

CITY OF AUSTIN, TEXAS
AUSTIN WATER
SEMI-ANNUAL IMPACT FEE COLLECTIONS
REPORT

April 1, 2022 through September 30, 2022



City of Austin | Austin Water
P.O. Box 1088 Austin, TX 78767
AustinWater.org

MEMORANDUM

To: Martin Tower, P.E., Managing Engineer, Austin Water
From: Nam Nguyen, Financial Manager II, Austin Water
Date: December 2, 2022
Subject: Semi-Annual Impact Fee Collections Report for April 1, 2022 to September 30, 2022

The Semi-Annual Impact Fee Collections Report as of September 30, 2022, is attached for your reference. The report is based on financial information reported in the City's accounting system, ADV3, and in AMANDA, one of the City's accounts receivable systems. Water fees collected during this six-month reporting period were \$5,393,695 lower than the amount collected during the April through September reporting period a year prior; wastewater fees collected were \$2,428,124 lower than those collected during the same period one year ago. Interest earnings for the six-month period equaled \$242,377.

The combined utility impact fees collected, plus interest, during the six-month period totaled \$22,629,867. Of this total, \$15,521,119 was for water and \$7,108,748 was for wastewater. Total combined utility impact fees collected, plus interest, since the adoption of the current ordinance on June 20, 1990, through September 30, 2022, equal \$447,505,990. Of this total, \$302,374,928 was collected for water and \$145,131,062 was collected for wastewater.

As of September 30, 2022, the cash balances in the water and wastewater impact fee funds were \$37,601,304 and \$18,420,623 respectively, for a combined total of \$56,021,927.

Please let me know if you have any questions or need additional information. I can be reached at 512-972-0048.

Cc: Robert Goode, Interim Director
Joseph Gonzales, Assistant Director, Financial Services
Christina Romero, Financial Manager III, Financial Services
Aurora Pizano, Financial Manager II, Financial Services
Jonathan Orenstein, Financial Manager III, Consumer Services Division
Teresa Lutes, P.E., Managing Engineer, Systems Planning Division

Attachment: Semi-Annual Impact Fee Collections Report

Texas Local Government Code, Chapter 395, Section 395.058, requires that the Impact Fee Advisory Committee “file semiannual reports with respect to the progress of the capital improvements plan and report to the political subdivision any perceived inequities in implementing the plan or imposing the impact fee.” This report supports the committee by providing financial information about the collection of impact fees, and the value of fee waivers and exemptions. Waivers are granted for policy reasons or are negotiated by City Council; exemptions are allowed under legal code or statute. In this report waivers and exemptions are grouped into one “waivers/exemptions” category. Adjustments are also made in situations in which fees are not owed. Since adjustments are not comparable to waivers/exemptions and do not affect the reporting of fee collection data, adjustments are not included in this report. Impact fees are collected, waived/exempted, and adjusted by both Water and Wastewater.

- Pages 1 and 2 (Charts 1 through 3) detail the impact fees collected by the Combined utility, Water, and Wastewater, detailing fee collection and interest earnings by fiscal year.
- Page 3 (Charts 4 and 5) detail the total amount waived/exempted by the Water utility, and the value of waivers/exemptions by category. These charts report data on a semi-annual basis, with reporting periods spanning April 1 through September 30.
- Page 4 (Charts 6 and 7) are similar to Charts 4 and 5 but report the information regarding waivers/exemptions granted by the Wastewater utility.
- Page 5 (Charts 8 and 9) report Capital Recovery Fee Collections by month for the current and prior fiscal year for Water and Wastewater.
- Page 6 (Chart 10) Fee Waivers by month and by type for the current fiscal year.
- Page 7 (Chart 11) Affordable Housing Waivers by Development with units by fiscal year
- Page 8: Impact Fee Collections Summary inception to date with current six-month period.

