

Impact Fee Update Ordinances

City Council

November 13, 2023



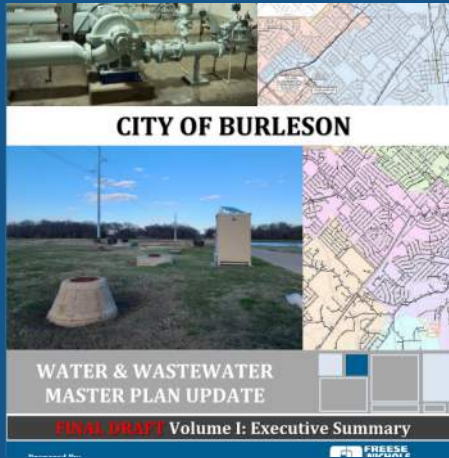


Impact Fees in Burleson

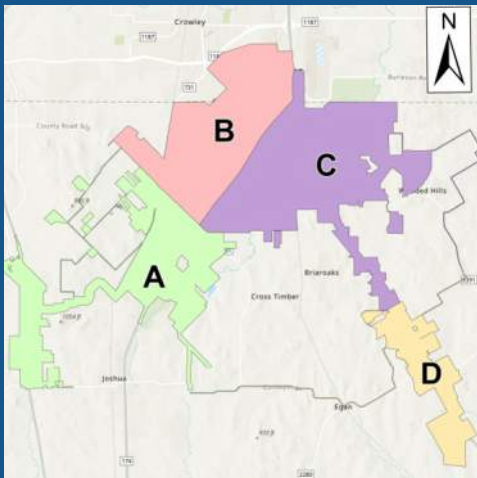
Established for water and wastewater infrastructure November 2005

- 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



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

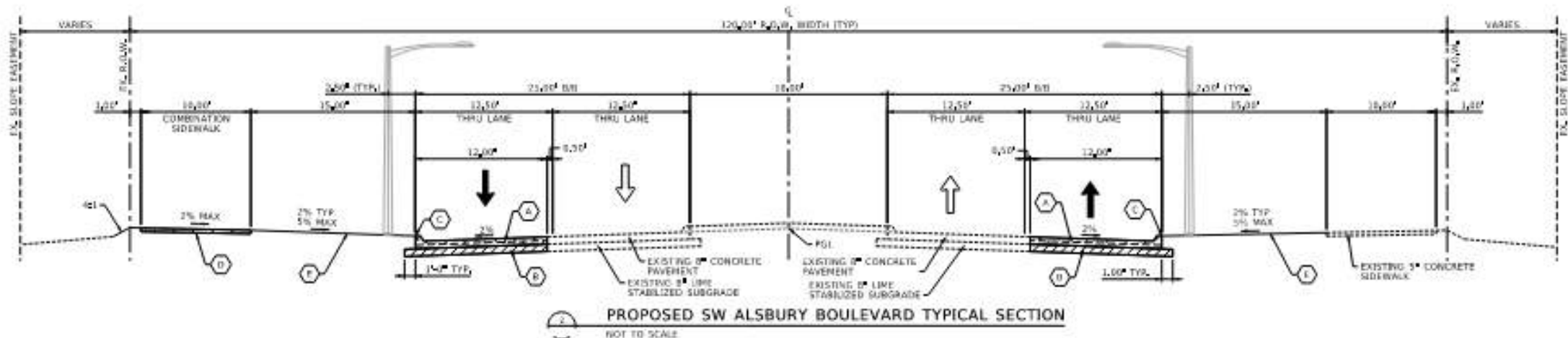
Key Policy Decisions for City Council:

- At what levels will fees be set?
- When will the new fees be effective?

