



**EQUITABLE.
PREDICTABLE.
TRANSPARENT.**



Street Impact Fees



Impact Fee Advisory Committee: 10-15-2019
Austin Transportation Department

Overview

- Recap Recent Activity on SIF
- Impact Fee Maximum Fee Calculation Examples
- Service Units Explanation
- Mitigation Comparison Examples
- Policy Considerations (Discussion)
- Schedule
- Questions

SIF Activity Recap

Past Meetings and Actions

- June 13th – Mobility Committee
 - Discussed project schedule and questions on LUA and RCP
- Early July – RCP Posted on website
- August 7th – Briefing to Austin Chamber
- August 8th – Council to adopt LUA / RCP Public Hearing
 - Held open to action on August 22nd
- August 21st – Mobility Committee
 - Additional questions on LUA and RCP
- August 22nd – Council adopted LUA and RCP part of Report

Maximum Impact Fee Development

Impact Fee Calculation

How are Impact Fees Calculated?

- Land Use and Population Projections (converted to Service Units)
- Develop 10-Year Impact Fee CIP (RCP)
- Remove costs associated with existing development and growth at 10+ years
- Calculate Pre-Credit Max Assessable Impact Fee

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

- Credit Calculation

Draft Complete

In Process

Impact Fee Results

- Study Determines Maximum Fee
- Council Determines Effective Rate
- End result looks like a table as follows:

Service Area	DRAFT Max Impact Fee (vehicle-mile) Study Determines	Effective Rate Impact Fee (vehicle-mile) Council Determines
G	\$2,354	\$X,XXX
I	\$1,333	\$Y,YYY

Accounting for Transit Proximity

- Transit Proximity Adjusted Demand

- 50% reduction in demand applied to areas within $\frac{1}{4}$ mile of high capacity transit or $\frac{1}{8}$ mile from 15-min routes (proportion of each service area)

Service Area G Transit Demand Adjustment:

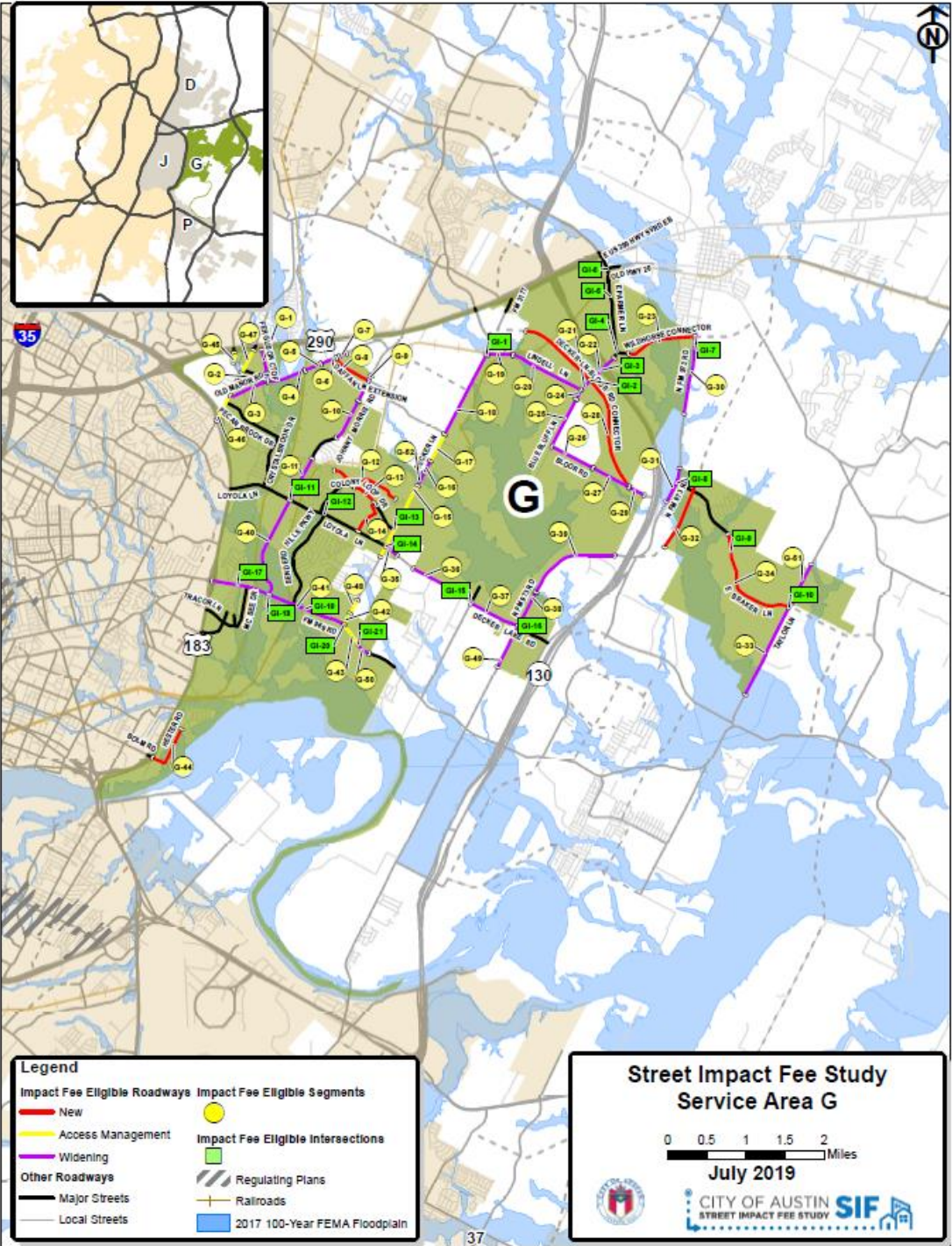
- 11% near transit * (50% Demand Reduction) = 5.5%
 - 71,047 veh-mi demand reduced to 67,143 veh-mi

