



**EQUITABLE.
PREDICTABLE.
TRANSPARENT.**



Street Impact Fees



Impact Fee Advisory Committee: 12-18-2019
Austin Transportation Department

Overview

- Comments on Draft Report
- Next Steps on Report
- Public Engagement Process
- Policy
 - Rate Considerations
 - Technical Discounts
 - Policy Discounts
- Schedule

Comments on Draft Report

Comment Log:

Next Steps on Report

Next Step on Report

- Page 109/110
- Calculate (Finance, Interest and Credit)

| Service Area | G | I |
|--|----------------|----------------|
| Cost of the Roadway Impact Fee RCP Attributable to New Growth Less Developer Contributions | \$160,784,452 | \$32,873,944 |
| Pre-Credit, Pre-Financing Maximum Fee Per Service Unit | \$2,395 | \$1,351 |
| Financing Costs | \$77,703,743 | \$14,084,230 |
| Interest Earnings | \$(28,218,241) | \$(5,015,887) |
| Credit for Ad Valorem | \$(4,055,190) | \$(288,599) |
| Recover Cost of Street Impact Fee RCP and Financing | \$206,214,764 | \$41,653,689 |
| Maximum Assessable Fee per Service Unit | \$3,071 | \$1,712 |



Next Step on Report

- Finalize Report in January
- Recommendation on Report (Not on Collected Fee)

Public Engagement Process

Public Engagement Initial Thoughts:

- January – E-mail referring to updated information on website
 - Service Units 101
 - Maximum Fee 101
- February – E-mail blast referring to Final Draft Report online and opportunity for presentations:
 - Webinar
 - Presentations (potential hosting by City and/or organizations)

Policy

Rate Considerations

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 | \$3,071 | \$X,XXX |
| I | \$1,712 | \$Y,YYY |

Sample Developments: Collection Rate Options

| DEVELOPMENT | UNITS |
|--------------|--|
| Multi-Family | Residential: 298 Apartments |
| Office | Office: 55,000 ft ² Office |
| Mixed Use | Office: 397,000 ft ² Restaurant: 46,700 ft ² Residential: 250 Apartments Hotel: 100 Rooms |

Collection Rate Comparison to Maximum Assessable Fee

| Austin Development | Austin Mitigation/ TIA Contribution | Service Area G Draft (Outside Loop) | Service Area I Draft (Inside Loop) |
|--|-------------------------------------|-------------------------------------|------------------------------------|
| 298 Apartments* | \$86,288 | \$2,205,531 | \$826,485 |
| 55,000 ft ² Office | \$317,388 | \$657,040 | \$402,063 |
| 397,000 ft ² Office 46,700 ft ² Restaurant 250 Apartments* 100 Room Hotel | \$628,000 | \$8,791,530 (\$8,351,953)** | \$4,816,284 (\$4,575,470)** |

* Assumes ITE Code 220 for Apartments (Highest Trip Gen)

** 5% Internal Capture Reduction

Collection Rate Comparisons

| Austin Development | Austin Mitigation/ TIA Contribution | Service Area G Draft (Outside Loop) | Service Area I Draft (Inside Loop) | Round Rock (Not Effective yet) ⁺ | Frisco ⁺ (Lowest SA) | Fort Worth ⁺ (Flat Rate all SA's) | Prosper ⁺ (Lower SA) | Frisco ⁺ (Highest SA) | Prosper ⁺ (Higher SA) |
|---|-------------------------------------|--|--|---|---------------------------------|--|---------------------------------|----------------------------------|----------------------------------|
| 298 Apartments* | \$86,288 | \$2,205,531 | \$826,485 | \$424,104 | \$365,3488 | \$631,164 | \$1,059,688 | \$803,408 | \$1,397,620 |
| 55,000 ft ² Office | \$317,388 | \$657,040 | \$402,063 | \$107,402 | \$216,315 | \$177,870 | \$214,005 | \$475,915 | \$282,260 |
| 397,000 ft ² Office 46,700 ft ² Restaurant 250 Apartment* 100 Room Hotel | \$628,000 | \$8,791,530 (\$8,351,953) ** | \$4,816,284 (\$4,575,470)** | \$1,566,632 | \$2,395,819 | \$2,274,362 | \$2,785,632 | \$5,270,671 | \$3,674,050 |

+ Note: Comparison cities are collection rate, whereas Service Area Drafts are maximum fee allowable from pre-credit report.
 * Assumes ITE Code 220 (Most Intense Trip Generation) for Apartments
 ** 5% Internal Capture Reduction

Rate Strategies:

- Maximum fee versus Collected Rate
- Cost for Vehicle-Mile versus Cost per Unit
- Flat Dollar Amount
- Flat Percentage Amount
- Reduction for Non-Residential (or Residential)
- Neutral - Mirror Current Proportionality Rate
 - (\$800 - \$1200 / vehicle mile)
- Base on Revenue Projections

Technical Strategies:

- Internal Capture Discount
 - The amount of street impact fees due shall be reduced up to XX% for any development where an accepted traffic impact study demonstrates that the development will reduce the vehicle trips from those contained in the adopted land use equivalency table
- Travel Demand Management Discount
 - The amount of street impact fees due shall be reduced up to XX% for any development where an accepted travel demand management techniques demonstrates that the development will reduce the vehicle trips from those contained in the adopted land use equivalency table based on adopted percentages in the Transportation Criteria Manual.
- Other Technical Considerations

Policy Strategies:

- Affordable Housing versus Workforce Housing
- Incentives
- Other Considerations

Schedule

Schedule

- Next IFAC Meetings
 - January
 - Full Report with all maximum fee info – motion for comments on study
 - Staff considerations for fee recommendations (2-3 options)
 - Draft ordinance framework
 - February
 - Draft Ordinance Review
 - Start Outreach Meetings (Approve Report if not in January)

Questions