



40 by employing transportation demand management strategies recognized by  
41 the professional transportation engineering and planning fields.  
42

- 43
- 44 (9) It is appropriate to reduce street impact fees for applied measures that result  
45 in reduction in overall vehicular demand for a new development.  
46
- 47 (10) The strategies for reduction in overall vehicular demand from a new  
48 development include the following:  
49
- 50 (a) internal trip capture resulting from mixed land uses within a new  
51 development;
  - 52
  - 53 (b) proximity of a development to existing and planned transit facilities that  
54 facilitate use of transit as an alternative to vehicular transportation; and  
55
  - 56 (c) reduction in the number of parking spaces and other parking  
57 management techniques within a new development that discourage  
58 demand for vehicular travel to and from such new development.  
59
- 60 (11) The amount of the reduction of vehicular demand from such strategies can be  
61 quantified based on transportation studies in other communities.  
62
- 63 (12) The City has a transportation criteria manual that provides methodology for  
64 the reduction in vehicular demand for a new development.  
65
- 66 (13) It is anticipated that the manual shall be updated in advance of the collection  
67 of any street impact fee for a new development.  
68
- 69 (14) It is appropriate to apply the reduction in overall vehicular demand from a  
70 new development, as calculated in accordance with the methodology  
71 prescribed in the manual, against street impact fees otherwise due.  
72
- 73 (15) The maximum assessable street impact fee for a new development, reduced  
74 by any applicable strategies for lessening overall vehicular demand, is a  
75 reasonable measure for quantifying the demand for roadway improvements  
76 created by the new development for purposes of determining rough  
77 proportionality.  
78

79 (16) Chapter 395 provides for reduction or waiver of street impact fees for certain  
80 affordable housing units.

81  
82 (17) It is appropriate to waive street impact fees for such affordable housing units  
83 that qualify under the provisions of Chapter 395.

84  
85 **PART 2.** City Code Chapter 25-6 (*Transportation*) is amended to add a new Article 9  
86 to read as follows:

87 **ARTICLE 9. STREET IMPACT FEES.**

88  
89 Division 1. General Provisions.

90  
91 **§ 25-6-657 APPLICABILITY.**

92  
93 This article applies to development within the corporate boundaries of the City.

94  
95 **§ 25-6-658 DEFINITIONS.**

96  
97 (A) In this article:

98  
99 (1) **ASSESSMENT** means amount of the maximum street impact fee per service  
100 unit imposed on new development.

101  
102 (2) **CAPITAL IMPROVEMENT** means a roadway facility with a life expectancy  
103 of at least three years, to be owned and operated by or on behalf of the City  
104 including a newly constructed roadway facility or the expansion of an existing  
105 roadway facility necessary to new development.

106  
107 (3) **DEVELOPMENT UNIT** is a measure of each land use used to determine  
108 number of service units. The development unit is identified in the Land-Use,  
109 Vehicle-Mile Equivalency Table.

110  
111 (4) **FINAL PLAT APPROVAL** means when the plat has been released by the  
112 City for filing with the County. This term applies to both original plats and  
113 replats.

114  
115 (5) **LAND USE ASSUMPTIONS** mean a description of the service areas and the  
116 projections of population and employment growth and associated changes in  
117 land uses, densities, and intensities adopted by the City.

- 119 (6) LAND USE, VEHICLE-MILE EQUIVALENCY TABLE or LUVMET  
120 means the table set forth in the street impact fee study that provides the  
121 standardized measure of use of roadway facilities attributable to a new  
122 development, in terms of vehicle miles per development unit.  
123
- 124 (7) INSIDE LOOP SERVICE AREAS means those service areas located within  
125 the highway boundaries of SH 71, US 183 and SL 360.  
126
- 127 (8) MAXIMUM STREET IMPACT FEE means the street impact fee that is  
128 established for each service area. The maximum assessable street impact fee  
129 shall be established and reflected in the street impact fee study.  
130
- 131 (9) NEW DEVELOPMENT means a project which requires either the approval  
132 of a plat or the issuance of a building permit.  
133
- 134 (10) OFFSET means the amount of the reduction of a street impact fee to reflect  
135 the value of any construction of or contributions to a system facility, or  
136 dedications of an offsite system facility, and which are identified on or eligible  
137 for inclusion in the roadway capacity plan.  
138
- 139 (11) OUTSIDE LOOP SERVICE AREAS means those service areas located  
140 outside the highway boundaries of SH 71, US 183 and SL 360.  
141
- 142 (12) RECOUP means to reimburse the City for capital improvements which the  
143 City has previously installed or caused to be installed.  
144
- 145 (13) ROADWAY CAPACITY PLAN or RCP means the capital improvements or  
146 roadway facility expansions and associated costs for each service area that are  
147 necessitated by and which are attributable to new development within the  
148 service area, for up to ten years.  
149
- 150 (14) ROADWAY FACILITY means an improvement or appurtenance to a street.  
151
- 152 (15) SERVICE AREA means the geographic area within the City's corporate limits  
153 and within the geographic area street impact fees for capital improvements  
154 will be collected for new development.  
155
- 156 (16) SERVICE UNIT means one vehicle mile of travel in the afternoon peak hour  
157 of traffic.  
158

