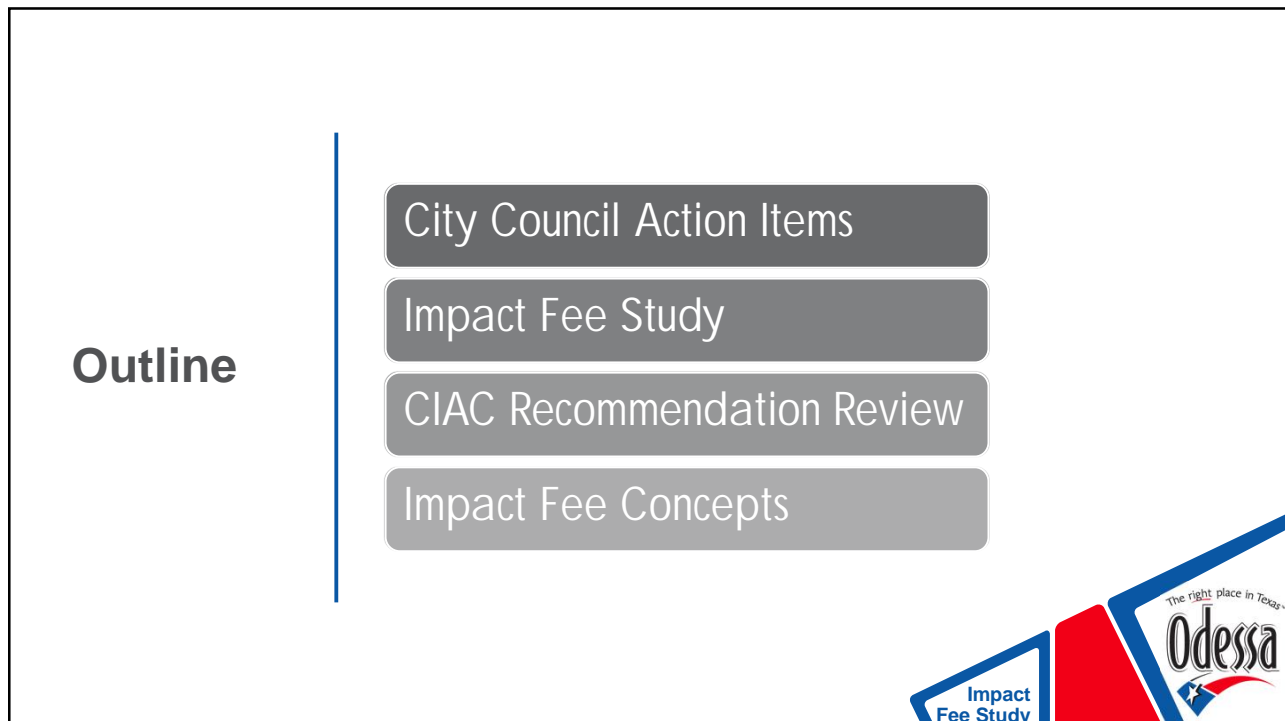




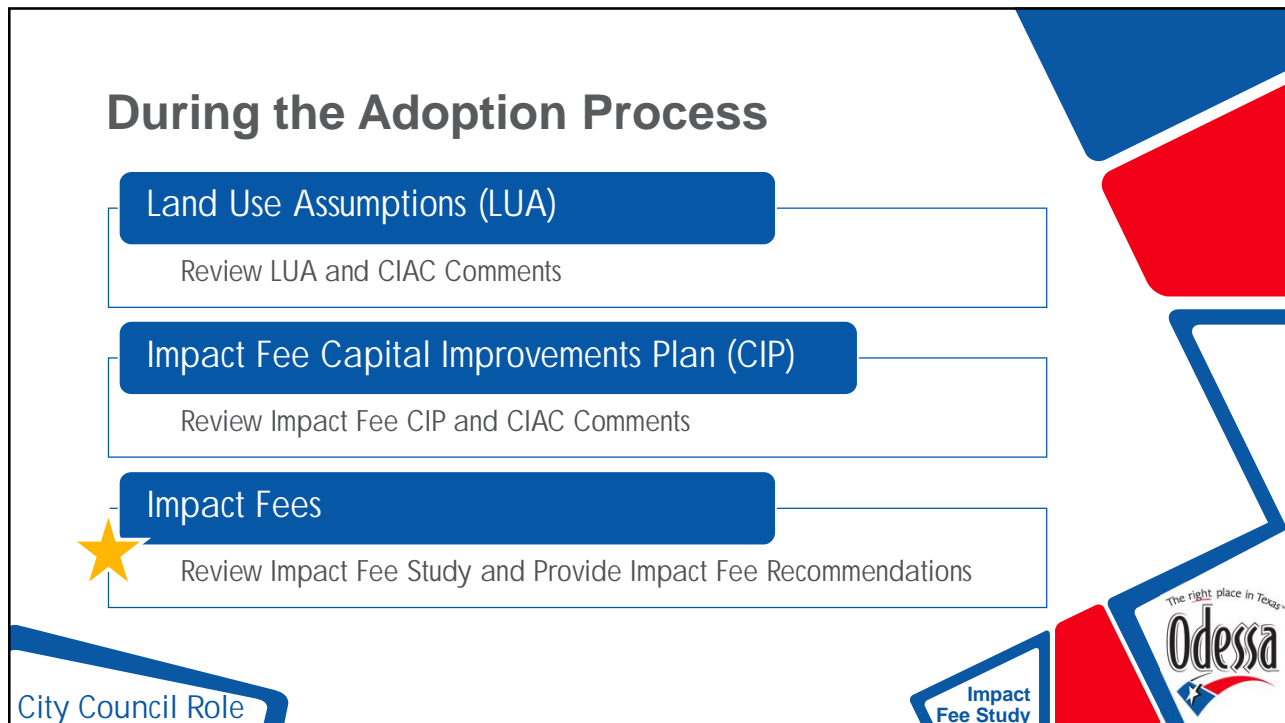
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4

