

Kimley»»Horn

Roadway Impact Fee Update

*City Council
June 22, 2015*



Presentation Overview

- Roadway Impact Fee Basics
- Review Growth Projections
(Land Use Assumptions)
- Review Roadway Impact Fee
Capital Improvements Plan
(CIP)
- Review Maximum Fee
- Review Collection Rate

Impact Fee Basics

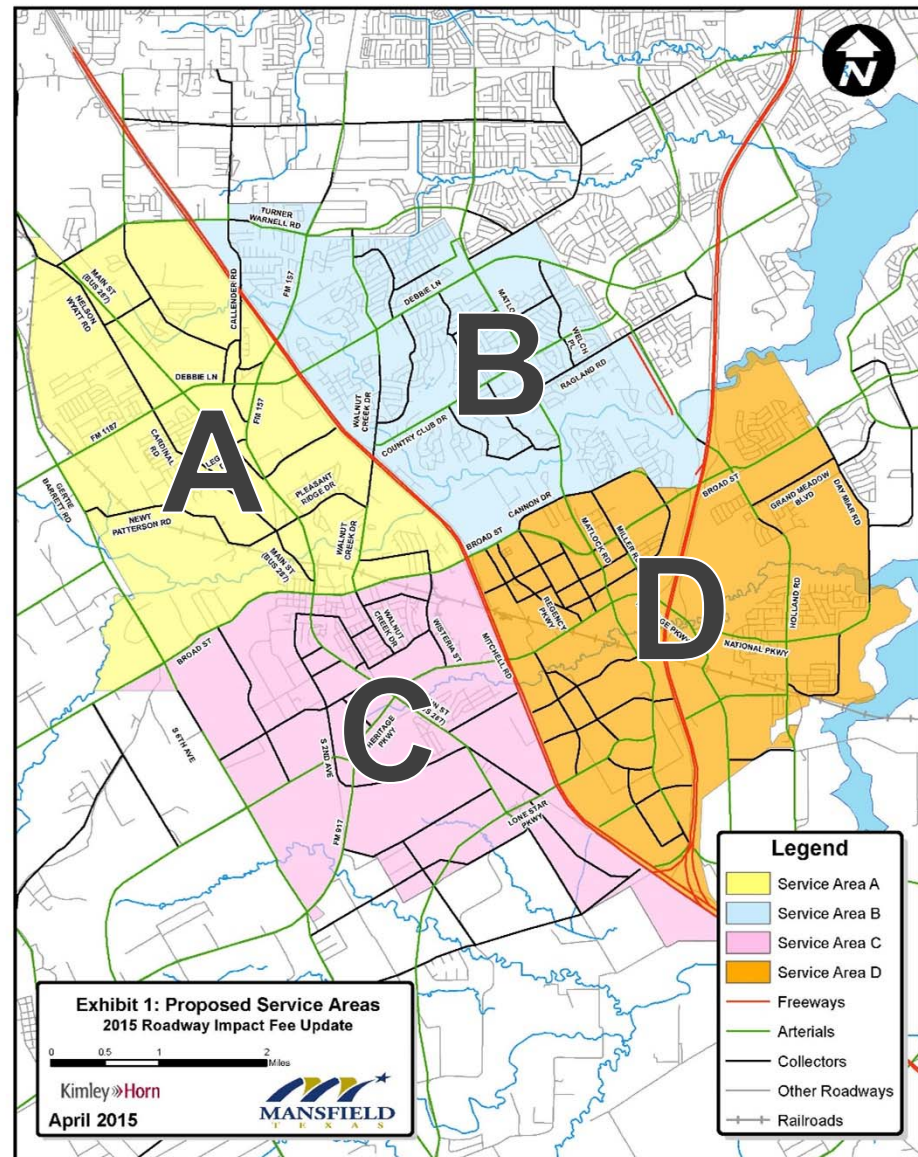
- What are they?
 - Impact Fees allow Cities to recoup costs associated with infrastructure needed to serve new development
 - Roadway impact fees for a new development are based on how much traffic the site generates
 - Governed by Chapter 395 of the Texas Local Government Code
 - Fees must be updated every 5 years – last updated in Mansfield in 2009.
 - Study determines the maximum fee allowed by state law; City Council sets the actual fee to be collected from new development

Impact Fee Basics

- What are the components?
 - Service Areas
 - Land Use Assumptions (Review)
 - Service Units
 - Impact Fee Capital Improvement Plan (CIP) (Review)
 - Maximum Fee Calculation

Service Areas

- Four Service Areas
 - Same as in 2009
 - Split by US 287 and Broad/Cannon
 - Funds collected in each Service Area must be spent within that area.



Land Use Assumptions (2015-2025)

- Represents 10-year Growth

Service Area	Residential	Non-Residential		
		Basic (Industrial)	Service (Office)	Retail
	Dwelling Units	Building Square Footage		
A	1,570	80,000	500,000	657,000
B	695	7,600	166,000	1,297,000
C	1,450	812,000	912,000	1,079,000
D	2,865	636,000	1,845,000	786,000
Sub-Total	6,580	1,535,000	3,423,000	3,818,000
Total	6,580	8,776,000		

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**

Service Unit – Vehicle Mile



Trips

1.00 Vehicles (PM Peak)
(ITE Trip Generation)

X Trip Length

4.00 Miles (Service Area Length)*
**NCTCOG shows trip length of 17.21*

Vehicle-Miles

4.00 Vehicle-Miles / unit

Trips

3.71 Vehicles (PM Peak)
(ITE Trip Generation)

Reduction for Pass-by Trips

34% (ITE Trip Generation Handbook)
2.45 Vehicles (PM Peak)

