

WORKING DOCUMENT FOR PUBLIC REVIEW ~~AUGUST 2012~~JULY 2013ASSESSED AND COLLECTED FEES
INCLUDING VARIOUS OPTIONS

Comment [BLL1]: For August 29 document, change subtitle to "INCLUDING PROPOSED FEES FOR PUBLIC HEARING"

I. INTRODUCTION

The Austin Water Utility (AWU) worked in concert with the Impact Fee Advisory Committee (IFAC) to develop the 2013 impact fee update. The ~~2012-5-year~~ update takes a new look at the Land Use Assumptions (LUA) and Capital Improvements Plan (CIP) that will serve new development ~~for~~in the next 10 years. The basic requirements for determining the costs "necessitated by and attributable to" new development are prescribed in the Impact Fee Act, Section 395.016 of the Texas Local Government Code. Facility capacity that will be used by new growth and its cost are determined by first projecting the demand on the system, the LUA, and then deriving the facility plan for serving that demand, the CIP. The end-products are the maximum allowable impact fees for water and wastewater, which reflect the actual cost of serving new growth that is not recouped in new customer rate payments. The law also includes the aspect called fee assessment that sets the terms of fee applicability to a given tract of land.

The actual fees collected, up to the maximum allowable fee, are the purview of the Austin City Council. Compared to previous updates, a larger effort has been made to gather public input on setting collected fees. The main factors motivating the larger effort are~~This is one of many components of policy making regarding development in the city's service area. AWU in concert with the Impact Fee Advisory Committee is making a larger effort than in past updates to gather public input on setting collected fees as part of the 2012 update. Several factors motivate the larger effort, including~~ the maximum allowable fees being higher than before, and increased interest in the question of "how much should growth pay for itself". Based on the input received, AWU is proposing new collected fees for consideration in the public hearing mandated by the impact fee law. These proposed fees are presented in Section V. Subsequent to the hearing, Austin City Council will enact an ordinance adopting new fees and that ordinance will be appended to this document.~~The overall goal of the update process is to carry through to Council adoption of a new collected fees ordinance based on the information developed in the update and the results of public input.~~

Austin continues to be one of the fastest growing cities in the country. With continuation of this trend, the projected magnitude of 10-year growth detailed in the LUA ~~is~~has not changed significantly from the ~~last~~previous update in 2007. ~~The~~Also, the impact fee service area ~~is~~little~~has not~~ changed significantly. A comparison of population and service unit growth for the water system is shown below:

<u>Previous 2007 Update for Water</u>				<u>2012-Proposed Update for Water</u>			
Population			Service Units	Population			Service Units
2005	2015	10-year Growth	10-year Growth	2010	2020	10-year Growth	10-year Growth

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799,965	971,363	171,398	78,208	875,936	1,050,991	175,055	70,292
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Similarly, for wastewater the 2010 service unit 10-year growth increment is 70,288, compared to the previous 2007 update of 74,273.

What is changing is the way people use water. The City of Austin's water conservation programs have lowered and are projected to continue lowering the amount of water used per person and per meter service unit in the AWU's system. To account for this in the 2012-5-year update, the City of Austin's goal of reaching 140 gallons per capita formed the basis of the 2020 flow projection. With less flow per service unit, the capacity of individual facilities expressed in service units is increased, so the cost per service unit is lowered, which in turn acts to lower subsequently reduces the calculated impact fees.

The great majority of Most facilities that will serve new growth are part of the CIP plans developed over the past 30 years. Major changes from since 2007 regarding the water facility plan are the addition of the South IH35 projects and the increase in WTP 4 related growth costs. The top three facility change factors for wastewater are the new South IH35 projects, the proposed Parmer Interceptor serving northwest Austin and the updated cost of the Downtown Tunnel. Both water and wastewater plans include CIP projects serving SH130 corridor growth, including city-funded facility components related to service inserving the areas of the three new recently formed utility districts. Total project costs and the 10-year growth impact costs are shown below.

Previous 2007 Update				2012-Proposed Update			
Total Project Cost With Interest		10-yr Growth Project Cost		Total Project Cost With Interest		10-yr Growth Project Cost	
Water	\$1,599,866,000		\$517,342,000	Water	\$2,057,353,000		\$591,088,000
Wastewater	\$950,630,000		\$275,145,000	Wastewater	\$1,050,393,000		\$248,365,000

One-An additional change factor in calculating the new maximum allowable fees is the rate revenue credit. To avoid double charging, the law requires that monies paid by new users toward the growth projects in the form of rates be subtracted from the 10-year growth project costs. In the 2012-5-year update the rate revenue credit amount is calculated for Austin-specific conditions for the first time. Previously, the default option provided in the law (a credit equal to 50% of growth impact costs) was used which is a credit equal to 50% of growth impact costs. Since the Austin-specific rate revenue credits for water and wastewater equate to about 35% of the growth impact costs, the new method acts to increase the maximum allowable fee. A comparison of maximum allowable fees is shown below.