Adoption Schedule

	Date	Council Meetings
✓	4/13/21	Council Public Hearing of LUA and IF CIP
✓	5/5/21	Stakeholders/Developers Workshop
✓	5/19/21	CIAC Meeting to Formulate Recommendations
➔	6/1/21	Council Work Session to Review CIAC Recommendations
•	6/8/21	Council Meeting to Set Public Hearing Date for Impact Fee Study
•	7/13/21	Council Public Hearing of Impact Fee Study and Max Assessable Impact Fees
•	7/27/21	Council Meeting to Adopt Impact Fee Ordinance

Upcoming



5



Impact Fee Study




6

Previous Presentation	This Presentation
Land Use Assumptions	Service Units
10-Year Growth Assumptions	Impact Fee Calculations
Impact Fee Service Areas	Impact Fee Comparisons
Impact Fee Capital Improvements Plans	



Study



7

Previous Presentation	This Presentation
Land Use Assumptions	 Service Units
10-Year Growth Assumptions	Impact Fee Calculations
Impact Fee Service Areas	Impact Fee Comparisons
Impact Fee Capital Improvements Plans	

Study



8

Service Units

A standardized measure of consumption attributable to an individual unit of development.*

<p>Water</p> 	<p>Wastewater</p> 	<p>Roadway</p> 
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* Chapter 395 Definition

Study






9

Service Units

A standardized measure of consumption attributable to an individual unit of development.*

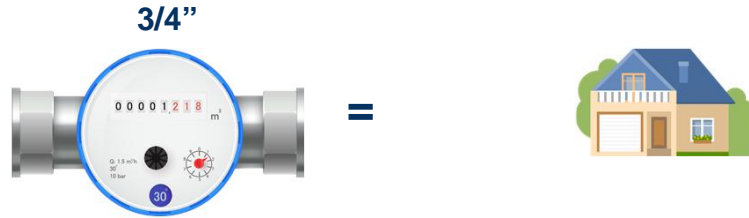
<p>Water & Wastewater</p> <p style="color: red;">Utilizes "Water Meter Size"</p> <p style="color: red;">Defined as a Base <u>water meter</u> diameter of <u>3/4-inch</u></p>	<p>Roadway</p> <p style="color: red;">Utilizes "Vehicle-Miles"</p> <p style="color: red;">Defined as <u>One vehicle</u> to travel <u>one mile</u></p>
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Study

10

Water and Wastewater Service Units



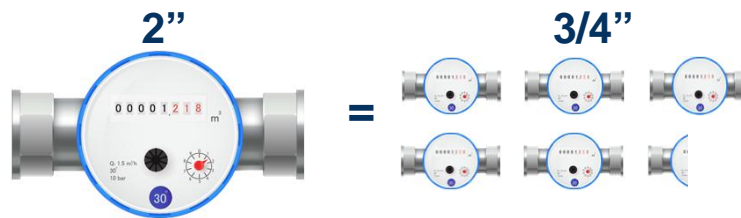
Study

Impact Fee Study

The right place in Texas
Odessa

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Water and Wastewater Service Units



Study

Impact Fee Study

The right place in Texas
Odessa

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Roadway Service Units

Two Variables	
<p>Trip Generation</p> <p>ITE Trip Generation Manual 10th Edition</p>	<p>Trip Length</p> <p>National Household Travel Survey</p> <hr style="width: 50%; margin: 10px auto;"/> <p>Legal Requirements from Chapter 395</p>

