



Council Workshop

- ***Pavement Condition Assessment***
- ***Impact Fees***
- ***Transportation Utility Fund***

July 12, 2016

Dedicated Service – Every Day, For Everyone!

Killeen
Impact Fees and
Transportation Utility
July 12, 2016

Kimley»»Horn

Outline

- What and Why of Impact Fees
- Water and Wastewater Impact Fees
- Roadway Impact Fees
- Next Steps



What is an Impact Fee?

- **One-time** fee assessed to recover infrastructure costs required to serve **new development**
- Governed by Chapter 395 of the Texas Local Government Code



Why Impact Fees?

- Provides an additional funding tool for infrastructure systems
- Allows for a balanced funding combination that recognizes the benefits of growth

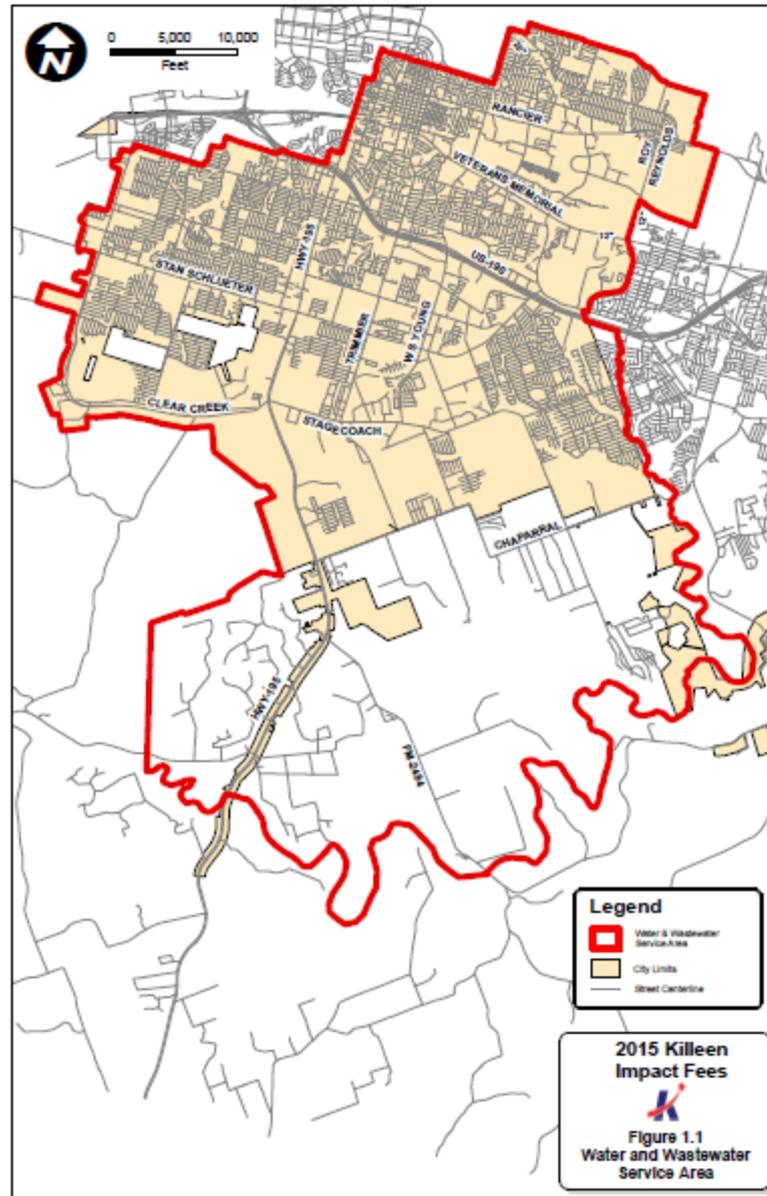




Water and Wastewater Impact Fees

Water and Wastewater Service Areas

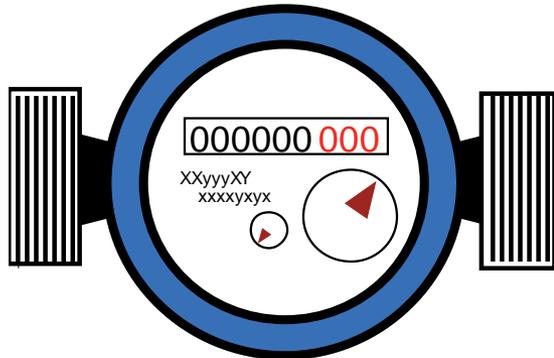
- Area to be served by Impact Fee CIP
- Water and Wastewater Service Areas are the City Limits and ETJ of Killeen



2015 Study Results

Water and Wastewater Impact Fee

3/4" meter
or
1" meter



=

Single-Family



Water and Wastewater Impact Fee Study Results

Meter Size	Water Max Fee	Wastewater Max Fee	Total Max Fee
3/4"	\$683.81	\$549.55	\$1,233.36
1"	\$1,141.96	\$917.75	\$2,059.71



The background features a white central space surrounded by four large, rounded, organic shapes in teal, dark grey, and red. The red shape is the largest and occupies the right side of the frame.

