



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** January 8, 2018

SUBJECT: Consider Ordinance No. 3494, amending Land Use Assumptions, Capital Improvements Plans and Impact Fees for Water and Wastewater and amending Impact Fee Regulations, pursuant to Chapter 395 of the Local Government Code.

PRESENTER: Caroline Waggoner, City Engineer

SUMMARY:

The City Council is being asked to approve an ordinance updating 1) land use assumptions, 2) capital improvement plans for water and wastewater, and 3) impact fee rates for water and wastewater.

GENERAL DESCRIPTION:

On December 11, 2017, the City Council conducted a public hearing to consider amendments to the land use assumptions and capital improvements plan (CIP) for water and wastewater upon which the city's impact fees are based. No members of the public spoke or provided written comments during the hearing. In accordance with Chapter 395 of the Texas Local Government Code, Ordinance No. 3494 is being presented for approval. The ordinance adopts the land use assumptions and CIP plan for water and wastewater and establishes a phased implementation of the updated impact fees.

The maximum allowable impact fees for both water and wastewater are indicated in the table below:

Cost Item	Water	Wastewater
Capital Improvement Costs	\$ 13,474,237	\$ 7,578,307
Projected 10 Year Growth (equated into Service Units)	3,627	3,120
Maximum Impact Fee	\$ 3,716	\$ 2,458
Maximum Allowable Impact Fee per Service Unit	\$ 1,858 (\$ 3,627 X ½ = \$ 1,870)	\$ 1,215 (\$2,458 X ½ = \$1,229)



The table below shows a phasing scenario whereby the rates are incrementally increased over a three year period with a 1/3 increase in rates beginning with the adoption Year 1 (January 8, 2018 – January 7, 2019), then increasing twice more by 1/3 to arrive at the full rate in Year 3 (January 8, 2020 – January 7, 2021). This phased implementation is consistent with the City of Fort Worth's recent impact fee changes which became effective in April 2017. Note that the impact fee rates for any given property are based on the effective date of that property's plat. For example, if a property was platted in 2015, the rates under the previous study would be assessed, and not the new rates as proposed in the current study.

Year	Water	Wastewater
Year 1 (January 8, 2018 – January 7, 2019)	\$1,429	\$685
Year 2 (January 8, 2019 – January 7, 2020)	\$1,644	\$1,008
Year 3 (January 8, 2020 – January 7, 2021)	\$1,858	\$1,330
Year 4 (January 8, 2021 – January 7, 2022)	\$1,858	\$1,330
Year 5 (January 8, 2022 – January 7, 2023)	\$1,858	\$1,330

RECOMMENDATION:

Approve Ordinance No. 3494