Chart 1: Combined Utility Impact Fee Collections and Waivers

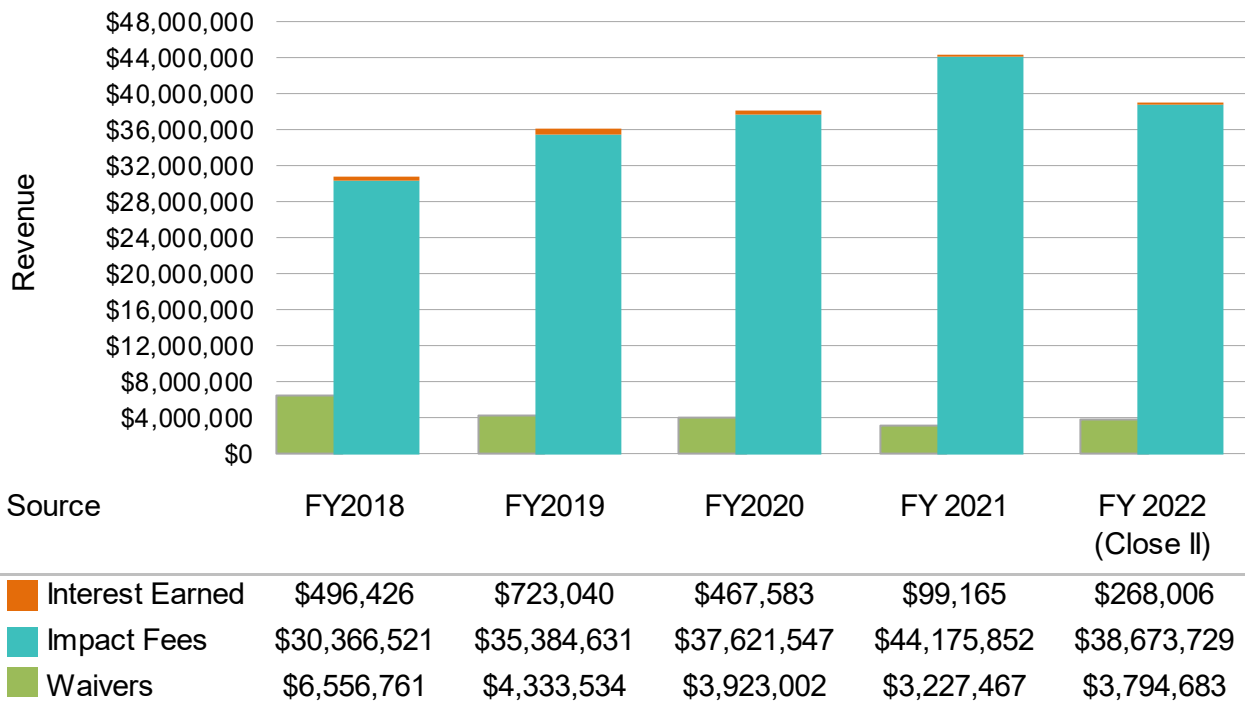


Chart 2: Water Impact Fee Collections and Waivers

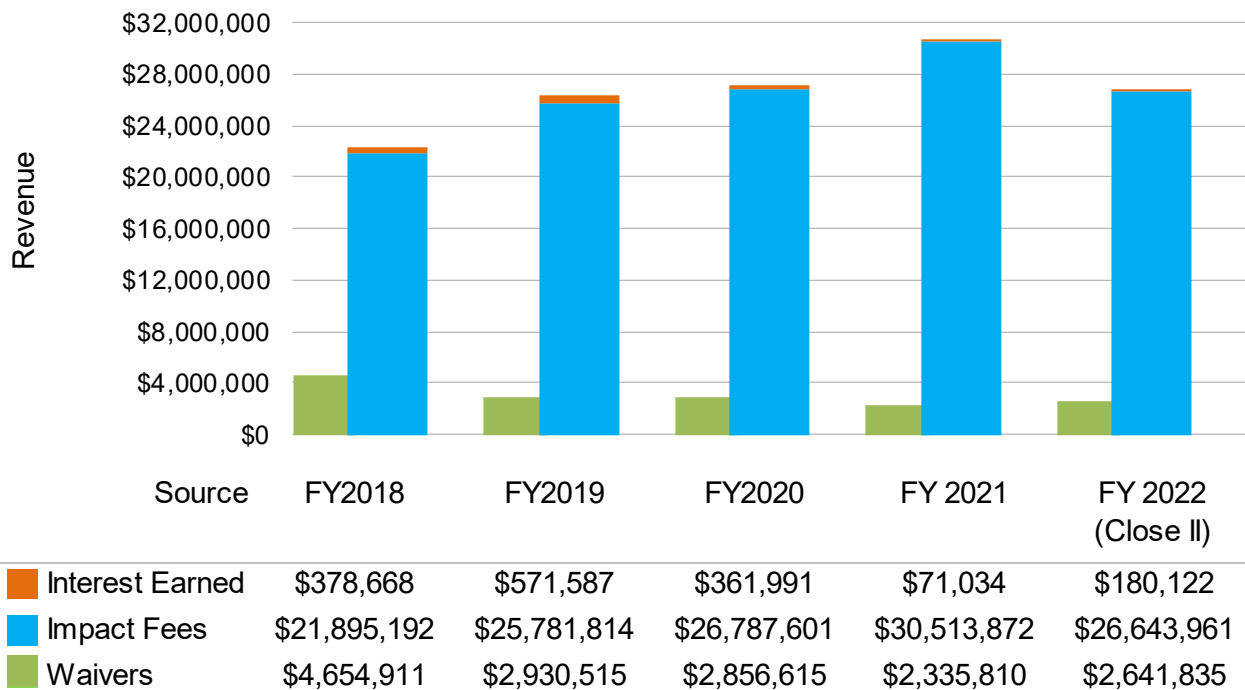
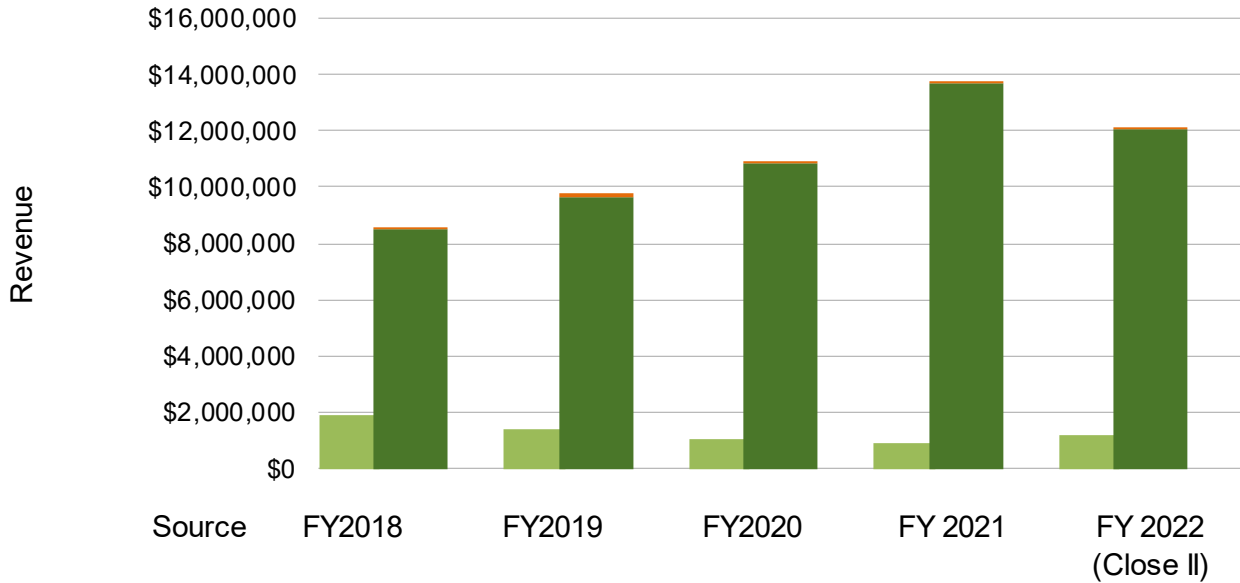