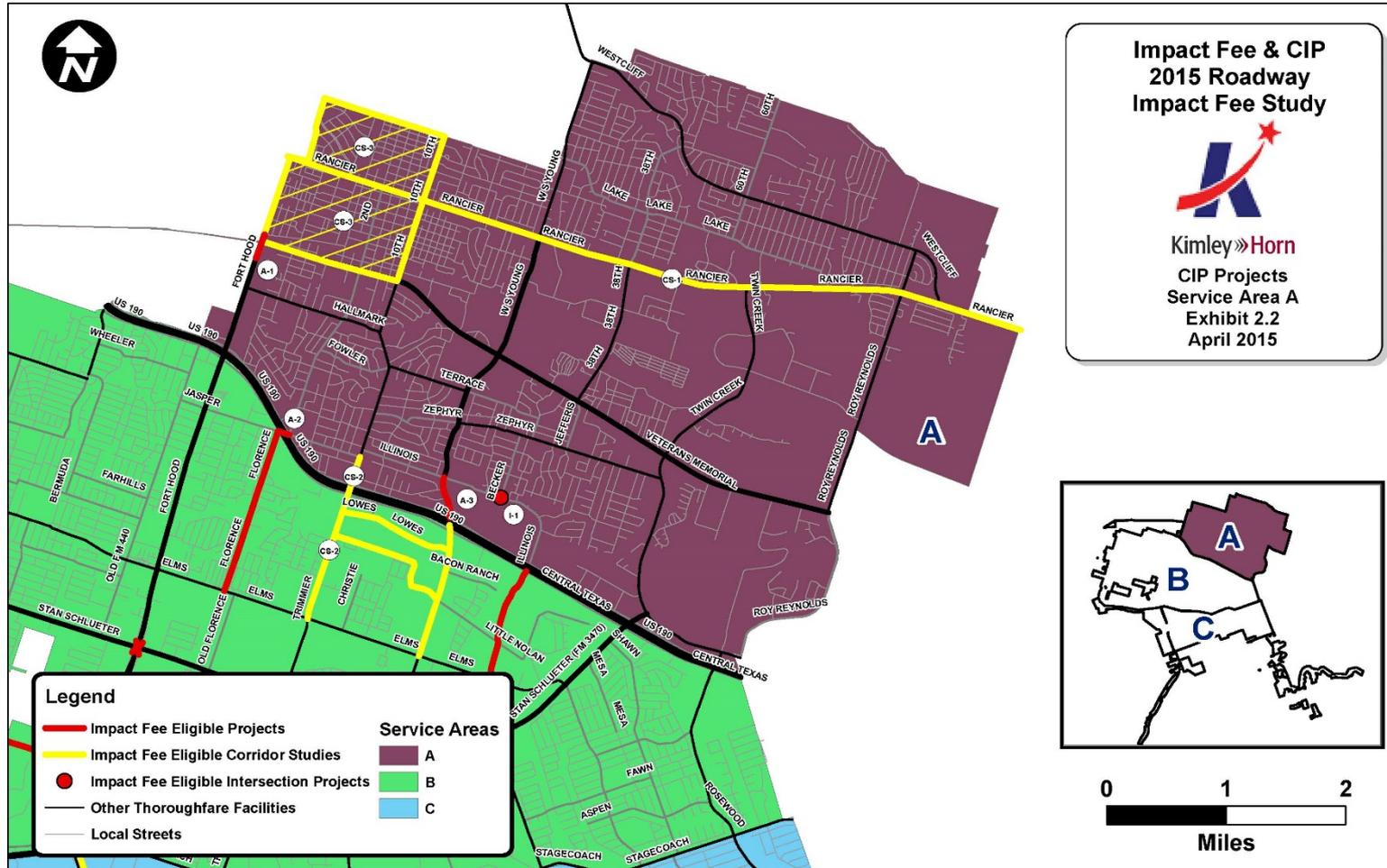
Roadway Impact Fees

Roadway Service Areas

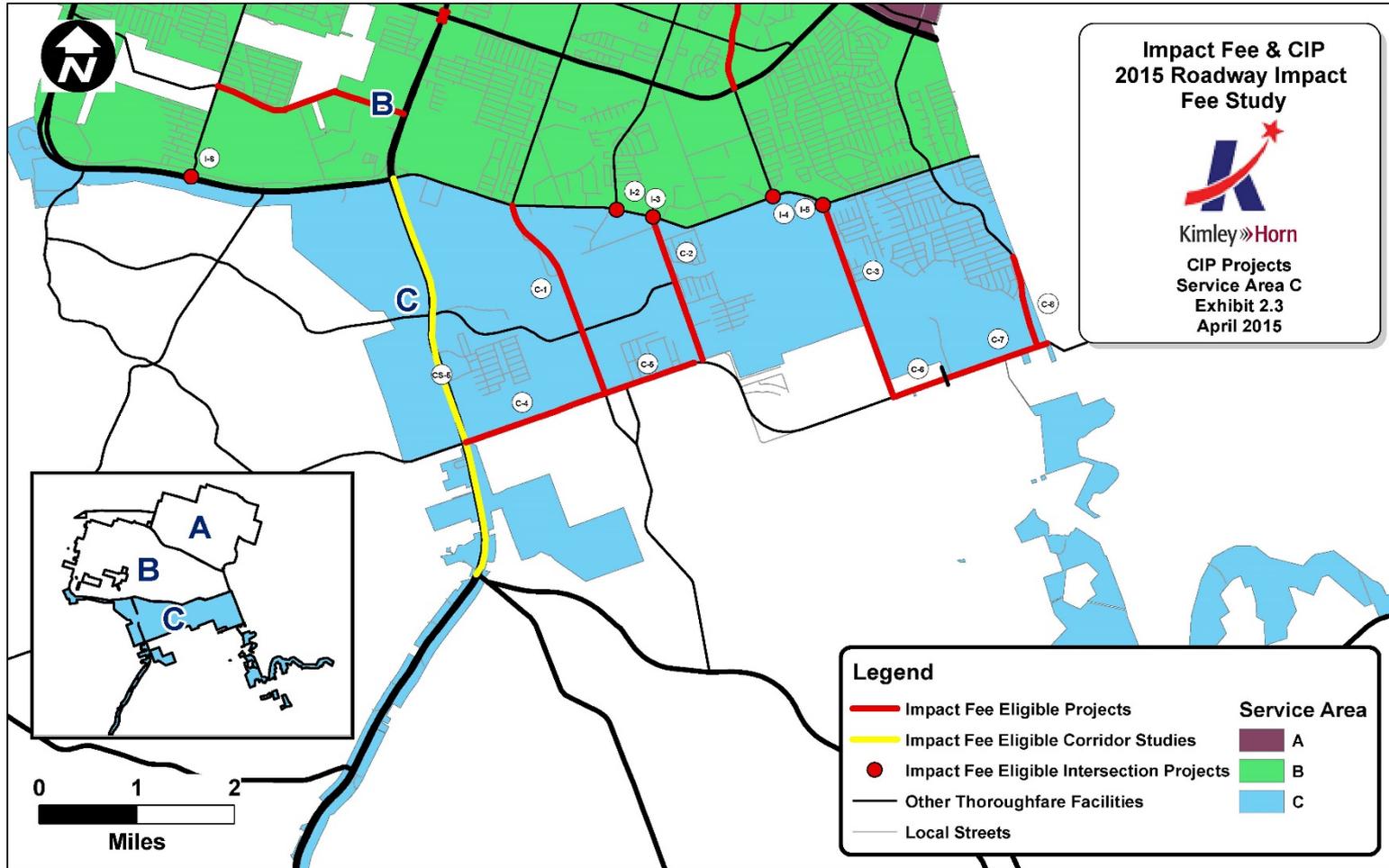
- Within the City Limits
- Roadway Service Areas are limited to six (6) miles by state law (3)
- Money collected in each Service Area must be spent on Impact Fee Capital Improvement Projects in that Service Area



Roadway Impact Fee CIP: Service Area A



Roadway Impact Fee CIP: Service Area C



2015 Study Results

Roadway Impact Fee

- Single-Family

Service Area	A	B	C
Maximum Rate for Single-Family	\$656	\$3,403	\$3,739
Council Adopted Rate	TBD	TBD	TBD



Maximum Yearly Revenue Projection

- Water Impact Fee Revenue = \$750,000
- Wastewater Impact Fee Revenue = \$600,000
- Roadway Impact Fee Revenue = \$3 million



The background features a large, rounded red shape on the right side, which is the primary focus. To its left, there are teal and dark grey shapes, all separated by white space. The overall composition is modern and minimalist.

