

**City of Round Rock, Texas
Capital Improvements Advisory Committee
June 20, 2018, Meeting**

Meeting Minutes

A. CALL TO ORDER

The June 20, 2018, meeting of the Capital Improvements Advisory Committee (CIAC) was held in Round Rock City Council Chambers located at 221 East Main Street. With a quorum present, Committee Chairman David Pavliska called the meeting to order at 7:00 p.m.

B. ROLL CALL

Members in attendance included Chairman David Pavliska, Committee Members Stacie Bryan, Casey Clawson, Jennifer Henderson, Selicia Sanchez, Jennifer Sellers, Greg Rabaey, and David Sour. Vice Chair Rob Wendt and Ad Hoc Committee Member Edward Henna were absent.

Transportation Department staff included Gary Hudder, Brian Kuhn, Brian Pollard, Leah Collier, and Kamie Fitzgerald. Also present were Brad Wiseman, Erin Smith, Robin Vietz, and Veronica Chandler from Planning and Development Services Department; Lorie Lankford from the Finance Department; Charlie Crossfield from the City attorney's office; and Jeff Whitacre and Jake Gutekunst from Kimley-Horn Associates.

C. SEMI-ANNUAL REPORT

C.1 Consider a presentation and provide comments regarding proposed land use assumptions and a capital improvement plan for the roadway impact fee study.

Mr. Whitacre reviewed the Capital Improvements Advisory Committee's (CIAC) role stating that the purpose of the committee was to advise and assist the City Council in adopting land use assumptions, review the capital improvements plans, and file written comments to the City Council. He noted that after the study is completed the CIAC will be tasked with monitoring the impact fee implementation for perceived inequalities and advise council when to update or revise the land use assumptions, capital improvements plan, and impact fee.

He continued by giving an impact fee overview noting that impact fees are governed by Chapter 395 of the Texas Local Government Code. He explained that an impact fee is a means of recovering costs associated with growth and new development and noted that transportation is currently more heavily subsidized by taxes. He noted that the impact fee is a one-time fee and that it determines the proportional share of infrastructure for all future development in a 10-year period. He also explained that there is a one-year grace period for existing development.

Mr. Whitacre explained that the purpose of an impact fee is to be consistent, equitable, predictable, and proportional. He noted that the current process is often not equitable, explaining that with a TIA (Traffic Impact Analysis), improvements are required on a level of service basis, and developments that come after the initial development often pay more for improvements. He also explained that the TIA process can be lengthy and time consuming. He noted that the fees will be set by current zoning and some locations will have higher fees based on what the potential property use is.

Mr. Whitacre stated that about 25 percent of cities with a population greater than 25,000 across the state have Roadway Impact Fees and noted that impact fees are most common in growth areas; though impact fees are not as common in Central Texas, some surrounding cities already have them.

He explained that the following issues needed to be addressed in a transportation funding system: predictability, equability, transparency, flexibility, legality, consistency, faster development process, fairness among future development, and contribution from all new development. He

briefly explained the items that can be paid with impact fees and items that cannot be paid noting that impact fees can be used for development and new growth projects, however, these fees cannot be used for maintenance of existing development.

He also discussed four of the impact fee components including: three (3) service areas, land use assumptions, capital improvement plans, and service units. He noted that a service area is divided into single-family, multi-family, basic, service, and retail. He explained that Roadway Service Areas are limited to a maximum of six (6) miles and the fees must be spent within 10 years in the service area they were collected. He stated that Texas Local Government Code Chapter 395 requires a 10-year Roadway Impact Fee Capital Improvement Plan and noted that to optimize future flexibility, capacity improvements are studied and, based on demand, City Council decides which portion of the thoroughfare plan needs to be built out in the next 10 years.

He briefly reviewed the impact fee for all three (3) service areas A, B, and C, and continued by explaining service units noting that the fee is set per traveled vehicle-mile. He explained that each vehicle-mile has two components, trip generation and trip length, and gave an example of how vehicle-miles are calculated. He explained that new service units are derived from Land Use Assumptions (10-Year Growth) and the Future Land Use Plan.

Mr. Whitacre explained that the impact fee on Capital Improvements Plan is based on the Master Transportation Plan and noted that credits against impact fees are due to a developer when the developer constructs or contributes to a thoroughfare facility. He also stated that, per state law, impact fee calculations must be updated at least every 5 years and a report must be presented to the Advisory Committee every 6 months.

Mr. Whitacre noted that the report presented to the Committee contained only 4 chapters and the remaining chapters will be completed in the next few months.

Mr. Hudder explained that the updated Transportation Master Plan, completed at the end of 2017, shows \$1.2 billion needed to build out. He noted that multiple funding sources are needed to continue to meet growth needs.

In closing, Mr. Whitacre summarized events that have been held including public hearings, a stakeholder meeting, an Advisory Committee meeting, and provided dates for future events/meetings. He noted that the first public hearing at City Council is scheduled for July 26th and the second public hearing is scheduled for September 13th. He noted that City Council will decide the impact fee rate that will be collected.

In summary, the Advisory Committee discussed the following topics: formula calculation, items payable with impact fee funds, Type B funding, TIA process and negotiations, fixed fee based on the shell building, change of use permit fee to existing buildings, public schools exempt from the impact fee, fees for building remodeling, and sidewalks in existing neighborhoods.

Mr. Whitacre asked the Advisory Committee to submit any comments they might have to the Transportation Department by July 17th. The Advisory Committee will meet on July 18th and comments will be presented to City Council on July 26th.

E. ADJOURNMENT

There being no further discussion, the meeting was adjourned at 8:30 p.m.

Respectfully submitted,

Original Signed

Veronica Chandler

Planning Tech