



University Boulevard Widening Project

Roadway Impact Fee Semi-Annual Report

November 2021



SUMMARY

The Texas Local Government Code Section 395.058 requires the Capital Improvement Advisory Committee (CIAC) to report to the political subdivision the progress of the capital improvements plan and any perceived inequities in implementing the plan or imposing the Roadway Impact Fee. Included herein is the semi-annual report for the reporting period of April 1, 2021, to September 30, 2021, which represents the second half of the City's annual Fiscal Year. The report consists of assessing the implementation of the Roadway Impact Fee, Impact Fee collection and the administrative review process now underway.

The Texas Local Government Code also requires the CIAC to advise the City on updating the land use assumptions, capital improvements plan and Roadway Impact Fees. The Items were first adopted by the City Council in March 2019, with a phased adoption that include collection of fees beginning in January 2021.

Roadway Impact Fee Adoption

Final adoption of the Roadway Impact Fee occurred on March 14, 2019. The Roadway Impact Fee was adopted with a maximum fee per service unit of \$2,511, which represents the lowest calculated rate across three service areas. With the base service unit, the adoption also limited collection of fees to a percentage of the adopted unit cost over three phases of implementation. Table 1 shows the phasing and percentage of fees collected over the implementation period.

Table 1: Impact Fee Implementation Phasing

Phase	Residential Rate (% of Service Unit)	Non- Residential Rate (% of Service Unit)	Implementation Period
Grace Period	No Fee	No Fee	Building permit before January 1, 2021
Phase 1	30%	20%	Final Plat before January 1, 2022
Phase 2	45%	25%	Final Plat before January 1, 2024
Phase 3	60%	30%	Final Plat on or after January 1, 2024

The Roadway Impact Fee is assessed at the recorded plat and collected at the time of building permit issuance.

Roadway Impact Fee Collection

Roadways Impact Fees are collected, and revenue deposited into accounts for the three service areas identified in the Roadway Impact Fee Study. The Revenue collected to date is presented in Table 2. Those services areas are identified in Figure 1.

Table 2: RIF Collection April 1, 2021, to September 30, 2021

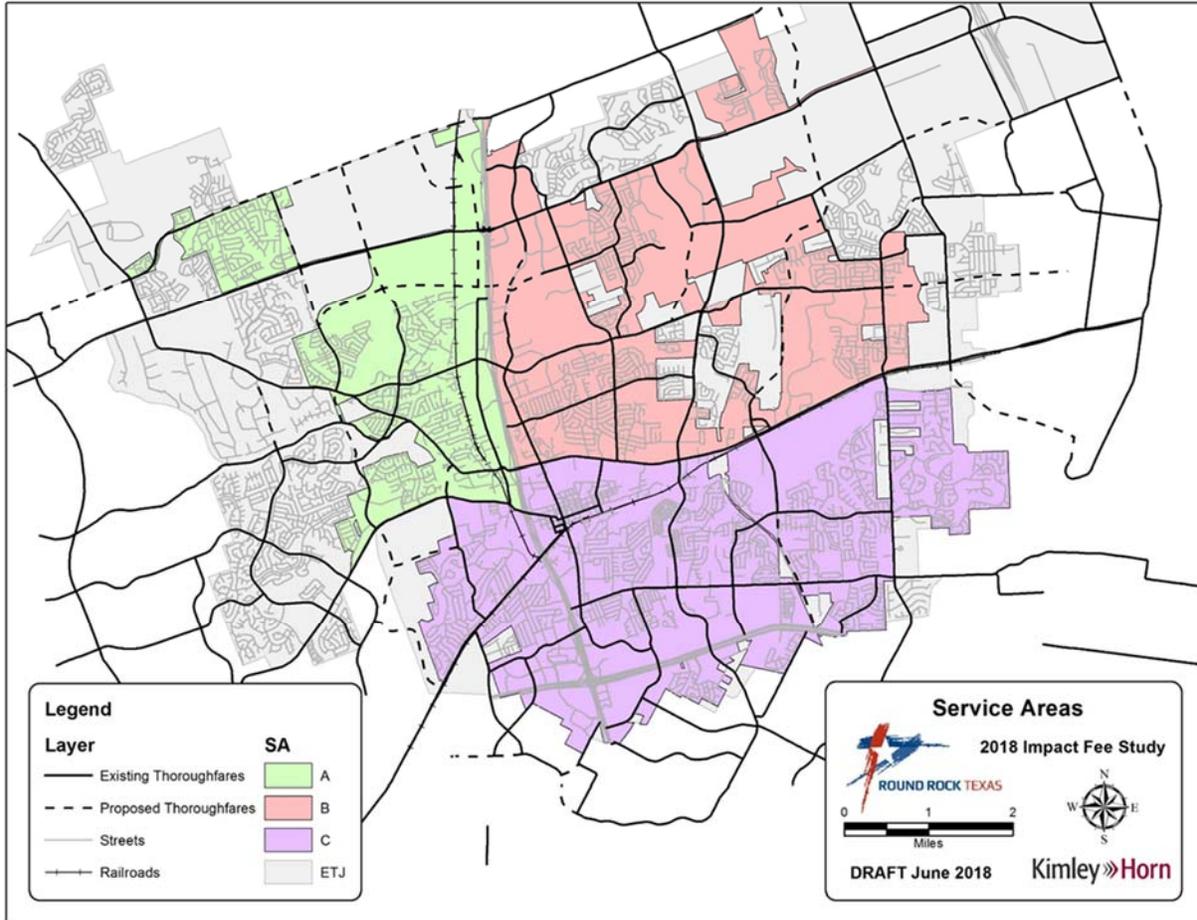
Service Area	Previous Revenue	Revenue April-September 2021	Total Revenue
Service Area A	\$70,852	\$225,363	\$296,215
Service Area B	\$207,587	\$1,118,377	\$1,325,964
Service Area C	\$240,398	\$552,313	\$792,711