Next Steps

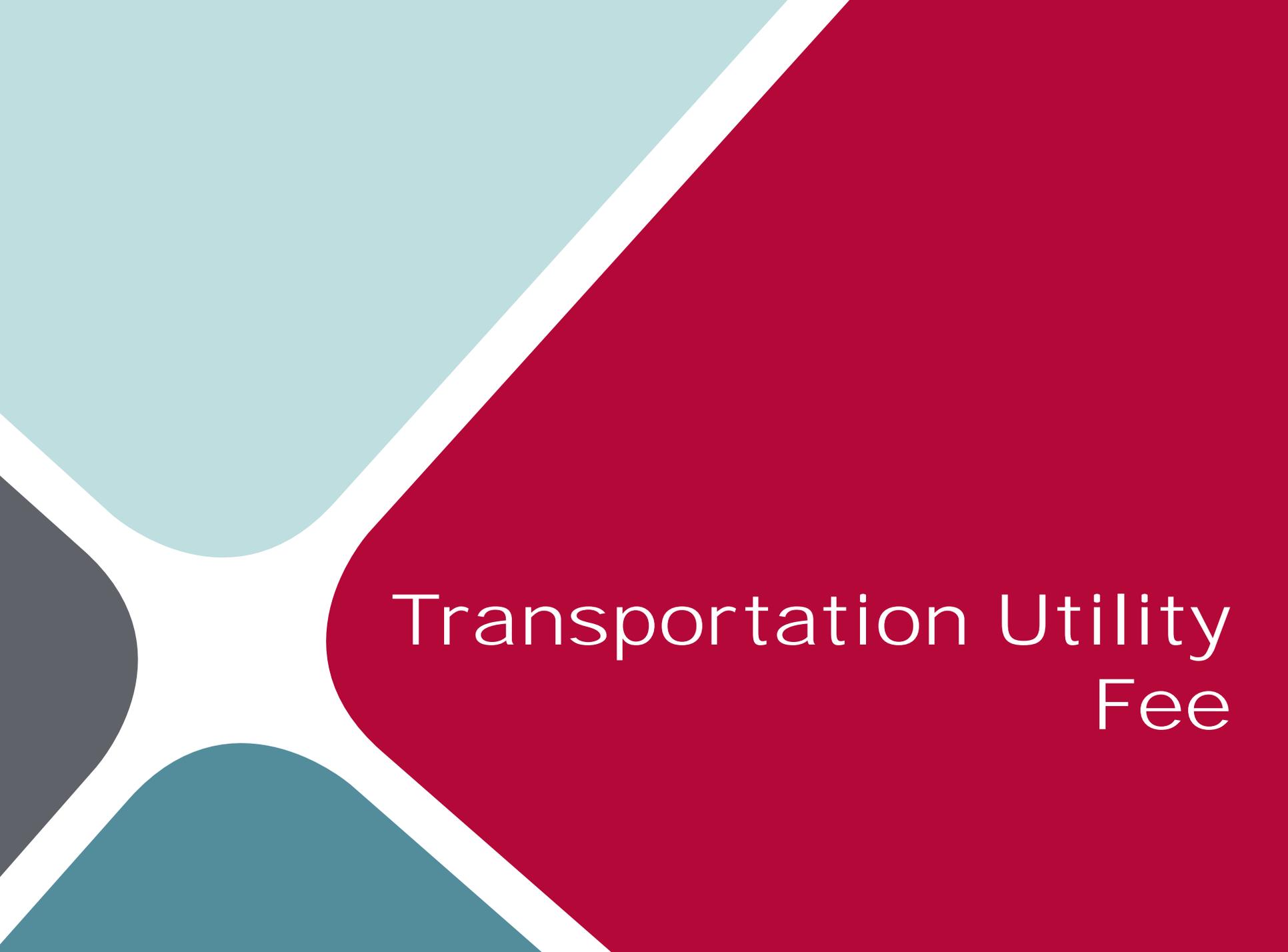
Impact Fee Next Steps

✓ *Draft Reports completed*

✓ *June 23, 2015*

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|---|---------------|
| • Council Meeting – Impact Fee Review & Next Steps | July 12, 2016 |
| • Council Resolution to Establish Capital Improvement Advisory Committee (CIAC) | TBD |
| • Council Sets Public Hearing On Impact CIP and Land Use | TBD |
| • Advertise Public Hearing (30 days) | TBD |
| • CIAC Meeting to Present Impact CIP and Land Use | TBD |
| • Council Public Hearing On Impact CIP and Land Use | TBD |
| • Council Sets Public Hearing On Impact Fees | TBD |
| • Advertise Public Hearing (30 days) | TBD |
| • CIAC Meeting to Present Maximum Assessable Impact Fees | TBD |
| • Council Public Hearing On Maximum Assessable Impact Fees | TBD |
| • Ordinance Adoption | TBD |
| • Begin Collection of Impact Fees (Dependent on Ordinance) | TBD |



The background features abstract, rounded shapes in teal, dark grey, and a large red area on the right. The text is centered in the red area.

Transportation Utility Fee

What is a Transportation Utility Fee (TUF)?

- TUF is a monthly fee based on the use of the transportation system
 - Calculated proportionately to road demand usage
 - Typically collected through a regular local water bill
- Provides a stable funding source for the maintenance and operation of Killeen's transportation system



Fee Calculation Components

- TUF is comprised of 2 main components
 1. Transportation Utility Costs
 - Annual Cost: Maintenance and Operations (M&O) ~ \$4.9M
 2. Vehicle Mile Demand Calculation
 - Total Demand for Vehicle Miles within the city limits ~287,936
- \$1.42 per vehicle-mile per month



100% M&O

Maintenance and Operations (M&O)				
