



College Station, TX

Meeting Agenda City Council and Planning and Zoning Commission Joint Workshop Larry Ringer Library 1818 Harvey Mitchell Pkwy S.

February 28, 2020

9:00 AM

Meeting Room A & B

1. Call to Order.

2. Joint Workshop Agenda

Speaker Protocol: An individual who wishes to address the City Council regarding any item on the Joint Workshop Agenda shall register with the City Secretary prior to the meeting being called to order. Registration forms are available in the Office of the City Secretary. Upon stepping to the podium the speaker must state their name and city of residence, including the state of residence if the city is located out of state. Speakers are encouraged to identify their College Station neighborhood or geographic location. Each speaker's remarks are limited to three (3) minutes. Any speaker addressing the Council through the use of a translator may speak for six (6) minutes. An individual may speak for ten (10) minutes on behalf of a group of five (5) or more. The five (5) or more individuals must sign the registration form and must be present when the speaker is introduced. Those signing may not speak individually. A speaker who wishes to include computer-based information while addressing the Council must provide the electronic file to the City Secretary by noon on the day before the Council meeting. During each speaker's remarks a timer light will change from green to yellow when there is thirty seconds remaining. The speaker must conclude their remarks when the timer light changes from yellow to red.

2.1. Presentation and discussion regarding an overview of Impact Fees, to include the Impact Fee Credit Policy and Collection Rates.

Sponsors: Bryan Woods

Attachments: 1. Draft Credit Policy 021420

3. Adjourn.

The City council may adjourn into Executive Session to consider any item listed on the agenda if a matter is raised that is appropriate for Executive Session discussion.

I certify that the above Notice of Meeting was posted at College Station City Hall, 1101 Texas Avenue, College Station, Texas, on February 21, 2020 at 5:00 p.m.



City Secretary

This building is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need accommodations, auxiliary aids, or services such as interpreters,

readers, or large print are asked to contact the City Secretary's Office at (979) 764-3541, TDD at 1-800-735-2989, or email adaassistance@cstx.gov at least two business days prior to the meeting so that appropriate arrangements can be made. If the City does not receive notification at least two business days prior to the meeting, the City will make a reasonable attempt to provide the necessary accommodations.

Penal Code § 30.07. Trespass by License Holder with an Openly Carried Handgun.

"Pursuant to Section 30.07, Penal Code (Trespass by License Holder with an Openly Carried Handgun) A Person Licensed under Subchapter H, Chapter 411, Government Code (Handgun Licensing Law), may not enter this Property with a Handgun that is Carried Openly."Codigo

Penal § 30.07. Traspasar Portando Armas de Mano al Aire Libre con Licencia.

"Conforme a la Seccion 30.07 del codigo penal (traspasar portando armas de mano al aire libre con licencia), personas con licencia bajo del Sub-Capitulo H, Capitulo 411,Codigo de Gobierno (Ley de licencias de arma de mano), no deben entrar a esta propiedad portando arma de mano al aire libre."

February 28, 2020
Item No. 2.1.
Impact Fee Credit Policy and Collection Rates

Sponsor: Bryan Woods, City Manager

Reviewed By CBC: City Council

Agenda Caption: Presentation and discussion regarding an overview of Impact Fees, to include the Impact Fee Credit Policy and Collection Rates.

Relationship to Strategic Goals:

Recommendation(s):

Summary:

Budget & Financial Summary:

Reviewed & Approved by Legal: No

Attachments:

1. Draft Credit Policy 021420

DRAFT
City of College Station Policies and Procedures for
Obtaining and Applying Credits
Against Roadway, Water and Wastewater Impact Fees

Credit Agreements

A property owner or authorized agent of owner for plat approval (“Applicant”), whose property is subject to the imposition of impact fees pursuant to College Station Code of Ordinances Chapter 107 for new development, may be eligible for credits (“Credits”) to offset impact fees otherwise due from the property. For purposes of this policy, Credits will be considered when an Applicant incurs costs toward the construction of or contributions toward a capital improvement project listed on the corresponding impact fee capital improvements plan (“Eligible Capital Improvement”). Credits shall be awarded on a like kind basis (i.e., credits earned for one type of capital improvement may not be used to offset impact fees for another type of capital improvement). Costs eligible for Credits (“Eligible Costs”) may include typical engineering and surveying, construction, right-of way dedication, insurance and surety.