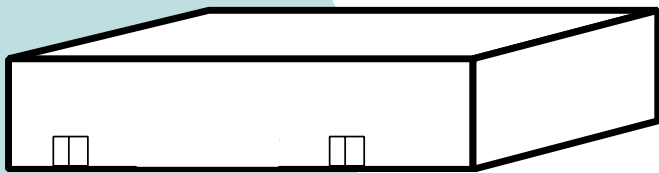
X Trip Length

2.80 Miles (Service Area Length)*
**NCTCOG trip length*

Vehicle-Miles

6.86 Vehicle-Miles / 1,000 sq ft.

Known as Travel Demand Factor (TDF)



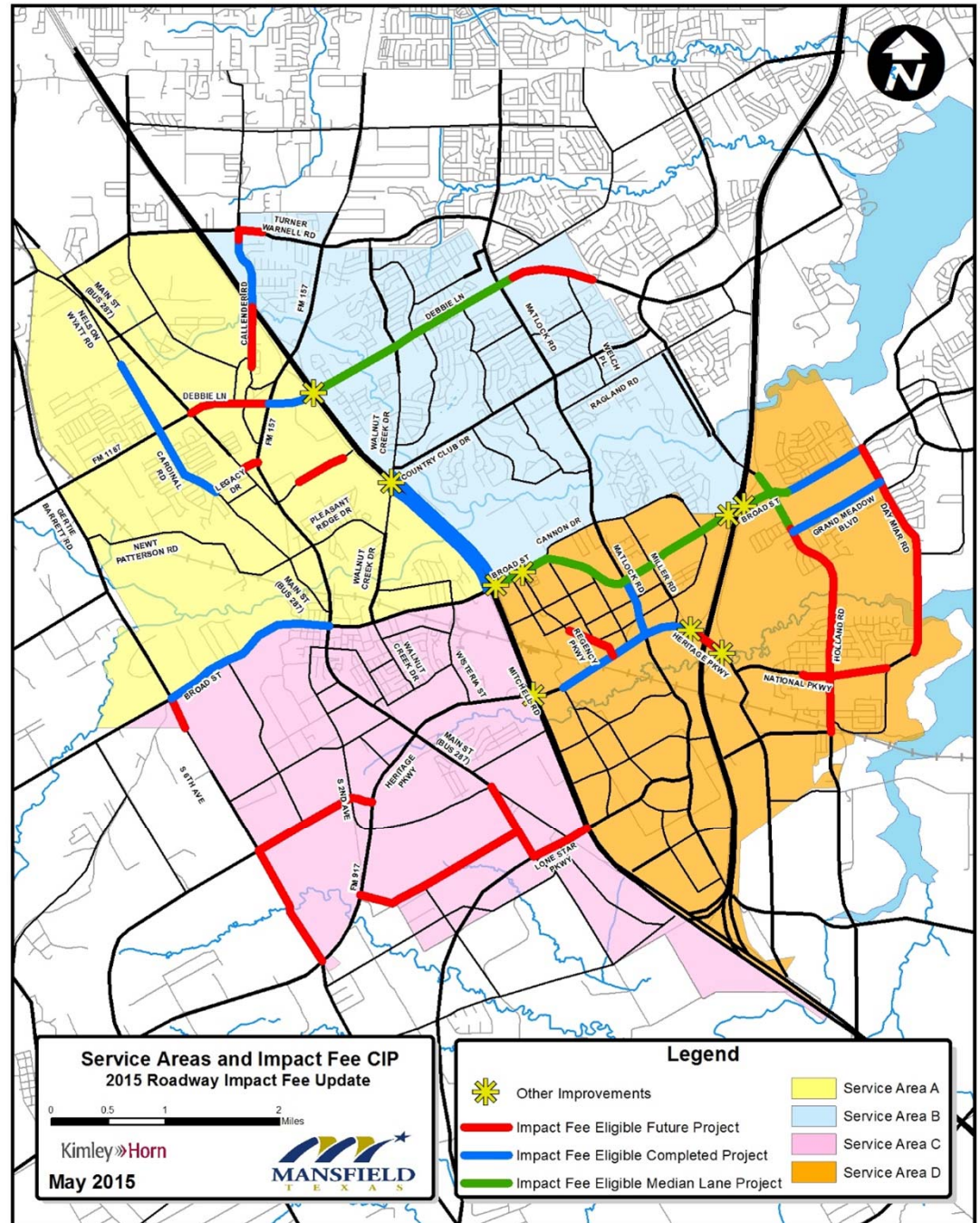
Roadway Impact Fee CIP

- 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

Roadway Impact Fee CIP

- 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
 - Non-CIP Debt Service

Service Areas and Roadway Impact Fee CIP



Calculation Overview

- Calculation determines the 'per unit' cost of new infrastructure

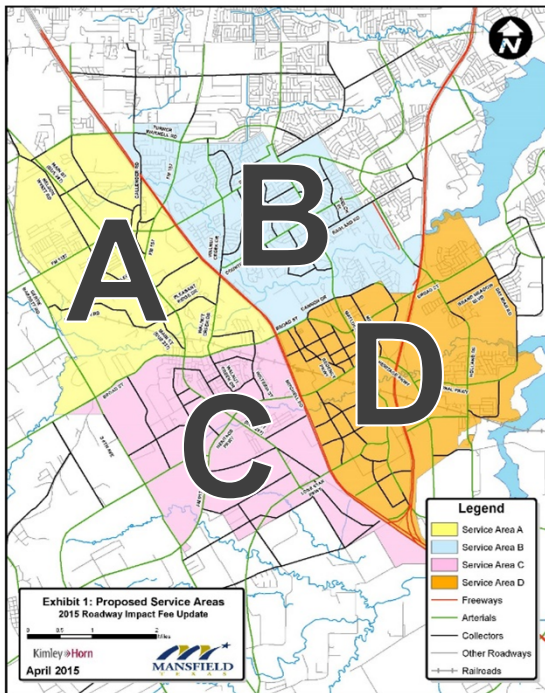
$$\text{Maximum Impact Fee Per Unit} = \frac{\text{Cost of the CIP Needed to Serve Growth (\$)}}{\text{New Service Units (veh - mi)}}$$