Study

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Roadway Service Units

	<p>ITE Land Use</p> <p>Trips</p> <p>X Trip Length</p> <p>Vehicle-Miles</p>	<p>Single-Family Detached Housing (ITE # 210)</p> <p>0.99 Vehicles (PM Peak) <i>(ITE Trip Generation)</i></p> <p>3.00 Miles</p> <p style="border: 1px solid red; border-radius: 50%; padding: 2px;">2.97 Vehicle-Miles</p>
	<p>ITE Land Use</p> <p>Trips</p> <p>Reduction for Pass-by Trips</p> <p>X Trip Length</p> <p>Vehicle-Miles**</p>	<p>Shopping Center (ITE #820)</p> <p>3.81 Vehicles (PM Peak) <i>(ITE Trip Generation)</i></p> <p>34% <i>(ITE Trip Generation Handbook)</i> 2.51 Vehicles (PM Peak)</p> <p>3.00 Miles</p> <p style="border: 1px solid red; border-radius: 50%; padding: 2px;">7.53 Vehicle-Miles</p>

Study

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Previous Presentation

- Land Use Assumptions
- 10-Year Growth Assumptions
- Impact Fee Service Areas
- Impact Fee Capital Improvements Plans

This Presentation

- Service Units
- ★ Impact Fee Calculations
- Impact Fee Comparisons

Study

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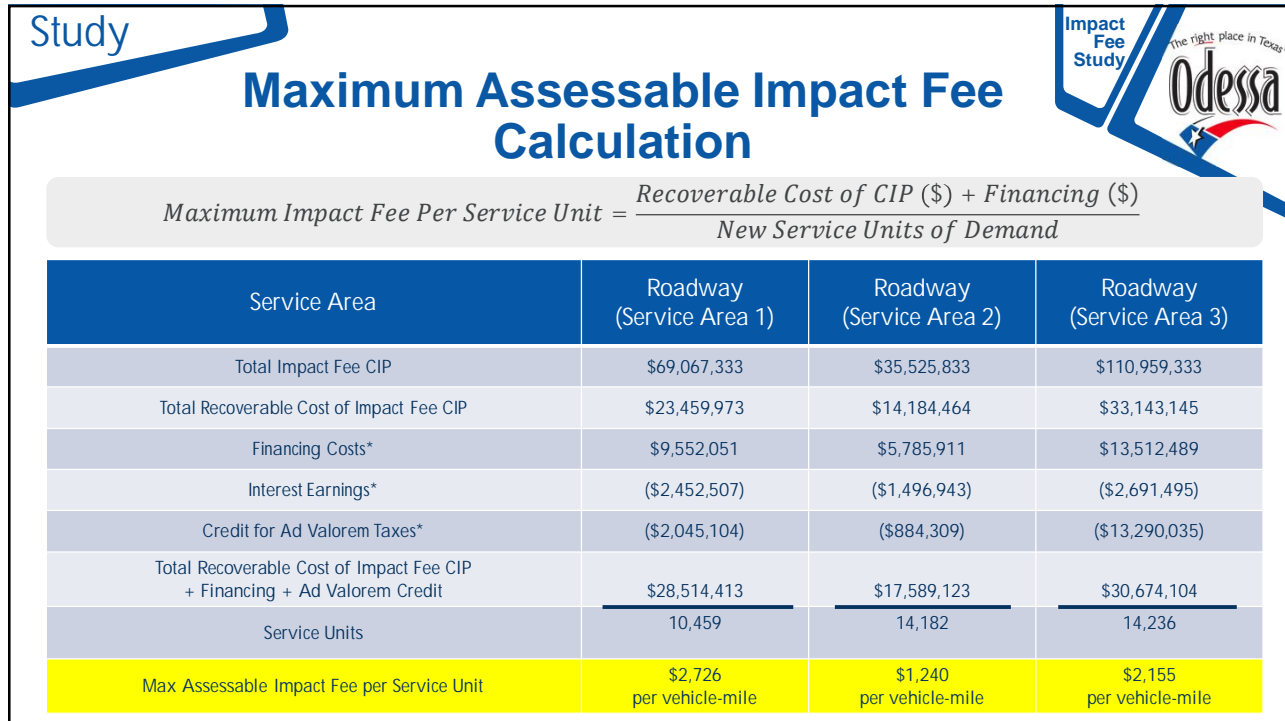
Study