159 (17) SITE RELATED FACILITY means a site improvement, as defined in Section  
160 25-6-1 (*Definitions*).

161  
162 (18) STREET IMPACT FEE means a fee, charge, or assessment for roadway  
163 facilities imposed on new development by the City to recoup all or part of the  
164 costs of capital improvements or facility expansion necessitated by and  
165 attributable to such new development.

166  
167 (19) STREET IMPACT FEE STUDY means the study that includes the land use  
168 assumptions, designation of street impact fee services areas, roadway capacity  
169 plan, the vehicle-mile equivalency table, and the computation of maximum  
170 street impact fees per service unit for each service area.

171  
172 (20) SYSTEM FACILITY means a system improvement, as defined in Section 25-  
173 6-1 (*Definitions*).

174  
175 **§ 25-6-659 ADOPTIONS BY SEPARATE ORDINANCE.**

176  
177 The street impact fee study shall be adopted by separate ordinance.

178  
179 **§ 25-6-660 ACCOUNTS.**

180  
181 (A) The city manager shall establish accounting controls to ensure compliance with  
182 Section 395.024 of the Texas Local Government Code.

183  
184 (B) The city manager shall establish separate interest-bearing accounts for street  
185 impact fees collected for each street impact fee service area.

186  
187 (C) Funds may be disbursed as reasonably necessary to carry out the purposes of this  
188 article within a reasonable period, but not to exceed 10 years from the date the  
189 street impact fee is deposited into the account.

190  
191 (D) The city manager will keep financial records for street impact fees showing the  
192 source and disbursement of all street impact fees collected in or expended from  
193 each service area.

194  
195 (E) The street impact fees collected may be used to:

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197 (1) finance, pay for, or recoup the costs of any roadway facility identified in the  
198 roadway capacity plan for the service area;

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- (2) pay for the contract services of an independent qualified engineer or financial consultant; or
- (3) pay the principal sum and interest and other finance costs on bonds, notes, or other obligations issued by or on behalf of the City to finance such capital improvements.

(F) After ten years have passed from the date of payment of a street impact fee, the record owner of the property or governmental entity that paid the original street impact fee may apply for a proportional refund of any street impact fees that have not been expended within the service area within such period. Street impact fees shall be considered expended on a first in, first out basis. The application for a refund must be submitted to the City within 60 days after the expiration of the ten-year period. The refund shall include interest calculated from the date of collection to the date of refund at the statutory rate as set forth in Texas Finance Code Section 302.002, or its successor statute.

Division 2. Fee Established.

**§ 25-6-661 ASSESSMENT AND COLLECTION OF IMPACT FEES AUTHORIZED.**

The city manager shall collect the street impact fee on new development in accordance with this article and Chapter 395 of the Texas Local Government Code.

**§ 25-6-662 ASSESSMENT OF STREET IMPACT FEES.**

- (A) Assessment of the street impact fee for any new development shall occur:
- (1) on November 20, 2020, if the final plat approval occurred before November 20, 2020;
  - (2) at the time of final plat approval if the development has not received plat approval; or
  - (3) at the time an application is submitted for a building permit for development that is exempted from platting under Section 25-4-2 (*Exemption from Platting Requirements*).