- New Service Units derived from the Land Use Assumptions
- Cost of the CIP needed to serve growth derived from the Roadway Impact Fee Capital Improvements Plan
 - Includes completed projects with excess capacity, City contributions to County and Developer projects, and projects likely to be needed within ten years

Impact Fee Results

- Maximum Roadway Impact Fee CIP per vehicle mile

Service Area	Maximum (2009)	Maximum (2015)
A	\$649	\$830
B	\$1,184	\$399
C	\$1,132	\$1,195
D	\$1,179	\$1,189



- Remember Service Units (TDF)
 - Times 4.00 for single family per unit
 - Times 6.86 for shopping center per 1,000 sq. ft.

Impact Fee Rates

- Potential Collection Rate
 - Same rate in all four Service Areas
 - \$550 / vehicle-mile (TDF) for residential
 - \$300 / vehicle-mile (TDF) for non-residential

Service Area	Maximum (2009)	Maximum (2015)
A	\$649	\$830
B	\$1,184	\$399
C	\$1,132	\$1,195
D	\$1,179	\$1,189

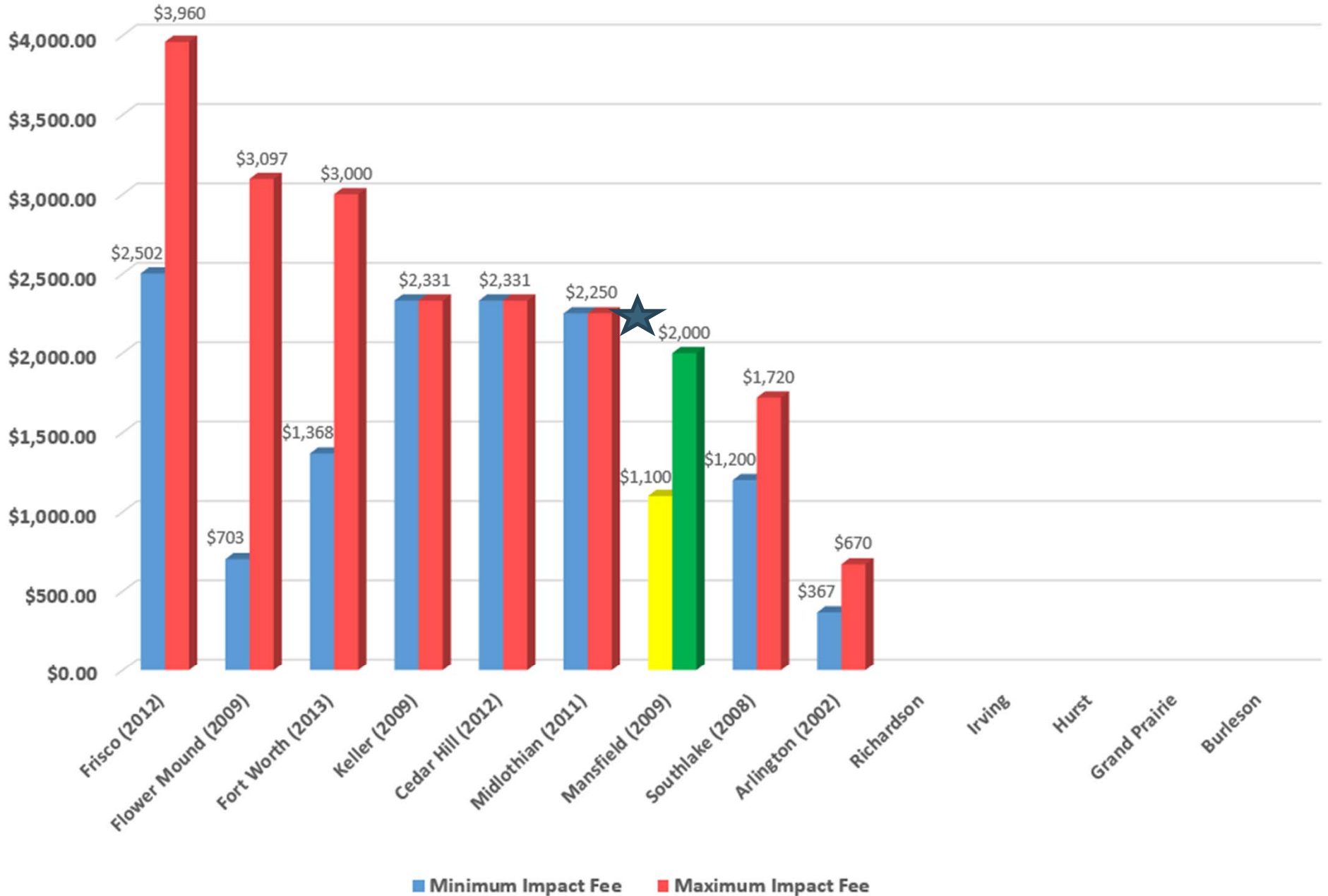
Impact Fee Rates

- Single Family
 - TDF 4.00 @ \$550 / vehicle mile

Service Area	Existing (2015)	Preferred Collection Rate	Maximum (2015)
A	\$1,100	\$2,200	\$3,320
B*	\$1,500	\$1,596	\$1,596
C	\$1,100	\$2,200	\$4,780
D	\$2,000	\$2,200	\$4,756