Maximum Assessable Impact Fee Calculation

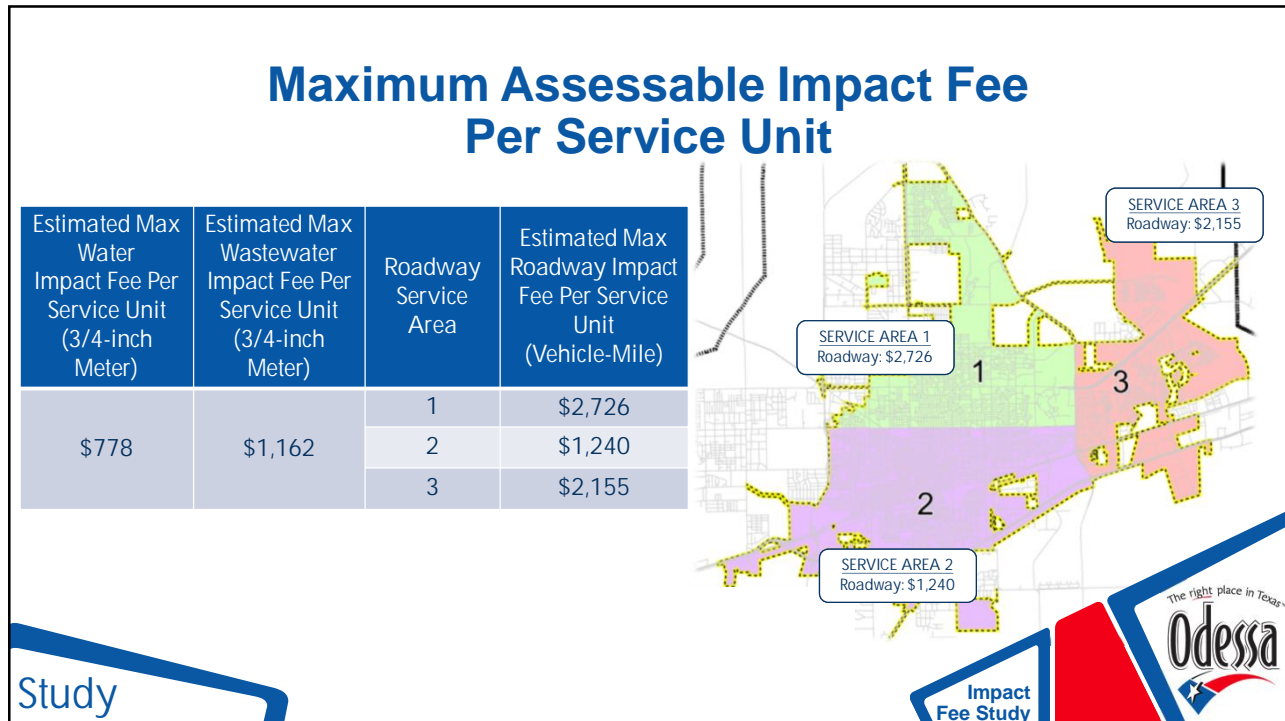
$$\text{Maximum Impact Fee Per Service Unit} = \frac{\text{Recoverable Cost of CIP (\$)} + \text{Financing (\$)}}{\text{New Service Units of Demand}}$$

Service Area	Water	Wastewater
Total Impact Fee CIP	\$55,432,000	\$89,050,000
Total Recoverable Cost of Impact Fee CIP	\$5,176,830	\$9,715,560
Financing Costs*	\$1,997,112	\$3,164,908
Interest Earnings*	(\$488,597)	(\$772,189)
Credit for Ad Valorem Taxes*	(\$775,560)	(\$1,237,865)
Total Recoverable Cost of Impact Fee CIP + Financing + Ad Valorem Credit	\$5,909,785	\$10,870,414
Service Units	7,595	6,542
Max Assessable Impact Fee per Service Unit	\$778 (3/4-inch Base Meter)	\$1,662 (3/4-inch Base Meter)

