



**EQUITABLE.
PREDICTABLE.
TRANSPARENT.**



Street Impact Fees



Impact Fee Advisory Committee: 1-28-2020
Austin Transportation Department

Overview

- Discussion and possible action on Final Draft Report
- Rate Considerations
- Ordinance Elements
- Schedule & Next Steps

Final Draft Report

- Foreword
- Final Maximum Fees
- Credit Description

Impact Fee Results

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

Service Area	Final 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



Service Area G is outside the loop.
Service Area I is inside the loop.

Impact Fee Results

Service Area	Post-Finance/Credit Max \$ / vehicle-mile Final Draft
A	\$1,472
B	\$4,479
C	\$3,642
D	\$2,218
E	\$2,043
F	\$1,604
G	\$3,071
H	\$1,543

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Service Area	Post-Finance/Credit Max \$ / vehicle-mile Final Draft
I	\$1,712
J	\$3,724
K	\$5,752
L	\$2,520
M	\$2,415
N	\$1,507
O	\$3,921
P	\$3,011
DT	\$1,361

Calculate Max Fee

Determine the maximum assessable fee per land use for Service Area G and I:

$$\text{Number of Units} * \text{Impact Fee Per Service Unit} * \text{Transportation Demand Factor (TDF)} = \text{Max Impact Fee Per Land Use}$$

LAND USE	DEVELOPMENT UNITS	NUMBER OF UNITS	MAX IMPACT FEE PER SERVICE UNIT G	MAX IMPACT FEE PER SERVICE UNIT I	TDF G	TDF I	MAX FEE PER LAND USE G	MAX FEE PER LAND USE I
Single-Family Detached Housing (ITE #210)	Dwelling Units	1	\$3,071	\$1,712	4.26	2.87	\$13,082	\$4,913
Multi-Family (Mid-Rise) Housing (ITE #221)	Dwelling Units	1	\$3,071	\$1,712	2.41	1.62	\$7,401	\$2,773
High-Turnover (Sit-Down) Restaurant (ITE #932)	1,000 Square Feet	3	\$3,071	\$1,712	15.09	15.04	\$139,024	\$77,245
General Office Building (ITE #710)	1,000 Square Feet	10	\$3,071	\$1,712	3.89	4.27	\$119,462	\$73,102
Shopping Center (ITE #820)	1,000 Square Feet	50	\$3,071	\$1,712	7.98	7.30	\$1,225,329	\$624,880



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Collected Fee Options

Collection Option	Description
Maximum	Estimated maximum fee per service area for each land use
Current Rough Proportionality	Mirror Rough Proportionality Worksheet (<i>Option 1</i>)
Smoothing Option	Adopt a Citywide Average Rate (\$1,035 per vehicle-mile) (<i>Option 2</i>)
Percent Option	Adopt a Percentage Across the City (e.g use 50% across the City) (<i>Option 3</i>)



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Collected Fees by Land Use

Collection Option	G SF Home	I SF Home	G 10K SQ Ft Office	I 10K SQ Ft Office	G MF Dwelling Unit	I MF Dwelling Unit	G High-Turnover Restaurant 3K SQ Ft	I High-Turnover Restaurant 3K SQ Ft	G Shopping Center 50K SQ Ft	I Shopping Center 50K SQ Ft
Maximum	\$13,082	\$4,913	\$119,462	\$73,102	\$7,401	\$2,773	\$139,024	\$77,245	\$1,225,329	\$624,880
Current Rough Proportionality	\$3,413	\$3,413	\$50,859	\$50,859	\$2,116	\$2,116	\$57,458	\$57,458	\$418,136	\$418,136
Smoothing Option (\$1,035 / vehicle mile)	\$4,409	\$2,970	\$40,260	\$44,190	2,494	\$1,670	\$46,854	\$46,698	\$412,950	\$377,080
Percent Option (50%)	\$6,541	\$2,456	\$59,731	\$36,511	\$3,700	\$1,386	\$69,512	\$38,622	\$612,664	\$312,440



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Collected Fees – Single Family

Land Use		G	I				
Single Family (Dwelling Unit)	Maximum	\$13,082	\$4,913				
	Current Rough Proportionality	\$3,413	\$3,413				
	Smoothing Option (\$1,035 / vehicle mile)	\$4,409	\$2,970				
	Percent Option (50%)	\$6,541	\$2,456				



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Collected Fees – 10,000 sq. ft. Office

