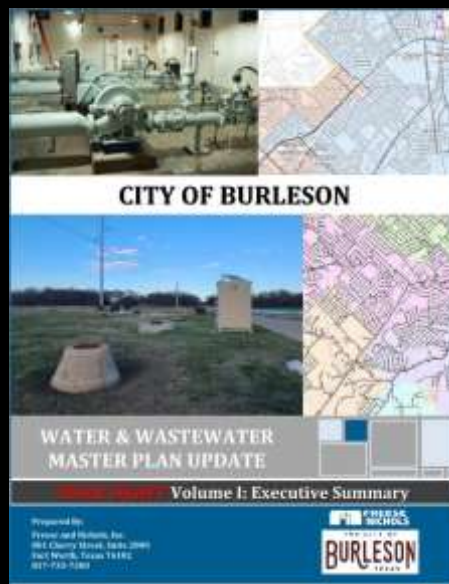


Established for water and wastewater infrastructure – November 2005

- Assessed fees revised six times between 2010 and 2019
- 2017 and 2018 only the water assessed fee changed
- 2019 only the wastewater assessed fee changed

Established for roadway infrastructure March 2017 and 2023 is the first time the analysis has been updated for potential changes





For water and wastewater impact fees, only capital projects **within** the City's Certificate of Convenience and Necessity (CCN) **and included** in the Water / Wastewater Impact Fee Capital Improvement Program are eligible for funding from impact fees collected in that service area

Service Areas

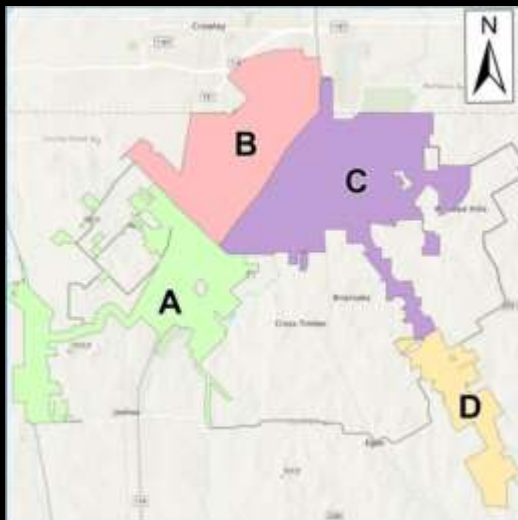
Land Use Assumptions

Service Units

Capital Plan

**Maximum Assessable Fee**

Actual Adopted Fee



Service Areas for Roadway Impact Fees

For roadway impact fees, only capital projects **within** a given service area **and included** in the Roadway Impact Fee Capital Improvement Program area eligible for funding from impact fees collected in that service area

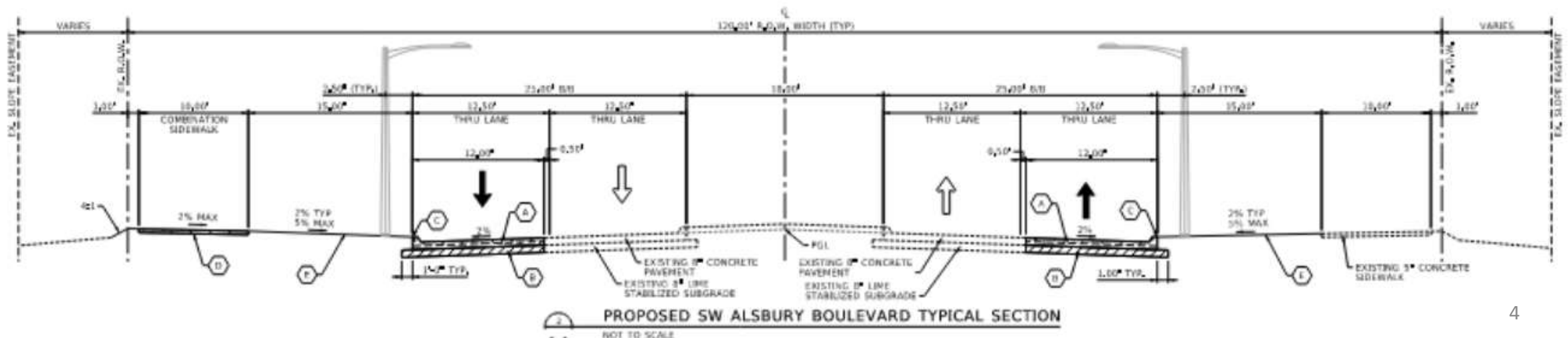
**Key Policy Decisions for City Council:**

At what levels will fees be set?