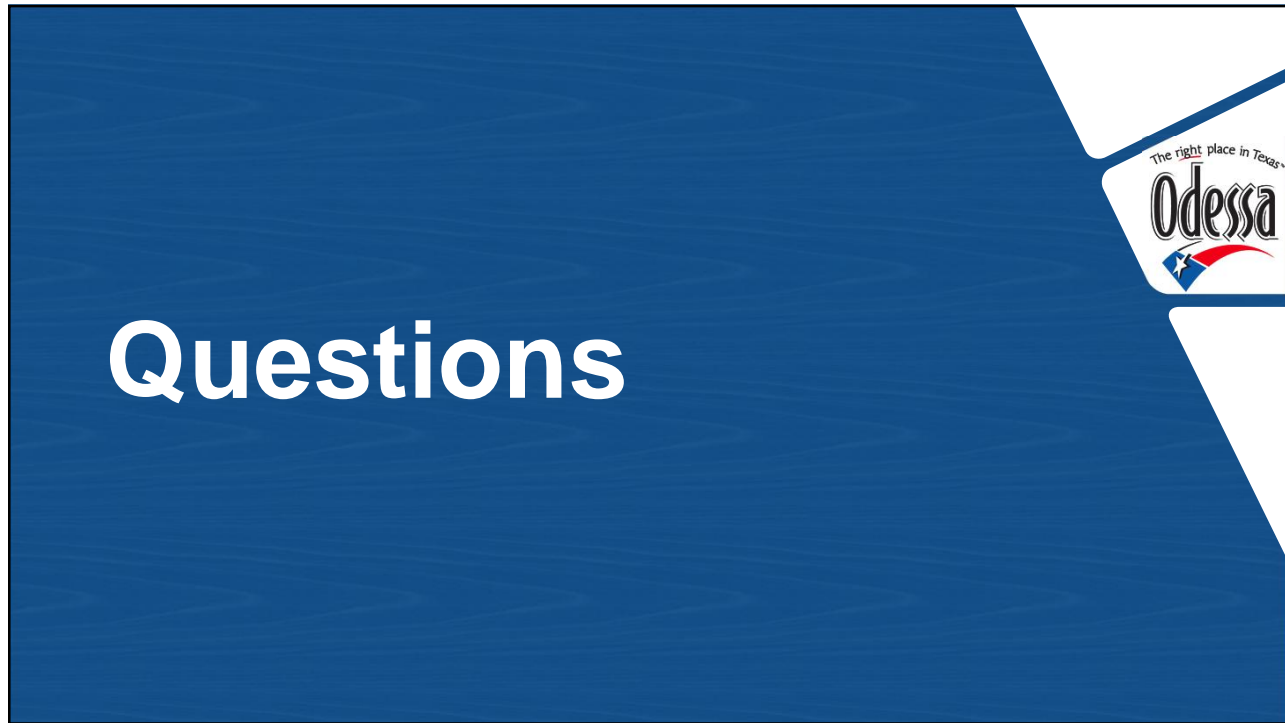
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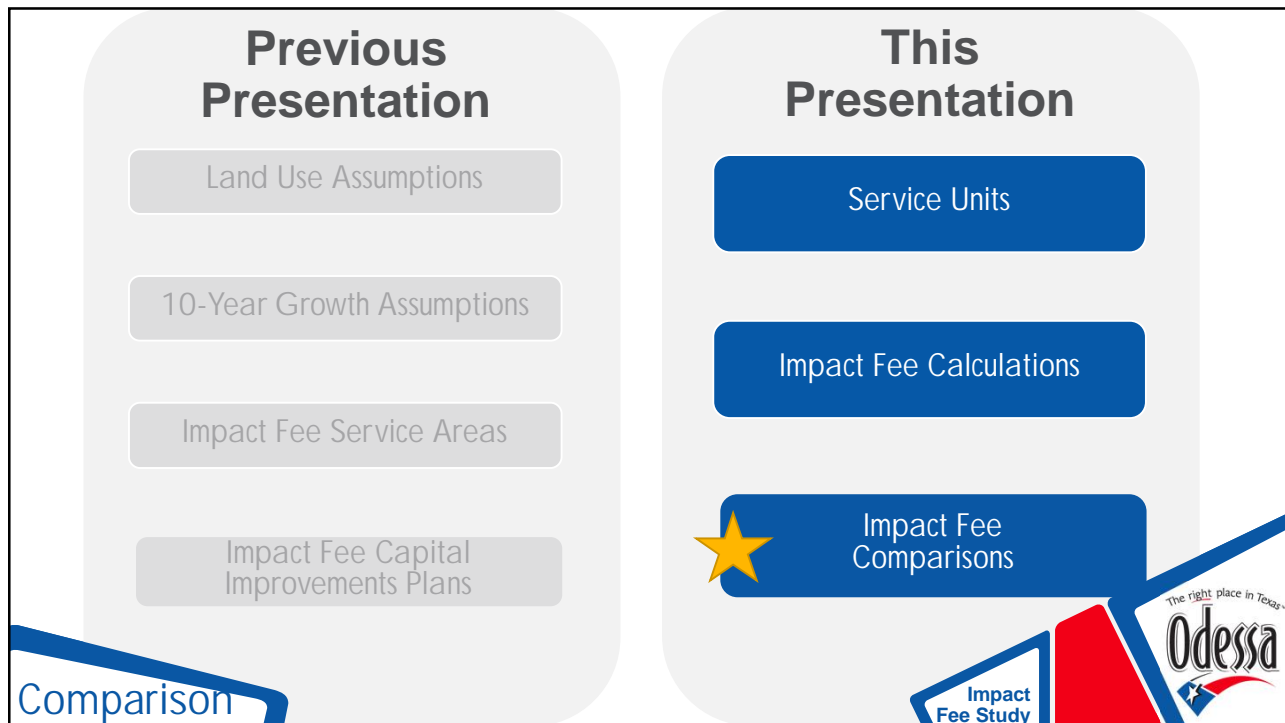
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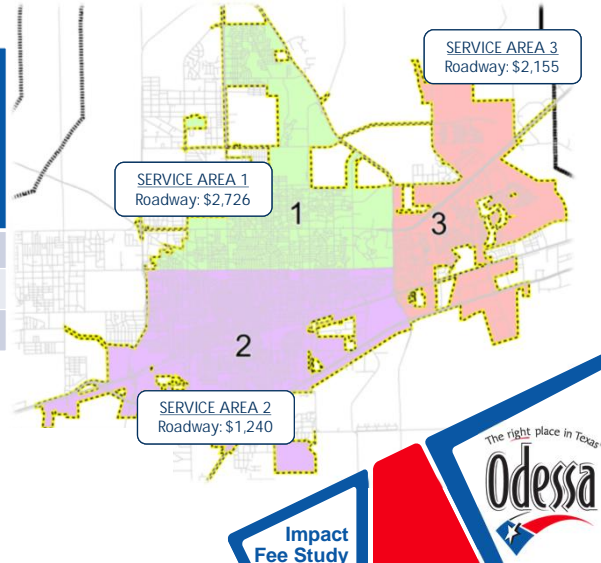
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Odessa Maximum Assessable Impact Fee Per Service Unit

