



Legislation Text

File #: 2018-5997, **Version:** 1

Consider a public hearing regarding the adoption of a Roadway Impact Fee.

This public hearing will include information on the maximum rate that the Council can adopt by enabling legislation.

The amount of the maximum proposed roadway impact fee per service unit is as follows:

Service Area A: \$2,743 / vehicle-mile

Service Area B: \$2,933 / vehicle-mile

Service Area C: \$2,511 / vehicle-mile

Kimley-Horn and Associates Inc. has developed a roadway impact fee study and established a maximum fee that can be implemented under state law. This second and final required public hearing will allow formal public input on the maximum roadway impact fee per service unit that can be assessed. The first reading of the ordinance is also scheduled for October 25, 2018 and the second reading is scheduled for November 8, 2018.

On July 26, 2018, Council held a public hearing and adopted the land use assumptions and capital improvement plan, the first step of the process.

According to the 2017 Transportation Master Plan, over \$1 billion in new roadway capacity is needed to accommodate future growth in the City of Round Rock. Impact Fees are a mechanism for funding the public infrastructure necessitated by new development. Impact fees are meant to recover the incremental cost of the impact of each new unit of development. In the case of Roadway Impact Fees, the infrastructure need is the increased capacity on arterial and collector roadways that serve the overall transportation system.

The 2018 Roadway Impact Fee Study identified the maximum impact fee per unit of new development necessary to fund these improvements in accordance with the enabling legislation, Chapter 395 of the Texas Local Government Code. ***The actual fee amount ultimately assessed is at the discretion of the Round Rock City Council, so long as it does not exceed the maximum fee allowed by law.*** The study looks at a period of 10 years to project new growth and corresponding capacity needs, as required by state law. The study and corresponding maximum fees must be restudied at least every five years. However, the study can be updated at any time to accommodate significant changes in any of the key variables of the impact fee equation.

The Capital Improvements Advisory Committee (CIAC) reviewed the maximum impact fee per unit of new development on August 15, 2018 as required by Chapter 395 of the Texas Local Government Code. The Committee approved a motion to forward the report to the City Council, to implement impact fees which will appropriately address the needs as defined by the Transportation Department, while keeping the City of Round Rock competitive with neighboring communities for development.

The City of Round Rock has had a type of impact fee allowed by Chapter 395 and previous legislation since 1989 for water and wastewater projects. The basic methodology and premise for determining and implementing these type of fees is the same. Water and wastewater impact fees have allowed growth to pay for growth in the Utility Fund. Roadway Impact Fees are another tool the City Council can use to build roadway capacity to accommodate new development.