Previous 2007 Update				2012-Proposed Update			
Maximum Allowable Fee Using 50% Rate Revenue Credit				Maximum Allowable Fee Using 35% Rate Revenue Credit			
Water	\$3,307			Water	\$5,415		
Wastewater	\$1,852			Wastewater	\$2,284		

II. ASSESSED FEES

The Impact Fee Act provides what is called fee assessment in order to set the timing for establishing fees for a given tract of land. It states that impact fees must be assessed on all property no later than the time of subdivision (with certain exceptions where development occurs without the need for subdivision). Accordingly, the assessed fees for a particular lot are those in effect at the time of subdivision recordation. After 1990 the impact fee update reports and ordinances included the assessed fee separate from the maximum allowable and collected fees. The assessed fee remained constant ~~after 1990~~ at \$1,700 for water per service unit and \$1,300 for wastewater per service unit until the previous 2007 update. Since then the assessed fee is deemed to be the maximum allowable amount, thereby keeping open the option of setting collected fees up to the maximum allowable fee in effect at the time a subdivision plat is recorded.

III. COLLECTED FEES BACKGROUND

Austin City Council adoption of the LUA and CIP updates is followed by Council adoption of the ordinance that sets the impact fees actually collected at the time of tap sale for water meter purchase and/or wastewater service. These collected fees are generally referred to as Austin's impact fees. The current fees are shown on the left hand side of the alternative options tables following this narrative. Historically, ~~these~~ collected amounts have been set by ordinance at amounts lower than the maximum allowable fees. ~~The current fees are shown on the left hand side of Table 1.~~

~~The alternative options tables 1~~ shows the ~~City Council adopted current~~ impact fee structure, originally adopted by Austin City Council in 1999, for collected fee amounts that varied according to location in ~~7~~seven areas. This was intended to incentivize development in central city and Desired Development Zone (DDZ) areas. In subsequent years the adopted annual budget ~~has~~ included this fee structure. The zone percentages and current fee amounts established in the previous 2007 update and ~~c~~City-wide ~~r~~Rate ~~o~~Ordinances with this structure remain in effect today for lots platted on or after October 1, 2007.

With existing computer databases, City of Austin staff can readily ~~find~~ determine the date when a subdivision plat is recorded and its location relative to fee incentive areas. The scanned image of the recorded plat is available to municipal personnel in the subdivision review and tap sales offices allowing them to inform customers in a timely fashion what the collected fee is for a specific lot. Based on past fee updates and ordinance actions there are only two fee schedules currently in effect, one for before October 1, 2007, and one from that date forward. Adoption of the fees proposed in A change in the collected fees as part of this 2012-5-year impact fee update could would institute a new third schedule. On average, a period of about eight years elapses before most of the plats recorded in a given year are built out, which has the effect of phasing in new fees that are adopted.

IV. STAKEHOLDER AND PUBLIC INPUT

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The Impact Fee Act provides for public hearings on the LUA, CIP, and the imposition of the impact fee. Because the maximum allowable fee amounts calculated in this update are larger than before, and because the issue of growth paying for itself has received more attention during this 5-year update, the Austin Water Utility made a larger effort to gather stakeholder and public input in concert with the Impact Fee Advisory Committee before making a recommendation to Austin City Council on new collected fee amounts.

In August of 2012 The AWUtility has developed 3-three options to aid in talking with interested parties about possible looking at changes in collected fees. The question of how existing lots could be affected should be addressed in considering these options. These are The alternative options tables following this narrative summarize these options, and provide dollar value increases and percentage fee increases associated with each option. The original options provided in August of 2012 are listed below, from smallest fee increase to largest.

Option 1 - Keep the current ~~7-areaseven~~ development zones structure and use the default 50% rate revenue credit:

~~With the increased maximum allowable fees calculated in this update, keeping the present development zone fee structure and percentages of maximum allowable, and using the default 50% rate revenue credit, would result in the increased collected fees shown as Option 1 of Table 1. Dollar value increases and percentage fee increases associated with this approach are shown.~~

Option 2 - Keep the current ~~7-areaseven~~ development zones structure and use the Austin-specific rate revenue credit:

~~The dollar value and percentage increase results of this approach are shown as Option 2 of Table 1.~~

Option 3 - Use the Austin-specific rate revenue credit and Eliminate-eliminate the 7-areaseven development zones in favor of a uniform percentage of the maximum allowable fee, and use the Austin-specific rate revenue credit:

In Option 3, the current zone discount structure is eliminated for future plats and the collected fee calculation includes a uniform percent of the maximum allowable throughout the service area. The effect of making this change to a uniform percentage of the maximum allowable, and using the Austin-specific credit, is shown as the Option 3 group ~~on~~ in the tables 1, with three different uniform percentages given for comparison:

- Option 3A shows the resulting fees and increase amounts for a uniform percentage of 75%. This reflects the current maximum percentage in the Drinking Water Protection Zone.
- Option 3B shows the resulting fees and increase amounts for a uniform percentage of 80%.
- Option 3C shows the results for a uniform percentage of 85%. This is the highest percentage looked at based on the idea that it is desirable to have collected fees below the maximum allowable since there are inherently some

uncertainties and estimates used in the analysis to determine the maximum allowable.