Revenue from the first reporting period covered January thru March 2021 during and unprecedented time affected by COVID 19. The current reporting period, April thru September 2021, demonstrated a marked improvement in development along with three additional months of revenue.

On January 1, 2022, Phase 2 of fee implementation will go into effect. Any Final Plat recorded after this date will be subject to an increase in % of Service Unit calculated for the Roadway

Impact fee. Residential rates will increase from 30% to 45% and Non-Residential rates will increase from 20% to 25%.

Figure 1:RIF Service Areas:



Roadway Impact Fee Distribution

Distribution of the RIF collected to Capital Improvement Plan projects is expected to begin in the Fourth Quarter of FY 2021, the first quarter of the new budget year.

The intent of the Roadway Impact Fee process is to capture revenue for a predictable implementation of the future arterial network identified in the Transportation Master Plan. Part of the success of that implementation is in the fact contributions by the development community are captured in Offset Agreements and Consent/Development Agreements. No new Offset Agreements or Consent Development Agreements have been processed in the current reporting period.

Administrative Review Process

City Staff have initiated a review of the *City of Round Rock Roadway Impact Fee Study Adopted March 14, 2019 (Fee Study)* to determine processes for updating Service Area boundaries based on annexations and the creation of an administrative process to include future annexations. A public hearing and comment period is proceeding to adopt changes to the *Fee Study* to capture the newly annexed areas and modify one roadway segment. There will be no impact to the maximum fee calculation or assessable fee, so the adopting ordinance will not be affected.