- Service Area B capped at the maximum rate

Roadway Impact Fees Comparison - Single Family Metroplex Cities

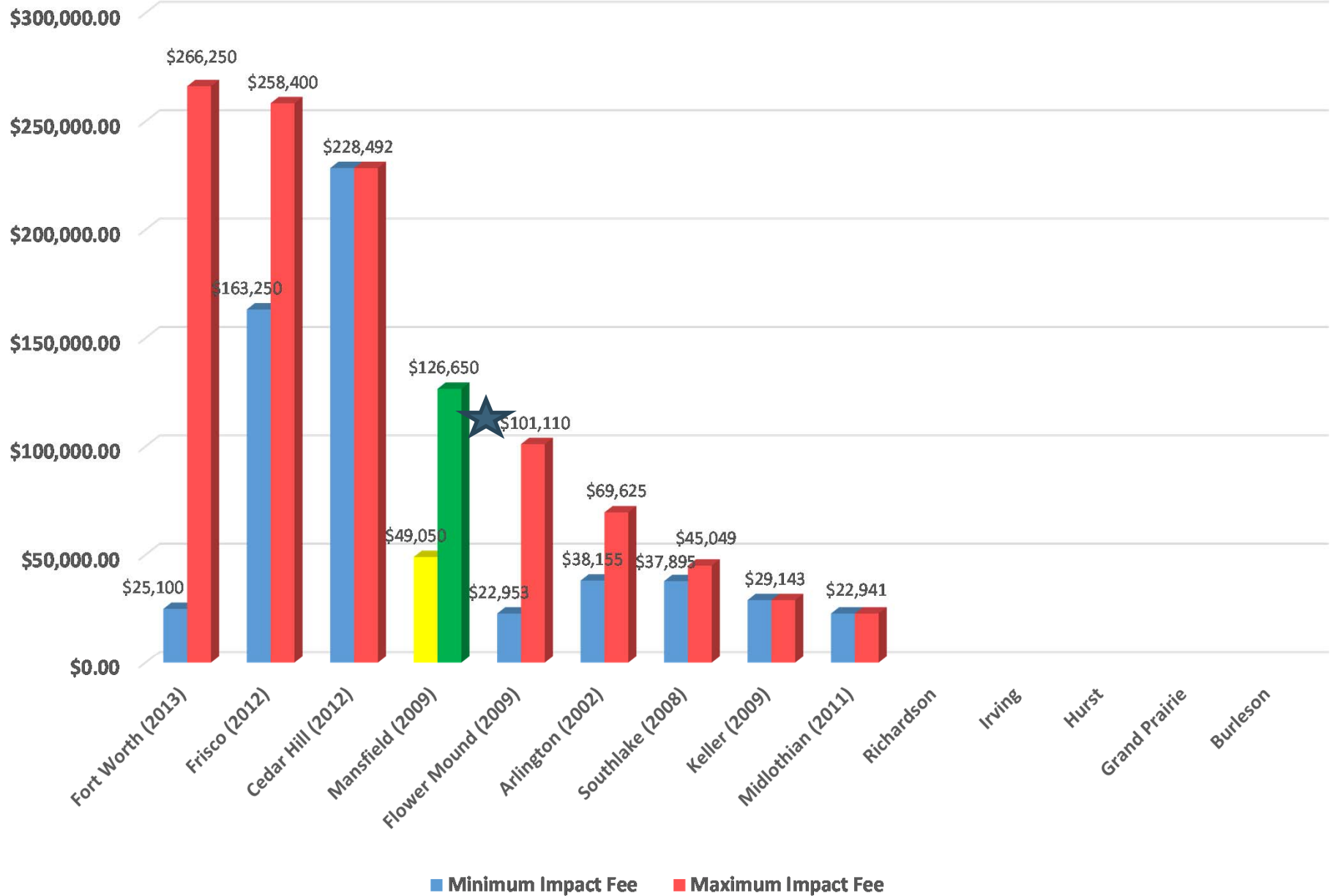


Impact Fee Rates

- 50,000 square shopping center
- TDF 6.86 @ \$300 /vehicle mile

Service Area	Existing (2015)	Preferred Collection Rate	Maximum (2015)
A	\$58,150	\$102,900	\$284,527
B	\$126,650	\$102,900	\$136,779
C	\$49,650	\$102,900	\$409,651
D	\$89,850	\$102,900	\$407,594