Service Area I Transit Demand Adjustment:

- 43% near transit * (50% Demand Reduction) = 21.5%
 - 31,043 veh-mi demand reduced to 24,336 veh-mi

DRAFT Service Area G RCP

DRAFT – note that these costs do not including financing costs or Ad Valorem Tax Credit



COST OF TOTAL CIP - \$192.7 M
COMPONENTS OF TOTAL CIP:
COST TO MEET EXISTING DEMANDS – \$34.6 M
10-YEAR COST - \$158.1 M

Service Area G Draft Calculation

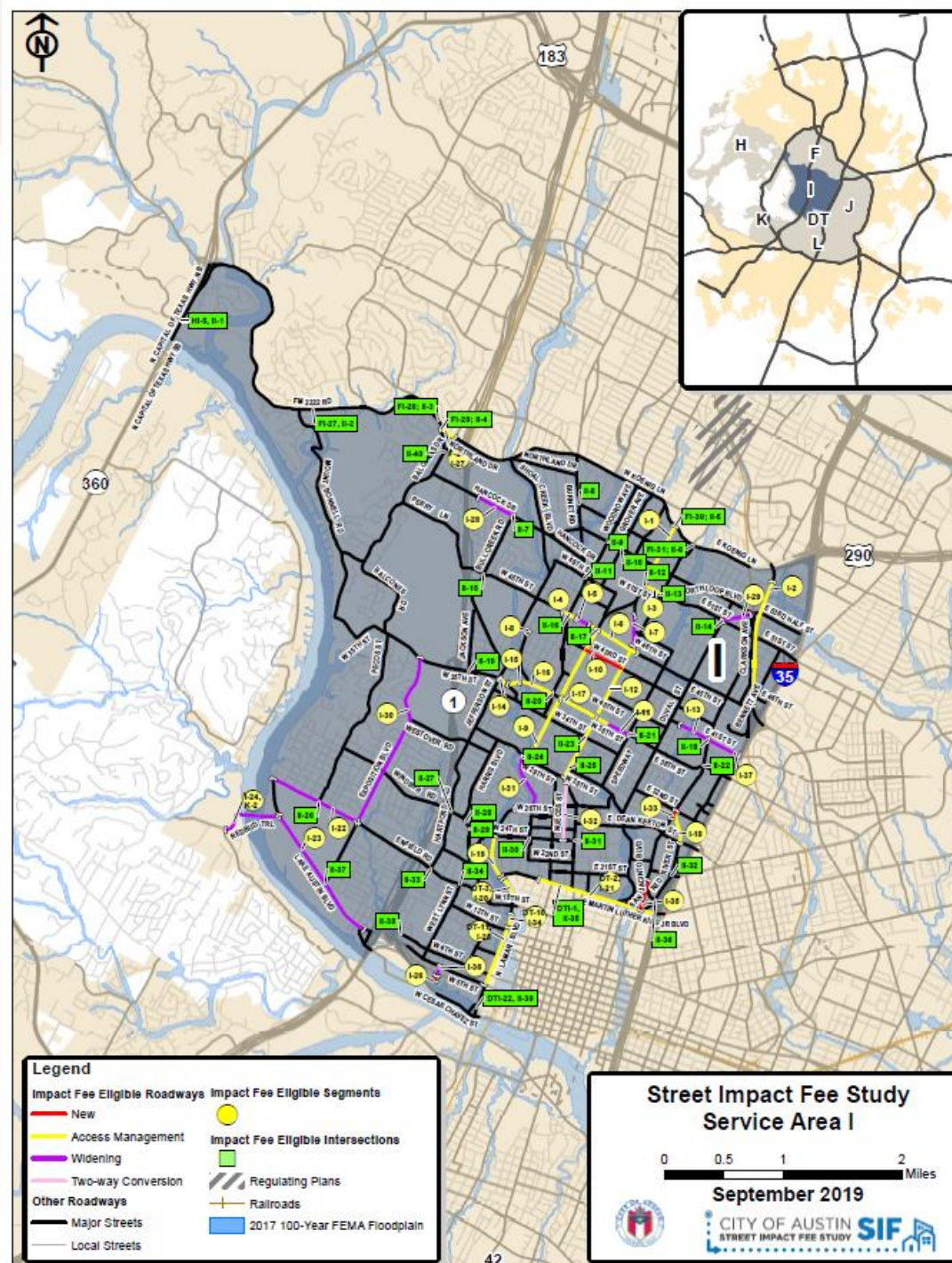
DRAFT – note that “maximum fee” does not imply the assessed or collected rates proposed, only legal maximum allowed by state law. Maximum Fees do not include financing costs currently.