Chart 3: Wastewater Impact Fee Collections and Waivers



Source	FY2018	FY2019	FY2020	FY 2021	FY 2022 (Close II)
Interest Earned	\$117,757	\$151,454	\$105,591	\$28,131	\$87,884
Impact Fees	\$8,471,329	\$9,602,817	\$10,833,946	\$13,661,980	\$12,029,768
Waivers	\$1,901,850	\$1,403,019	\$1,066,387	\$891,657	\$1,152,848

Semi-Annual Impact Fee Collections Report

April 1, 2022 through September 30, 2022

Chart 4: Water Impact Fees and Waivers/Exemptions

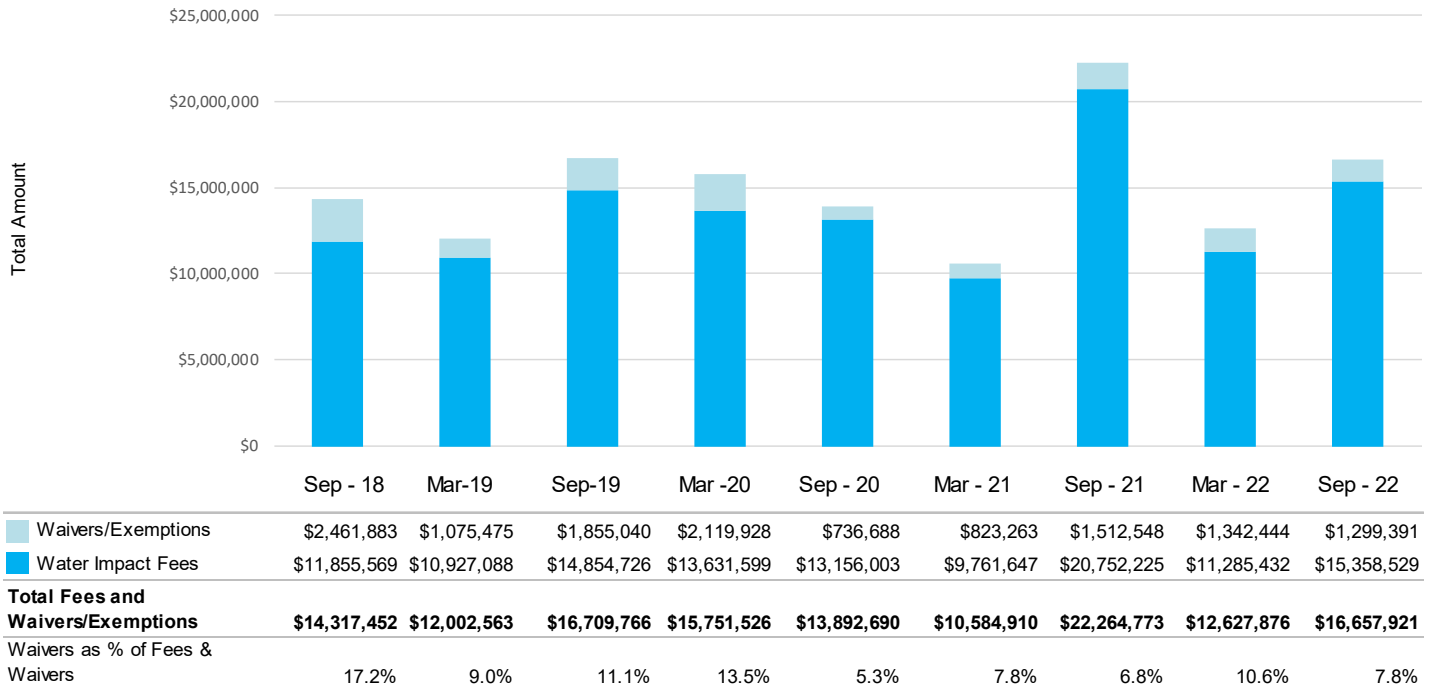
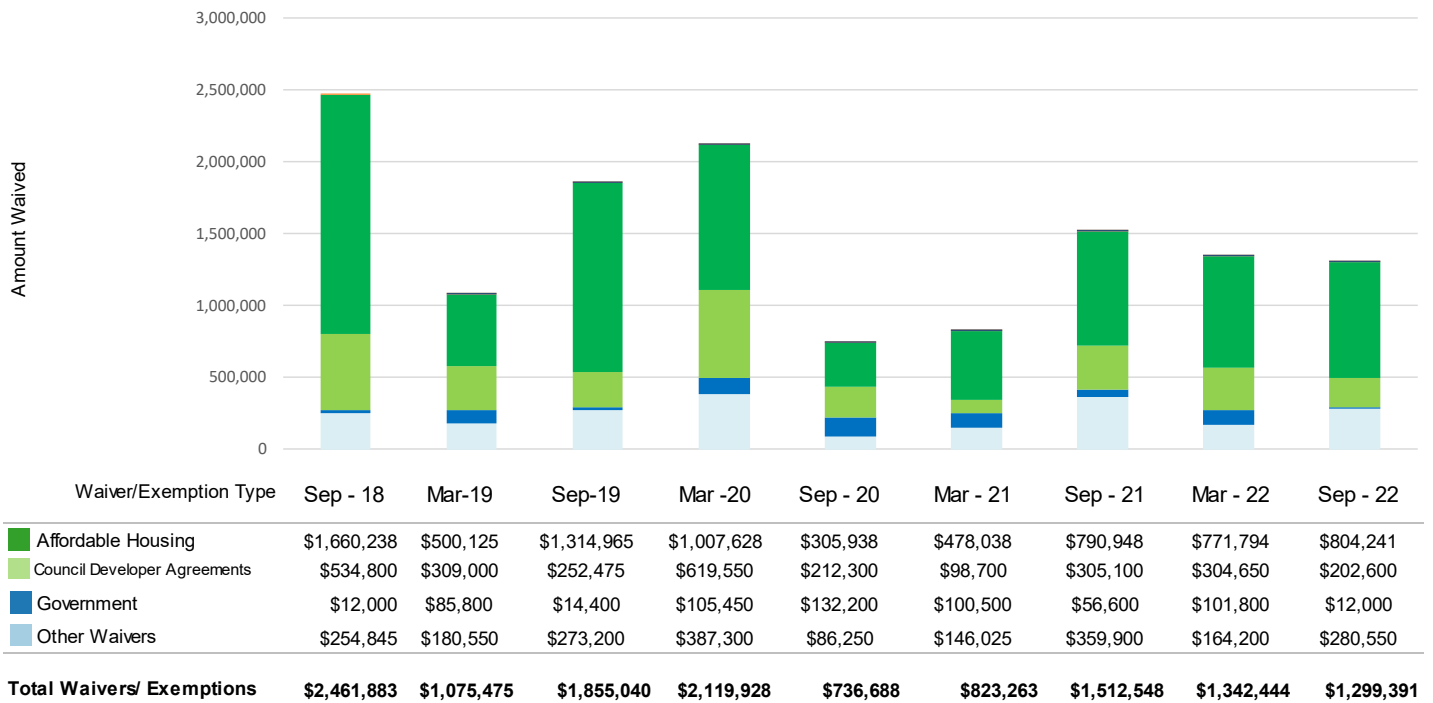