Credits are applicable when verified Eligible Costs combined with assessed impact fees exceed what is roughly proportional to the development as set out in a written credit agreement (“Credit Agreement”) which shall be on a form provided by the City. Alternative forms of agreement may be considered upon petition by the Applicant to City Council.

Credit Agreements will be considered for approval by City Council.

Process and Requirements

An Applicant must apply for Credit against impact fees before impact fee collection. Applicants are encouraged to submit a request for credit eligibility at the time of preliminary plan application; whereupon a preliminary determination of Eligible Capital Improvements may be made. The Applicant may file a request for credit eligibility with the City Engineer when submitting an application for preliminary plan approval, or if a preliminary plan is not required, at the time of submitting an application for final plat or, if no final plat is required, at the time of submitting an application for site plan approval or building permit. The preliminary determination will identify the Eligible Capital Improvements. Specific credit amounts and credit allocation will be finalized with the subsequent request for Credit, typically at the final plat stage.

1. Preliminary Plan.

Upon request for credit eligibility, the City Engineer will notify the Applicant whether the capital improvements to be dedicated, constructed, or contributed toward are Eligible Capital Improvements, and are eligible for Credit at the time of the request.

- a. Information Required. Applicant shall provide a request for a credit eligibility determination to the City that contains the following information:

- 1) Letter requesting eligibility determination;
- 2) Identification of the Eligible Capital Improvements to be dedicated, constructed, or contributed toward, forming the basis for the request;

- 3) Preliminary Plan submitted with application for approval; and
 - 4) Additional information as may be requested by the City as necessary in order to make a determination.
- b. Finalizing the Credits. Although a preliminary determination may identify Eligible Capital Improvements, a request for Credit must be submitted as provided below, and a resultant Credit Agreement executed on or before final plat recordation.
2. Final Plat.
- The Applicant shall submit a request for Credits with the City Engineer at the time of final plat application. The City Engineer will provide the Applicant, in writing, a decision on Eligible Capital Improvements and the maximum value of Credits which may be applied to offset impact fees assessed with the final plat as part of a draft Credit Agreement. The Credit Agreement shall be considered for approval by the City Council, and shall be executed prior to recordation of the final plat. The Credits included in the Credit Agreement cannot be applied to the impact fees due until the time of building permit application for a new development subject to the final plat.
- a. Information Required. The Applicant shall provide the following information in order to determine the maximum value of Credits and process a Credit Agreement:
- 1) Written request for Credits;
 - 2) Identification of the Eligible Capital Improvements to be dedicated, constructed, or contributed toward forming the basis for the request;
 - 3) Final Plat submitted with application for approval;
 - 4) For roadway Credits, a College Station Roadway Impact Fee Worksheet shall be completed demonstrating the Eligible Capital Improvements provided combined with the roadway impact fees to be assessed are in excess of what is considered roughly proportionate;
 - 5) For water or wastewater Credits, an approved utility report demonstrating capacity of the proposed improvements that are beyond the requirement of the development;
 - 6) Approved construction plans for the proposed Eligible Capital Improvements;
 - 7) Approved construction estimate and/or proof of actual Eligible Costs, as applicable, by Applicant for the Eligible Capital Improvements;
 - 8) Value of right-of-way dedication for the proposed Eligible Capital Improvements on the appraisal district's latest records. In lieu of the appraisal district's valuation, an Applicant may, with the City's approval, provide funds to the City to perform a market appraisal for the right-of-way to be dedicated; and
 - 9) Additional information as may be requested by the City as necessary in order to make a determination.
- b. Finalizing the Credits. The Credit Agreement will establish a not to exceed maximum value of Credits or provide for an allowance in change in Credit amount based upon actual Eligible Costs, and conditions the Applicant must satisfy to begin receiving credit. Credits shall not be applied until the Eligible Capital Improvements have been constructed, dedicated and accepted, or financial guaranteed in a form acceptable to the City and upon verification of Eligible Costs.
- c. Execution of Credit Agreement. The City Engineer will make a recommendation for City Council consideration. The Credit Agreement must be executed before final plat recordation.

