



CAPITAL IMPROVEMENTS PLAN ADVISORY COMMITTEE

Impact Fees

WHAT ARE IMPACT FEES?

**AUTHORIZED UNDER CHAPTER 395 - TEXAS
LOCAL GOVERNMENT CODE**

**ONE-TIME CHARGE ASSESSED TO NEW
DEVELOPMENT TO GENERATE REVENUE TO
FUND ROADWAY, WATER AND SEWER
CAPITAL FACILITIES NECESSITATED BY NEW
DEVELOPMENT**

**FEE BASED ON THE ANTICIPATED DEMAND
FOR INFRASTRUCTURE THAT NEW
DEVELOPMENT CREATES**

**ASSESSED ON ANY NEW DEVELOPMENT
INCREASING DEMAND ON WATER, SEWER
AND ROADWAY INFRASTRUCTURE**





IMPACT FEES

Chapter 395 Requirements

UPDATE REQUIRED EVERY 5 YEARS

- Land use assumptions
- Capital Improvements Plan
- Based on 10-year period

REQUIRES CAPITAL IMPROVEMENTS PROGRAM ADVISORY COMMITTEE

- Acts as advisory committee to the City Council
- Meets a minimum of 2 times a year for semi-annual report
- During 5 year update, committee meets more frequently to meet statutory requirements

NOTICING REQUIREMENTS TO THE PUBLIC

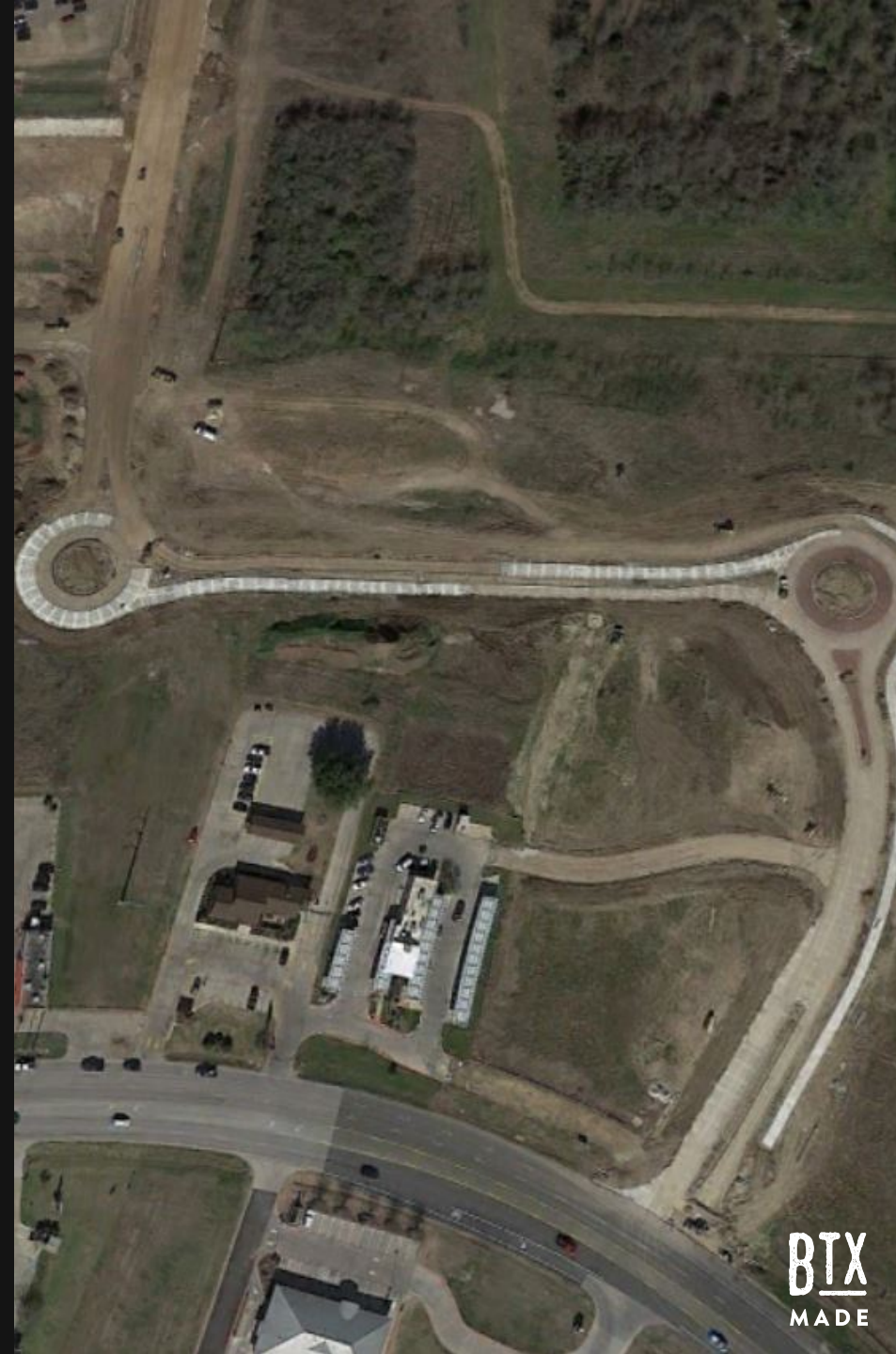
WHY COLLECT IMPACT FEES?