When will the new fees be effective?

# IMPACT FEES **CAN** BE USED TO OFFSET COSTS

1. Right-of-Way / Easement Acquisition
2. Design / Survey
3. Construction of infrastructure included on capital improvements plan encompasses the following:
  - Drainage associated with new roadways
  - Intersection improvements
  - Improvements that increase roadway capacity
  - Offsite utility improvements that increase capacity (FW water line)
4. Payment on debt issued for total cost of infrastructure included on capital improvement plan within the impact fee study (improvements that increase capacity of the system)





# WHAT IMPACT FEES **CANNOT** BE USED ON

1. Infrastructure maintenance costs
2. Improvements within the extraterritorial jurisdiction (ETJ)
3. Traffic calming
4. Infrastructure improvements that do NOT increase capacity
5. Administrative / operational costs incurred by staff



Reconstruction of existing roadway



Repair/replacement  
of sewer line



Council appointed a new and expanded Capital Improvements Program Advisory Committee (CIPAC) of nine members

## Scope of the CIPAC

Eight (8) members appointed 3/2023

Ninth member appointed 9/2023

File semi-annual reports on impact fee programs

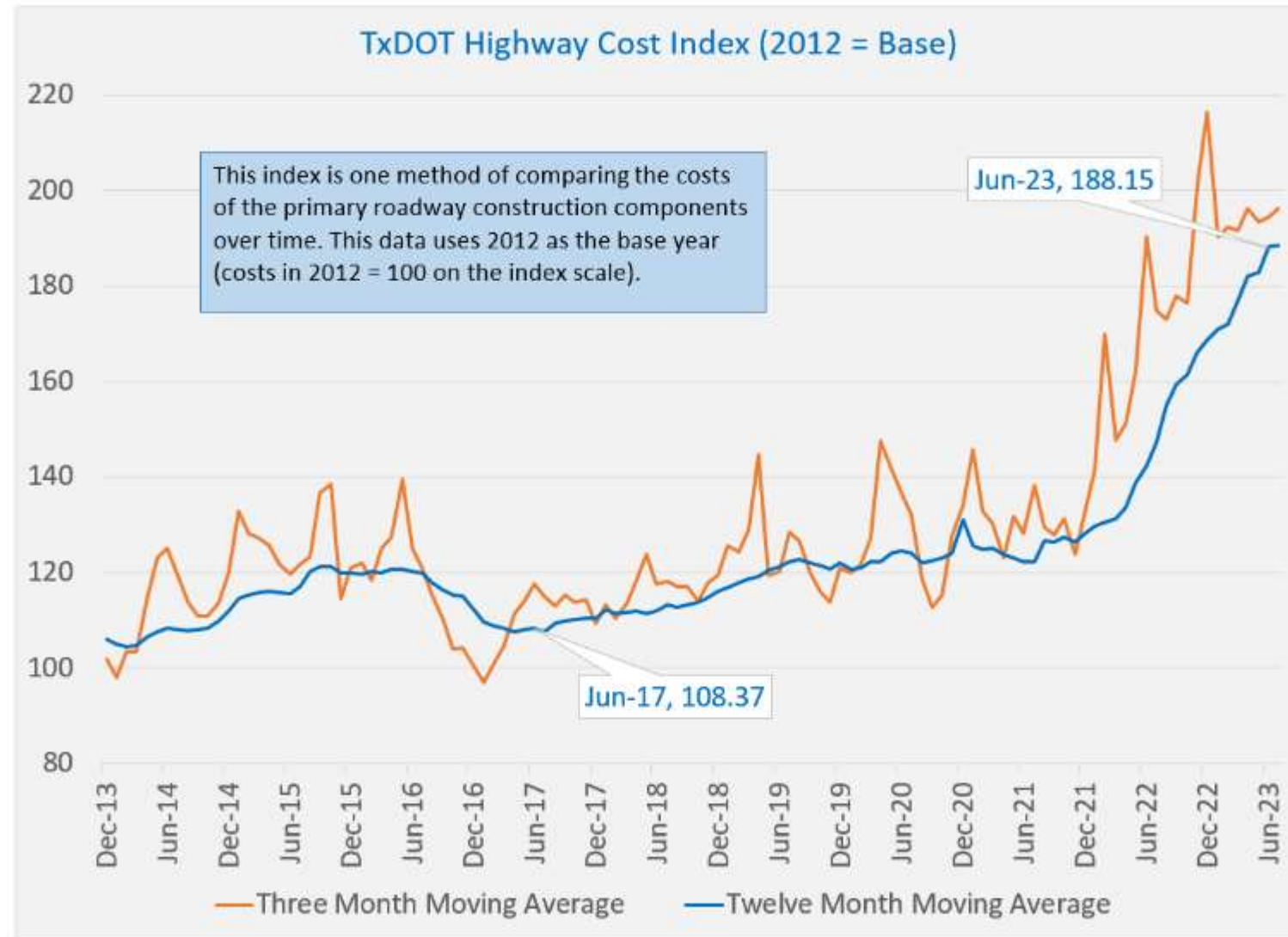
Review analyses of consultants responsible for impact fee studies at least every five years