Chart 5: Water Impact Fee Waivers/Exemptions by Type



Semi-Annual Impact Fee Collections Report

April 1, 2022 through September 30, 2022

Chart 6: Wastewater Impact Fees and Waivers/Exemptions

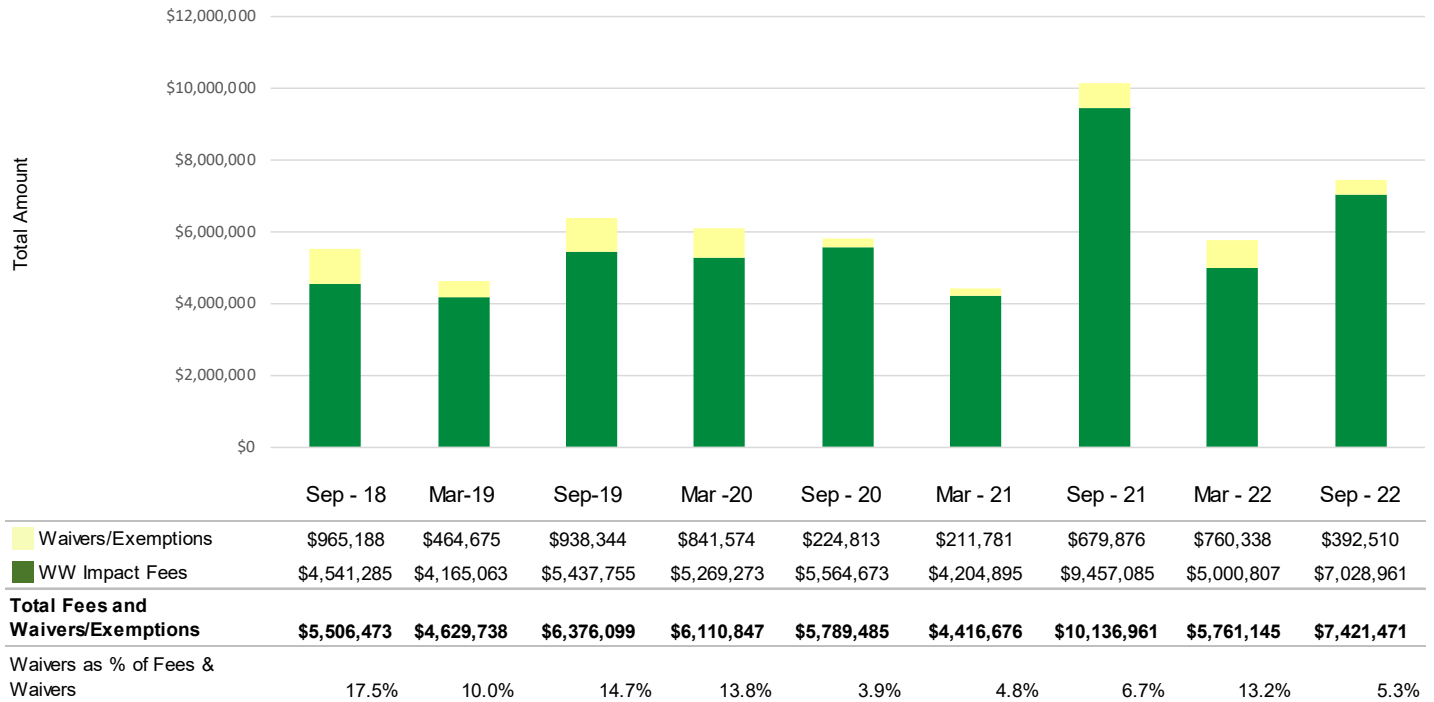
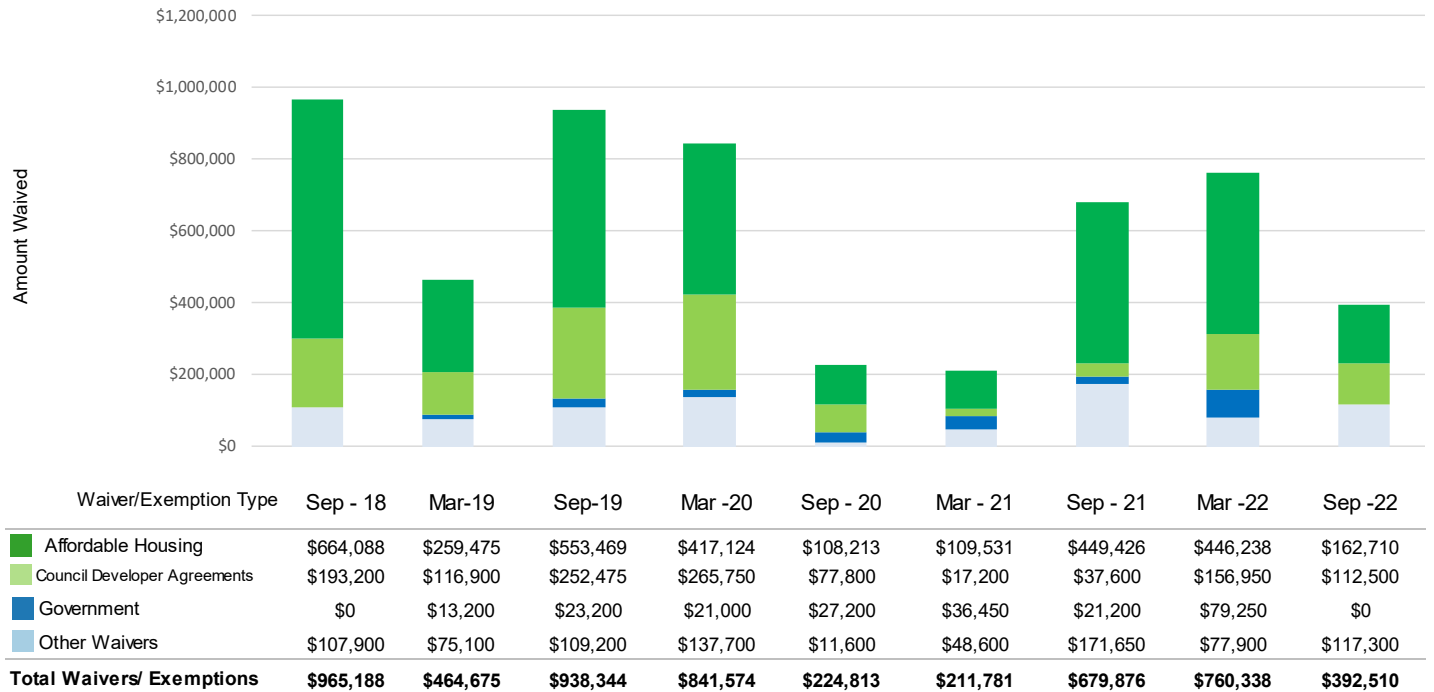
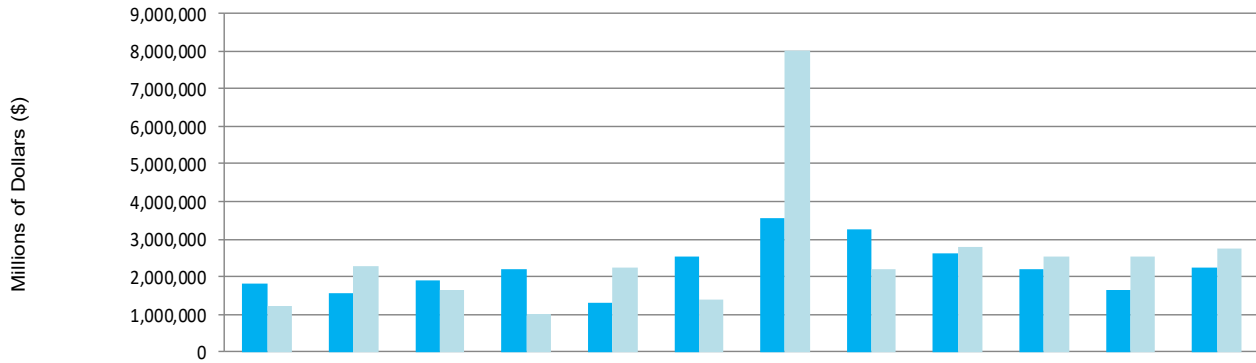