Service Areas for Roadway Impact Fees

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





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

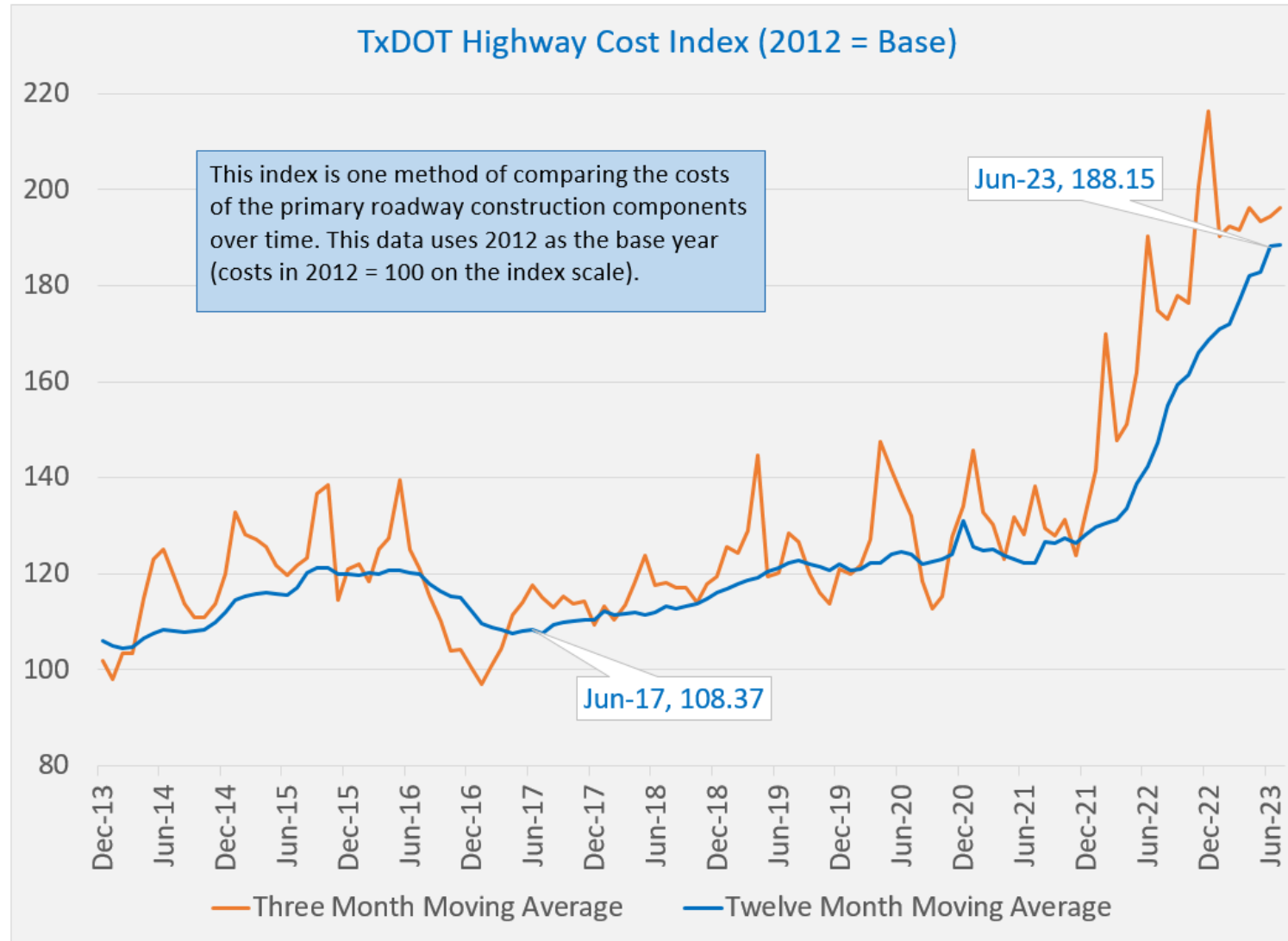
File semi-annual reports on impact fee programs

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 committee's 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.
- Projects 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