Roadway Impact Fees Comparison - Retail Development (50,000SF) Metroplex Cities

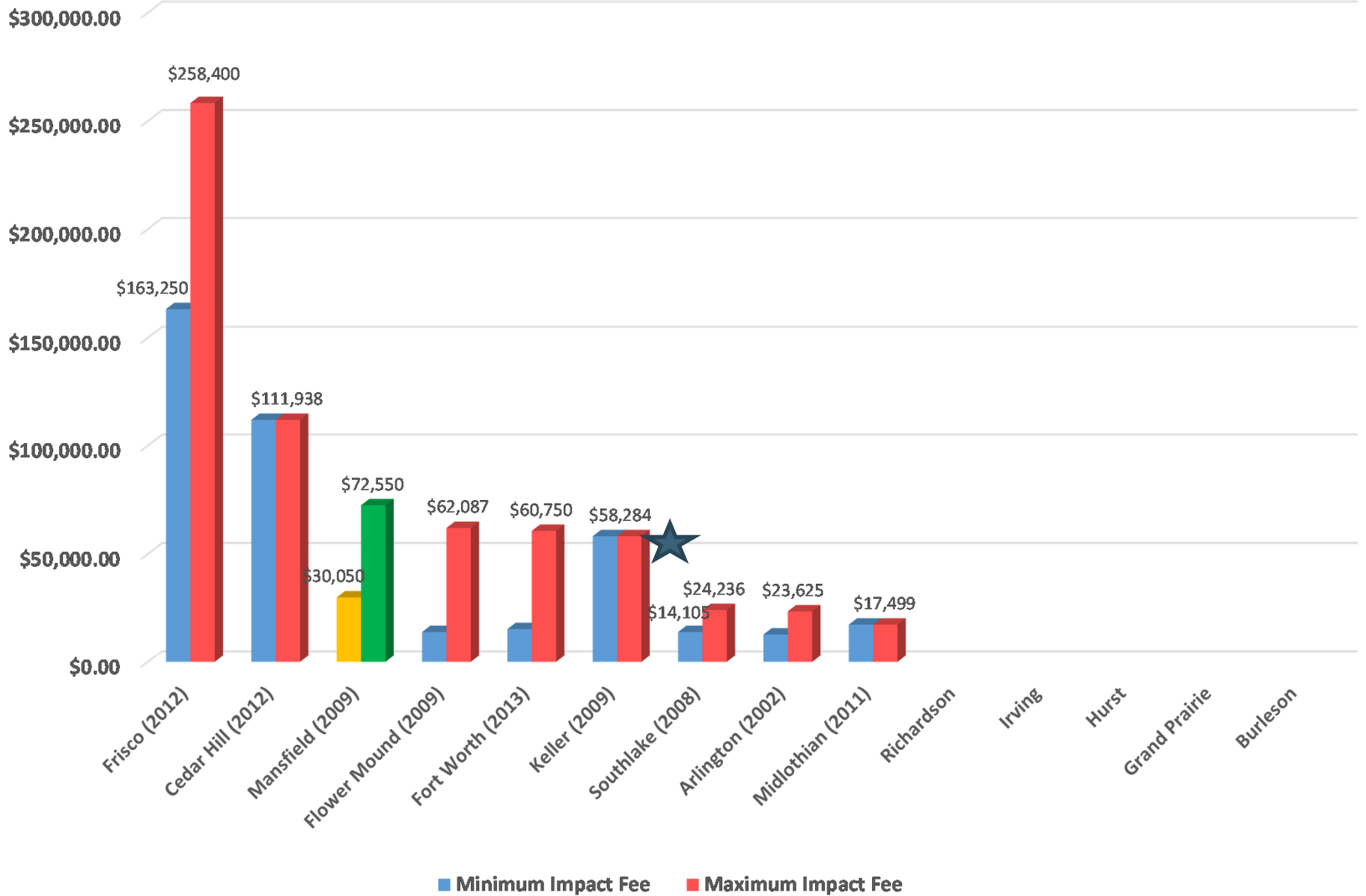


Impact Fee Rates

- 50,000 square foot industrial
- TDF 3.88 @ \$300 /vehicle mile

Service Area	Existing (2015)	Preferred Collection Rate	Maximum (2015)
A	\$35,700	\$58,200	\$161,020
B	\$72,550	\$58,200	\$77,406
C	\$30,050	\$58,200	\$231,830
D	\$51,400	\$58,200	\$230,666

Roadway Impact Fees Comparison - Light Industrial (50,000SF) Metroplex Cities



Impact Fee Rates

- 10,000 square foot Office
 - TDF 5.96 @ \$300 /vehicle mile

Service Area	Existing (2015)	Preferred Collection Rate	Maximum (2015)
A	\$8,760	\$17,880	\$49,468
B	\$19,070	\$17,880	\$23,780
C	\$7,390	\$17,880	\$71,222
D	\$13,530	\$17,880	\$70,864



CIAC Recommendations

- Recommended Adoption of the Land Use Assumptions, Impact Fee CIP, and Maximum Fee.
- Recommended Collection Rate as follows:
 - Same rate in all four Service Areas
 - \$550 / vehicle-mile (TDF) for residential
 - \$300 / vehicle-mile (TDF) for non-residential