		SERVICE AREA: G
1	TOTAL VEH-MI OF CAPACITY ADDED BY THE STREET IMPACT FEE RCP (FROM STREET IMPACT FEE RCP SERVICE UNITS OF SUPPLY, APPENDIX B)	70,088
2	TOTAL VEH-MI OF EXISTING DEMAND (FROM STREET IMPACT FEE RCP SERVICE UNITS OF SUPPLY, APPENDIX B)	12,105
3	NET AMOUNT OF VEH-MI OF CAPACITY ADDED (LINE 1 - LINE 2)	57,983
4	TOTAL COST OF THE ROADWAY IMPACT FEE RCP WITHIN SERVICE AREA (FROM TABLES 4A TO 4P)	\$ 185,358,053
5	COST OF NET CAPACITY SUPPLIED (LINE 3 / LINE 1) * (LINE 4)	\$ 153,344,595
6	COST TO MEET EXISTING NEEDS AND USAGE (LINE 4 - LINE 5)	\$ 32,013,458
7	TOTAL VEH-MI OF NEW DEMAND OVER TEN YEARS UNADJUSTED (FROM TABLE 7 AND LAND USE ASSUMPTIONS)	71,047
8	% REDUCTION IN VEH-MI OF NEW DEMAND FOR TRANSIT PROXIMITY	11%
9	TOTAL VEH-MI OF NEW DEMAND OVER TEN YEARS TRANSIT ADJUSTED (FROM TABLE 7 AND LAND USE ASSUMPTIONS)	67,143
10	PERCENT OF CAPACITY ADDED ATTRIBUTABLE TO GROWTH (LINE 9 / LINE 3)	115.7%
11	IF LINE 9 > LINE 3, REDUCE LINE 10 TO 100%, OTHERWISE NO CHANGE	100.0%
12	COST OF ROADWAY IMPACT FEE RCP ATTRIBUTABLE TO GROWTH (LINE 5 * LINE 11)	\$ 153,344,595
13	TOTAL COST OF THE INTERSECTION IMPACT FEE RCP WITHIN SERVICE AREA (FROM TABLES 4A TO 4P)	\$ 7,324,750
14	PERCENT OF INTERSECTION CAPACITY ADDED ATTRIBUTABLE TO GROWTH (FROM TABLE 6 AND LAND USE ASSUMPTIONS)	65%
15	COST OF INTERSECTION IMPACT FEE RCP ATTRIBUTABLE TO GROWTH (LINE 13 * LINE 14)	\$ 4,787,630
16	COST OF TOTAL STREET IMPACT FEE RCP ATTRIBUTABLE TO GROWTH (LINE 12 + LINE 15)	\$ 158,132,225
17	EXISTING ESCROW FUND BALANCE	\$ 49,535
18	COST OF THE ROADWAY IMPACT FEE RCP ATTRIBUTABLE TO NEW GROWTH LESS DEVELOPER CONTRIBUTIONS (LINE 16 - LINE 17)	\$ 158,082,690
19	PRE-CREDIT, PRE-FINANCING MAXIMUM FEE PER SERVICE UNIT (LINE 18 / LINE 9)	\$ 2,354
20	FINANCING COSTS (FROM APPENDIX C)	
21	INTEREST EARNINGS (FROM APPENDIX C)	
22	CREDIT FOR AD VALOREM TAXES (FROM APPENDIX C)	
23	RECOVERABLE COST OF STREET IMPACT FEE RCP AND FINANCING (LINE 18 + LINE 20 - LINE 21 - LINE 22)	
24	MAXIMUM ASSESSABLE FEE PER SERVICE UNIT (LINE 23 / LINE 9)	

DRAFT Service Area I RCP

DRAFT – note that these costs do not including financing costs or Ad Valorem Tax Credit



COST OF TOTAL CIP - **\$124.9 M**
COMPONENTS OF TOTAL CIP:
 COST TO MEET EXISTING
 DEMANDS – **\$88.0 M**
 10-YEAR COST - **\$36.9 M**

Service Area I Draft Calculation

DRAFT – note that “maximum fee” does not imply the assessed or collected rates proposed, only legal maximum allowed by state law. Maximum Fees do not include financing costs currently.