Land Use		G	I				
Office (10,000 SF)	Maximum	\$119,462	\$73,102				
	Current Rough Proportionality	\$50,859	\$50,859				
	Smoothing Option (\$1,035 / vehicle mile)	\$40,260	\$44,190				
	Percent Option (50%)	\$59,731	\$36,511				



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Collected Fees – Multi Family

Land Use		G	I				
Multi Family (Dwelling Unit)	Maximum	\$7,401	\$2,773				
	Current Rough Proportionality	\$2,116	\$2,116				
	Smoothing Option (\$1,035 / vehicle mile)	2,494	\$1,670				
	Percent Option (50%)	\$3,700	\$1,386				

Collected Fees – 3,000 sq. ft. Restaurant

Land Use		G	I				
High-Turnover Restaurant (3,000 SF)	Maximum	\$139,024	\$77,245				
	Current Rough Proportionality	\$57,458	\$57,458				
	Smoothing Option (\$1,035 / vehicle mile)	\$46,854	\$46,698				
	Percent Option (50%)	\$69,512	\$38,622				

Collected Fees – 50,000 sq. ft. Shopping Center

Land Use		G	I				
Shopping Center (50,000 SF)	Maximum	\$1,225,329	\$624,880				
	Current Rough Proportionality	\$418,136	\$418,136				
	Smoothing Option (\$1,035 / vehicle mile)	\$412,950	\$377,080				
	Percent Option (50%)	\$612,664	\$312,440				

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
Single Family	Single Family: 153 dwelling units Office: 7,700 ft ² Retail: 7,700 ft ²

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	\$561,325	\$8,791,530 (\$8,351,953)	\$4,816,284 (\$4,575,470)
Single Family: 153 dwelling units Office: 7,700 ft ² Retail: 7,700 ft ²	\$260,000	\$2,282,234	\$904,210

* 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	\$561,325	\$8,791,530 (\$8,351,953)	\$3,068,225 (\$2,914,814)	\$1,566,632	\$2,395,819	\$2,274,362	\$2,785,632	\$5,270,671	\$3,674,050
Single Family: 153 D.U. Office: 7,700 ft ² Retail: 7,700 ft ²	\$260,000	\$2,282,234	\$904,210	\$1,051,057	\$375,130	\$624,023	\$761,045	\$785,925	\$1,003,832

+ Note: Comparison cities are collection rate, whereas Service Area Drafts are maximum fee allowable from final draft report.

* Assumes ITE Code 220 (Most Intense Trip Generation) for Apartments

() 5% Internal Capture Reduction

Collection Rate Comparisons – SA G

Austin Development	Austin Mitigation/ TIA	Maximum	Current RP	Smoothing Option	50% Option	Round Rock ⁺	Frisco ⁺	Fort Worth ⁺	Prosper ⁺
298 Apartments*	\$86,288	\$2,205,531	\$630,652	\$743,212	\$1,102,765	\$424,104	\$365,3488 - \$803,408	\$631,164	\$1,059,688 - \$1,397,620
55,000 ft ² Office	\$317,388	\$657,040	\$279,736	\$221,430	\$328,520	\$107,402	\$216,315 - \$475,915	\$177,870	\$214,005 - \$282,260
397,000 ft ² Office 46,700 ft ² Restaurant 250 Apartment 100 Room Hotel	\$561,325	\$8,791,530 (\$8,351,953)	\$3,674,240 (\$3,490,528)	\$3,119,882 (\$2,963,888)	\$4,395,765 (\$4,176,926)	\$1,566,632	\$2,395,819 - \$5,270,671	\$2,274,362	\$2,785,632 - \$3,674,050
Single Family: 153 D.U. Office: 7,700 ft ² Retail: 7,700 ft ²	\$260,000	\$2,282,234	\$625,806	\$769,171	\$1,141,113	\$1,051,057	\$375,130 - \$785,925	\$624,023	\$761,045 - \$1,003,832

+ Note: Comparison cities are collection rate, whereas Service Area Drafts are maximum fee allowable from final draft report.