- 239 (B) For a development that has been assessed a street impact fee under Section 25-6-  
240 662(A)(1), the street impact fee shall be reassessed if the owner submits a new  
241 application for plat approval.  
242
- 243 (C) An application for an amended plat shall not be subject to reassessment for an  
244 impact fee.  
245
- 246 (D) All assessments of street impact fees shall be the amount of the maximum street  
247 impact fee per service unit as set forth in adopted street impact fee study in effect.  
248
- 249 (E) The amount of the maximum street impact fee for a new development, less any  
250 applicable percentage reduction in fees attributable to internal recapture, transit  
251 proximity, or parking management techniques under Section 25-6-667 (*Mobility*  
252 *Related Reductions*), may be considered by the director's designated engineer as  
253 an appropriate measure of the new development's demand for roadway system  
254 facilities under Section 25-6-23 (*Proportionality of Required Infrastructure*). The  
255 amount of street impact fees assessed may be used in evaluating any claim by an  
256 applicant that the infrastructure improvements required in conjunction with  
257 approval of the development application are not roughly proportionate to the  
258 proposed development. To the extent that the street impact fee collected from a  
259 new development is less than the maximum impact fee per service unit, except for  
260 reductions under Section 25-6-667 (*Mobility Related Reductions*), such difference  
261 hereby is declared to be founded on policies unrelated to measurement of the  
262 impacts of the new development on the City's roadway system.  
263

264 **§ 25-6-663 AMOUNT OF FEE: COLLECTION RATE.**  
265

- 266 (A) The amount of the street impact fee to be assessed for each service unit and the  
267 amount of the street impact fee to be collected for each service unit shall be set by  
268 separate ordinance. The street impact fee to be collected may be increased by  
269 ordinance prior to the next scheduled street impact fee update without amending  
270 the street impact fee study, provided that the impact fee to be collected does not  
271 exceed the street impact fee that was assessed.  
272
- 273 (B) Except as provided by Subsections (C) and (D), street impact fees shall be collected  
274 at the time of the issuance of a building permit.  
275
- 276 (C) A street impact fee shall not be collected for any building permit validly issued for  
277 a new development that has received final plat approval within one year of the  
278 effective date of this article.  
279

- 280 (D) For new developments with an approved transportation impact analysis on  
281 November 20, 2020, a street impact fee shall not be collected before November 20,  
282 2023.
- 283 (E) The city manager may enter into an agreement with a developer for a different time  
284 and manner of payment of street impact fees.

285  
286 **§ 25-6-664 COMPUTATION OF IMPACT FEES TO BE COLLECTED.**

- 287 (A) The City shall compute the amount of street impact fees to be paid and collected  
288 for new development in the following manner:
- 289 (1) Determine the number of development units for each land use category using  
290 the LUVMET then in effect.
- 291 (2) Multiply the number of development units for each land use category in the  
292 new development by the service unit for each corresponding land use  
293 category in the LUVMET to determine the number of service units  
294 attributable to the new development.
- 295 (3) Multiply the number of service units for the new development by the street  
296 impact fee per service unit to be collected for the applicable service area and  
297 applicable land use.
- 298
- 299 (B) If an agreement as described in City Code Section 25-6-669 (*Offsets Against Street*  
300 *Impact Fees*) providing for offsets exists, the amount of the offsets shall be  
301 deducted from the street impact fees as calculated above.
- 302
- 303 (C) If the applicant proposes to increase the number of service units for a development  
304 that has already paid a street impact fee, the additional street impact fees collected  
305 for such new service units shall be determined by using the LUVMET.
- 306
- 307 (D) Any additional street impact fees shall be measured by the increase in the number  
308 of service units proposed from the number of service units from the preceding land  
309 use within the last five years.
- 310
- 311 (E) If a building permit application is for a speculative building, the amount of the  
312 street impact fee shall be calculated assuming that the entire building will be used  
313 as either “General Office”, “Light Industrial”, or “Shopping Center” as shown in  
314 the LUVMET. When a subsequent application for a building permit is submitted,  
315 an additional street impact fee shall be calculated if the proposed use results in an  
316 increase of service units.
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324 Division 3. Determination of Service Units.

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326 **§ 25-6-665 ALTERNATIVE CALCULATION OF SERVICE UNITS.**

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328 If an equivalent land use is not found in the LUVMET for the proposed development,  
329 an applicant may submit an alternative service unit computation, based upon a trip  
330 generation study as defined by the Institute of Transportation Engineers. The director may  
331 use the alternative service unit computation to calculate the street impact fee.