- Land Use Assumptions
- Impact Fee Capital Improvement Programs
- Calculated Maximum Assessable Fees

Provide recommendations to City Council for updates to impact fees (presented October 2, 2023)



# Public Infrastructure Construction Continues to Get More Expensive



# Recommended Impact Fee Ordinances



## Revise assessed fees

- Roadway and water/wastewater impact fee program
- Based on Council-appointed advisory committees' recommendations
- Presentation to City Council – October 2, 2023

## Effective date for new assessed fees – January 1, 2024

- Projects platted after this date would be assessed at the new rates
- Projects currently platted were assessed based on the impact fees in place at that time and even if they have not begun construction, their impact fees are already established provided the development proceeds as currently platted.
- Project requiring re-plats after the effective date would be assessed at the new rates.

## Roadway Impact Fee Ordinance – minor text amendments

- Added provision to assess a shell or speculative building in GR or C zoning district as a “Strip Retail Plaza”. At the time of the “finish out” permit, the difference of the ultimate use and strip retail plaza shall be collected at time of building permit.
- Newly annexed areas shall be immediately added into the nearest adjacent Roadway Service Area as long as it complies with the distance requirements in Chapter 395 of the Texas Local Govt. Code. For roadway facilities, the service area is limited and shall not exceed 6 miles.

## No text amendments recommended for the Water / Wastewater Impact Fee Ordinance



# Roadway Impact Fees

<div> <div>Current Rates</div> <div>CIPAC Recommended</div> </div> <div> <b>Exhibit B - Schedule 2</b>  Roadway Impact Fee Collection Rate Per Service Unit </div>												
Assessment Date	Properties platted on or before 3/6/2017; and						Between 3/7/2017 and 12/31/2023; and			On or after 1/1/2024; and		
Building Permit Application	On or before 3/6/2018			On or after 3/7/2018								
Service Areas	Land Use Type			Land Use Type			Land Use Type			Land Use Type		
	Residential	Non-Residential	Industrial	Residential	Non-Residential	Industrial	Residential	Non-Residential	Industrial	Residential	Non-Residential	Industrial
A	No Roadway Impact Fee Due			\$408.16	\$300.00	\$200.00	\$408.16	\$300.00	\$200.00	\$1,632.00	\$1,632.00	\$1,632.00
B				\$408.16	\$300.00	\$200.00	\$408.16	\$300.00	\$200.00	\$703.00	\$703.00	\$703.00
C*				\$408.16	\$300.00	\$200.00	\$408.16	\$300.00	\$200.00	\$1,954.00	\$1,954.00	\$1,954.00
D				\$408.16	\$300.00	\$0.00	\$408.16	\$300.00	\$0.00	\$1,365.00	\$1,365.00	\$1,365.00

