



MEMORANDUM

TO: Mayor and City Council

FROM: Robert Spillar, P.E., Director,
Austin Transportation Department

DATE: June 1, 2021

SUBJECT: Street Impact Fee Implementation Update

This memorandum provides an update on the implementation of the Street Impact Fee (SIF) ordinances ([No. 20201210-061](#) and [No. 20201210-062](#)). In its adoption of the SIF ordinances on December 10, 2020, City Council directed the City Manager to continue working with stakeholders to answer questions and concerns and to continue an effort to review and evaluate existing development fees to determine if any could be eliminated or reduced to offset street impact fees. This report, as requested by City Council, outlines our progress for the first six months of implementation. The Impact Fee Advisory Committee was also briefed on this progress at the last meeting on May 11, 2021.

Implementation Steps:

As described in my [January 27, 2021 memorandum](#), staff has begun implementation efforts for the SIF program. Implementation activities include, but are not limited to:

- Developing internal administrative procedures and guidelines for staff.
- Developing applicant guidelines for compliance with the SIF requirements.
- Creating financial reporting tools in AMANDA (Austin's development database) and building a project tracking database for projects by service area.
- Developing an interactive SIF Estimator Worksheet for the public.
- Creating a web portal for external users to view projects by service area.
- Developing a program for SIF-funded transportation projects and implementing a prioritization process.

Over the next year, staff will continue to advance these efforts and have them completed before fee collections beginning on June 21, 2022.

Communications to Stakeholders

Staff communicated the adoption of the ordinances to stakeholders through its Austin Mobility Newsletter on December 28, 2020, and through its SIF e-mail list on January 12, 2021. Additionally, staff has provided presentations on the ordinances, implementation steps, and progress to the following groups: Impact Fee Advisory Committee (January 19, 2021, and May

11, 2021), Real Estate Council of Austin (March 30, 2021), and the American Institute of Architects - Austin Chapter (April 19, 2021).

Staff also held a virtual public information session on May 27, 2021, to present the details of the ordinances, and the implementation steps staff is working on. This event was promoted via the SIF stakeholder list and to other stakeholders who expressed interest in development-related activities, as well as through Austin Transportation's general communications.

Information on the SIF ordinances is available on the City's SIF webpage. Frequently asked questions (FAQs) were added to the webpage based on feedback from the development community and will be expanded further as additional questions come in from the community. The website will be updated with information about upcoming opportunities for interested community members to learn more about street impact fees, including additional public information sessions planned for June 2021. These information sessions will be focused on the SIF Estimator Worksheet that has been developed to assist applicants in estimating the SIF for their developments. Staff anticipates additional opportunities for applicants to learn more about the SIF program over the next year through various information sessions arranged by staff.

Staff plans to continue to update City Council as implementation efforts continue and will also work with the Mobility Committee to brief them at the next possible opportunity. Staff will be available to community and industry groups to present on the SIF and answer any questions. An email account is also being established for community members to direct their questions on SIF and can be provided once it is live.

Review of Development Fees

Regarding the Council's direction on the review of existing development fees, City staff have coordinated internally and have ensured that overlaps and redundancies have been eliminated. To provide clarity on the development fee review that was undertaken, development fees fall into two major categories, administrative fees and mitigation fees.

Administrative fees: Are cost of service fees. These cost of service fees are associated with staff reviewing various development applications. These fees are based on the cost of providing that service to the applicants.

Mitigation fees: Are fees that a developer has to pay the City to mitigate certain impacts of the proposed development e.g. tree mitigation fee, parkland mitigation fee, transportation mitigation fee etc.

The street impact fee is correlated with the transportation mitigation fee. The City has been collecting transportation mitigation fee to address impacts of proposed developments on the transportation network for the past several decades. This transportation mitigation fee highlights construction of transportation improvements that address any impacts of proposed developments on the transportation network. Transportation mitigations are identified based

on engineering documents (Transportation Impact Analyses) and approved planning documents like the Austin Strategic Mobility Plan (ASMP).

The street impact fee is essentially the same as a transportation mitigation fee; however, the street impact fee will be more predictable, and can be calculated with certainty by the applicants/developers at the inception of their development projects. When the street impact fees begin to be collected in June of 2022, transportation mitigation fees will no longer be collected. The goal of the SIF is to replace the need for transportation mitigation fees being collected. Instead, the SIF will let engineering and planning documents like TIAs and the ASMP identify critical safety and mobility improvements to allow applicants to construct these improvements and get an offset towards the street impact fee. These documents will remain an integral part of the development review process and will continue to highlight the impact of a development on the roadway network, and any improvements needed to offset the impact of that project.

Administrative (cost of service) fees for FY22 will remain static, based on the cost of the development review services. These fees are annually reviewed based on the cost of services provided to the development community and presented to the City Council as part of the new fiscal year's budget.

Staff will continue to coordinate our efforts to streamline the development process as it pertains to transportation review and the collection of street impact fees.

Upcoming Street Impact Fee and TCM Contract Extension

ATD is pursuing a contract extension for SIF/TCM contract not expected to exceed \$100k. Additional funding for the TCM will ensure consultant support to process public comments and finalize the document for the final Rules Posting. The consultant will also develop the Administrative Guidelines for the SIF and other related elements for implementation.

If you have other questions about the street impact fee or the implementation process, please have your office contact Upal Barua, P.E., PTOE, Acting Assistant Director at : Upal.Barua@austintexas.gov.

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