

PUBLIC NOTICE

**City of Lockhart
Impact Fee Advisory Committee
6:30 PM, Wednesday, December 11, 2024
Municipal Building — Glosserman Room
308 W. San Antonio St.**

AGENDA

1. Call meeting to order.
2. Consider the Minutes of the June 26, 2024, meeting.
3. Consider semi-annual report to City Council concerning the status of implementation of Chapter 31 "Impact Fees" of the Code of Ordinances, and advise of the need to update the ordinance, land use assumptions, capital improvements plans, or impact fees.
4. Adjourn.

Posted on the bulletin board in the Municipal Building, 308 W. San Antonio St., Lockhart, Texas, at 2:00 PM on the 5th day of December, 2024.

**City of Lockhart
Impact Fee Advisory Committee
Wednesday, June 26, 2024**

MINUTES

COMMITTEE MEMBERS PRESENT: Philip Ruiz, Phil McBride, Ron Peterson, Brad Lingvai,
Larry Metzler

COMMITTEE MEMBERS ABSENT: Rick Arnic, Julia Haug, Manuel Oliva

STAFF PRESENT: David Fowler, Evan Olszewski, Christine Banda, Romy Brossman

VISITORS/CITIZENS ADDRESSING THE COMMITTEE: None

1. Call meeting to order. Chair Ruiz called the committee to order at 6:33 p.m.
2. Consider the Minutes of the December 13, 2023, meeting.

Member Lingvai moved to approve the minutes with correction, and Member Metzler seconded. The motion passed by a vote of 5-0.

3. Consider semi-annual report to City Council concerning the status of implementation of Chapter 31 "Impact Fees" of the Code of Ordinances, and advise of the need to update the ordinance, land use assumptions, capital improvements plans, or impact fees.

Mr. Fowler reviewed the impact fee revenues, expenditures, account balances, and impact fees. He said no changes are needed at this time. Following discussion, the Committee agreed with his recommendation.

Member Lingvai moved to have the Chair of the Impact Fee Advisory Committee forward the semi-annual report to City Council with a recommendation that no changes are needed. Member Peterson seconded, and the motion passed by a vote of 5-0.

4. Adjourn.

Member Metzler moved to adjourn, and Member Peterson seconded. The motion passed by a vote of 5-0, and the meeting adjourned at 6:44 p.m.

Approved: _____
Philip Ruiz, Chair

Date

MEMORANDUM

TO: Impact Fee Advisory Committee
FROM: David Fowler, Planning Director
DATE: December 5, 2024

PURPOSE

State law requires a continuing semi-annual role for the Impact Fee Advisory Committee in monitoring the progress of implementation of the impact fee ordinance, and in advising the City Council on needed revisions. More specifically, State law provides that the Committee:

- 1) Monitor and evaluate implementation of the capital improvements plans;
- 2) File semi-annual reports with respect to the progress of the capital improvements plans and report to City Council any perceived inequities in implementing the plans or imposing the impact fees; and,
- 3) Advise the City Council of the need to update or revise the land use assumptions, capital improvement plans (CIP's), and impact fees.

The Committee's last meeting was June 26, 2024, at which the committee reviewed the previous semi-annual update of fee activity. This is the 45th status report since the impact fee ordinance was originally adopted on January 15, 2002, and is for the period from April 1, 2024 through September 30, 2024. This is the fourth report since the update adopted on May 2, 2023, and is based on the current capital improvement plans and impact fees. The six-month reporting dates align with the fiscal year quarters.

STATUS OF ACCOUNTS

Exhibit A shows revenue totaling \$1,669,643 during the period covered by this report. Fees collected during the six-month period were for 71 new houses (255 last period) and 9 new commercial buildings. The most notable commercial projects submitting impact fees included the new TxDOT area office, the Ausitn Regional Clinic Development and the Real Cold project. The water, wastewater, and road impact fee account balances for the previous semi-annual report, as well as the current balances as of April 1, 2024, including accrued interest, are shown in the table.

The total estimated cost of all the projects in the capital improvement plans in effect during the six-month reporting period was \$60,059,066. However, the City Council adopted one-half that amount as the maximum to be collected by April 1, 2033, which is the end of the ten-year CIP period, so the maximum fees are based on an estimated cost of all three CIP's being \$29,155,769. The total of all impact fees spent on CIP projects so far since the April 4, 2017 update is \$673,073, which does not include payments to the impact fee update consultants. The total amount still to be spent is \$28,482,696. The total balance available remaining collectively in the

four impact fee accounts that can be used toward meeting that goal, is currently \$12,114,618. This is the fourth report to reflect the recently adopted impact fee rates and their effect on fund balances.

TRENDS

The bar graph in **Exhibit B** illustrates the impact fee collection trends beginning with the first semi-annual report in July 2003. The trends generally reflect the state of the economy, as well as the availability of lots for residential development. Housing production and platting of new subdivisions have decreased slightly, with the total impact fee revenue in this six-month reporting period slightly lower than the previous reporting period, which was the second highest to date. It is important to build a healthy balance in all of the accounts because there is interest in development where the City does not currently have adequate infrastructure, but where many of the needed projects are already listed in the impact fee CIP's.

UPDATE

This report reflects the impact fee update completed and adopted in 2017, as the statutory five year up-date was still in process through the report period. The Impact Fee Advisory Committee will have several opportunities to provide feedback to the consultants on the impact fee update project. The five-year update is needed primarily due to increases in the cost of construction. The impact fees are based on the estimated cost of the projects in each CIP, recently updated in the 2023 fee study. A CIP update may be initiated this year due to new projects added as part of the Seawillow Ranch Development agreement.

RECOMMENDATION

Considering that the five-year impact fee update is still only 18 months old, there is nothing new to report at this time in terms of a recommendation to the City Council. Typically, the Impact Fee Advisory Committee's action is to direct the Chair to submit the required written report to the City Council. The Council will receive this report at their December 17th meeting.

EXHIBIT A

FALL 2024 IMPACT FEE ACCOUNT BALANCES¹

	<u>April 1, 2024</u>	+	Revenue ²	-	Expense ³	<u>October 1, 2024</u>
Water	3,722,682		534,855		29,815	4,227,721
Wastewater	3,328,745		653,113		61,708	3,920,150
Roads (Service Area 1)	2,160,076		386,443		168,575	2,377,944
Roads (Service Area 2)	1,493,570		95,232		0	1,588,803
TOTAL	\$10,705,073		\$1,669,643		\$151,250	\$12,114,618

1. All amounts have been rounded to the nearest dollar.

2. Revenue amounts include accrued interest.

3. Expenses were due to invoices from impact fee update and water/wastewater master plan consultants.

One-half total CIP estimated cost (estimated 100% cost of all projects is \$120,118,135):	\$60,059,068
Total spent on projects since adoption of Ordinance 2023-09 on May 2, 2023:	\$117,739
Remaining amount of 1/2 estimated cost not yet spent:	\$59,941,329
Current balance on October 1, 2024:	\$12,114,618

EXHIBIT B
IMPACT FEE SEMI-ANNUAL REVENUE
July 2003 - October 2024

\$2,500,000
\$2,000,000
\$1,500,000
\$1,000,000
\$500,000
\$0

