



Capital Improvements Program Advisory Committee

June 28, 2023

The Honorable Mayor and City Council
City of Burleson
141 W. Renfro Street
Burleson, TX 76028-4296

RE: Recommendation Regarding Changes to Impact Fees

Dear Mayor and Councilmembers:

Since our appointments by City Council in March, the Capital Improvements Program Advisory Committee (CIPAC) has worked diligently with staff to get acclimated to our role and prepare to present recommendations on the City's impact fee programs for roadways and water and wastewater.

Since April, the CIPAC has held five public meetings that provided opportunities for us to hear presentations from and ask questions of City staff, the City Attorney, Kimley-Horn and Associates, Inc., the City's consultant for the Roadway Impact Fee Program, and Freese and Nichols, Inc., the City's consultant for the Water and Wastewater Impact Fee Program.

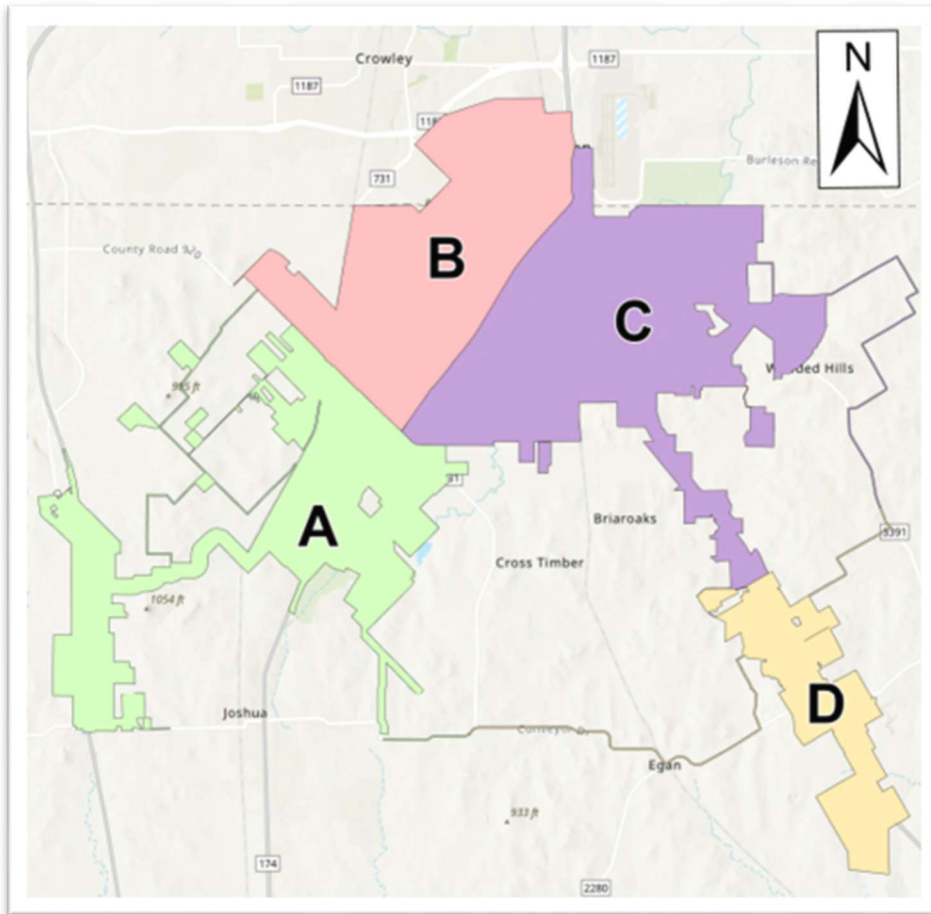
These meetings provided a thorough review of the updated land use assumptions and capital improvements plans necessary for calculating assessable impact fees per service unit as prescribed by Chapter 395 of the Texas Local Government Code.

At our June 22, 2023 meeting, we discussed and agreed that:

- The City of Burleson should continue to impose impact fees as a means of development contributing in a meaningful way to the cost of infrastructure needed to support the new development.
- The methodologies used by the respective consultants for calculating updated maximum assessable fees are consistent with Chapter 395 of the Texas Local Government Code.
- The 10-year growth projections for the two impact fee programs are reasonable.
- The respective Impact Fee Capital Improvements Plans for both programs include only costs attributable to new development over the 10-year periods and are reasonable.
- The updated project costs are more reflective of the current economy and construction cost increases experienced since the previous study was conducted in 2017.