3. Site Plan or Building Permit.

For projects that do not require platting, the Applicant shall submit a request for Credits with the City Engineer at the time of application for site plan and/or building permit. The City Engineer will provide the Applicant, in writing, a decision on Eligible Capital Improvements and the maximum value of Credits which may be applied to offset impact fees due as part of a draft Credit Agreement. The Credit Agreement shall be considered for approval by the City Council, and shall be executed prior to approval of the site plan or building permit. The Credits included in the Credit Agreement cannot be applied to the impact fees due until the time of building permit application.

a. Information Required. The Applicant shall provide the following information in order to determine the maximum value of Credits and process a Credit Agreement:

- 1) Written request for Credits;
- 2) Identification of the Eligible Capital Improvements to be dedicated, constructed, or contributed toward forming the basis for the request;
- 3) Site Plan or Building Permit submitted with application for approval;
- 4) For roadway Credits, a College Station Roadway Impact Fee Worksheet shall be completed demonstrating the Eligible Capital Improvements provided combined with the roadway impact fees to be assessed are in excess of what is considered roughly proportionate;
- 5) For water or wastewater Credits, an approved utility report demonstrating capacity of the proposed improvements that are beyond the requirement of the development;
- 6) Approved construction plans for the proposed Eligible Capital Improvements;
- 7) Approved construction estimate and/or proof of actual Eligible Costs, as applicable, by Applicant for the Eligible Capital Improvements;
- 8) Value of right-of-way dedication for the proposed capital improvements on the appraisal district's latest records. In lieu of the appraisal district's valuation, an Applicant may, with the City's approval, provide funds to the City to perform a market appraisal for the right-of-way to be dedicated; and
- 9) Additional information as may be requested by the City as necessary in order to make a determination.

b. Finalizing the Credits. The Credit Agreement will establish a not to exceed maximum value of Credits or provide for an allowance in change in Credit amount based upon actual Eligible Costs, and conditions the Applicant must satisfy to begin receiving credit. Credits shall not be applied until the impact fee-related improvements have been constructed, dedicated and accepted, or financial guaranteed in a form acceptable to the City and upon verification of Eligible Costs.

c. Execution of Credit Agreement. The City Engineer will make recommendation for City Council consideration. The Credit Agreement must be executed before site plan or building permit approval.

Relationship to Proportionality Appeal

An appeal, undertaken by an Applicant seeking to contest a dedication or construction requirement imposed under the City's Unified Development Ordinance pursuant to Section 3.2-J on grounds of rough

proportionality, normally should be determined prior to execution of any impact fee Credit Agreement. The City Engineer in submitting a response to a proportionality appeal shall take into account the eligibility of the facilities which are the subject of the appeal for impact fee Credits and shall preliminarily estimate the amount of such Credits due the Applicant. Such preliminary determination shall not ultimately affect the amount of Credits included in an impact fee Credit Agreement which is based on verified costs.

Changes in Impact Fee

1. Roadway, water and/or wastewater impact fees shall be assessed against new developments subject to the approval of final plat, replat, or development plat in accordance with applicable law.
2. The impact fees to be charged against a new development, subject to Credits and collection rate, are those in effect at the time a building permit is issued,
3. Following assessment of impact fees, no additional impact fees or increases shall be assessed unless the number of service units increases.

Method of Applying Credits

A request for Credits does not automatically entitle the Applicant to such Credits without entering into and successfully performing under a Credit Agreement. The Credit Agreement may be issued prior to construction and may be conditioned upon certain Eligible Capital Improvements being constructed, dedicated and accepted by the City. Credits shall not be applied until the Eligible Capital Improvements have been constructed, dedicated and accepted, or financial guaranteed in a form acceptable to the City and upon verification of costs.