Option 3 was the example used in the stakeholder input process. This option reflects the recommendation of the Joint Committee on Austin Water Utility's Financial Plan. The committee, made up of members from the Resource Management Commission, the Water and Wastewater Commission, and the Impact Fee Advisory Committee, was tasked with crafting a financial stability framework, including impact fee policy for AWU. The Joint Committee's recommendation (Item 3.1) made in May of 2012 states:

"Adopt an impact fee policy that calculates the maximum impact fee allowed by law. Consider the elimination of the current zone discount policy that has the effect of subsidizing infrastructure for new development."

IV. STAKEHOLDER AND PUBLIC INPUT

~~The Impact Fee Act provides for public hearings on the LUA, CIP, and the imposition of the impact fee. Because the maximum allowable fee amounts calculated in this update are larger than before, and because the issue of growth paying for itself has received more attention this year than before, the Utility seeks to make a larger effort to gather stakeholder and public input in concert with the Impact Fee Advisory Committee before making a recommendation to City Council on new collected fee amounts. The role of the Advisory Committee is especially important in this activity owing to its role under sections 395.050 and 395.058 of the law in advising and assisting the city regarding the land use assumptions and capital improvements plan and in making comments on proposed impact fees.~~

To gather stakeholder input, AWU notified community members with potential interest in the Utility's finances and the Utility plans to notify parties in the community known to be interested in impact fees policy and offer the opportunity for discussion of setting new fees as part of this 2012 update process. An AWU hosted public meeting specifically for this update of the impact fees was held last fall. Additionally, AWU presented to, and received stakeholder input from, the following external entities that responded to the communications soliciting input:

- Home Builders Association of Greater Austin
- Real Estate Council of Austin
- Downtown Austin Alliance
- Chamber of Commerce

Most recently, the impact fee update was an integral part of the AWU Fiscal Year 2013-2014 budget process, which included two public meetings and numerous Boards and Commissions meetings.

~~At the same time the meetings of the Advisory Committee will offer opportunities for public input and discussion. Discussion is expected to touch focused on the update process and the magnitude of collected fees in reference to the current impact fees. various aspects of development fees including community thinking on~~ Four main policy considerations became evident:

- How much should “growth-~~should~~ pay for itself” regarding water and wastewater infrastructure related to fee increase options?
- Support for the concept of lower fees for incentive areas to direct growth.
- Affordability, especially housing, from the buyer’s perspective, as relates to fee increase options.
- Regional competition and the cost of development as relates to fee increase options, from the development community perspective.
- ~~Position in the Texas market for development growth as compared to other cities.~~
- ~~The total package of fees and requirements placed on the development community.~~
- ~~Incentivizing growth in certain areas of the city.~~

The goal of the extended stakeholder and public input process is-was to gather further input from the community prior to Austin City Council taking action to adopt new impact fees. The three options presented above provided a framework for the discussion. ~~The UtilityAWU will develop~~ a website to make information developed in this 2012-5-year update process available; ~~including this working report~~. The website will include a component for receiving input and answering questions.

Regarding the idea of lower fees in incentive areas to direct growth, AWU worked with the City of Austin Planning and Development Review Department (PDRD) to design a new approach based on the Imagine Austin Comprehensive Plan concept of incentivizing growth in certain corridors and centers. Additionally, PDRD provided the following list of Imagine Austin Comprehensive Plan policies and actions incentivizing development within targeted areas:

- LUT P3. Promote development in compact centers, communities, or along corridors that are connected by roads and transit, are designed to encourage walking and bicycling, and reduce healthcare, housing and transportation costs. (See also HN P4, S P3, C P9)
- LUT P7. Encourage infill and redevelopment opportunities that place residential, work, and retail land uses in proximity to each other to maximize walking, bicycling, and transit opportunities. (See also HN P7, HN P11, S P11)
- LUT P9. Develop and maintain consistent fiscal policies to direct public investments associated with growth and development to implement Imagine Austin.
- LUT A1: Give priority to City of Austin investments to support mixed use, transit, and the creation of compact walkable and bikeable places.
- LUT A4: Use incentives and regulations to direct growth to areas consistent with the Growth Concept Map that have existing infrastructure capacity including roads, water, wastewater, drainage, and schools.
- CFS A34: Align policies, incentives, regulations, service area extensions, and infrastructure to coordinate with the Growth Concept Map, maintain Austin’s livability and affordability, protect environmentally sensitive areas, and sustainably manage Austin’s water resources. Include consideration of diverse water sources and conservation and efficiency measures when planning for future demand for potable water.
- CE A3: Preserve and protect environmentally sensitive areas using a variety of tools, including transferable development rights as well as policies and regulations that incentivize greyfield/redevelopment/infill.