**COST OF INFRASTRUCTURE TO SUPPORT
GROWTH *SIGNIFICANTLY* EXCEEDS
TRADITIONAL TAX AND FEE COLLECTION
RATES IN FAST-GROWING CITIES**

**FUNDING MECHANISM TO OFFSET COSTS
TO EXISTING TAX PAYERS ARE LIMITED**

- *New growth should pay for a proportionate share of that growth shifting attributable capital growth costs from existing tax payers to the beneficiaries of the new growth*

**MAY OFFSET GENERAL PROPERTY TAX
INCREASES**



HOW ARE IMPACT FEES CALCULATED?

PROJECT 10-YEAR GROWTH LAND USE ASSUMPTIONS FROM COMPREHENSIVE PLAN UTILIZED

- *Establishes infrastructure demands*
- *Population projections*

DETERMINE NUMBER OF SERVICE UNITS

- *Water/wastewater - based on relationship of continuous flow rate in gallons per minute for a water meter of a given size and type compared to a maximum flow rate for a simple water meter*
- *Roadway - based on a vehicle-mile (1 vehicle traveling 1 mile during afternoon peak hour times)*

DETERMINE COST OF 10-YEAR PROJECTED INFRASTRUCTURE NEEDS, I.E. CAPITAL IMPROVEMENT PLAN

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

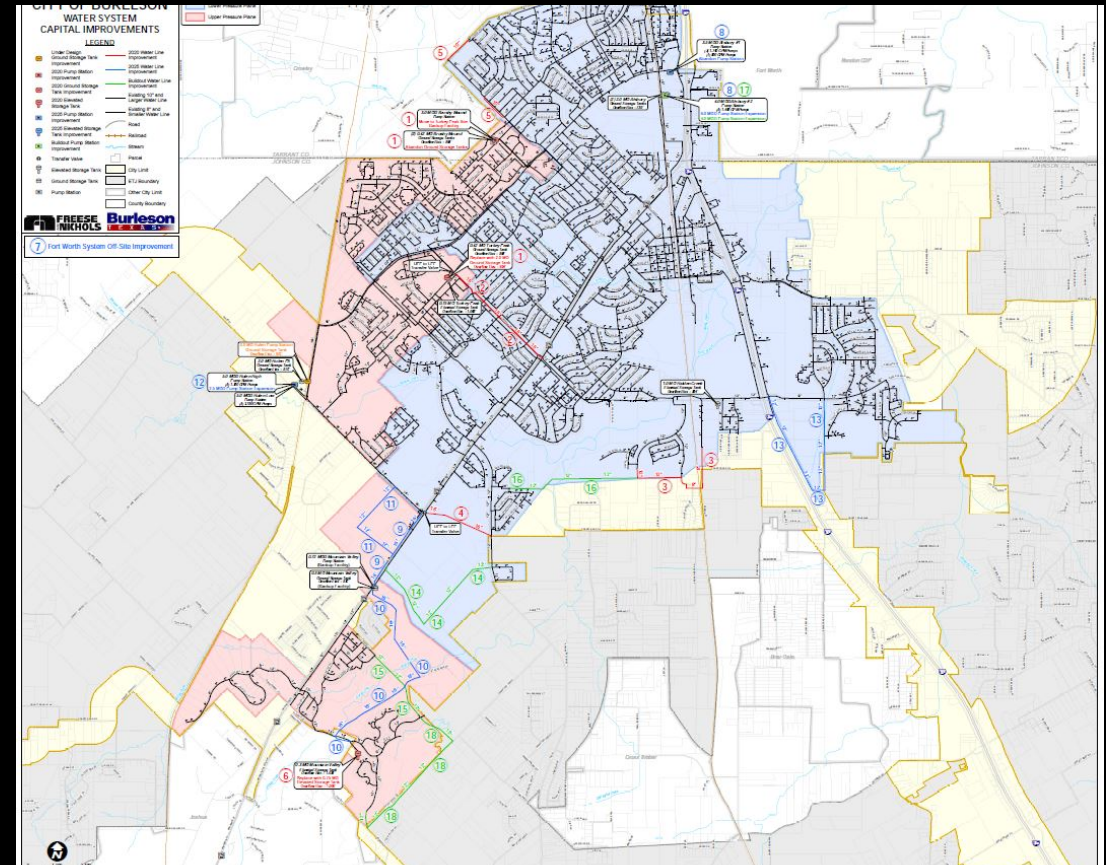


WHAT CAN IMPACT FEES BE USED ON?

ROW / EASEMENT ACQUISITION

**CONSTRUCTION OF
INFRASTRUCTURE INCLUDED ON
CAPITAL PLAN WHICH INCREASE
OVERALL CAPACITY OF SYSTEM**

PAYMENT ON DEBT ISSUED FOR TOTAL COST OF INFRASTRUCTURE



WHAT CAN IMPACT FEES BE USED ON?