1. Retention of Credit Agreement. A fully approved and executed Credit Agreement should be kept by the City with the file for the associated final plat as applicable.
2. Credit Pool. The total verified costs of Eligible Capital Improvements contributed by the Applicant for a subdivision shall constitute the initial Credit Pool associated with a recorded final plat.
3. Application of Credits Against Impact Fees Due. City shall apply Credits against the impact fees due until the Credit Pool has been exhausted. The method for distribution of Credit among service units shall be set forth in the Credit Agreement from one of the following options:
 - a. First-come first served. Credit applied for the first building permit subject to the recorded final plat, and thereafter, against impact fees due for each building permit subsequently issued;
 - b. Prorated. Credits may be prorated equally among all projected service units relating to the new development. Any increase in service units from what was projected and which result in an increase in the amount of impact fee assessed shall result in an adjustment to such prorated distribution of credit. Prorated distribution of credit will be set forth in the Credit Agreement and adjustments to same must also be in writing by issuance of a new Agreement or Amendment to Agreement; or
 - c. Allocation Plan. If set forth in a Credit Agreement, allocation of credits for new development may be applied, setting forth the timing and collection of impact fees and credits.
4. Expiration of Credits. Unused Credits associated with a property expire ten (10) years after the date of the Credit Agreement unless such Credits are formally extended in accordance with the Agreement.
5. Transfer of Credits Prohibited. Credits associated with a property cannot be transferred to different land, unless the land is subject to a multi-phase Credit Agreement that provides for such transfer.

6. Types of Credits. Credits may not be transferred between different types of impact fees, i.e., roadway Credits apply only to roadway impact fees and may not be applied to water or wastewater impact fees, and so on.
7. No Retroactive Application. No Credits shall be applied against impact fees which have already been previously collected.

Redevelopment

Capacity for existing uses may also be eligible for credit. Only uses within period from date of impact fee adoption may be considered. City staff may approve these minor Credits related to redevelopment without a Credit Agreement approved by City Council as set out below:

1. Existing Trip Generation. Vehicle-Miles associated with existing land uses may be applied as a Credit towards the amount of roadway impact fee due.
2. Existing water capacity. Existing water meters associated with a property may be applied as a Credit towards the amount of water impact fee due.
3. Existing wastewater capacity. Existing water meters associated with a property may be applied as a Credit towards the amount of wastewater impact fee due.

Multi-Phase Subdivisions

1. Multi-phase Subdivisions. Where an Applicant proposes a preliminary plan for a multi-phase subdivision that includes Eligible Capital Improvements in one or multiple phases, the Applicant may request the City Engineer identify the Eligible Capital Improvements associated with the proposed preliminary plan that are eligible for Credits against impact fees otherwise due. The Applicant may apply for a Credit Agreement in accordance with this policy at the time of application for the final plat for the first phase of the approved preliminary plan for which the Applicant contributes Eligible Capital Improvements.
2. Multi-phase Subdivision Addendum. When an Applicant proposes a subsequent final plat for a multi-phase subdivision, the Applicant may apply for an addendum to the original Credit Agreement. If agreed to by the City, the verified Eligible Costs of the Eligible Capital Improvement(s) may be applied to reduce impact fees due for lots or uses subject to an earlier or later phase of the subdivision. As additional phases of the subdivision are finally platted, the amended Credit Agreement for the subdivision may be further amended by additional addenda containing like provisions.
3. Multiple Approved Final Plats. Where the original Credit Agreement applies to more than one approved final plat for a multi-phase subdivision, the verified Eligible Costs of all Eligible Capital Improvements dedicated, constructed and accepted by the City may be credited against impact fees due for any lots or uses within such phases.
4. Credit Improvements by Phase. As Eligible Capital Improvements are dedicated, constructed and accepted by the City for each additional phase of a multi-phase subdivision, the verified Eligible Costs of such Improvements shall be added to the Credit Pool once an addendum to the original Credit Agreement for the subdivision is executed.
5. Credits Applied to Subsequent Phases. Excess Credits obtained through contributions of Eligible Capital Improvements for prior recorded phases of a multi-phase subdivision may be used to reduce impact fees due for new developments in subsequently approved phases of the subdivision.

Replats

1. If land subject to a final recorded plat is replatted, a new determination will be made at the time the replat is recorded in accordance with Chapter 107. Unused Credits created by a Credit Agreement may be used to reduce the impact fees for new development subject to the replat.
2. If additional Eligible Capital Improvements are contributed by an Applicant as a condition of approval of the replat, the verified costs of such improvements may result in new additional Credits to be added either as an addendum to an existing Credit Agreement or reflected in a new Credit Agreement.

Cost Participation by the City

Nothing herein prevents the Applicant and City from entering into a participation agreement for one or more Eligible Capital Improvements. In such event, the amount of the City's participation shall be subtracted from the verified costs of Eligible Capital Improvements when determining eligibility for Credits.