Today's Actions

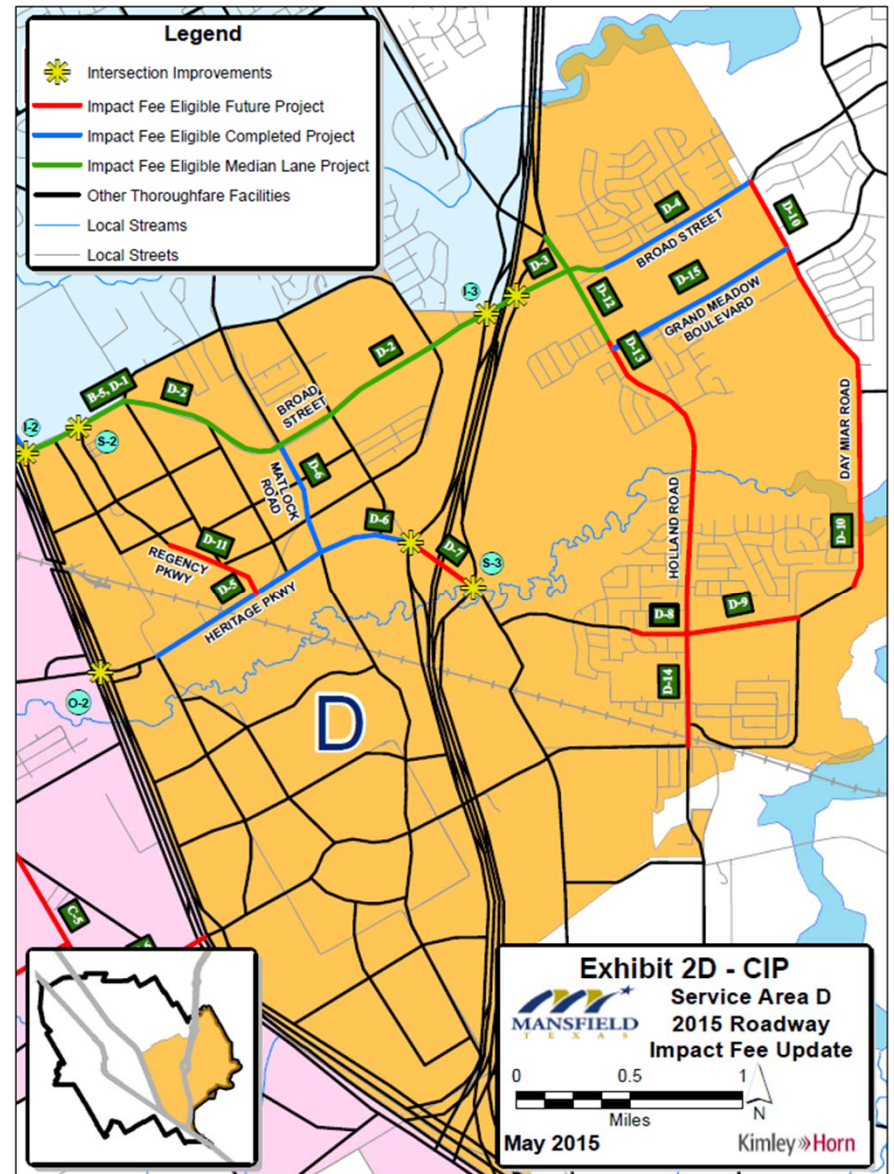
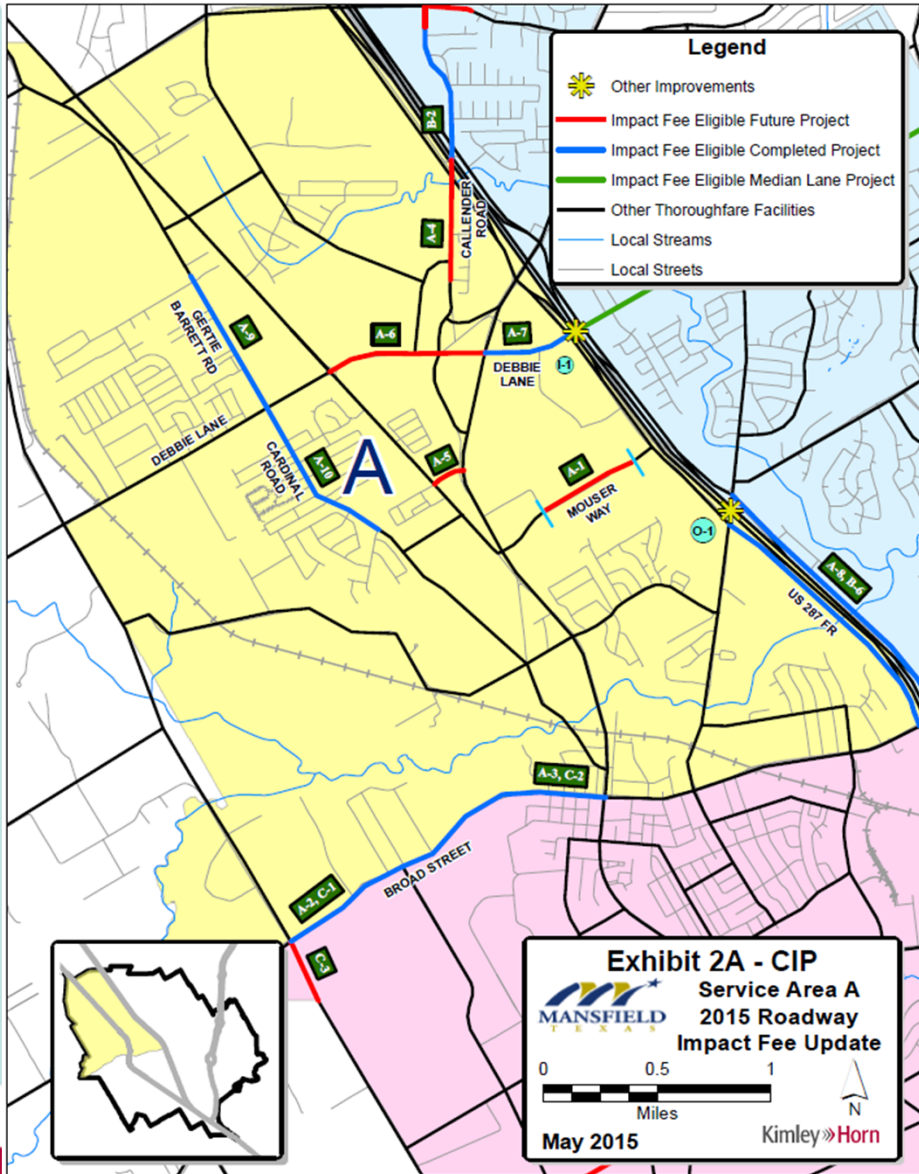
- Consider Adoption of the Land Use Assumptions, Impact Fee CIP, and Maximum Fee; and
- Make Recommendation for Collection Rate to be included in the Ordinance.