332

333 Division 4. Reductions and Offsets.

334

335 **§ 25-6-666 REDUCTION ON COLLECTION OF STREET IMPACT FEES.**

336

337 (A) The City may reduce the amount of street impact fees assessed if the new  
338 development qualifies for and the applicant requests a reduction under Sections  
339 25-6-667 (*Mobility Related Reductions*) or 25-6-668 (*Affordability Related*  
340 *Reductions*). The burden of qualifying for a reduction is on the applicant.

341

342 (B) New development that qualifies for the maximum reduction under each provision  
343 may reduce the amount of street impact fees due up to one hundred percent.

344

345 **§ 25-6-667 MOBILITY RELATED REDUCTIONS.**

346

347 (A) For new developments with an accepted transportation analysis demonstrating that  
348 the internal capture will reduce the number of trips from the trip counts calculated  
349 from the adopted LUVMET, the amount of street impact fees shall be reduced  
350 according to the following table:

351

Trip Capture	Street Impact Fee Reduction
5% - 9%	5%
10% - 14%	10%
15% - 19%	15%
20% or greater	20%

352

353 (B) The amount of street impact fees may be reduced by up to the maximums shown  
354 in the table below for any new development that utilizes an accepted transportation  
355 demand management plan per the Transportation Criteria Manual.

TDM Category	Service Area DT OR UNO District	Service Areas F, I, J, L, parts of K	All other Service Areas
Transit Proximity	20%	10%	5%
Parking	20%	10%	5%

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361

- (C) New development that does not increase net new trips comparative to the existing land use by more than 10 PM peak hour trips shall receive a one-time 100 percent reduction.

362

**§ 25-6-668 AFFORDABILITY RELATED REDUCTIONS.**

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367

- (A) An applicant who complies with the requirements of this section may request a 100 percent reduction of the street impact fee for all service units that meet the requirements in Subsection (B).

368

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370

- (B) To be eligible for a reduction under this section, affordable housing must be a housing unit located within the corporate limits of the City that is:

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373

- (1) approved for local, state, or federal funding for affordable housing as verified by the director of the Housing and Planning Department;
- (2) certified by the director of the Housing and Planning Department under another affordable housing program of City Code that meets the requirements of this section.

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- (C) To retain a reduction under this section, a unit of affordable housing must comply with the requirements of this subsection.

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- (1) A rental unit must be available for occupancy for a period of not less than 40 years by an occupant whose gross household income does not exceed 60 percent of the median family income for the Austin Metropolitan Statistical Area.

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- (2) An owner-occupied unit must be available for occupancy for a period of not less than 99 years by an occupant whose gross household income does not exceed 80 percent of the median family income for the Austin Metropolitan Statistical Area.

390

391 (3) An affordability period prescribed by this subsection begins on the date that  
392 an affordable unit is available for occupancy.  
393

394 (D) An applicant who requests a reduction under this section must submit an  
395 application to the director of the Housing and Planning Department demonstrating  
396 compliance.  
397

398 (E) If the director of the Housing and Planning Department certifies that a proposed  
399 development meets the requirements of this division, the accountable official is  
400 authorized to process a development application.  
401

402 (F) Before the director of the Housing and Planning Department may certify that a  
403 proposed development meets the requirements of this section, the applicant shall  
404 execute:  
405

406 (1) an agreement to preserve the minimum affordability period and related  
407 requirements imposed by this division; and  
408

409 (2) a document for recording in the real property records that provides notice of  
410 or preserves the minimum affordability requirements imposed by this  
411 division.  
412

413 (3) The form of the documents described in this section must be approved by the  
414 city attorney.  
415

416 (H) If an applicant who receives a reduction under this section does not comply with  
417 Subsection (B), defaults on its obligations under documents executed under  
418 Subsection (C), or does not perform in accordance with the conditions for receipt  
419 of the reduction, the City may initiate legal proceedings to recover the street impact  
420 fees that would have applied to the housing unit and damages.  
421

422 (I) A reduction under this section may not be assigned or transferred by the applicant to  
423 another property.  
424

425 **§ 25-6-669 OFFSETS AGAINST STREET IMPACT FEES.**  
426

427 (A) The City may offset the improvements or funding for construction of any system  
428 facility included on the roadway capacity plan that is required or agreed to by the  
429 City under this section and administrative guidelines.  
430