After careful review and consideration, and by a unanimous vote, the committee encourages and recommends the Burleson City Council:

- 1. Adopt the 2023 Roadway Impact Fee Study** that calculated new *Maximum Assessable Fees* of \$1,632 for Service Area A, \$703 for Service Area B, \$1,954 for Service Area C, and \$1,365 for Service Area D.



- 2. Assess Roadway Impact Fees** effective October 1, 2023, at 100% of the Maximum Assessable rate for each Service Area as shown in the table below.

Service Area	Maximum Allowable Fee (2017 Study / 2023 Study)	Current / Recommended Assessed Fees		
		Residential	Non-residential	Industrial
A	\$771 / \$1,632	\$408 / \$1,632	\$300 / \$1,632	\$200 / \$1,632
B	\$657 / \$703	\$408 / \$703	\$300 / \$703	\$200 / \$703
C	\$1,152 / \$1,954	\$408 / \$1,954	\$300 / \$1,954	\$200 / \$1,954
D	\$976 / \$1,365	\$408 / \$1,365	\$300 / \$1,365	\$0 / \$1,365

3. Adopt the 2023 Water and Wastewater Impact Fee Study that, based on the 5/8” meter and Equivalent Service Unit, calculated:

- A new Maximum Allowable Water Impact Fee of \$2,492
- A new Maximum Allowable Wastewater Impact Fee of \$1,731

4. Assess Water and Wastewater Impact Fees as follows effective October 1, 2023:

- Continue to assess Water Impact Fee at 100% of Maximum Allowable
- Continue to assess Wastewater Impact Fee at 100% of Maximum Allowable

Water		Wastewater		Combined Total	
Max Allowable Fees 2017 Study / 2023 Study	Assessed Fees Current / Recommended	Max Allowable Fees 2017 Study / 2023 Study	Assessed Fees Current / Recommended	Current	Recommended
\$2,624 / \$2,492	\$2,624 / \$2,492	\$1,312 / \$1,731	\$1,312 / \$1,731	\$3,936	\$4,223

These recommendations are made with the following in mind:

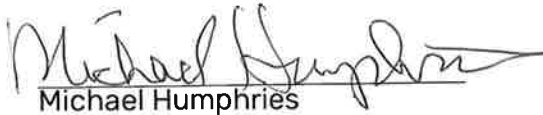
- ***New maximum allowable fees are competitive with those of peer cities in the region.***
- ***The recommended assessed fees avoid increasing property tax burden on resident property owners and provide for more equitable funding for growth-based infrastructure.***
- ***The updated capital project costs are more in-line with current economy and are reflective construction cost increases over the last few years in particular.***
- ***State law exempts 50% of growth costs from the Maximum Assessable Fee calculation. As a result, assessed impact fees automatically underfund projects in the corresponding capital plans.***
- ***The recommended assessed fees better distribute overall costs between residential and commercial developments.***

The CIPAC appreciates the opportunity to serve the City of Burleson in this important advisory capacity. We look forward to continuing our work as we resume semi-annual reviews of both the roadway and water/wastewater fee programs and filing semi-annual reports as required this fall. Please let me know if you have any questions or require additional information from the committee.

Sincerely,



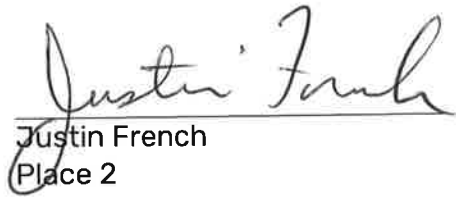
Alexa Boedeker
Chairwoman, Capital Improvements Program Advisory Committee
(Real Estate)



Michael Humphries
Place 5, Vice-Chairman



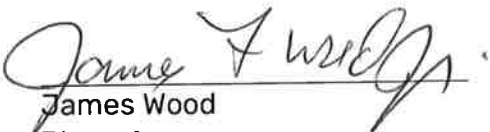
Jared Wesley
Place 1



Justin French
Place 2



Martin Scott
Place 3



James Wood
Place 4



Mike Perdue
Place 8
(Real Estate / ETJ)



Trent Baker
Place 9
(Real Estate / ETJ)