Roadway

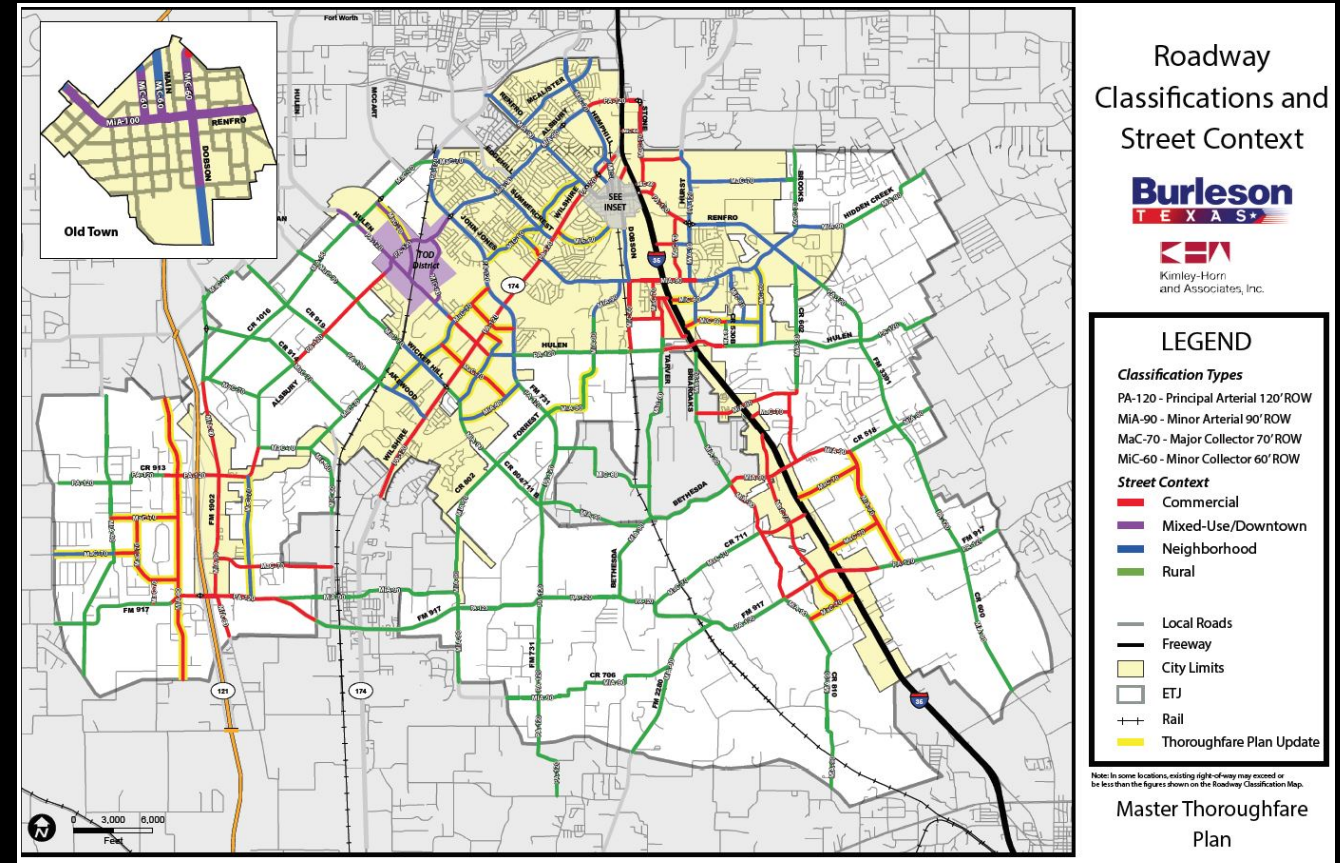
ROW / EASEMENT ACQUISITION

DESIGN / SURVEY

**CONSTRUCTION OF
INFRASTRUCTURE INCLUDED ON
CAPITAL PLAN WHICH INCREASE
OVERALL CAPACITY OF SYSTEM**

- *New Roadways with associated drainage*
- *Signals included on capital plan*
- *Improvements that increase capacity*

**PAYMENT ON DEBT ISSUED FOR
TOTAL COST OF
INFRASTRUCTURE**



IMPACT FEES CANNOT BE USED ON

INFRASTRUCTURE MAINTENANCE COSTS

- There is an argument that impact fees frees up funding that can be utilized for replacement and repair of existing infrastructure which can also be cost intensive

WATER / SEWER IMPROVEMENTS WITHIN THE ETJ IF SERVICE ARE NOT OFFERED

ROADWAY IMPROVEMENTS WITHIN THE ETJ

TRAFFIC CALMING

INFRASTRUCTURE IMPROVEMENTS NOT INCLUDED IN THE CAPITAL PLAN

ADMINISTRATIVE / OPERATION COSTS



CITY OF BURLESON IMPACT FEES

WATER / SEWER IMPACT FEE

- Adopted November 2005
- Applies to new development
- Assessed at the time of plat (building permit if an existing platted lot)
- Collected at building permit
- Fee based on meter size (impact to system)
- Eight (8) fee adjustments since inception

ROADWAY IMPACT FEE

- Adopted November 2017
- Applies to new development
- Assessed at the time of plat (building permit if an existing platted lot)