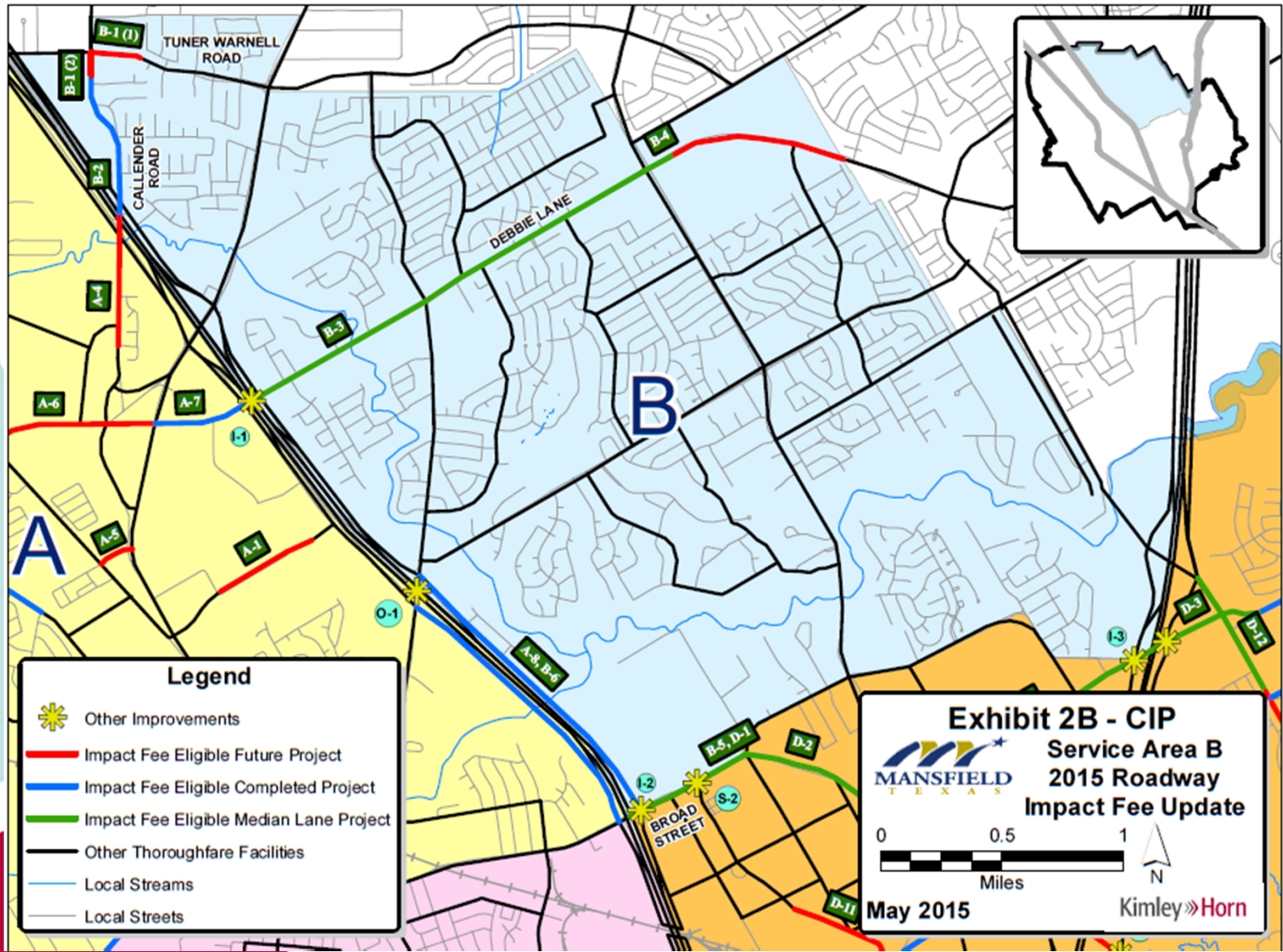
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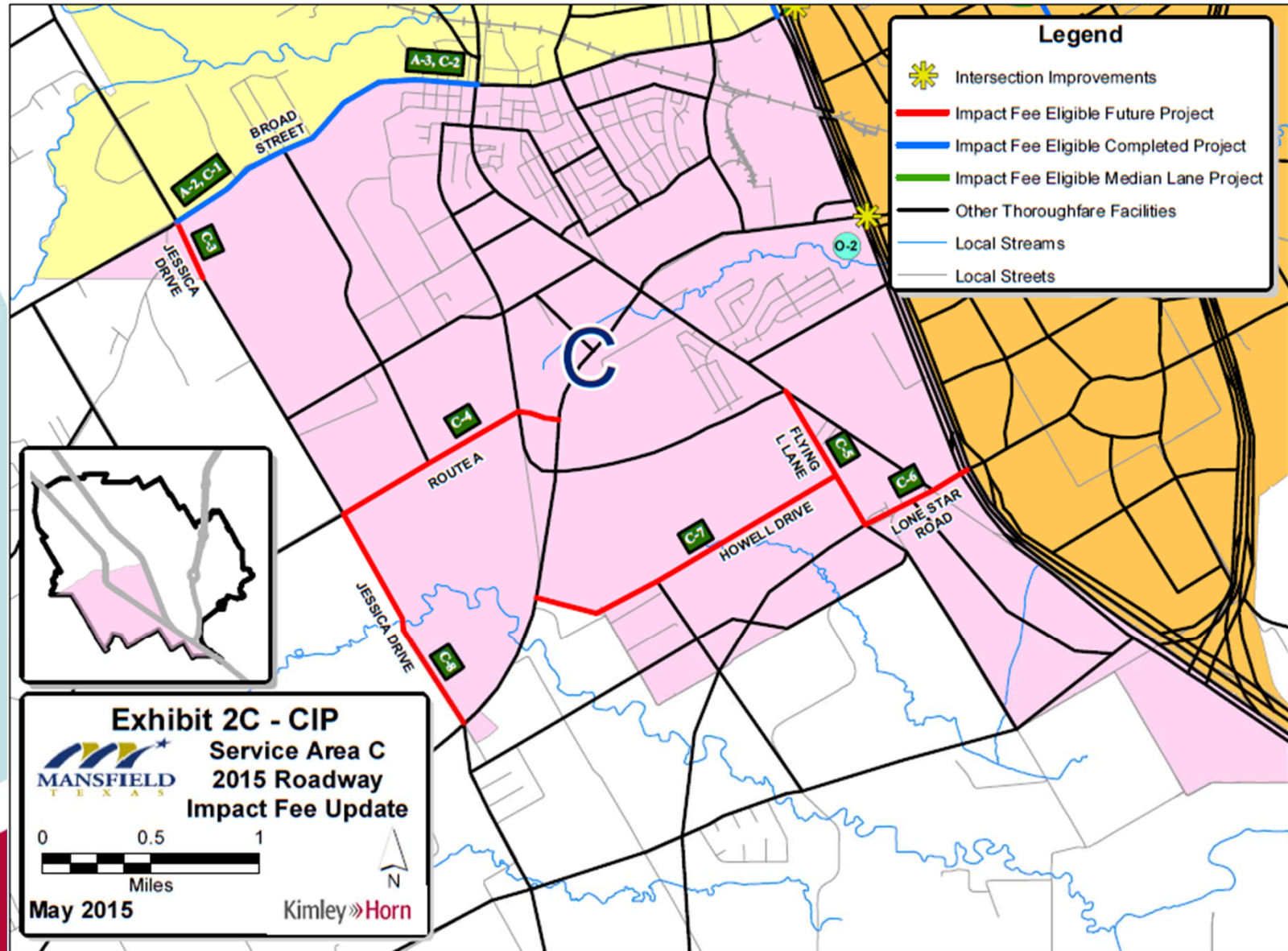
Service Areas A and D