Chart 7: Wastewater Impact Fee Waivers/Exemptions by Type



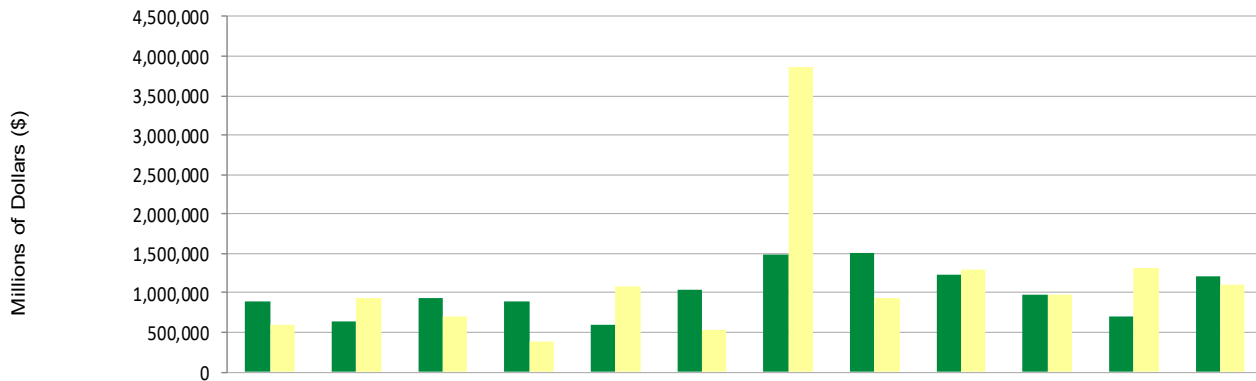
Capital Recovery Fee Collections

Chart 8: Water CRF Collections by Month



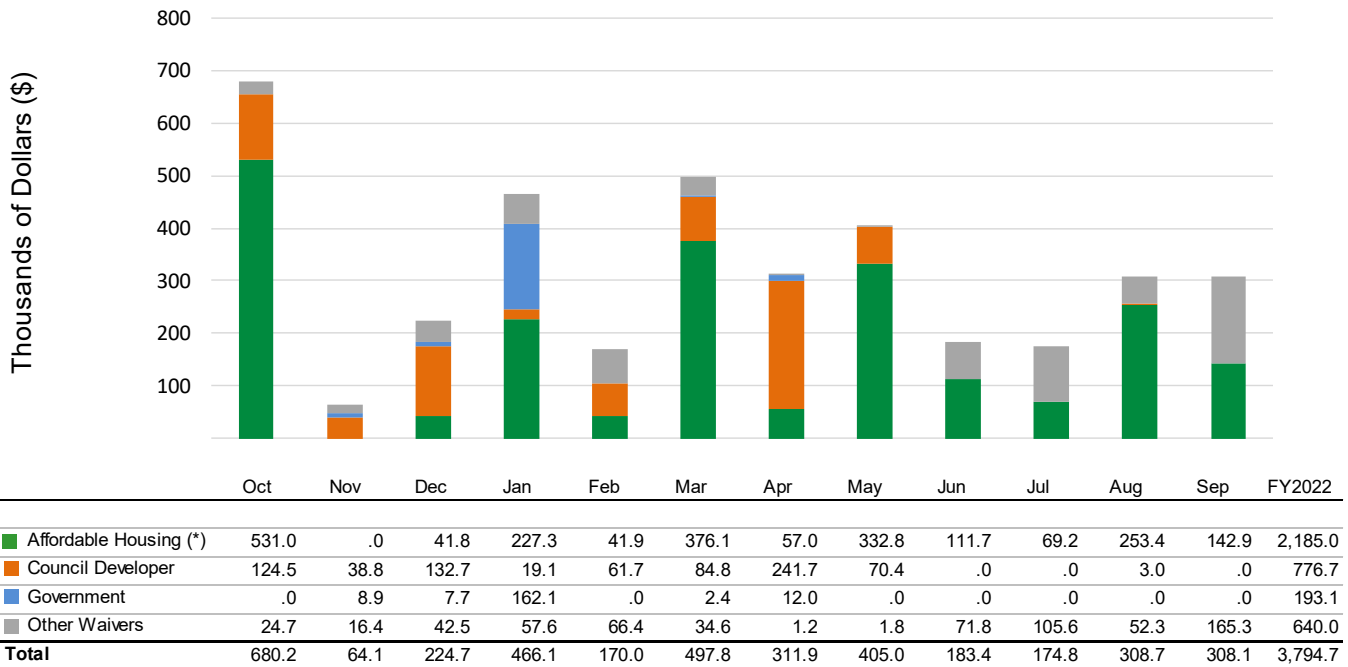
Water	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
FY'22 Actual	1.80	1.56	1.91	2.20	1.29	2.54	3.56	3.27	2.63	2.20	1.63	2.23	26.82
FY'21 Actual	1.21	2.29	1.65	1.01	2.24	1.39	8.01	2.19	2.78	2.52	2.53	2.74	30.58