* Assumes ITE Code 220 (Most Intense Trip Generation) for Apartments

() 5% Internal Capture Reduction



Collection Rate Comparisons – SA I

Austin Development	Austin Mitigation / TIA	Maximum	Current RP	Smoothing Option	50% Option	Round Rock ⁺	Frisco ⁺	Fort Worth ⁺	Prosper ⁺
298 Apartments*	\$86,288	\$826,485	\$630,652	\$497,660	\$413,242	\$424,104	\$365,3488 - \$803,408	\$631,164	\$1,059,688 - \$1,397,620
55,000 ft ² Office	\$317,388	\$402,063	\$279,736	\$243,045	\$201,031	\$107,402	\$216,315 - \$475,915	\$177,870	\$214,005 - \$282,260
397,000 ft ² Office 46,700 ft ² Restaurant 250 Apartment 100 Room Hotel	\$561,325	\$4,816,284 (\$4,575,470)	\$3,674,240 (\$3,490,528)	\$3,068,225 (2,914,813)	\$2,197,882 (\$2,087,988)	\$1,566,632	\$2,395,819 - \$5,270,671	\$2,274,362	\$2,785,632 - \$3,674,050
Single Family: 153 D.U Office: 7,700 ft ² Retail: 7,700 ft ²	\$260,000	\$904,210	\$625,806	\$769,171	\$452,182	\$1,051,057	\$375,130 - \$785,925	\$624,023	\$761,045- \$1,003,832

+ Note: Comparison cities are collection rate, whereas Service Area Drafts are maximum fee allowable from final draft report.

* Assumes ITE Code 220 (Most Intense Trip Generation) for Apartments

() 5% Internal Capture Reduction

Service Area I is inside the loop.

Collected Fees – Other Considerations

Council can consider the following additional factors:

- **Vary by Service Area:** Use a different collection option by Service Area
- **Vary by Land Use:** Use a different rate or percentage for residential and non-residential
- **Phased-In Approach:** Start with one option in year 1 and transition to another option in the future (e.g. Round Rock)
- **Offsets:** In all options, fees would be offset by system improvements that are built by development
- **Discounts:** Additional discounts for different development types that further other City objectives, such as affordable housing and transit-oriented development

Ordinance Elements

- Internal Capture / Mixed Use Discount. The amount of street impacts fees shall be reduced under **Schedule 25-6-664 (a)** up to **25%** for any new development where an accepted transportation impact analysis demonstrates that the internal capture of a development will reduce vehicle trips from those contained in the adopted land use equivalency table (LUVMET).
- Transportation Demand Management Discount. The amount of street impacts fees shall be reduced under **Schedule 25-6-664 (a)** up to **15%** for any new development where an accepted traffic impact analysis utilizes approved transportation demand management techniques. The percent reduction for the transportation demand management techniques are include in the City's Transportation Criteria Manual.

Ordinance Elements

- Affordable Housing. An applicant who sets aside 10% of the total units in a development as income-restricted affordable units, as verified by the Housing Director, may request an impact fee discount:
 - (a) If at least 10 percent, but less than 20 percent, of the dwelling units are affordable, the impact fee collected rate is reduced by the percentage of affordable units;
 - (b) If at least 20 percent, but less than 50 percent, of the dwelling units are affordable, the impact fee collected rate is reduced by 50 percent; and
 - (c) If at least 50 percent of the dwelling units are affordable, the impact fee collected rate is reduced by 100 percent.

*Above reductions are
based on latest Draft LDC*

Schedule

Prior Meetings & Actions

Council Actions:

- **June 9, 2016:** ATD authorized to procure consultant to develop Street Impact Fees (SIF)
- **October 19, 2017:** City Council Public Hearing on Land Use Assumptions
- **April 11, 2019:** Austin Strategic Mobility Plan adopted, calling for implementation of SIF policy and program to fund roadway capacity improvements necessitated by growth
- **August 8, 2019:** City Council Public Hearing on SIF study assumptions
- **August 22, 2019:** City Council approval of SIF study assumptions (Land Use Assumptions & Roadway Capacity Plan)

Council Committee, Boards & Commissions:

- **June 21, 2017:** Council Mobility Committee
- **July 25, 2017:** Impact Fee Advisory Committee
 - Recommended approval of Land Use Assumptions for 10-year growth & Service Areas
- **October 10, 2017:** Urban Transportation Commission
- **August 16, 2018:** Council Mobility Committee
- **June 13, 2019:** Council Mobility Committee
- **June 13, 2019:** Impact Fee Advisory Committee
 - Recommended approval of Roadway Capacity Plan
- **August 21, 2019:** Council Mobility Committee
- **September 23, 2019:** Design Commission

Next Steps

- Next IFAC Meetings

- February
 - Draft Ordinance Review
 - Approve Report (if not in January)
- March
 - Final Review of Ordinance
- April
 - Approval of Policy Recommendations

- Next Steps for Public Engagement & Approval

- Develop public engagement materials, publish final report
- Public meetings and information on draft ordinance and policy considerations
- Council briefings
- Public hearing
- Ordinance approval

Questions