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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

ARTICLE 9. STREET IMPACT FEES.

Division 1. - General Provisions.

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

§ 25-6-658 – DEFINITIONS.

(A) In this Article:

- Page 1 of 8

31 standardized measure of use of roadway facilities attributable to a new
32 development, in terms of vehicle miles per development unit.

33 (7) MAXIMUM STREET IMPACT FEE means the street impact fee that is
34 established for each service area in the Street Impact Fee Study.

35 (8) NEW DEVELOPMENT means a project which requires either the approval
36 of a plat or the issuance of a building permit.

37 (9) OFFSET means the amount of the reduction of a street impact fee to reflect
38 the value of any construction of or contributions of a system facility
39 identified on the roadway capacity plan.

40 (10) RECOUP means a reimbursement to the City for capital improvements
41 which the City has previously installed or caused to be installed.

42 (11) ROADWAY CAPACITY PLAN or RCP means the capital improvements
43 or roadway facility expansions and associated costs for each service area
44 that are necessitated by and which are attributable to new development
45 within the service area, for up to ten years.

46 (12) ROADWAY FACILITY means an improvement or appurtenance to a street.

47 (13) SERVICE AREA means the geographic area within the City's corporate
48 limits and within which geographic area street impact fees for capital
49 improvements will be collected for new development.

50 (14) SERVICE UNIT means one vehicle mile of travel in the afternoon peak hour
51 of traffic.

52 (15) STREET IMPACT FEE means a fee, charge, or assessment for roadway
53 facilities imposed on new development by the City to recoup all or part of
54 the costs of capital improvements or facility expansion necessitated by and
55 attributable to such new development.

56 (16) STREET IMPACT FEE STUDY means the study that includes the land use
57 assumptions designation of Street Impact Fee service areas, capacity
58 improvement plan, and the vehicle-mile equivalency table.

59 **§ 25-6-659 - ADOPTIONS BY SEPARATE ORDINANCE.**

60 The Street Impact Fee Study shall be adopted by separate ordinance.

61 **§ 25-6-660 - ACCOUNTS.**

62 (A) The city manager will establish accounting controls to ensure compliance with
63 Section 395.024 of the Texas Local Government Code.

- 64 (B) The city manager will establish separate interest-bearing accounts for street impact
65 fees collected for each street impact fee service area.
- 66 (C) Funds may be disbursed as reasonably necessary to carry out the purposes of this
67 article within a reasonable period, but not to exceed 10 years from the date the fee
68 is deposited into the account.
- 69 (D) The city manager will keep financial records for street impact fees showing the
70 source and disbursement of all fees collected in or expended from each service
71 area.
- 72 (E) The street impact fees collected may be used to:
- 73 (1) finance, pay for, or recoup the costs of any roadway facility identified in the
74 roadway capacity plan for the service area;
- 75 (2) pay for the contract services of an independent qualified engineer or
76 financial consultant; or
- 77 (3) pay the principal sum and interest and other finance costs on bonds, notes,
78 or other obligations issued by or on behalf of the City to finance such capital
79 improvements.
- 80 (F) After ten years have passed from the date of payment of a street impact fee, the
81 record owner of the property or governmental entity that paid the original street
82 impact fee may apply for a refund of any remaining street impact fees. The
83 application for a refund must be submitted to the City within 60 days after the
84 expiration of the ten-year period. The refund shall include interest calculated from
85 the date of collection to the date of refund at the statutory rate.

86 Division 2. – Fee Established.

87 **§ 25-6-661. - ASSESSMENT AND COLLECTION OF STREET IMPACT FEES**
88 **AUTHORIZED.**

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

91 **§ 25-6-662. - ASSESSMENT OF STREET IMPACT FEES.**

- 92 (A) Assessment of the street impact fee for any new development shall occur:
- 93 (1) on August 10, 2020, if the final plat approval occurred before August 10,
94 2020;
- 95 (2) at the time of final plat approval if the development has not received plat
96 approval; or

97 (3) at the time an application is submitted for a building permit for development
98 that is exempted from platting under Section 25-4-2 (*Exemption from*
99 *Platting Requirements*).

100 (B) For a development that has been assessed a street impact fee under Section 25-6-
101 662(A)(1) of this article, the street impact fee will be reassessed if the owner
102 submits a new application for plat approval.

103 (C) An application for an amended plat will not be subject to reassessment for a street
104 impact fee.

105 (D) All assessments of street impact fees shall be the amount of the maximum street
106 impact fee per service unit as set forth in the adopted Street Impact Fee Study in
107 effect.

108 (E) The assessment of a street impact fee to new development shall be considered the
109 written determination of an applicant's share of infrastructure costs as required
110 under Section 25-6-23 (*Proportionality of Required Infrastructure*). The amount
111 of street impact fees assessed may be used in evaluating any claim by an applicant
112 that the infrastructure improvements required in conjunction with approval of the
113 development application is not roughly proportionate to the proposed
114 development.

115 **§ 25-6-663 - AMOUNT OF FEE: COLLECTION RATE.**

116 (A) The amount of the street impact fee to be assessed for each service unit and the
117 amount of the street impact fee to be collected for each service unit shall be set by
118 separate ordinance.

119 (B) A street impact fee shall not be collected on any application for new development
120 submitted before August 10, 2021.