SERVICE AREA: I		
1	TOTAL VEH-MI OF CAPACITY ADDED BY THE STREET IMPACT FEE RCP (FROM STREET IMPACT FEE RCP SERVICE UNITS OF SUPPLY, APPENDIX B)	35,273
2	TOTAL VEH-MI OF EXISTING DEMAND (FROM STREET IMPACT FEE RCP SERVICE UNITS OF SUPPLY, APPENDIX B)	24,015
3	NET AMOUNT OF VEH-MI OF CAPACITY ADDED (LINE 1 - LINE 2)	11,258
4	TOTAL COST OF THE ROADWAY IMPACT FEE RCP WITHIN SERVICE AREA (FROM TABLES 4A TO 4P)	\$ 107,955,500
5	COST OF NET CAPACITY SUPPLIED (LINE 3 / LINE 1) * (LINE 4)	\$ 34,455,902
6	COST TO MEET EXISTING NEEDS AND USAGE (LINE 4 - LINE 5)	\$ 73,499,598
7	TOTAL VEH-MI OF NEW DEMAND OVER TEN YEARS UNADJUSTED (FROM TABLE 7 AND LAND USE ASSUMPTIONS)	31,043
8	% REDUCTION IN VEH-MI OF NEW DEMAND FOR TRANSIT PROXIMITY	43%
9	TOTAL VEH-MI OF NEW DEMAND OVER TEN YEARS TRANSIT ADJUSTED (FROM TABLE 7 AND LAND USE ASSUMPTIONS)	24,336
10	PERCENT OF CAPACITY ADDED ATTRIBUTABLE TO GROWTH (LINE 9 / LINE 3)	216.1%
11	IF LINE 9 > LINE 3, REDUCE LINE 10 TO 100%, OTHERWISE NO CHANGE	100.0%
12	COST OF ROADWAY IMPACT FEE RCP ATTRIBUTABLE TO GROWTH (LINE 5 * LINE 11)	\$ 34,455,902
13	TOTAL COST OF THE INTERSECTION IMPACT FEE RCP WITHIN SERVICE AREA (FROM TABLES 4A TO 4P)	\$ 16,965,000
14	PERCENT OF INTERSECTION CAPACITY ADDED ATTRIBUTABLE TO GROWTH (FROM TABLE 6 AND LAND USE ASSUMPTIONS)	14%
15	COST OF INTERSECTION IMPACT FEE RCP ATTRIBUTABLE TO GROWTH (LINE 13 * LINE 14)	\$ 2,398,501
16	COST OF TOTAL STREET IMPACT FEE RCP ATTRIBUTABLE TO GROWTH (LINE 12 + LINE 15)	\$ 36,854,403
17	EXISTING ESCROW FUND BALANCE	\$ 4,425,879
18	COST OF THE ROADWAY IMPACT FEE RCP ATTRIBUTABLE TO NEW GROWTH LESS DEVELOPER CONTRIBUTIONS (LINE 16 - LINE 17)	\$ 32,428,524
19	PRE-CREDIT, PRE-FINANCING MAXIMUM FEE PER SERVICE UNIT (LINE 18 / LINE 9)	\$ 1,333
20	FINANCING COSTS (FROM APPENDIX C)	
21	INTEREST EARNINGS (FROM APPENDIX C)	
22	CREDIT FOR AD VALOREM TAXES (FROM APPENDIX C)	
23	RECOVERABLE COST OF STREET IMPACT FEE RCP AND FINANCING (LINE 18 + LINE 20 - LINE 21 - LINE 22)	
24	MAXIMUM ASSESSABLE FEE PER SERVICE UNIT (LINE 23 / LINE 9)	

Service Units

Service Unit

- **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 – Two Components

1. Trip Generation

- ITE Trip Generation Manual – 10th Edition

2. Trip Length

- National Household Travel Survey
- Travel Demand Modeling
- Inside/Outside the Loop Differs
 - Service Area G is “Outside Loop”
 - Service Area I is “Inside Loop”

Note: These are the sources of information that are used in development of the LUVMET Table handout.

Service Unit – Formula

$$\text{Service Unit} = \text{Trip Rate} * (1 - \text{Pass-by}) * \text{Max Trip Length}$$

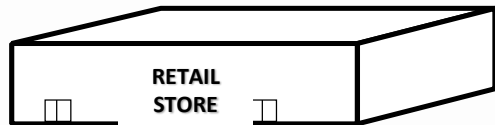
Where

- Trip Rate – Max PM Peak Hour Trip Rate
- Pass-by Discount (% of Trips)
- Max Trip Length = Smaller of Trip Length * 50% or 6 miles

Service Unit - Examples



Per Dwelling Unit



**Per 1,000 SF
Gross Leasable Area (GLA)**

Inside “the Loop” (SA I)

Trips	0.99 Vehicles (PM Peak) <i>(ITE Trip Generation)</i>
X Trip Length	2.90 Miles
Vehicle-Miles	2.87 Vehicle-Miles
Trips	3.81 Vehicles (PM Peak) <i>(ITE Trip Generation)</i>
Reduction for Pass-by Trips	34% <i>(ITE Trip Generation Handbook)</i> 2.51 Vehicles (PM Peak)
X Trip Length	2.91 Miles
Vehicle-Miles	7.30 Vehicle-Miles

Outside “the Loop” (SA G)

Trips	0.99 Vehicles (PM Peak) <i>(ITE Trip Generation)</i>
X Trip Length	4.30 Miles
Vehicle-Miles	4.26 Vehicle-Miles
Trips	3.81 Vehicles (PM Peak) <i>(ITE Trip Generation)</i>
Reduction for Pass-by Trips	34% <i>(ITE Trip Generation Handbook)</i> 2.51 Vehicles (PM Peak)
X Trip Length	3.18 Miles
Vehicle-Miles	7.98 Vehicle-Miles