The initial concept for creating an option to incorporate these policies and actions was to have a single lower fee that applies to all of the areas for which a small area plan for a center or corridor has been established by PDRD and Council ordinance. Presently there are several areas that qualify including the entire CURE area, and the areas highlighted in green on the maps following this narrative. The use of these Imagine Austin Incentives Areas is denoted with the letter “i” at the end of the option title.

Through the extended stakeholder and public input process, several new options were developed for consideration. These options are presented below chronologically as they were developed from the input process:

Option 3Ci - Similar to Option 3C detailed above, this option uses the Austin-specific rate revenue credit and eliminates the seven development zones in favor of a uniform percentage of 85% of the maximum allowable fee; however, the “i” portion of this option incorporates the proposed Imagine Austin Incentive Areas as discussed above. These incentive areas receive a 41.3% discount from other areas in the City (50% of the maximum allowable fee versus 85% as discussed above). While this option was the first to incorporate the additional Imagine Austin Comprehensive Plan fee setting components, there were some issues highlighted during the stakeholder input process. The first issue raised was that these areas were already heavily incentivized through other means and already developing at a rapid pace. Another concern expressed was that there is a significant difference in proposed fees for adjacent lots, which could lead to many requests for parcels near an area and developing per Imagine Austin to be included in the incentive areas. Furthermore, there was concern about the differential in fees for development occurring outside of the incentive areas that is consistent with Imagine Austin. It was also noted that there was not an incentive to develop in the less environmentally sensitive areas, which is also an Imagine Austin priority. As with several of the higher proposed fee options, there was feedback from several stakeholders about the fee amount being significantly higher than neighboring central Texas suburban communities.

Option 4 - Based on the input received from Options 1 through 3Ci, Options 4 and 4i were developed. Option 4 uses the Austin-specific rate revenue credit and eliminates the seven development zones in favor of using the City standard two development zones: the Drinking Water Protection Zone (DWPZ) and the Desired Development Zone (DDZ). A uniform percentage of 85% of the maximum allowable fee would be applied in the DWPZ, and a uniform percentage of 60% of the maximum allowable fee would be applied in the DDZ, which is a 30.4% discount from the DWPZ. This option provides an environmental differential and a more competitive (from the central Texas perspective) impact fee in the DDZ.

Option 4i - Similarly, Option 4i uses the Austin-specific rate revenue credit and eliminates the seven development zones in favor of using the City standard two development zones: the Drinking Water Protection Zone (DWPZ) and the Desired

Development Zone (DDZ). A uniform percentage of 85% of the maximum allowable fee would be applied in the DWPZ, and a uniform percentage of 60% of the maximum allowable fee would be applied in the DDZ, which is a 30.4% discount from the DWPZ. Additionally, a uniform percentage of 50% of the maximum allowable fee would be applied in the Imagine Austin Incentive Areas, which is a 41.3% discount from the DWPZ and a 15.6% discount from the DDZ. This option combines the environmental differential and regional competitiveness benefits of Option 4 with the Imagine Austin development framework. Additionally, this option mitigates the issue of the significant difference in proposed fees for lots adjacent to the Imagine Austin Incentive Areas as discussed in Option 3Ci.

Option 5 - There was significant discussion about the impact fee update through the recent stakeholder input effort for the fiscal year 2013-2014 AWU budget. Option 5 was developed at the request of the Budget Committee of the Water and Wastewater Commission. This option uses the Austin-specific rate revenue credit and eliminates the seven development zones in favor of a uniform percentage of 100% of the maximum allowable fee (rounded down to the nearest \$100).

V. PROPOSED COLLECTED FEES FOR PUBLIC HEARING

This section reserved for fees proposed for the public hearing.

VI. ADOPTED FEES

This section reserved for fees adopted by Austin City Council ordinance subsequent to the public hearing.