- Based on intensity of proposed use (vehicle trips)
- Collected at building permit
- Can only be used in the service area which collected
- Fees have not been adjusted since adoption - development continues to increase

CAPITAL IMPROVEMENTS PLAN ADVISORY COMMITTEE

Purpose

HIGHLY TECHNICAL COMMITTEE - UNDERSTANDING OF REGULATIONS IS CRITICAL

- Advice and assists in adopting land use assumptions
- Review capital improvements plan and file written comments
- Monitor and evaluate implementation of the capital improvements plans
- Advise on updates to the impact fees imposed on new development
- File semi-annual reports

SERVES IN AN ADVISORY CAPACITY TO THE CITY COUNCIL

REQUIRED BY CHAPTER 395 OF THE TEXAS LOCAL GOVERNMENT CODE



CAPITAL IMPROVEMENTS PLAN ADVISORY COMMITTEE (CIPAC)

Two Options

OPTION 1

- ✓ **AT LEAST 5 MEMBERS WHO SHALL BE APPOINTED BY A MAJORITY VOTE OF THE GOVERNING BODY OF THE POLITICAL COMMITTEE**
- ✓ **NOT LESS THAN 2 OF THE 5 MEMBERS (40%) MUST BE REPRESENTATIVES OF THE REAL ESTATE, DEVELOPMENT, OR BUILDING INDUSTRIES WHO ARE NOT EMPLOYEES OR OFFICIALS OF THE CITY**
- ✓ **IF THE IMPACT FEE IS TO BE APPLIED IN THE ETJ, A REPRESENTATIVE FROM THAT AREA MUST BE INCLUDED**