Exhibit B - Schedule 2

Roadway Impact Fee Collection Rate Per Service Unit

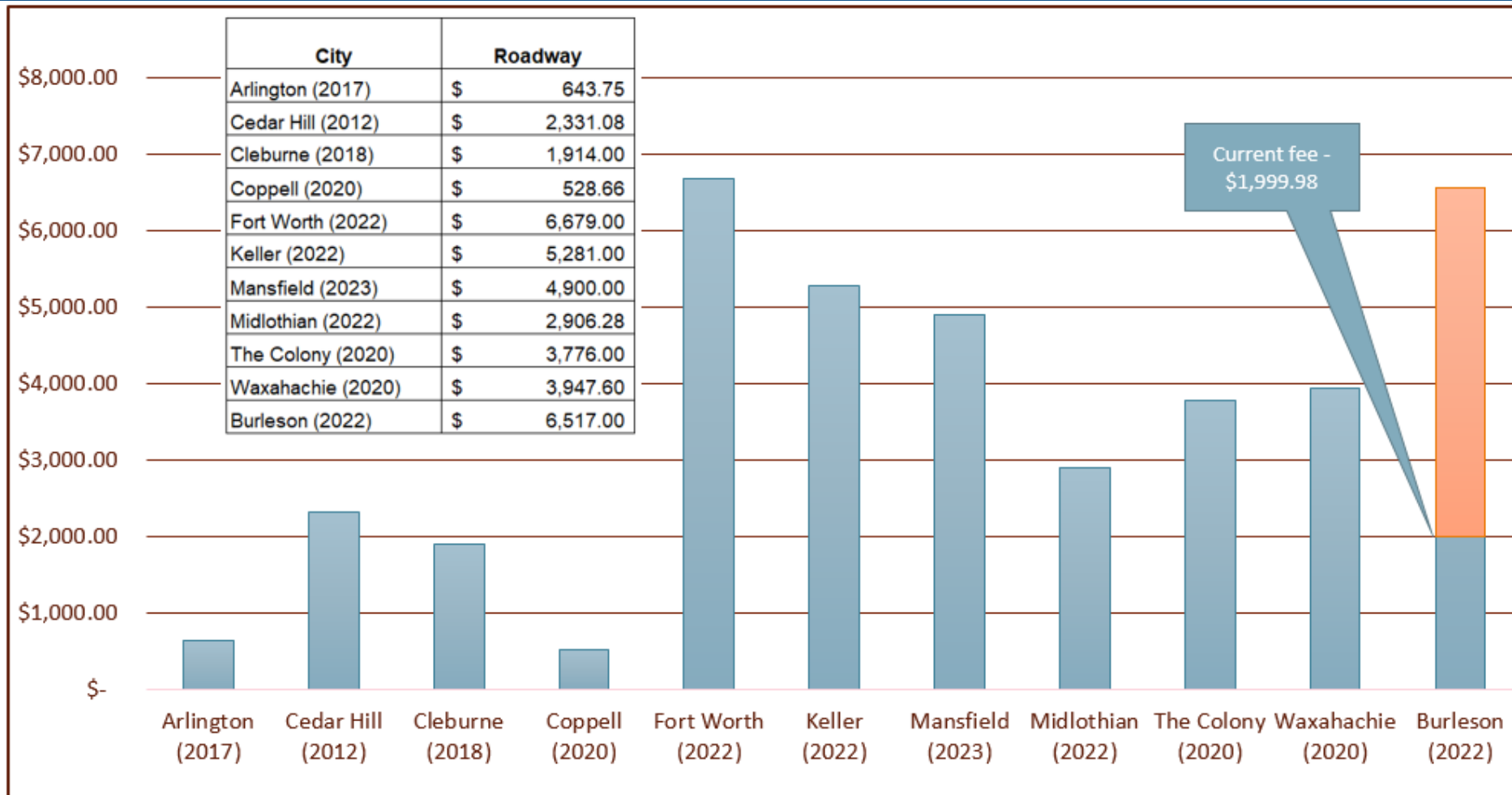
Current Rates

CIPAC Recommended

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		
	On or before 3/6/2018			On or after 3/7/2018								
Building Permit Application	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