Conclusion and Recommendation

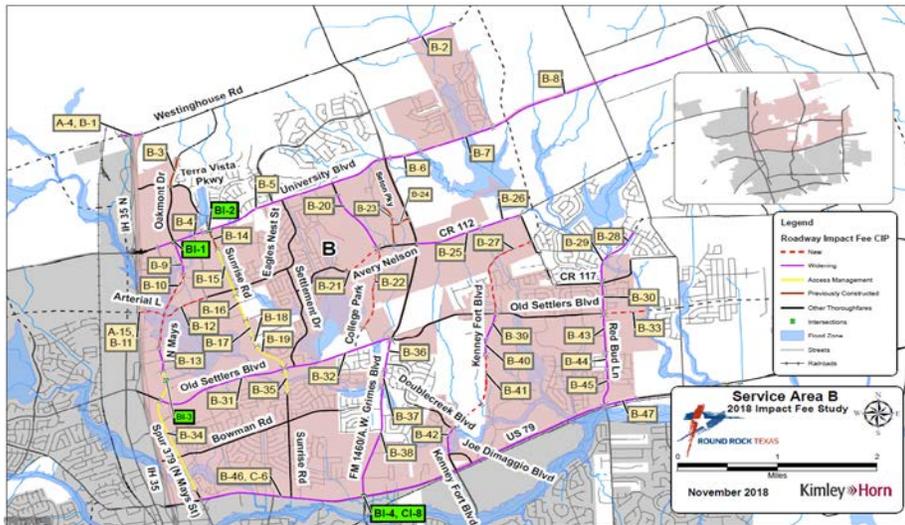
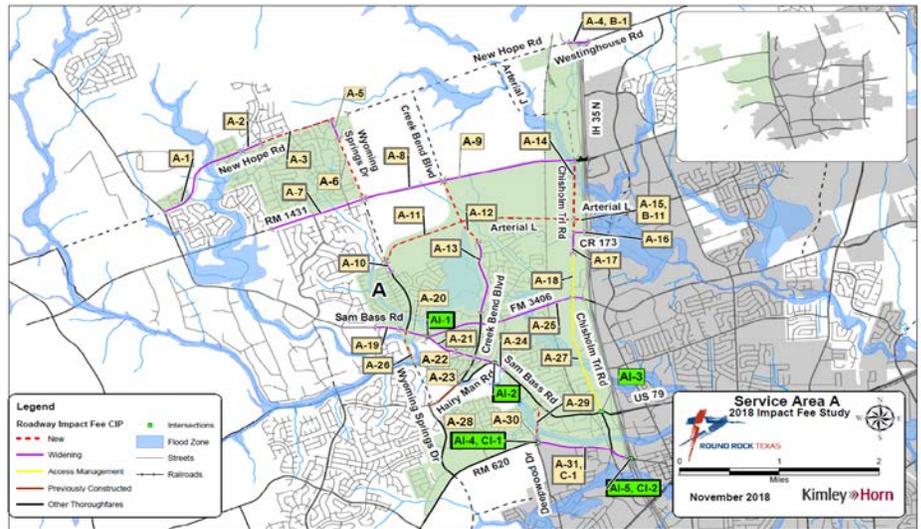
No significant issues have been identified with Roadway Impact Fee implementation. The Building Inspection, Finance and Transportation Departments provided excellent coordination in operating the program. If required, staff will make future recommendations on an official update to Roadway Impact Fee Ordinance before the March 2024 mandatory update schedule. While updates to the *Fee Study* could occur at any time, staff will continue to attempt to coordinate those with the Semi-Annual Reporting process when annexations into the City Limits occur.

No CIAC action or Council recommendation at this time, the *Fee Study* update is covered as a separate item. The next Roadway Impact Fee and Capital Improvement Plan Progress Report will be presented to the CIAC and the City Council in approximately six months.

Roadway Impact Fee Collections

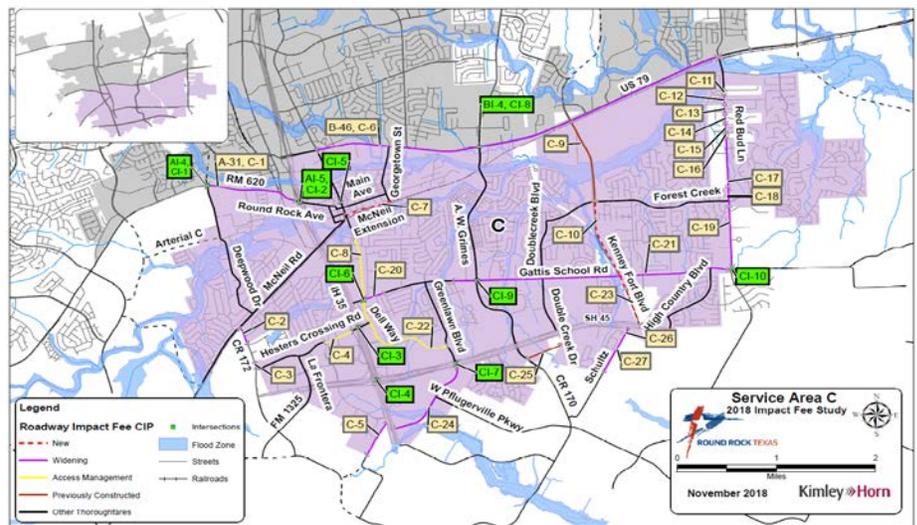
As of September 30, 2021

Service Area A: \$296,215



Service Area B: \$1,325,964

Service Area C: \$792,711



Notes:

Total collections of \$2,414,890.

Service area maps have been updated and are going to Council for approval on 10/14/2021.

Nothing was spent in FY2021.

\$1 million is scheduled to be spent on debt service payments in FY2022.