Estimated Max Water Impact Fee Per Service Unit (3/4-inch Meter)	Estimated Max Wastewater Impact Fee Per Service Unit (3/4-inch Meter)	Roadway Service Area	Estimated Max Roadway Impact Fee Per Service Unit (Vehicle-Mile)
\$778	\$1,162	1	\$2,726
		2	\$1,240
		3	\$2,155

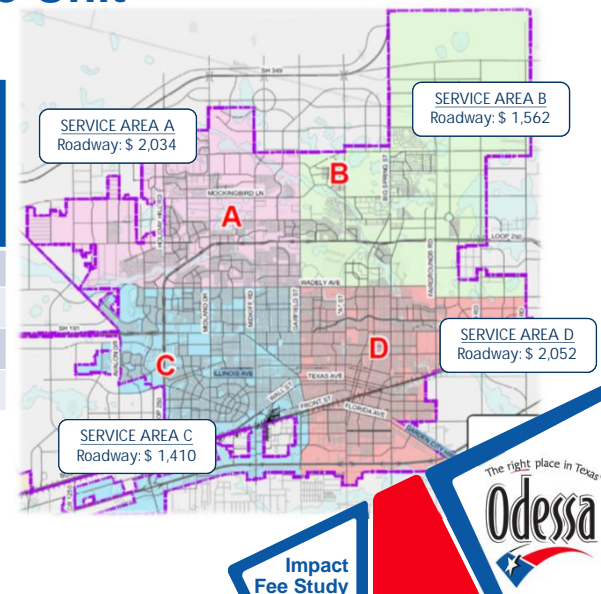


Comparison

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Midland Maximum Impact Fee Per Service Unit

Water Impact Fee Per Service Unit (Base Meter)	Wastewater Impact Fee Per Service Unit (Base Meter)	Roadway Service Area	Roadway Impact Fee Per Service Unit (Vehicle-Mile)
\$ 3,312.24	\$ 1,676.82	A	\$ 2,034
		B	\$ 1,562
		C	\$ 1,410
		D	\$ 2,052