DRAFT - Impact Fee Collected Fee Update Options

Preliminary and Subject to Change

OPTION 1:									
Water:									
Max Allow. Calc. Method: 50% Rate Rev. Credit									
Current Impact Fees		Collected Fees: current zone structure				Compared to Current Fees			
\$ per Service Unit	% of Maximum Allowable Fee	\$ per Service Unit	% of Maximum Allowable Fee	Collected fee:	% Increase / (\$ Decrease)	% Change	\$ Increase / (\$ Decrease)	% Change	
Maximum Allowable Fee	100%	\$4,205	100%		\$998	27%			
DWP2 - Outside ETJ Fee	75%	\$3,200	75%		\$700	28%			
DWP2 - ETJ Fee	75%	\$3,200	75%		\$700	28%			
DWP2 - Inside City Fee	65%	\$2,700	65%		\$500	23%			
DOZ - ETJ Fee	55%	\$2,300	55%		\$500	28%			
DOZ - Inside City Fee	30%	\$1,300	30%		\$300	30%			
DOZ - Urban Watersheds Fee	25%	\$1,100	25%		\$300	38%			
DOZ - CURE	20%	\$800	20%		\$100	14%			
Wastewater:									
Max Allow. Calc. Method: 50% Rate Rev. Credit									
Current Impact Fees		Collected Fees: current zone structure				Compared to Current Fees			
\$ per Service Unit	% of Maximum Allowable Fee	\$ per Service Unit	% of Maximum Allowable Fee	Collected fee:	% Increase / (\$ Decrease)	% Change	\$ Increase / (\$ Decrease)	% Change	
Maximum Allowable Fee	100%	\$1,767	100%		(\$85)	-5%			
DWP2 - Outside ETJ Fee	75%	\$1,300	75%		(\$100)	-7%			
DWP2 - ETJ Fee	75%	\$1,300	75%		(\$100)	-7%			
DWP2 - Inside City Fee	65%	\$1,100	65%		(\$100)	-8%			
DOZ - ETJ Fee	55%	\$1,000	55%		\$0	0%			
DOZ - Inside City Fee	30%	\$500	30%		(\$100)	-17%			
DOZ - Urban Watersheds Fee	25%	\$400	25%		(\$100)	-20%			
DOZ - CURE	20%	\$400	20%		\$0	0%			

Note: In the tables above, collected fee amounts are rounded to the nearest \$100

DWP2: Drinking Water Protection Zone
DOZ: Desired Development Zone
ETJ: Extrajurisdictional Jurisdiction
SU: Service Unit

An Impact Fee Service Unit (SU) represents a standard 5/8-inch meter - for service unit equivalents of larger meters, see SU equivalency table

Current impact fees are for lots that were platted on or after October 1, 2007. For lots platted prior to this date see previous fee schedules in effect at time of platting.

Draft 5-year Update - Impact Fee Comparison v15.xlsx All W&WW IF Options

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DRAFT - Impact Fee Collected Fee Update Options

OPTION 3A: Uniform 75%				OPTION 3B: Uniform 80%			
Water:				Water:			
Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit				Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit			
Collected Fees: uniform 75% of max allow., no zone reductions				Collected Fees: uniform 80% of max allow., no zone reductions			
Current Impact Fees		Compared to Current Fees:		Current Impact Fees		Compared to Current Fees:	
\$ per Service Unit	% of Maximum Allowable Fee	\$ Increase / (\$ Decrease)	% Change	\$ per Service Unit	% of Maximum Allowable Fee	\$ Increase / (\$ Decrease)	% Change
Maximum Allowable Fee	100%	\$2,108	64%	Maximum Allowable Fee	100%	\$2,108	64%
DWPZ - Outside ETJ Fee	75%	\$1,600	64%	DWPZ - Outside ETJ Fee	80%	\$1,800	72%
DWPZ - ETJ Fee	75%	\$1,600	64%	DWPZ - ETJ Fee	80%	\$1,800	72%
DWPZ - Inside City Fee	65%	\$1,900	86%	DWPZ - Inside City Fee	80%	\$2,100	95%
DDZ - ETJ Fee	55%	\$2,300	128%	DDZ - ETJ Fee	80%	\$2,500	139%
DDZ - Inside City Fee	30%	\$3,100	310%	DDZ - Inside City Fee	80%	\$3,300	330%
DDZ - Urban Watersheds Fee	25%	\$3,300	413%	DDZ - Urban Watersheds Fee	80%	\$3,500	438%
DDZ - CURE	20%	\$3,400	486%	DDZ - CURE	80%	\$3,600	514%
Wastewater:				Wastewater:			
Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit				Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit			
Collected Fees: uniform 75% of max allow., no zone reductions				Collected Fees: uniform 80% of max allow., no zone reductions			
Current Impact Fees		Compared to Current Fees:		Current Impact Fees		Compared to Current Fees:	
\$ per Service Unit	% of Maximum Allowable Fee	\$ Increase / (\$ Decrease)	% Change	\$ per Service Unit	% of Maximum Allowable Fee	\$ Increase / (\$ Decrease)	% Change
Maximum Allowable Fee	100%	\$432	23%	Maximum Allowable Fee	100%	\$432	23%
DWPZ - Outside ETJ Fee	75%	\$300	21%	DWPZ - Outside ETJ Fee	80%	\$400	29%
DWPZ - ETJ Fee	75%	\$300	21%	DWPZ - ETJ Fee	80%	\$400	29%
DWPZ - Inside City Fee	65%	\$500	42%	DWPZ - Inside City Fee	80%	\$600	50%
DDZ - ETJ Fee	55%	\$700	70%	DDZ - ETJ Fee	80%	\$800	80%
DDZ - Inside City Fee	30%	\$1,100	183%	DDZ - Inside City Fee	80%	\$1,200	200%
DDZ - Urban Watersheds Fee	25%	\$1,200	240%	DDZ - Urban Watersheds Fee	80%	\$1,300	260%
DDZ - CURE	20%	\$1,300	325%	DDZ - CURE	80%	\$1,400	350%

Note: In the tables above, collected fee amounts are rounded to the nearest \$100

DWPZ: Drinking Water Protection Zone
DDZ: Desired Development Zone
ETJ: Extraterritorial Jurisdiction
SU: Service Unit

An Impact Fee Service Unit (SU) represents a standard 5/8-inch meter - for service unit equivalents of larger meters, see SU equivalency table

Current impact fees are for lots that were platted on or after October 1, 2007. For lots platted prior to this date see previous fee schedules in effect at time of platting.