Service Unit - Examples

Table 10. Land Use / Vehicle-Mile Equivalency Table (LUVMET)

Land Use Category	ITE Land Use Code	Development Unit	Trip Gen Rate (PM)	Pass-by Rate	Pass-by Source	Trip Rate	Trip Length Inside Loop (mi)	Trip Length Outside Loop (mi)	Adj. For O-D	Adj. Trip Length Inside Loop (mi)	Adj. Trip Length Outside Loop (mi)	Max Trip Length Inside Loop (mi)	Max Trip Length Outside Loop (mi)	Veh-Mi Per Dev-Unit Inside Loop	Veh-Mi Per Dev-Unit Outside Loop
PORT AND TERMINAL															
Truck Terminal	030	1,000 SF GFA	1.87			1.87	10.70	10.70	50%	5.35	5.35	5.35	5.35	10.00	10.00
INDUSTRIAL															
General Light Industrial	110	1,000 SF GFA	0.63			0.63	6.15	12.89	50%	3.07	6.45	3.07	6.00	1.93	3.78
Manufacturing	140	1,000 SF GFA	0.67			0.67	6.15	12.89	50%	3.07	6.45	3.07	6.00	2.06	4.02
Warehousing	150	1,000 SF GFA	0.32			0.32	6.15	12.89	50%	3.07	6.45	3.07	6.00	0.98	1.92
Mini-Warehouse	151	1,000 SF GFA	0.26			0.26	6.15	12.89	50%	3.07	6.45	3.07	6.00	0.80	1.56
RESIDENTIAL															
Single-Family Detached Housing	210	Dwelling Unit	0.99			0.99	5.81	8.59	50%	2.90	4.30	2.90	4.30	2.87	4.26
Multifamily Housing (Low-Rise)	220	Dwelling Unit	0.56			0.56	5.81	8.59	50%	2.90	4.30	2.90	4.30	1.62	2.41
Multifamily Housing (Mid-Rise)	221	Dwelling Unit	0.44			0.44	5.81	8.59	50%	2.90	4.30	2.90	4.30	1.28	1.89
Multifamily Housing (High-Rise)	222	Dwelling Unit	0.36			0.36	5.81	8.59	50%	2.90	4.30	2.90	4.30	1.04	1.55
Senior Adult Housing-Detached	251	Dwelling Unit	0.30			0.30	5.81	8.59	50%	2.90	4.30	2.90	4.30	0.87	1.29
Senior Adult Housing-Attached	252	Dwelling Unit	0.26			0.26	5.81	8.59	50%	2.90	4.30	2.90	4.30	0.75	1.12
Assisted Living	254	Beds	0.26			0.26	5.81	8.59	50%	2.90	4.30	2.90	4.30	0.75	1.12
LODGING															
Hotel	310	Room	0.60			0.60	5.41	5.41	50%	2.70	2.71	2.70	2.71	1.62	1.63
Motel / Other Lodging Facilities	320	Room	0.38			0.38	5.41	5.41	50%	2.70	2.71	2.70	2.71	1.03	1.03
RECREATIONAL															
Golf Driving Range	432	Tee	1.25			1.25	5.82	6.35	50%	2.91	3.18	2.91	3.18	3.64	3.98
Golf Course	430	Acre	0.28			0.28	5.82	6.35	50%	2.91	3.18	2.91	3.18	0.81	0.89
Recreational Community Center	495	1,000 SF GFA	2.31			2.31	5.82	6.35	50%	2.91	3.18	2.91	3.18	6.72	7.35
Ice Skating Rink	465	1,000 SF GFA	1.33			1.33	5.82	6.35	50%	2.91	3.18	2.91	3.18	3.87	4.23
Miniature Golf Course	431	Hole	0.33			0.33	5.82	6.35	50%	2.91	3.18	2.91	3.18	0.96	1.05
Multiplex/Movie Theater	445	Screens	13.73			13.73	5.82	6.35	50%	2.91	3.18	2.91	3.18	39.95	43.66
Racquet / Tennis Club	491	Court	3.82			3.82	5.82	6.35	50%	2.91	3.18	2.91	3.18	11.12	12.15
INSTITUTIONAL															
Church	560	1,000 SF GFA	0.49			0.49	6.30	6.30	50%	3.15	3.15	3.15	3.15	1.54	1.54
Day Care Center	565	1,000 SF GFA	11.12	44%	B	6.23	3.39	3.39	50%	1.69	1.70	1.69	1.70	10.53	10.59
Primary/Middle School (1-8)	522	Students	0.17			0.17	3.39	3.39	50%	1.69	1.70	1.69	1.70	0.29	0.29
High School	530	Students	0.14			0.14	3.39	3.39	50%	1.69	1.70	1.69	1.70	0.24	0.24
Junior / Community College	540	Students	0.11			0.11	3.39	3.39	50%	1.69	1.70	1.69	1.70	0.19	0.19
University / College	550	Students	0.15			0.15	3.39	3.39	50%	1.69	1.70	1.69	1.70	0.25	0.26
MEDICAL															
Clinic	630	1,000 SF GFA	3.28			3.28	7.42	6.76	50%	3.71	3.38	3.71	3.38	12.17	11.09
Hospital	610	1,000 SF GFA	0.97			0.97	7.42	6.76	50%	3.71	3.38	3.71	3.38	3.60	3.28
Nursing Home	620	Beds	0.22			0.22	7.42	6.76	50%	3.71	3.38	3.71	3.38	0.82	0.74
Animal Hospital/Veterinary Clinic	640	1,000 SF GFA	3.53	30%	B	2.47	7.42	6.76	50%	3.71	3.38	3.71	3.38	9.16	8.35