OPTION 2

- ✓ **THE PLANNING AND ZONING COMMISSION MAY ACT AS THE ADVISORY COMMITTEE**
 - At least one member must be a representative of the real estate, development, or building industries
 - If no representative exists, the Commission may still act as the advisory committee if at least one such representative is appointed by the Council as an ad hoc voting member of the Commission when it acts as the advisory committee
 - If the impact fee is to be applied in the ETJ, an ad hoc ETJ member must also be appointed

CAPITAL IMPROVEMENTS PLAN ADVISORY COMMITTEE (CIPAC)

Current Members

CIPAC Member	Qualification	Initial Appointment	Expired (Per Article II, Section 2-33)	Residency*	Currently Eligible to Serve? (Per Article II, Section 2-33)
Rocky Bransom	Developer	May 27, 2004	May 27, 2013	ETJ	Yes
Donna Key	Realtor	May 27, 2004	May 27, 2013	City of Burleson	Yes
Byron Black	Citizen	July 9, 2004	July 9, 2013	City of Burleson	Yes
Steve Sechrist	ETJ	March 27, 2007	March 27, 2016	ETJ	Yes
Gary Kilcoin	Electrician / Plumber	March 31, 2013	March 31, 2022	May have moved to adjacent municipality	No**

*Should be verified

**Must remain off board one full year

CAPITAL IMPROVEMENTS PLAN ADVISORY COMMITTEE (CIPAC)

Current Members



COMMITTEE REQUIRED TO MEET A MINIMUM 2 TIMES A YEAR TO REVIEW SEMI-ANNUAL REPORT

- Additional meetings as required during land use and impact fee updates to meet statutory requirements

PRIOR TO APRIL 2004 THE PLANNING AND ZONING COMMISSION ACTED AS ADVISORY COMMITTEE

SINCE APRIL 2004 - MEMBERSHIP RECOMMENDATIONS PROVIDED BY ENGINEERING DEPARTMENT AND APPROVED BY COUNCIL (NO TERM LIMITS SET)

APPLYING CITY OF BURLESON'S CODE OF ORDINANCE ARTICLE II, SECTION 2.33 - CURRENT MEMBERS TERMS HAVE EXPIRED

CRITICAL TO APPOINT CIPAC MEMBERS TO REVIEW AND MAKE RECOMMENDATIONS TO CITY COUNCIL FOR IMPACT FEE STUDIES CURRENTLY UNDERWAY

CAPITAL IMPROVEMENTS PLAN ADVISORY COMMITTEE (CIPAC)

City of Burleson Code of Ordinances - Article II

SECTION 2-33

- Each board/commission member shall have resided within corporate limits of city for a period of one year preceding effective date of appointment
- Shall not be in arrears in the payment of any taxes or other liability due the city
- Terms shall be for 3 years
- Terms shall not exceed three consecutive full terms and a member must have remained off the board/committee for one full term before being re-appointed



CAPITAL IMPROVEMENTS PLAN ADVISORY COMMITTEE

Options

- 1 PLANNING AND ZONING COMMISSION ACT AS ADVISORY COMMITTEE WITH APPROPRIATE AD-HOC MEMBERS**
 - City Council Policy #40 would also be utilized to appoint necessary ad-hoc members
- 2 UTILIZE CITY COUNCIL POLICY#40 - CITY BOARDS & COMMISSION APPOINTMENT PROCESS AS A SEPARATE STAND ALONG COMMITTEE**
 - Minimum 5 members meeting requirements of Chapter 395



OPTION 1

Planning and Zoning Committee (P&Z) with Ad Hoc Members

APPLICATION

- City Secretary responsible for coordination
- Application required of all applicants and submitted to the City Secretary
- Submitted by July 1 each year and valid for 3 years
- Unlimited choices by must rank

EVALUATION

- Appointments and Council Policy Committee (A&CP) meet each year if appointments are needed
- A&CP is a committee of 3 council members
- A&CP bring forward recommendations for appointment to full council
- Only one P&Z member must be from development, real estate or building industry
- If no representative exists, an ad hoc member must be selected