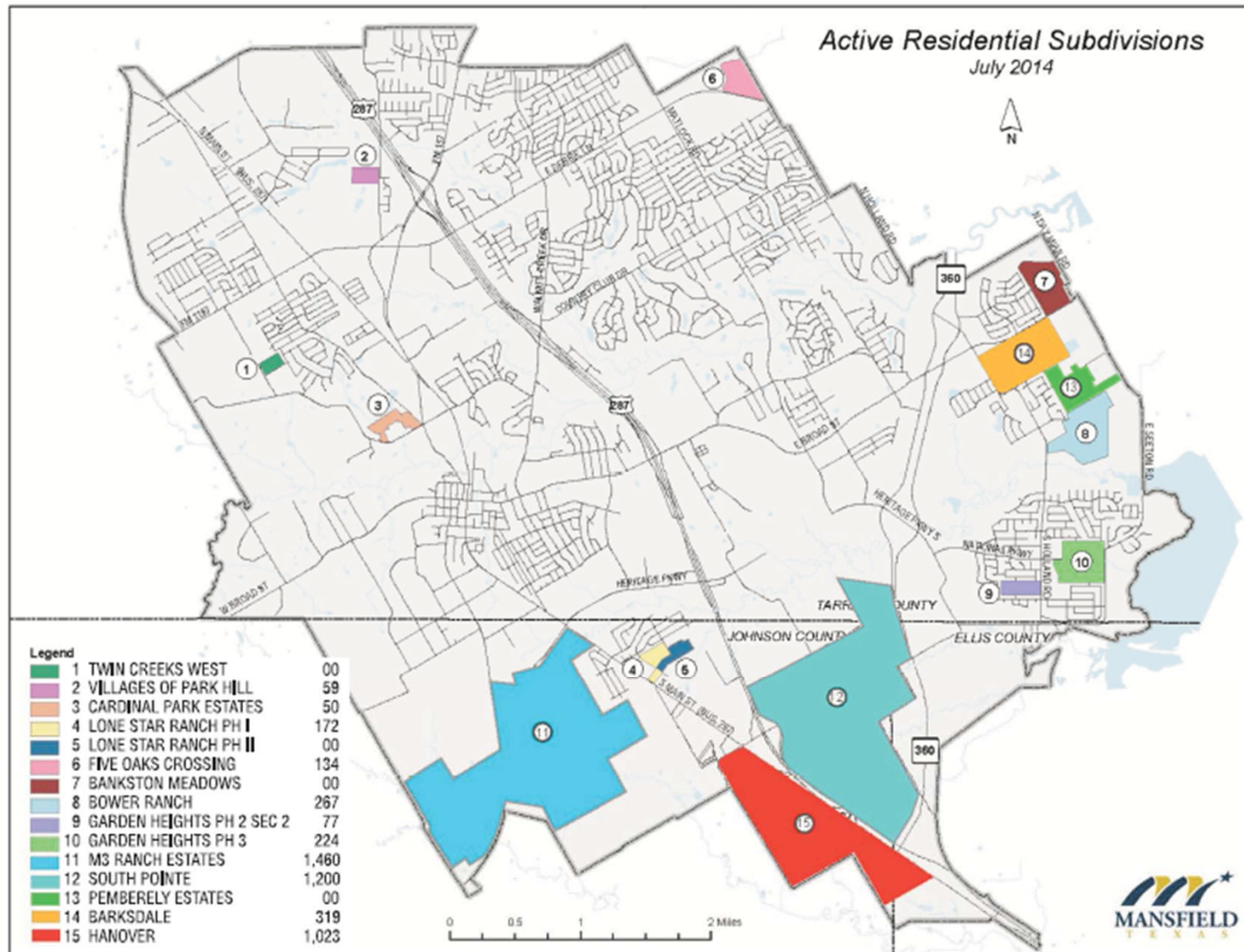
Service Area B



Service Area C



Residential Developments



Estimated Number of Residential Lots – 5,154