Chart 9: Wastewater CRF Collections by Month



Wastewater	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
FY'22 Actual	.88	.64	.93	.90	.60	1.05	1.48	1.52	1.24	.97	.69	1.21	12.12
FY'21 Actual	.59	.93	.70	.39	1.07	.53	3.85	.94	1.29	.97	1.32	1.09	13.69

Chart 10: Fee Waivers by Month



Note: Combined water and wastewaters fee waivers

Definitions:

Affordable Housing: May not exempt more than 1,500 service units of affordable housing constructed each fiscal year from the requirement to pay impact fees. Service units of affordable housing within the development known as Robert Mueller Municipal Airport development.

*As of FY22 close II, the total service units waived is 352. These units are primarily located in the Goodnight Ranch and Mueller developments

Annexation: Water and Wastewater impact fee may not be collected on a water connection that is annexed for full purposes by the City.

Council Developer Agreements: This is for Council agreements/ordinances specifying the waiver of impact fees.

Government: Includes a) school waivers not required to pay impact fees imposed under this chapter. Senate Bill 883; b) State of Texas connections for a state owned building or property that is entirely occupied by a state agency c) community gardens that are city supported may not be assessed an impact fee.

Other: Includes a) Fire protection may not be collected for a connection that is used to provide capacity only; b) Duplex 13-3A-10 (F)



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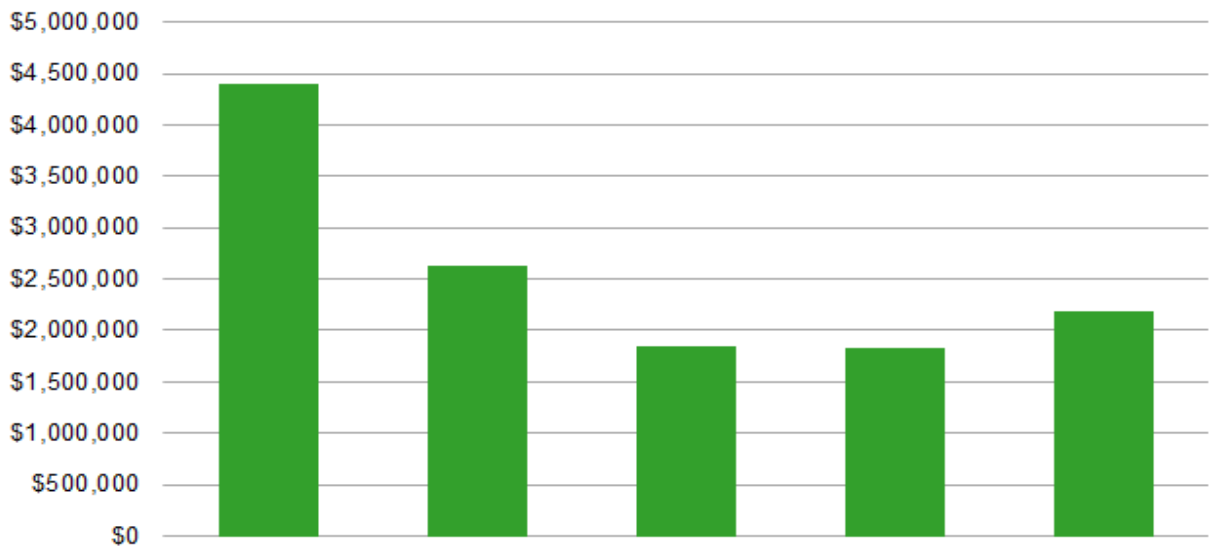
City of Austin, Texas
Austin Water
Summary of Affordable Housing Waivers by Development
October 1, 2021 through September 30, 2022 (Close II)

Type of Waiver/Exemption	Water	Wastewater	Combined Total
Affordable Housing	\$ 1,576,035	\$ 608,948	\$ 2,184,983
TOTAL	\$ 1,576,035	\$ 608,948	\$ 2,184,983