MEMBERSHIP APPOINTMENT

- City Secretary presents to City Council
- Full list of applicants provided by City Secretary
- City Council considers A&CP recommendations
- City Council appoints committee members
- City Secretary will notify appointees and staff

IN THIS OPTION, THE PLANNING AND ZONING COMMISSION ACTS AS ADVISORY COMMITTEE WITH APPROPRIATE AD HOC MEMBERS IF NEEDED AND FOLLOWS CITY COUNCIL POLICY #40

OPTION 1

Planning and Zoning Committee (P&Z) with Ad Hoc Members

PROS

- Currently acts in an advisory capacity to City Council in the land use assumptions and should be aware of local and state regulations
- Would follow current Council policy recently approved for appointments
- Would follow formal application as other boards and committees
- City Secretary responsible and would track memberships and ensure terms are current - provides continuity with other boards and committees
- P&Z members should be aware of City Council's vision for the future
- P&Z currently serves as advisory / recommending board for City Council
- Standing quorum - meets regularly

CONS

- Planning and Zoning Commission would have added responsibility

OPTION 2

Stand Alone Committee

APPLICATION

- City Secretary responsible for coordination
- Application required of all applicants and submitted to the City Secretary
- Submitted by July 1 each year and valid for 3 years
- Unlimited choices by must rank

EVALUATION

- Appointments and Council Policy Committee (A&CP) meet each year if appointments are needed
- A&CP is a committee of 3 council members
- A&CP bring forward recommendations for appointment to full council
- 5 members are required with not less than 2 from the development, real estate and building industry

MEMBERSHIP APPOINTMENT

- City Secretary presents to City Council
- Full list of applicants provided by City Secretary
- City Council considers A&CP recommendations
- City Council appoints committee
- City Secretary will notify appointees and staff

IN THIS OPTION, 5 MEMBERS SELECTED WITH MINIMUM OF 2 FROM DEVELOPMENT, REAL ESTATE AND BUILDING INDUSTRY AND FOLLOWS CITY COUNCIL POLICY #40

OPTION 2

5 Member Independent Committee

PROS

- Would follow current Council policy recently approved
- Would follow formal application as other boards and committees
- City Secretary responsible and would track memberships and ensure terms are current

CONS

- Members may not be aware of local and state regulations
- Members may not be aware of development regulations and patterns as Planning and Zoning members are who meet regularly and provided recommendations on development to the City Council
- Infrequency of meetings (generally twice a year) obtaining a quorum may be difficult

CIPAC COMMITTEES AROUND DFW

CITY	CIPAC MEMBERS	NOTES
MANSFIELD	P&Z	
HASLET	P&Z	
FLOWER MOUND	P&Z	
ROUND ROCK	P&Z	
WAXAHACHIE	P&Z	INCLUDES AD HOC MEMBER
MIDLOTHIAN	P&Z	
NORTH RICHLAND HILLS	P&Z	
GRANBURY	CITIZENS	
FORT WORTH	CITIZENS	
EULESS	P&Z	
LEWISVILLE	P&Z	
COPPELL	P&Z	
COLLEYVILLE	P&Z	INCLUDES AD HOC MEMBER
WYLIE	CITIZENS	2 P&Z MEMBERS INCLUDED
MURPHY	CITIZENS	1 P&Z MEMBER
BENBROOK	CITIZENS	
CROWLEY	P&Z	

RECOMMENDATION

Planning and Zoning Commission

MEETS REGULARLY - BI-MONTHLY

REVIEWS AND PROVIDES RECOMMENDATIONS ON THE FOLLOWING

- Comprehensive Plan - includes land use assumptions
- Zoning requests
- Platting - subdivision and development of land
- Development regulations

RECOMMENDING BODY FOR PROPOSED DEVELOPMENT WITHIN THE CITY AND ETJ TO THE CITY COUNCIL

AS MEMBERS REVIEWING PROPOSED DEVELOPMENT APPLICATIONS, COMMISSION MEMBERS ARE FAMILIAR WITH CURRENT DEVELOPMENT ACTIVITIES



DISCUSSION

QUESTIONS