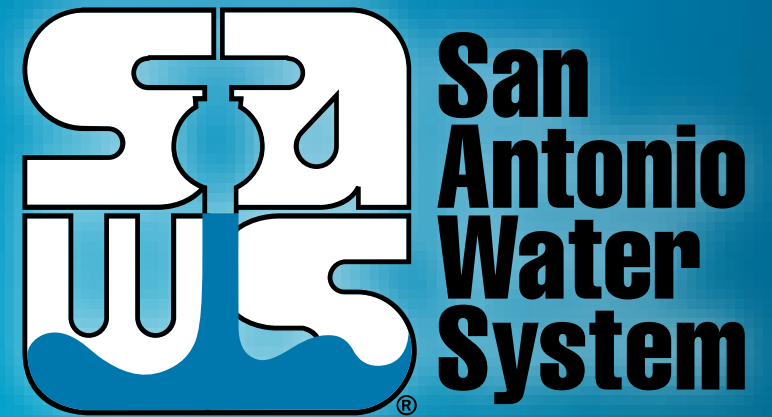


Impact Fee Process

Tracey B. Lehmann, P.E.
Director - Development



MAKING SAN ANTONIO
WATERFUL 

Capital Improvements Advisory Committee
June 27, 2018

Impact Fee

- Chapter 395 of the Texas Local Government Code
 - Framework for financing the capital improvements related to growth through the adoption and collection of impact fees (water, sewer, drainage and roadways)
- One-time charge to fund or recoup the cost of building infrastructure for new development
 - Capital costs only (no O&M)
 - Only those projects to serve growth

Types of Impact Fees

Water Flow



Water System Development



Water Supply



Wastewater Collection



Wastewater Treatment



LUAP & CIP

- Land Use Assumptions Plan (LUAP)
 - Establishes the service area
 - Projects demand/population for the next 10 years in Equivalent Dwelling Units (EDUs)
- Impact Fee Capital Improvements Plan (CIP)
 - Identifies the projects necessary to serve the demand forecast in the LUAP
 - Must be prepared by a licensed professional engineer

Impact Fee Formula

$$\text{Maximum Impact Fee} = \left[\frac{\text{Growth CIP (\$)}}{\text{LUAP (EDU's)}} \right] - \text{Rate Credit}$$

- Impact Fee calculation within service areas: CIP costs to serve 10 years of growth divided by the number of EDUs (future and existing)
- Rate Credit: Reduction based on either the tax and rate revenues generated by the new customers that will pay for the CIP or an amount equaling 50% of CIP costs

Impact Fee

- Periodic Update Requirements
 - LUAP/CIP shall be updated at least every 5 years
 - 5-year period begins on date the CIP is adopted – last update was June 2014
 - LUAP shall be reviewed and evaluated, and the CIP updated in accordance with the procedures of Chapter 395

CIAC's Membership & Role

- At least 40% of the members from the real estate, development or building industries (+) 1 member from the ETJ
- Advise on the need to update and revise the LUAP, CIP & Max. Impact Fee, and monitor the CIP on a semi-annual basis

Overview of Update Process

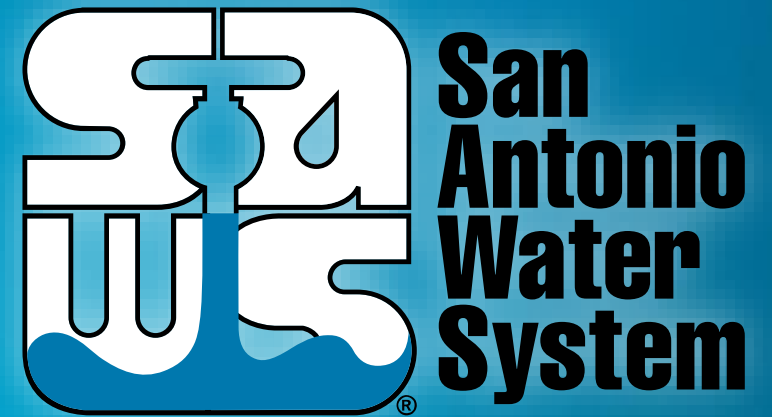
- SAWS staff and Consultant present information regarding LUAP, CIP and Maximum Impact Fee to CIAC
- CIAC will file its report (findings & recommendations) to be presented to SAWS Board and City Council
- SAWS staff and Consultant will draft updated Impact Fee Program report
- SAWS Board will consider the updated Impact Fee Program, including, LUAP, CIP and Maximum Impact Fees and make a recommendation to City Council
- Request approval by City Council

Update Procedural Requirements

- City Council shall adopt an ordinance setting a public hearing within 60 days after receiving the updated Impact Fee Program
- Make the updated Impact Fee Program available to the public and publish notice at least 30 days prior to the date of the public hearing
- **CIAC shall file its written comments at least 6 days prior to the public hearing**
- City Council may approve the updated Impact Fee Program within 30 days after the public hearing

Impact Fee Process

Tracey B. Lehmann, P.E.
Director - Development



MAKING SAN ANTONIO
WATERFUL 

Capital Improvements Advisory Committee
June 27, 2018