DRAFT - Impact Fee Collected Fee Update Options

Preliminary and Subject to Change

OPTION 3C: Uniform 85%				OPTION 3Ci: 85% with Imagine Austin (IA) Incentive			
Water:				Water:			
Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit Collected Fees: uniform 85% of max allow., no zone reductions				Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit Collected Fees: most areas 85% of max allow., and 50% of max allow. in IA incentive areas.			
Current Impact Fees				Most Areas			Imagine Austin Incentive Areas
\$ per Service Unit	% of Maximum Allowable Fee	Collected fee:	Compared to Current Fees:	\$ Increase / (\$ Decrease)	% Change	\$ Increase / (\$ Decrease)	% Change
Maximum Allowable Fee	100%	\$5,415	100%	\$2,108	64%	\$2,108	64%
DWPZ - Outside ETJ Fee	75%			\$2,100	84%	N/A	N/A
DWPZ - ETJ Fee	75%			\$2,100	84%	N/A	N/A
DWPZ - Inside City Fee	65%			\$2,400	109%	N/A	N/A
DOZ - ETJ Fee	55%			\$2,800	156%	\$900	50%
DOZ - Inside City Fee	30%			\$3,600	360%	\$1,700	170%
DOZ - Urban Watersheds Fee	25%			\$3,800	475%	\$1,900	238%
DOZ - CURE	20%			N/A	N/A	\$2,000	288%
Wastewater:				Wastewater:			
Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit Collected Fees: uniform 85% of max allow., no zone reductions				Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit Collected Fees: most areas 85% of max allow., and 50% of max allow. in IA incentive areas.			
Current Impact Fees				Most Areas			Imagine Austin Incentive Areas
\$ per Service Unit	% of Maximum Allowable Fee	Collected fee:	Compared to Current Fees:	\$ Increase / (\$ Decrease)	% Change	\$ Increase / (\$ Decrease)	% Change
Maximum Allowable Fee	100%	\$2,284	100%	\$432	23%	\$432	23%
DWPZ - Outside ETJ Fee	75%			\$500	36%	N/A	N/A
DWPZ - ETJ Fee	75%			\$500	36%	N/A	N/A
DWPZ - Inside City Fee	65%			\$700	58%	N/A	N/A
DOZ - ETJ Fee	55%			\$900	90%	\$100	10%
DOZ - Inside City Fee	30%			\$1,300	217%	\$500	83%
DOZ - Urban Watersheds Fee	25%			\$1,400	280%	\$600	120%
DOZ - CURE	20%			N/A	N/A	\$700	175%

Note: In the tables above, collected fee amounts are rounded to the nearest \$100

DWPZ: Drinking Water Protection Zone
 DOZ: Desired Development Zone
 ETJ: Extraterritorial Jurisdiction
 SU: Service Unit

An Impact Fee Service Unit (SU) represents a standard 5/8-inch meter - for service unit equivalents of larger meters, see SU equivalency table

Current impact fees are for lots that were platted on or after October 1, 2007. For lots platted prior to this date see previous fee schedules in effect at time of platting.

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DRAFT - Impact Fee Collected Fee Update Options

Preliminary and Subject to Change

OPTION 4:					OPTION 4i: Imagine Austin (IA) Incentive				
Water:					Water:				
Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit					Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit				
Collected Fees: DWPZ 85%, and DDZ 60% of max allow.					Collected Fees: DWPZ 85%, DDZ 60%, and IA Incentive Areas 50% of max allow.				
Current Impact Fees					Most Areas				

DRAFT - Impact Fee Collected Fee Update Options

OPTION 5: Max Allowable Water:									
<div> <div>Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit</div> <div>Collected Fees: Round down from max allow. to nearest \$100</div> </div>									
Water	\$ per Service Unit	% of Maximum Allowable Fee	Compared to Current Fees:						
			\$ Increase / (\$ Decrease)	% Change					
Maximum Allowable Fee	\$3,307	100%	\$2,108	64%					
DWP2 - Outside ETJ Fee	\$2,500	75%	\$2,900	116%					
DWP2 - ETJ Fee	\$2,500	75%	\$2,900	116%					
DWP2 - Inside City Fee	\$2,200	65%	\$3,200	145%					
DDZ - ETJ Fee	\$1,800	55%	\$3,600	200%					
DDZ - Inside City Fee	\$1,000	30%	\$4,400	440%					
DDZ - Urban Watersheds Fee	\$800	25%	\$4,600	575%					
DDZ - CURE	\$700	20%	\$4,700	671%					