Roadway Impact Fee Benchmarking

For a Single-family Residence - Assessed Fees Shown



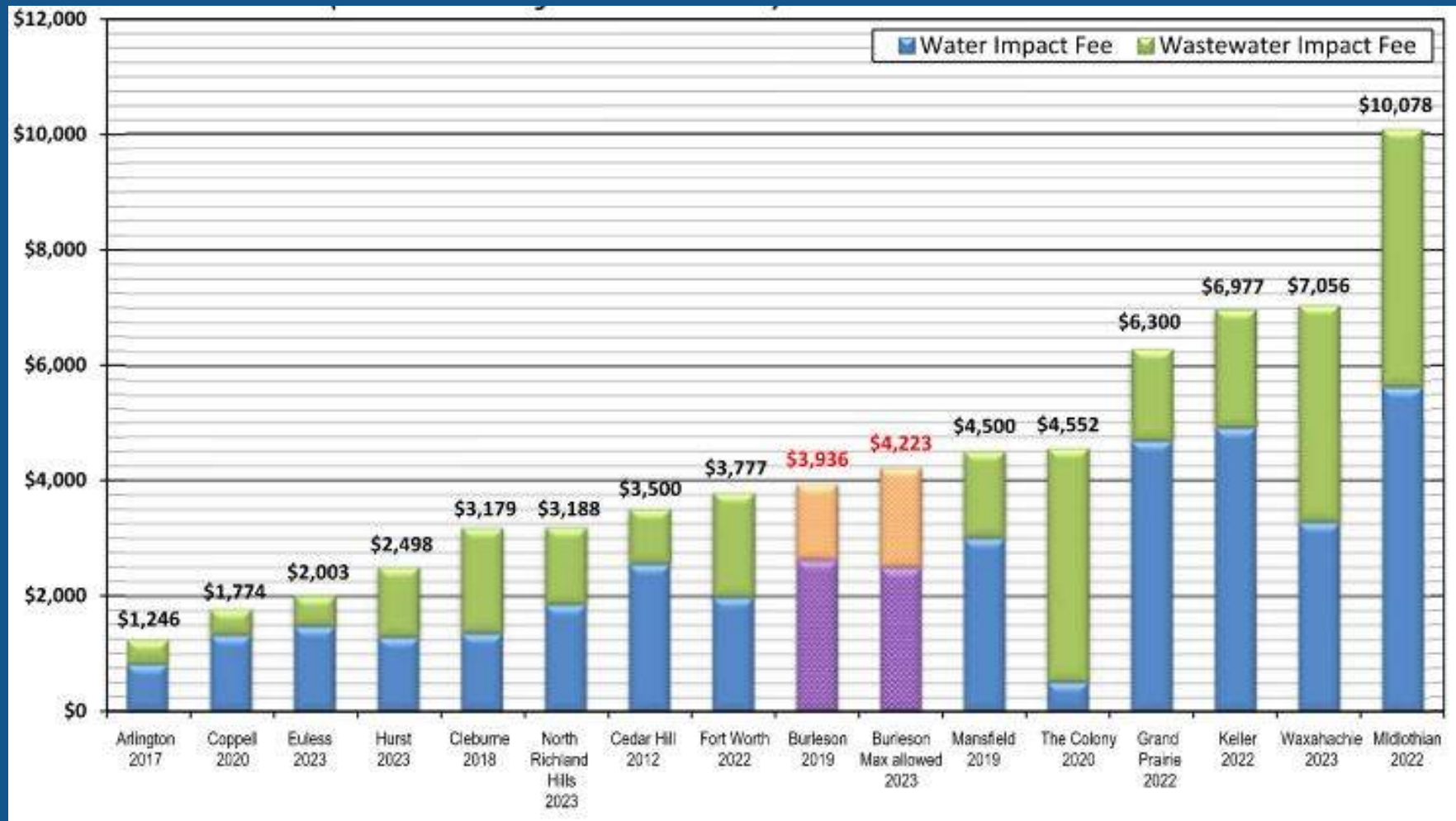
Water and Wastewater Impact Fees

Current Rates CIPAC Recommended

Meter Size	Service Unit Equivalent	Current Rates at Max Allowable		Recommended Rates	
		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