Service Units – Draft Application

- Outside Loop Example: \$2,354/vehicle-mile (Service Area G)
 - Single Family – $\$2,354 * 4.26 = \$10,028.04$
 - 15,000 SF shopping center: $15 * \$2,354 * 7.98 = \$281,773.80$
- Inside Loop Example: \$1,333/vehicle-mile (Service Area I)
 - Single Family – $\$1,333 * 2.87 = \$3,825.71$
 - 15,000 SF shopping center: $15 * \$1,333 * 7.30 = \$145,963.50$
- Rate collected is based on Council decision (Policy).

DRAFT Maximum Rate Sample Comparisons

LAND USE	Service Area G Draft (Outside Loop)	Service Area I Draft (Inside Loop)
Single Family Home	\$10,028	\$3,826
Apartment Unit	\$5,673	\$2,159
3,000 ft ² restaurant	\$83,614	\$47,188

DRAFT – note that “maximum fee” does not imply the assessed or collected rates proposed, only legal maximum allowed by state law. Maximum Fees do not include financing costs currently.

Service Units – Other Factors

1. Travel Demand Management
 2. Internal Capture
- These are recommended to be considered in policy as discounts.

Mitigation Comparison Examples

Sample Developments: Collection Rate Options

DEVELOPMENT	UNITS
Multi-Family 298 units	Residential: 298 Apartments
Office 55,000 square feet	Office: 55,000 ft ² Office

Collection Rate Comparison to DRAFT Maximum Assessable Fee

Previous Austin Development	Previous Austin TIA Contribution	Service Area G Draft (Outside Loop)	Service Area I Draft (Inside Loop)
298 Apartments*	\$86,288	\$1,690,596	\$643,382
55,000 ft ² Office	\$317,388	\$503,639	\$313,055
* Assumes ITE Code 220 for Apartments (Highest Trip Gen)			

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Policy Considerations (Discussion)

Schedule

Schedule

- RCP Adopted by Council August 22nd
 - Revisions can be made and presented during next phase
- Next IFAC Meetings
 - Mid/Late November (Pre-Thanksgiving)
 - 80% Draft Report
 - Review Policies for Ordinance
 - December
 - Draft Final Report
 - Public Engagement Opportunities
 - January / February
 - Draft Ordinance Review

Questions