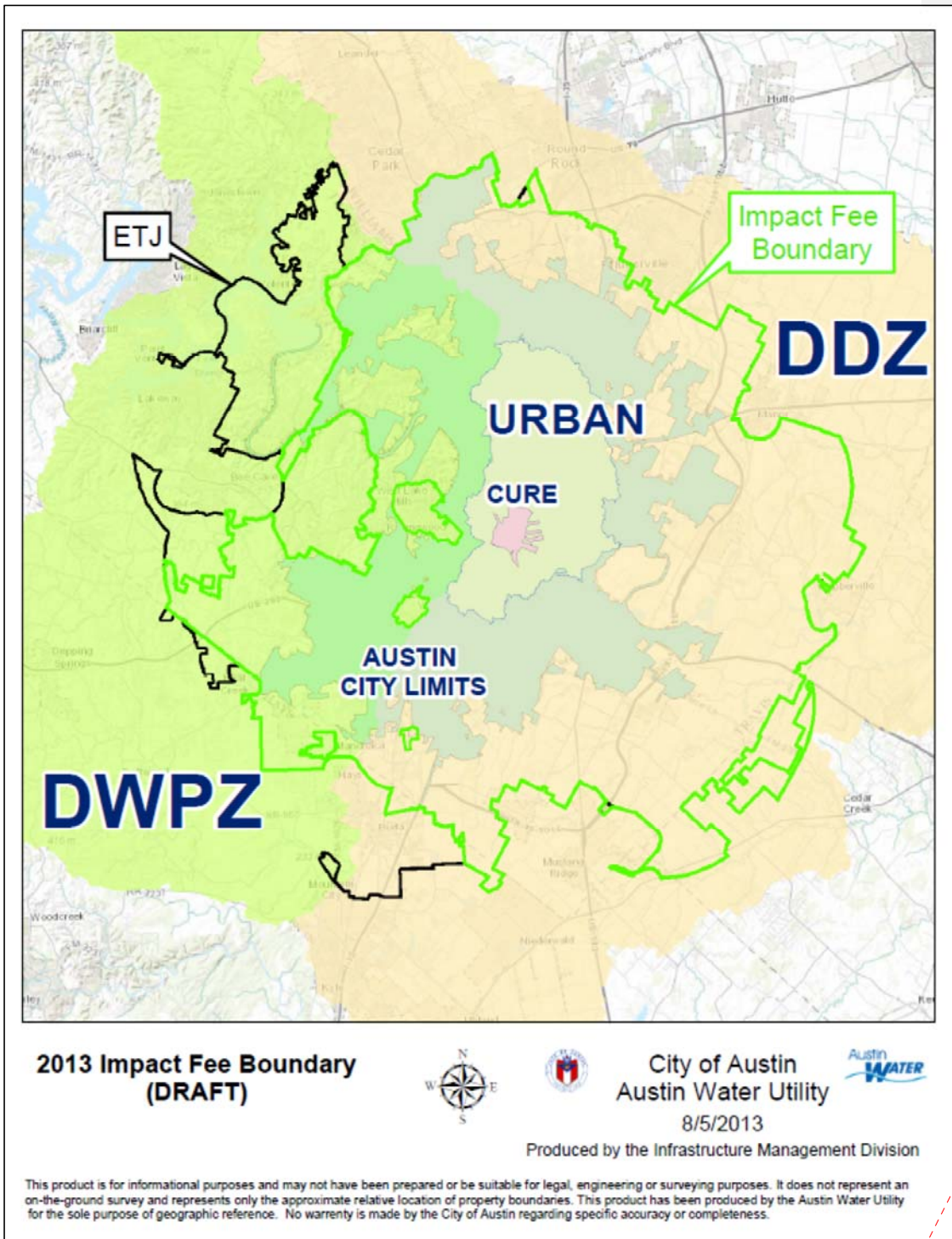
OPTION 5: Max Allowable Wastewater:									
<div> <div>Max Allow. Calc. Method: Austin-Specific Rate Rev. Credit</div> <div>Collected Fees: Round down from max allow. to nearest \$100</div> </div>									
Wastewater	\$ per Service Unit	% of Maximum Allowable Fee	Compared to Current Fees:						
			\$ Increase / (\$ Decrease)	% Change					
Maximum Allowable Fee	\$1,852	100%	\$432	23%					
DWP2 - Outside ETJ Fee	\$1,400	75%	\$800	57%					
DWP2 - ETJ Fee	\$1,400	75%	\$800	57%					
DWP2 - Inside City Fee	\$1,200	65%	\$1,200	83%					
DDZ - ETJ Fee	\$1,000	55%	\$1,200	120%					
DDZ - Inside City Fee	\$600	30%	\$1,600	267%					
DDZ - Urban Watersheds Fee	\$500	25%	\$1,700	340%					
DDZ - CURE	\$400	20%	\$1,800	450%					

Note: In the tables above, collected fee amounts are rounded to the nearest \$100

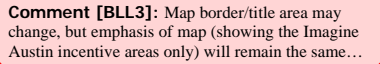
DWPZ: Drinking Water Protection Zone
DDZ: Desired Development Zone
ETJ: Extraterritorial Jurisdiction
SU: Service Unit

An Impact Fee Service Unit (SU) represents a standard 5/8-inch meter - for service unit equivalents of larger meters, see SU equivalency table

Current impact fees are for lots that were platted on or after October 1, 2007. For lots platted prior to this date see previous fee schedules in effect at time of platting.