121 (C) Except as provided in Subsection (B), street impact fees shall be collected before
122 the issuance of a building permit. The city manager may enter into an agreement
123 with a developer for a different time and manner of payment of street impact fees.

124 **§ 25-6-664 - COMPUTATION OF STREET IMPACT FEES TO BE COLLECTED.**

125 (A) The City shall compute the amount of street impact fees to be paid and collected
126 for new development in the following manner:

127 (1) Determine the number of development units for each land use category using
128 the LUVMET then in effect.

129 (2) Multiply the number of development units for each land use category in the
130 new development by the service unit for each corresponding land use

category in the LUVMET to determine the number of service units attributable to the new development.

- (3) Multiply the number of service units for the new development by the street impact fee per service unit for the applicable service area and applicable land use.

(B) If an agreement as described in Section 25-6-667 (*Offsets Against Street Impact Fees*) providing for offsets exists, the amount of the offsets shall be deducted from the street impact fees as calculated above.

(C) If the property owner proposes to increase the number of service units for a development that has already paid a street impact fee, the additional street impact fees collected for such new service units shall be determined by using the LUVMET.

(D) Any additional fees shall be measured by the increase in the number of service units proposed from the number of service units from the preceding land use within the last five years.

(E) If a building permit application is for a speculative building, the amount of the street impact fee will be calculated assuming that the entire building will be used as either “General Office”, “Light Industrial”, or “Shopping Center” as shown in the LUVMET. When a subsequent application for a building permit is submitted, an additional street impact fee shall be calculated if the proposed use results in an increase of service units.

Division 3. – Determination of Service Units.

§ 25-6-665 – ALTERNATIVE CALCULATION OF SERVICE UNITS.

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

Division 4. – Reductions and Offsets.

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

- (A) If the new development meets the criteria for a reduction of the street impact fee as authorized in this section, then an applicant may request that the amount of street impact fees be reduced.

- 163 (B) If the new development has an accepted analysis demonstrating that internal
164 capture of a development will reduce vehicle trips from those contained in the
165 adopted LUVMET, a reduction up to 20 percent may be given.
- 166 (C) If the new development utilizes an accepted transportation demand management
167 plan, a reduction up to 40 percent may be given.
- 168 (D) New development will qualify for additional reductions if:
- 169
- 170 (1) the development has entered into an agreement with the City to provide for
171 affordable housing for at least fifteen years;
- 172
- 173 (2) the developer has provided a letter from the Neighborhood Housing and
174 Community Development Department certifying the affordability levels and
175 period of affordability; and
- 176
- 177 (3) the development is utilizing transportation demand management approved
178 by the director.
- 179
- 180 (E) If a development qualifies under Subsection (D), the amount of street impact fees
181 may be reduced by:
- 182
- 183 (1) A percentage equal to the percentage of affordable units being provided if at
184 least 10 percent, but less than 20 percent, of the dwelling units are
185 affordable;
- 186
- 187 (2) Fifty percent if at least 20 percent, but less than 50 percent, of the dwelling
188 units are affordable; or
- 189
- 190 (3) One hundred percent if at least 50 percent of the dwelling units are
191 affordable.
- 192
- 193 (F) Existing residential land uses that add up to three additional dwelling units will
194 receive a 100 per reduction only if no additional parking is added.
- 195 (G) New development that consists of an existing building and proposes adding 1,000
196 square feet or less will receive a 100 percent reduction.
- 197 (H) The reductions authorized under this section are cumulative so that a development
198 that qualifies for the maximum reduction under each provision may reduce the
199 amount of street impact fees due up to 100 percent.
- 200

201 **§ 25-6-667 - OFFSETS AGAINST STREET IMPACT FEES.**

202 (A) The City may offset the improvements or funding for construction of any system
203 facility included on the roadway capacity plan that is required or agreed to by the
204 City under this section and administrative guidelines:

205
206 (1) The roadway facility shall be associated with the plat or other detailed
207 development plan for the property that is to be served by the roadway
208 facility.

209 (2) No offset shall be given for the dedication or construction of site-related
210 facilities.

211 (3) No offset shall be given for a roadway facility which is not identified within
212 the roadway capacity plan unless the facility qualifies for inclusion on the
213 roadway capacity plan.

214 (4) The City's cost participation in the construction of a system facility on the
215 roadway capacity plan shall not be considered an offset.

216
217 (B) No offsets shall be given for the dedication of rights-of-way or easements required
218 by this chapter.

219
220 (C) Construction of capital improvements must be completed and accepted by the City
221 in order to qualify as an offset with the following limitations:

222 (1) construction completed and accepted before August 10, 2020 will only be
223 qualify as an offset until August 10, 2030;

224 (2) construction that begins after August 10, 2020 will qualify as an offset for
225 ten years from the date the improvement is completed and accepted by the
226 City unless the applicant requests an extension.

227 (D) Before street impact fees are reduced by offsets authorized under this section, the
228 owner of the property shall enter into an agreement with the City determining the
229 allocation of the offsets. Unless the agreement specifies otherwise, an offset
230 associated with a plat shall be applied when the first building permit is submitted
231 and to each subsequent building permit application to reduce street impact fees due
232 until the amount associated with offset is exhausted.

233
234 (E) For multi-phased projects, the City may require that total offsets be proportionally
235 allocated among phases within the project.

PART 2. 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