\*New Development located within the Old Town Overlay District are exempt from the requirement of roadway impact fees. (Ordinance amended in 2020 at the City Council's direction)

\*\*\$0 dollar impact fee for Industrial land uses in Service Area D— initial ordinance approved by the City Council in 2017 in order to attract industrial uses to the Highpoint Business Park

# Roadway Impact Fees



## Current Ordinance

\*New Development located with Service Area C and within Old Town Overlay District shall be exempt from the requirement of roadway impact fees.

## Proposed Ordinance

\*New Development located with Service Area C and within Old Town Overlay District shall be exempt from the requirement of roadway impact fees.

<div>Exhibit B - Schedule 2</div> <div>Roadway Impact Fee Collection Rate Per Service Unit</div>												
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# Roadway Impact Fees



## Current Ordinance

- \$0 impact fee for Industrial land uses in Service Area D – initial ordinance approved by the City Council in 2017 in order to attract industrial uses to the Highpoint Business Park

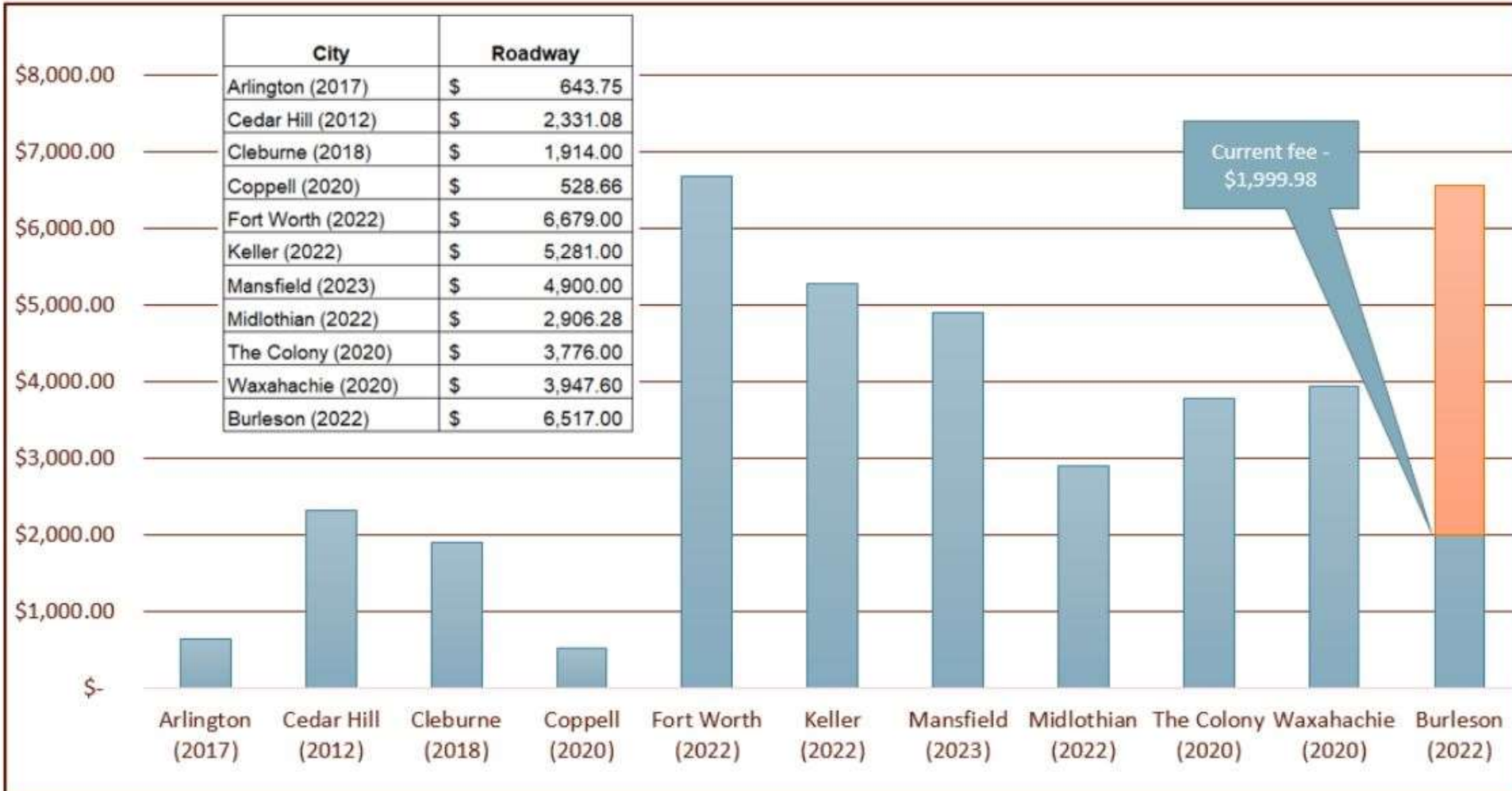
## Proposed Ordinance

- Reinstate an impact fee in Service Area D for Industrial uses.

<div><div>Current Rates</div><div>CIPAC Recommended</div></div> <div><b>Exhibit B - Schedule 2</b> Roadway Impact Fee Collection Rate Per Service Unit</div>												
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D				\$408.16	\$300.00	\$0.00	\$408.16	\$300.00	\$0.00	\$1,365.00	\$1,365.00	\$1,365.00

