



Proposed

Impact Fee Policy





Impact Fee Policy - Refresher

- Impact Fees are assessed at time of subdivision plat and paid at time of building permit issuance.
- Effective date of Impact Fee Ordinance is July 1, 2024
- One year grandfather period on all platted properties
- Impact Fees only assessed if service unit increases (increased demand on system)
- Adopted Impact Fees:
 - Impact Fees for Water at ninety percent (90%) the Maximum Assessable Rate;
 - Impact Fees for Wastewater at twenty percent (20%) the Maximum Assessable Rate;
 - To accept the results of the Roadway Impact Fee Study and adopt an Impact Fee of \$0 for Roadways.



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Adopted Example Scenarios:

Single-Family Dwelling: \$5,414

200 Unit Apartments : \$64,977

Fast Food Retailer: \$17,326

Sporting Goods Store: \$10,830

	Water	Wastewater	Roadway
10-Year Escalated CIP Costs:	\$ 45,131,575	\$ 24,590,935	\$ 90,380,835
Financing Cost (+):	\$ 8,874,838	\$ 7,312,484	\$ 27,486,907
Existing Fund Balance (-):	-	-	-
Interest Earnings (-):	(2,121,935)	(1,687,373)	(5,761,522)
Pre-Credit Recoverable Costs:	\$ 51,884,478	\$ 30,216,047	\$ 112,106,220
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50% Credit:	\$ (25,942,239)	\$ (15,108,023)	\$ (56,053,110)
Maximum Recoverable Costs:	\$ 25,942,239	\$ 15,108,023	\$ 56,053,110
Service Units	\$ 4,870	\$ 4,870	\$ 52,435
Maximum Assessable Impact			
Fee per Service Unit:	\$ 5,327	\$ 3,102	\$ 1,069
Adopted Impact			
Fee per Service Unit:	\$ 4,794	\$ 620	-



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Subdivision Plats

- Subdivision plats submitted for approval to the Development Services Department as of the effective date of the Ordinance and not yet approved or recorded shall be eligible for the 1-year grandfathering period, starting from July 1st, 2024.

- Examples of projects in review:
 - Heritage Oaks Subdivision
 - Wilkins Valley Subdivision
 - Vintage Farms Subdivision Phase 6 & 7
 - Ebenezer Townhomes
 - Brenham Market Square (phases already submitted)



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Administrative:

- Service units (water/wastewater tap size) shall be determined by a licensed engineer and approved by City Staff
- No impact fees shall be assessed for the purchase of water taps utilized only to provide fire protection
- ADUs only assessed an impact fee if existing tap meter is increased in size to handle additional capacity.
 - Example: Existing meter is 1" being upgraded to 1.5" = Water (\$9,589 - \$4,794 = \$4,795) and Sewer (\$1,241 - \$620 = \$621) = Total assessed = \$ 5,416



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Administrative:

- New development proposed to occur without platting, assessment shall occur at time of building permit application
- All replats (commercial or residential) trigger Impact Fees for new development. Redevelopment shall mean a change of use/occupancy.
- Following lapse or expiration of an approved plat that is not recorded, the Impact Fee shall be assessed from the date the new application for development is made



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Irrigation Meters:

- No Impact Fees for residential irrigation meters which are a sub-meter to the main meter shall be assessed an impact fee
- Non-residential irrigation meters 1.5-inches or greater shall be assessed an impact fee for water
 - Example 1: Taqueria el Rorro – redevelopment of existing retail space required to provide landscaping per zoning. Irrigation provided with existing meter, no impact fee.
 - Example 2: Former Southerland’s (2022 S Market) with redevelopment required to provide landscaping per zoning, likely would need 2” meter with a \$15,341 fee assessed.



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Legal Lot of Record:

- A lot, the boundaries of which were established by a plat recorded in the office of the county clerk before September 1, 1989, that has not been subdivided after September 1, 1989

Proposed policy:

- Impact Fees shall not be assessed for new development on properties vacant as of the effective date of this Ordinance which are determined to be a legal lot of recorded as recorded in the Washington County subdivision records. Properties which contain a legal lot of record and are replatted shall be assessed an impact fee.



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Exemption: Clover leaf reconstruction

Existing businesses abandoning their current location and relocating within the City of Brenham City Limits as a result of the Texas Department of Transportation State Highway 36/ US Highway 290 interchange reconstruction shall be exempt from the assessment of impact fees:

- Owners may exchange those purchased connections for the equivalent number of service connections.
- Should the exchange of service connections results in an increase in the meter type and/or size as outlined in Table 1 and Table 2, the purchaser shall be assessed the effective impact fee at the time of the new service connection based on the additional service units.

Discussion