Affordable Housing by Development

Development Name	Development Address	Fees Waived	Service Units Waived
Richman Southwest Development LLC	3200 Montopolis	\$ 584,573	78
McDowell Housing Partners City Heights	4500 Nuckols Crossing Rd	\$ 486,000	68
Richman Southwest Development LLC	3200 Montopolis	\$ 486,000	68
Austin McNeil DMA Housing Arbor Park	6306 McNeil Dr	\$ 162,000	30
Foundation Communities, Inc.	The Loretta, 13653 Rutledge Spur	\$ 141,000	30
ThinkEast Austin MGT	1141 Shady Lane	\$ 82,250	18
Mueller Redvelopment EHT of Texas - Section 11		\$ 74,548	10
Mueller Redevelopment: The Muskin Company- Section 11- 30 Single Family		\$ 67,313	9
David Weekly Homes - Goodnight Ranch PUD	Cowman Way	\$ 54,000	8
Austin Habitat for Humanity	7204/7208 Boyle Dr	\$ 15,000	14
Wes Peoples Homes - Section 11		\$ 13,500	2
Espero Austin at Rutland	1934 Rutland Ave	\$ 10,500	18
Guadalupe Neighborhood Development Corp		\$ 8,300	1
TOTAL		\$ 2,184,983	\$ 352

Chart 11: Combined Utility Affordable Housing waivers



	FY2018	FY2019	FY2020	FY 2021	FY 2022 (Close II)
Affordable Housing	\$4,395,025	\$2,628,034	\$1,838,902	\$1,827,942	\$2,184,983
Affordable Housing units	572	382	331	344	352
Maximum allowable units	1500	1500	1500	1500	1500

**City of Austin, Texas
Austin Water
Impact Fee Collections Summary
Austin Water**

Description	Water	Wastewater	Total
SIX MONTHS ENDED: April 1, 2022 through September 30, 2022			
Total Dollar Value of Taps & Connections	16,657,921	7,421,471	24,079,391
Impact Fee Waivers/Exemptions	(1,299,391)	(392,510)	(1,691,901)
Net Impact Fees Collected	<u>\$ 15,358,529</u>	<u>\$ 7,028,961</u>	<u>\$ 22,387,490</u>
Interest Earnings	\$ 162,589	\$ 79,787	\$ 242,377
Total Impact Fees Collected	<u>\$ 15,521,119</u>	<u>\$ 7,108,748</u>	<u>\$ 22,629,867</u>

INCEPTION TO DATE: June 20, 1990 – September 30, 2022

Total Impact Fees collected by the City of Austin since the adoption of the current Impact Fee Ordinance from June 1990 (19900607-F) to-date are shown below.

Impact Fees Collected	296,291,813	141,838,811	438,130,623
Interest Earnings	6,083,115	3,292,251	9,375,367
Total Impact Fees Collected	<u>\$ 302,374,928</u>	<u>\$ 145,131,062</u>	<u>\$ 447,505,990</u>
Used for Debt Defeasance	(183,168,766)	(76,549,098)	(259,717,864)
Used for CIP*	(35,506,672)	(18,995,655)	(54,502,327)
Used for Debt Service**	(46,801,328)	(31,784,345)	(78,585,673)
Other Adjustments***	703,143	618,658	1,321,801
Impact Fee Cash Balances	<u>\$ 37,601,304</u>	<u>\$ 18,420,623</u>	<u>\$ 56,021,927</u>

Application of Impact Fee Funds for Debt Defeasance by Fiscal Year

FY 1992 thru 2017	\$ (63,768,766)	\$ (31,749,098)	\$ (95,517,864)
FY 2018	(20,000,000)	(10,000,000)	(30,000,000)
FY 2019	(24,800,000)	(9,400,000)	(34,200,000)
FY 2020	(31,000,000)	(9,000,000)	(40,000,000)
FY 2021	-	-	-
FY 2022	(43,600,000)	(16,400,000)	(60,000,000)
TOTAL	<u>\$ (183,168,766)</u>	<u>\$ (76,549,098)</u>	<u>\$ (259,717,864)</u>

Application of Impact Fee Funds for Capital Projects by Fiscal Year

FY 2002* thru 2017	\$ (35,506,672)	\$ (18,995,655)	\$ (54,502,327)
FY 2018	-	-	-
FY 2019	-	-	-
FY 2020	-	-	-
FY 2021	-	-	-
FY 2022	-	-	-
TOTAL	<u>\$ (35,506,672)</u>	<u>\$ (18,995,655)</u>	<u>\$ (54,502,327)</u>

Application of Impact Fee Funds for Debt Service by Fiscal Year

FY 2007** thru 2017	\$ (46,801,328)	\$ (31,784,345)	\$ (78,585,673)
FY 2018	-	-	-
FY 2019	-	-	-
FY 2020	-	-	-
FY 2021	-	-	-
FY 2022	-	-	-
TOTAL	<u>\$ (46,801,328)</u>	<u>\$ (31,784,345)</u>	<u>\$ (78,585,673)</u>

* AW restricted the use of collected Impact Fees for defeasance of outstanding revenue bonds until FY 2002, at which time the AW's policy changed to allow Impact Fees to be used to fund certain major plant capacity improvements.

** In FY 2007, management decided to use Impact Fee collections to pay debt service.

*** Includes transfers in for Fairway Ridge, Circle C, refunds and other miscellaneous adjustments.