# Roadway Impact Fee Benchmarking

For a Single-family Residence – Assessed Fees Shown



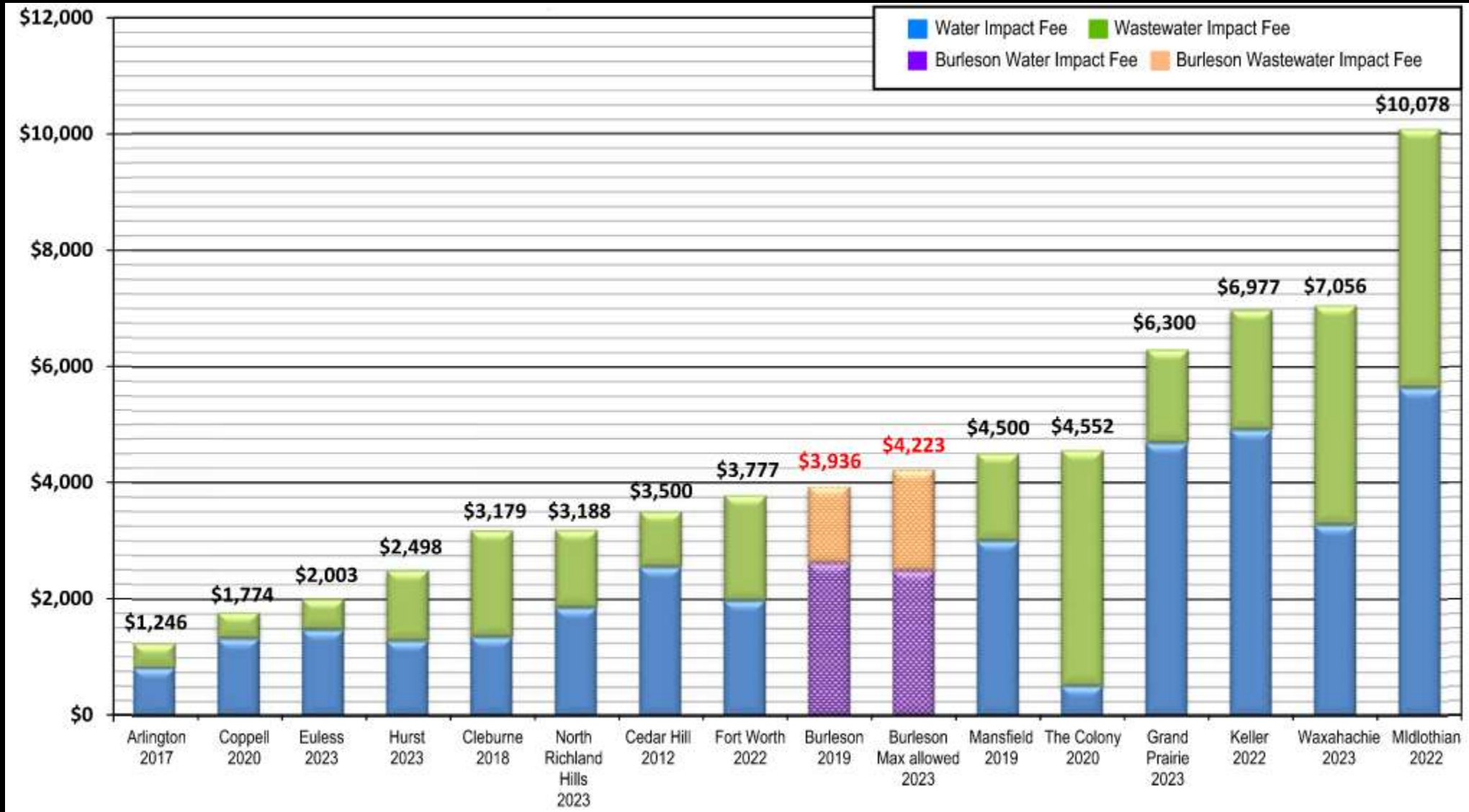


# Water / Wastewater Impact Fees

		Current Rates		CIPAC Recommended	
		Current Rates at Max Allowable		Recommended Rates	
Meter Size	Service Unit Equivalent	Water Impact Fee	Wastewater Impact Fee	Water Impact Fee	Wastewater Impact Fee
		City of Burleson - Maximum Allowable	City of Burleson - Maximum Allowable	City of Burleson - Maximum Allowable	City of Burleson - Maximum Allowable
5/8"	1	\$2,624	\$1,312	\$2,492	\$1,731
3/4"	1.5	\$3,936	\$1,968	\$3,738	\$2,597
1"	2.5	\$6,560	\$3,280	\$6,230	\$4,328
1 1/2"	5	\$13,120	\$6,560	\$12,460	\$8,655
2"	8	\$20,992	\$10,496	\$19,936	\$13,848
3"	16	\$41,984	\$20,992	\$39,872	\$27,696
4"	25	\$65,600	\$32,800	\$62,300	\$43,275
6"	50	\$131,200	\$65,600	\$124,600	\$86,550
8"	80	\$209,920	\$104,960	\$199,360	\$138,480
10"	115	\$301,760	\$150,880	\$286,580	\$199,065