ACF - I4
DRAFT - SUBJECT TO CHANGE



A number line is shown with tick marks at 0, 1, and 2. The word "Miles" is written below the line. A green rectangular bar is drawn above the line, starting at 0.5 and ending at 1.5.



City of Austin
Austin Water Utility

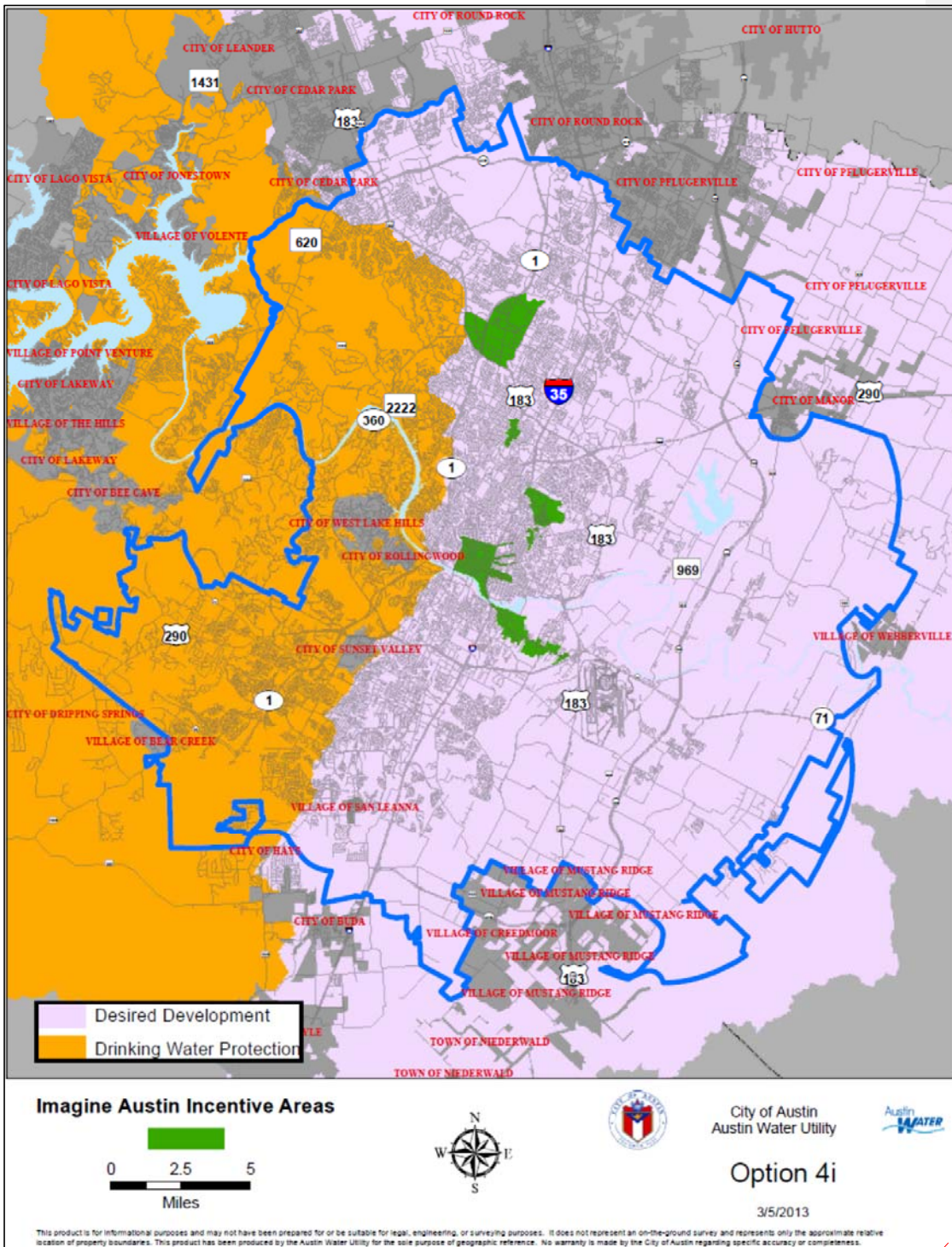


Imagine Austin Incentive Areas

2/15/2013

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. This product has been produced by the Austin Water Utility for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.

ACF - 15
DRAFT - SUBJECT TO CHANGE



Comment [BLL4]: Map border/title area may change

ACF - I6
DRAFT - SUBJECT TO CHANGE