Land Uses:	Development Unit:	Total Maximum M&O Utility Fee: (Monthly)	Percentage of Maximum M&O Utility Fee:	Total Adopted M&O Utility Fee: (Monthly)
<i>Commercial</i>	<i>1000 sq. ft.</i>	<i>\$11.65</i>	100.00%	<i>\$11.65</i>
<i>Industrial</i>	<i>1000 sq. ft.</i>	<i>\$6.91</i>	100.00%	<i>\$6.91</i>
<i>Institutional</i>	<i>1000 sq. ft.</i>	<i>\$0.68</i>	100.00%	<i>\$0.68</i>
<i>Lodging</i>	<i>1000 sq. ft.</i>	<i>\$2.87</i>	100.00%	<i>\$2.87</i>
<i>Multi-Family</i>	<i>Dwelling Unit</i>	<i>\$3.61</i>	100.00%	<i>\$3.61</i>
<i>Office</i>	<i>1000 sq. ft.</i>	<i>\$6.36</i>	100.00%	<i>\$6.36</i>
<i>Religious</i>	<i>1000 sq. ft.</i>	<i>\$1.65</i>	100.00%	<i>\$1.65</i>
<i>Single Family</i>	<i>Dwelling Unit</i>	<i>\$5.83</i>	100.00%	<i>\$5.83</i>



50% M&O

		Maintenance and Operations (M&O)		
Land Uses:	Development Unit:	Total Maximum M&O Utility Fee: (Monthly)	Percentage of Maximum M&O Utility Fee:	Total Adopted M&O Utility Fee: (Monthly)
<i>Commercial</i>	<i>1000 sq. ft.</i>	<i>\$11.65</i>	50.00%	<i>\$5.83</i>
<i>Industrial</i>	<i>1000 sq. ft.</i>	<i>\$6.91</i>	50.00%	<i>\$3.46</i>
<i>Institutional</i>	<i>1000 sq. ft.</i>	<i>\$0.68</i>	50.00%	<i>\$0.34</i>
<i>Lodging</i>	<i>1000 sq. ft.</i>	<i>\$2.87</i>	50.00%	<i>\$1.44</i>
<i>Multi-Family</i>	<i>Dwelling Unit</i>	<i>\$3.61</i>	50.00%	<i>\$1.81</i>
<i>Office</i>	<i>1000 sq. ft.</i>	<i>\$6.36</i>	50.00%	<i>\$3.18</i>
<i>Religious</i>	<i>1000 sq. ft.</i>	<i>\$1.65</i>	50.00%	<i>\$0.83</i>
<i>Single Family</i>	<i>Dwelling Unit</i>	<i>\$5.83</i>	50.00%	<i>\$2.92</i>



Next Action – If Moving Forward

- Bring Ordinance to Council
- Ordinance to be modeled after Chapter 552 of Local Government Code - Subchapter C – Municipal Drainage Utility Systems
- Timeline for adoption process
 - Public Hearing Advertisement (3 times): August
 - Public Hearing: September
 - Ordinance Adoption: October