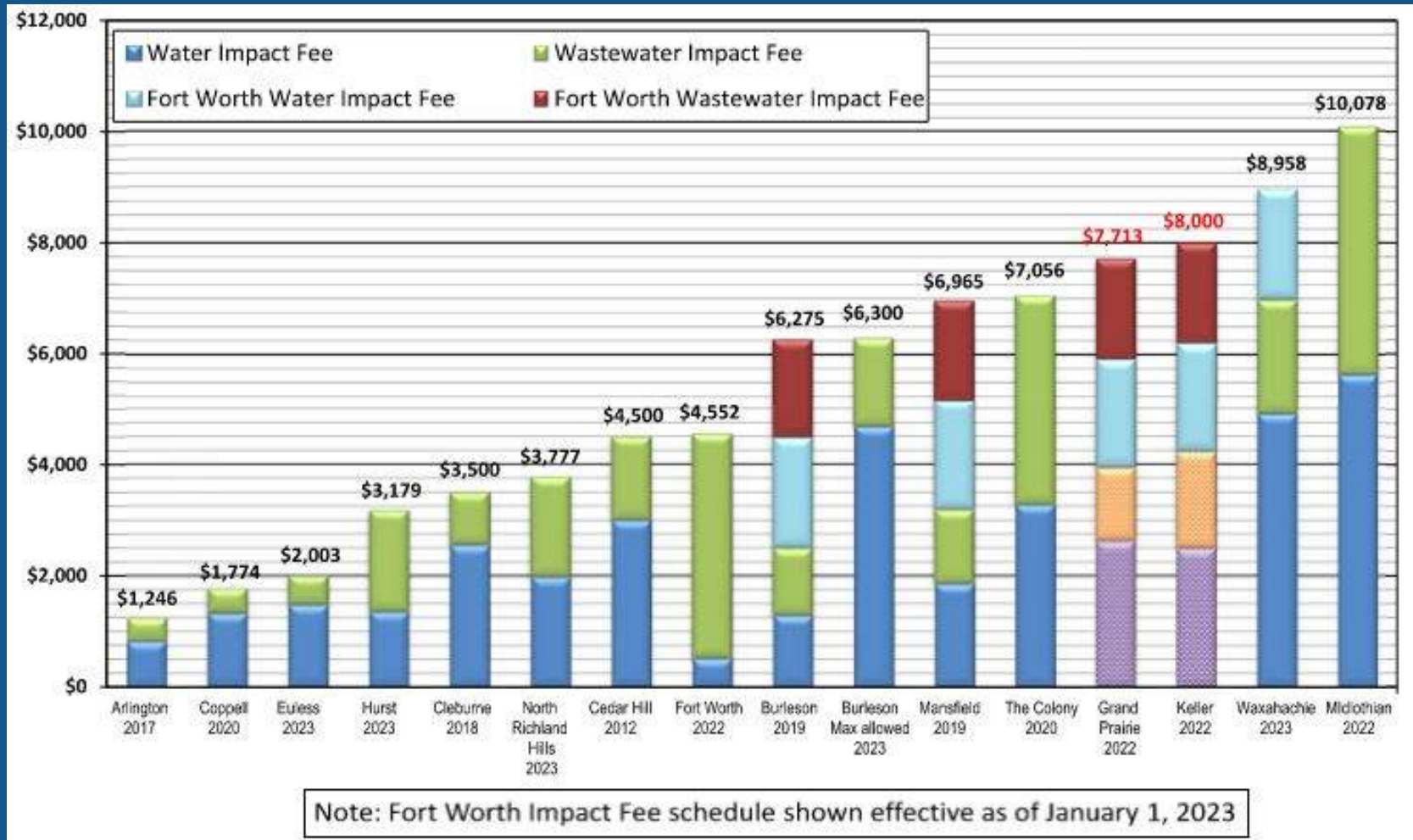
Water / Wastewater Impact Fee Benchmarking

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



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
Total (using average Roadway Impact Fee of the 4 service areas)	\$7,788	\$12,592



Discussion and Feedback