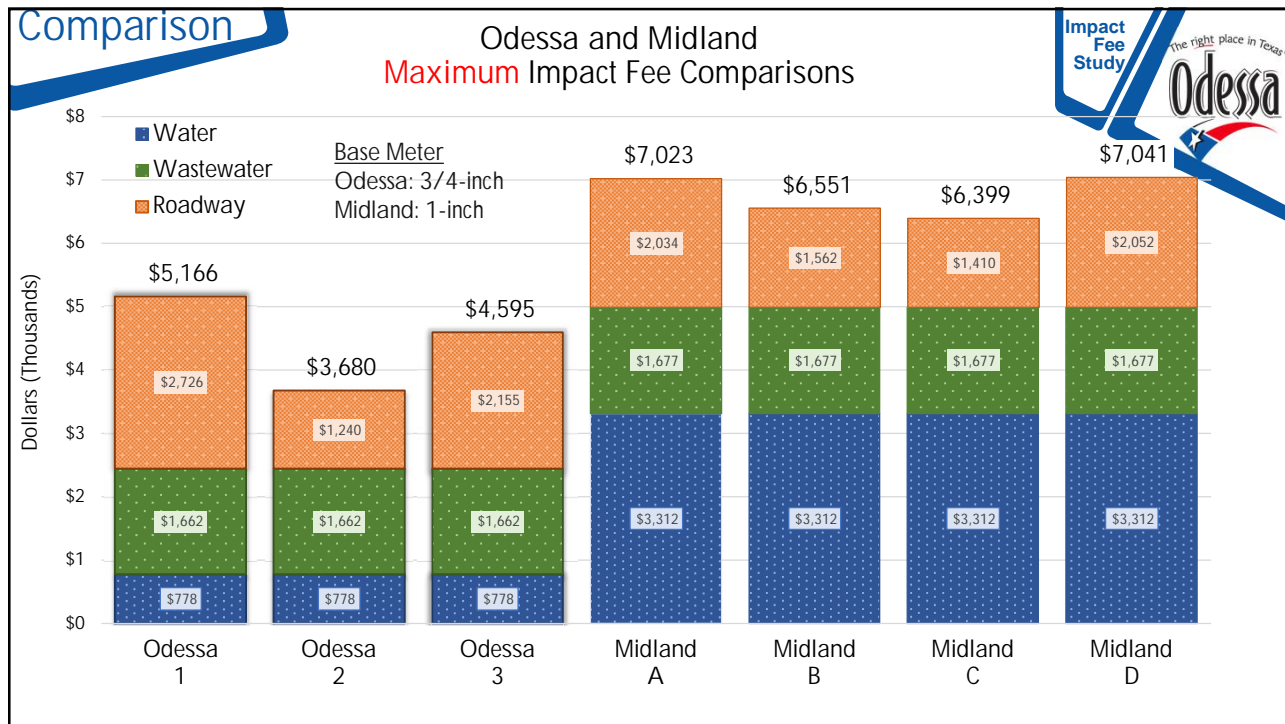


Midland Adopted 50% of Maximum Impact Fee

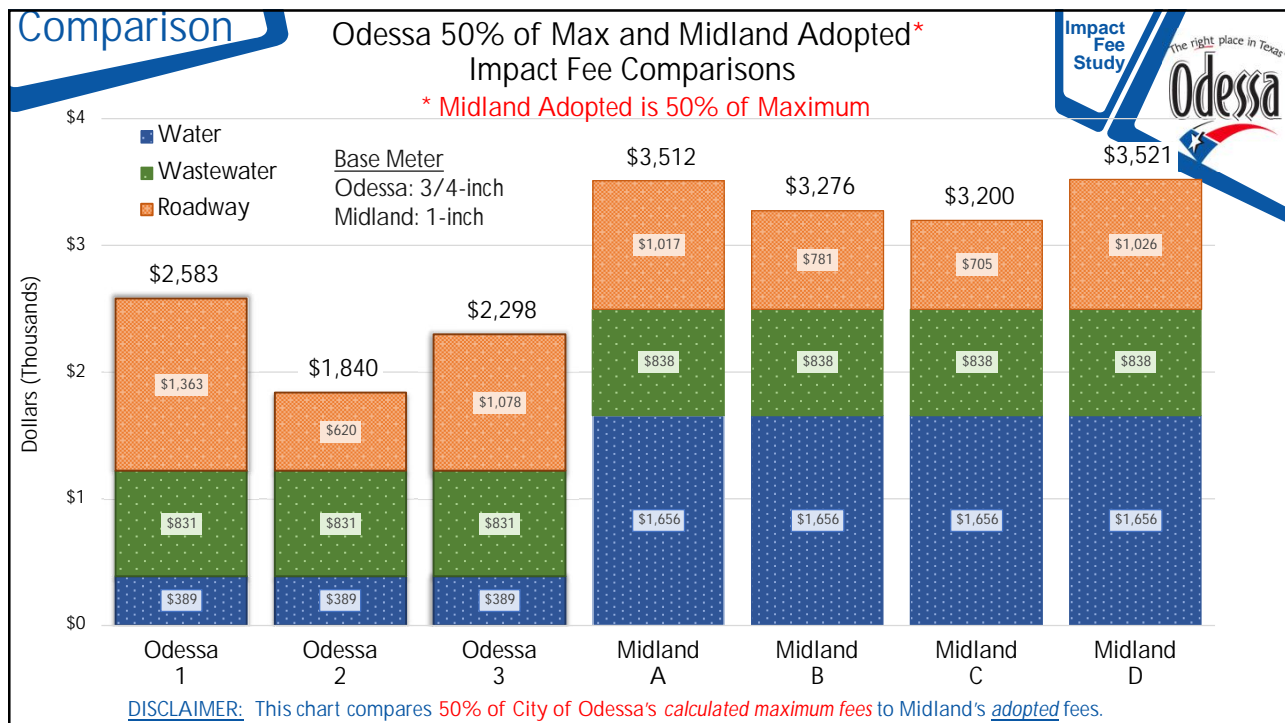
- Residential reduced at 25%

Comparison

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CIAC Recommendation

Comparison






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CIAC Recommendation

Recommendations are for Total Impact Fee Amount

Residential: Single Family, Townhome, Duplex	Non-Residential: General Office, Light Industrial, Retail
<p>Service Area 1 \$3,000</p> <p>Service Area 2 \$2,000</p> <p>Service Area 3 \$3,000</p> <p style="padding-left: 40px;">CDBG \$1,000</p> <p style="text-align: center;">Previously Approved Final Plats</p> <p style="text-align: center;">2-Year Grace Period</p>	<p>Service Areas 1 and 3 90% of Midland's Service Area A</p> <p>Service Area 2 50% of Odessa's Max Fee</p> <p style="text-align: center;">Previously Approved Final Plats</p> <p style="text-align: center;">1-Year Grace Period per Chapter 395</p>