# Water / Wastewater Impact Fee Benchmarking

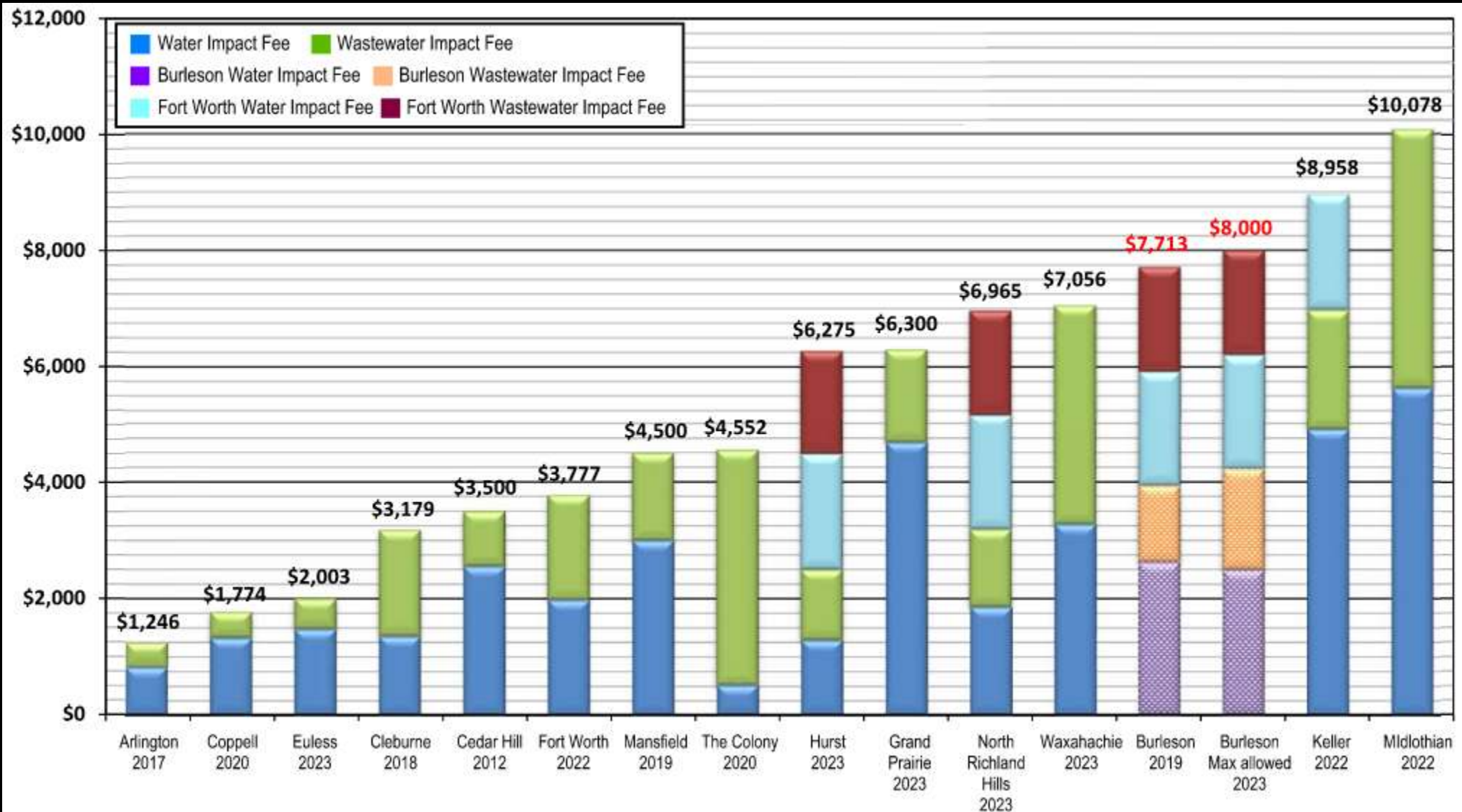
For a Single-family Residence – Assessed Fees Shown (except Burleson 2023 Max Allowable)





# Water / Wastewater Impact Fee Benchmarking

For a Single-family Residence including Fort Worth Pass Through Impact Fees  
(except Burleson 2023 Max Allowable)



# FEE SUMMARY FOR SINGLE FAMILY HOME

Fee	Current	CIPAC-Recommended (for impact fees)
Roadway Impact Fee	Average of Areas: \$2,000	Average of Areas: \$6,517
Service Area A	\$2,000	\$7,524
Service Area B	\$2,000	\$3,241
Service Area C	\$2,000	\$9,008
Service Area D	\$2,000	\$6,293
Water Impact Fee (based on 5/8" meter)	\$2,624	\$2,492
Wastewater Impact Fee (based on 5/8" meter)	\$1,312	\$1,731
Building Permit (based on an average 3,086sf home at current \$0.60/sf)	\$1,852	\$1,852
<b>Total</b> (using average Roadway Impact Fee of the 4 service areas)	<b>\$7,788</b>	<b>\$12,592</b>



# Council's Previous Action – November 13, 2023



## 1. Water / Wastewater Impact Fee Ordinance

Approved Fees as Recommended

## 2. Roadway Impact Fee Ordinance

Approved Fees as Recommended

# Council Requested Action



## 1. Water / Wastewater Impact Fee Ordinance

Consider approval of an ordinance amending the Water and Wastewater Impact Fee Ordinance (CSO#977-02-2019).

## 2. Roadway Impact Fee Ordinance

Consider approval of an ordinance amending the Roadway Impact Fee Ordinance (CSO#1479-08-2020)



# Questions/Discussions

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