- 431 (1) The roadway facility shall be associated with the plat or other detailed plan  
432 of development for the property that is to be served by the roadway facility.  
433
- 434 (2) No offset shall be given for the dedication, funding, or construction of site-  
435 related facilities.  
436
- 437 (3) No offset shall be given for a roadway facility which is not identified within  
438 the roadway capacity plan unless the system facility qualifies for inclusion  
439 on the roadway capacity plan and is incorporated within an allocation  
440 agreement with the City under Subsection (D).  
441
- 442 (4) The value of any offset for a system facility shall be reduced by the City's  
443 cost participation in the construction or funding of such facility.  
444
- 445 (5) If the amount of the offsets for a new development exceeds the total amount  
446 of street impact fees due for the development, the remaining amount of the  
447 offsets may not be transferred or assigned to other new developments for  
448 which street impact fees are due, nor is the City responsible for reimbursing  
449 the property owner for such remaining amount, unless an allocation  
450 agreement under Subsection (D) expressly so provides.  
451
- 452 (B) No offsets shall be granted for the on-site dedication of rights-of-way or easements  
453 required by this chapter. On-site dedication of rights-of-way or easements for  
454 roadway system facilities may be considered in determining the development's  
455 share of roadway infrastructure improvement costs under Section 25-6-23  
456 (*Proportionality of Required Infrastructure*).  
457
- 458 (C) Construction of capital improvements must be completed and accepted by the City  
459 in order to qualify as an offset with the following limitations:  
460
- 461 (1) Construction completed and accepted before November 20, 2020, will only  
462 qualify as an offset until November 20, 2030.  
463
- 464 (2) Construction that begins after November 20, 2020, will qualify as an offset  
465 for ten years from the date the improvement is completed and accepted by  
466 the City unless the applicant is granted an extension.  
467
- 468 (D) Before street impact fees can be reduced by offsets authorized under this section,  
469 the owner of the property shall enter into an agreement with the City determining  
470 the allocation of the offsets. Unless the allocation agreement specifies otherwise,  
471 an offset associated with a plat shall be applied when the first building permit is

472 submitted and to each subsequent building permit application to reduce street  
473 impact fees due until the amount associated with the offset is exhausted.

474  
475 (E) Master planned projects, including subdivisions containing multiple phases,  
476 whether approved before or after the effective date of the street impact fee  
477 regulations, may apply for offsets against street impact fees for the entire project  
478 based upon improvements or funds toward construction of system facilities. For  
479 projects where development has already occurred, the amount of any offset shall  
480 be reduced by the value attributable to any service units for which a building permit  
481 has been issued prior to one year from the effective date of this article. Offsets  
482 shall be spent within the same service area using a methodology approved by the  
483 City and incorporated within an agreement under Subsection (D).

484  
485 (F) For new development that consists of multiple phases, the City may require that  
486 total offsets be proportionally allocated among phases within the new  
487 development.

488  
489 **§ 25-6-670 APPEAL.**

490  
491 (A) The property owner or applicant for a new development may appeal the following  
492 administrative decisions to the Land Use Commission:

- 493  
494 (1) The applicability of a street impact fee to the development;  
495  
496 (2) The amount of the street impact fee due;  
497  
498 (3) The availability of, the amount of, or the expiration of an offset;  
499  
500 (4) The application of an offset against a street impact fee due;  
501  
502 (5) The amount of a refund due, if any; or  
503  
504 (6) The availability of a reduction against the collection of street impact fees.

505  
506 (B) Before a public hearing is scheduled for Land Use Commission consideration, the  
507 property owner or applicant must meet with the director to discuss and attempt to  
508 resolve the issues raised by an appeal of an administrative decision.

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510 (C) The property owner or applicant may appeal a Land Use Commission action on an  
511 administrative decision to Council.

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**PART 3.** This ordinance takes effect on \_\_\_\_\_, 2020.

**PASSED AND APPROVED**

\_\_\_\_\_, 2020      § \_\_\_\_\_  
   § \_\_\_\_\_

Steve Adler  
Mayor

**APPROVED:** \_\_\_\_\_  
Anne L. Morgan  
City Attorney

**ATTEST:** \_\_\_\_\_  
Jannette S. Goodall  
City Clerk

DRAFT