Comparison





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Comparison Chart

Land Use: Single Family Residential

Comparison




Impact Fee Study

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Sample Calculation (Water and Wastewater)

Comparison



Impact Fee Study

Development Type	Residential with Housing Credit
Water Meter Size	3/4-inch PD


Meter Size	Max Continuous Operating Capacity	Service Unit Equivalent	Water Impact Fee 50% of Max with 25% Housing Credit
3/4" PD	15	1	\$292
1" PD	25	1.67	\$486
1-1/2" PD	50	3.33	\$973
2" PD	80	5.33	\$1,556
3" COMP	175	11.67	\$3,404
4" COMP	300	20	\$5,835
6" COMP	675	45	\$13,129
8" COMP	900	60	\$17,505
10" COMP	3500	233.33	\$68,075

Meter Size	Max Continuous Operating Capacity	Service Unit Equivalent	Wastewater Impact Fee 50% of Max with 25% Housing Credit
3/4" PD	15	1	\$623
1" PD	25	1.67	\$1,039
1-1/2" PD	50	3.33	\$2,078
2" PD	80	5.33	\$3,324
3" COMP	175	11.67	\$7,271
4" COMP	300	20	\$12,465
6" COMP	675	45	\$28,046
8" COMP	900	60	\$37,395
10" COMP	15	1	\$623

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Sample Calculation (Roadway – Service Area 1)

Comparison



Determine Development Unit and Service Units Per Development Unit

Step 1

Development Type	Single Family Detached Housing
Development Unit:	Dwelling Unit
Number of Development Units	1
Service Units (Vehicle-Miles Per Development Unit)	2.97

Determine Maximum Assessable Impact Fee

Step 2

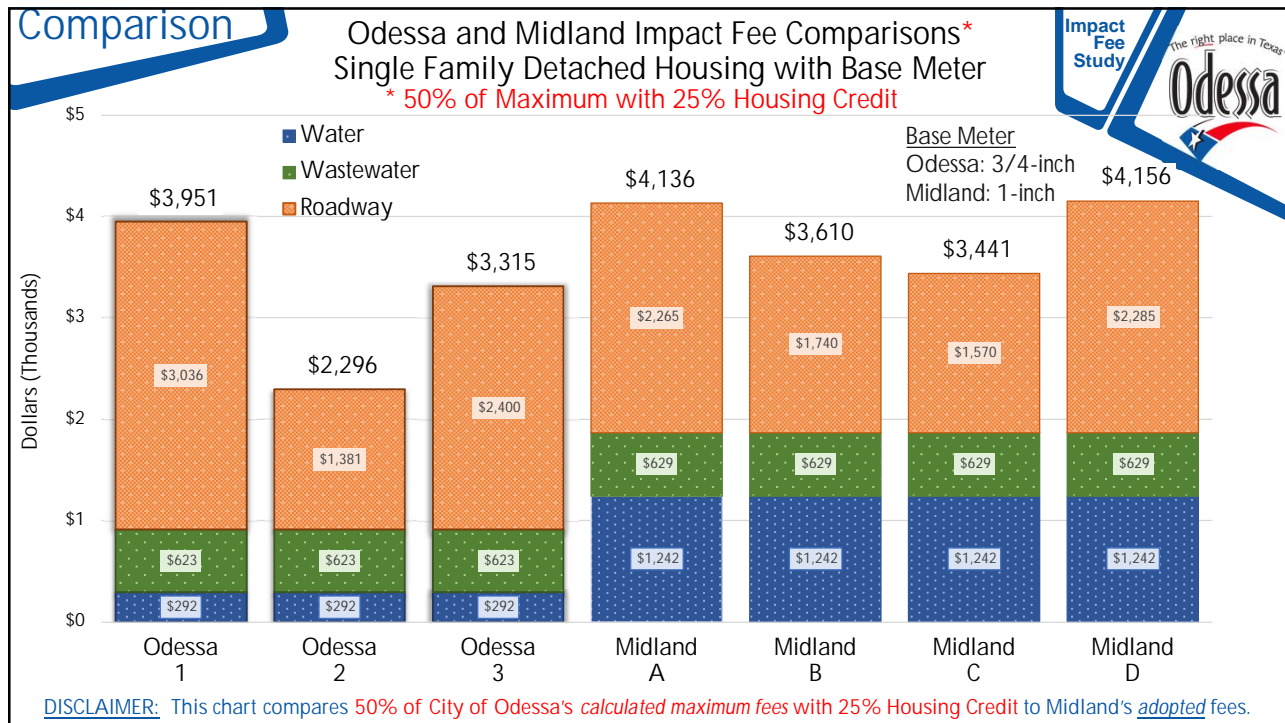
Maximum Impact Fee	=	# of dev. Units * veh-mile per dev. Units * max fee per service unit
	=	1 * 2.97 * \$2,726
	=	\$8,096.22

Credit Application

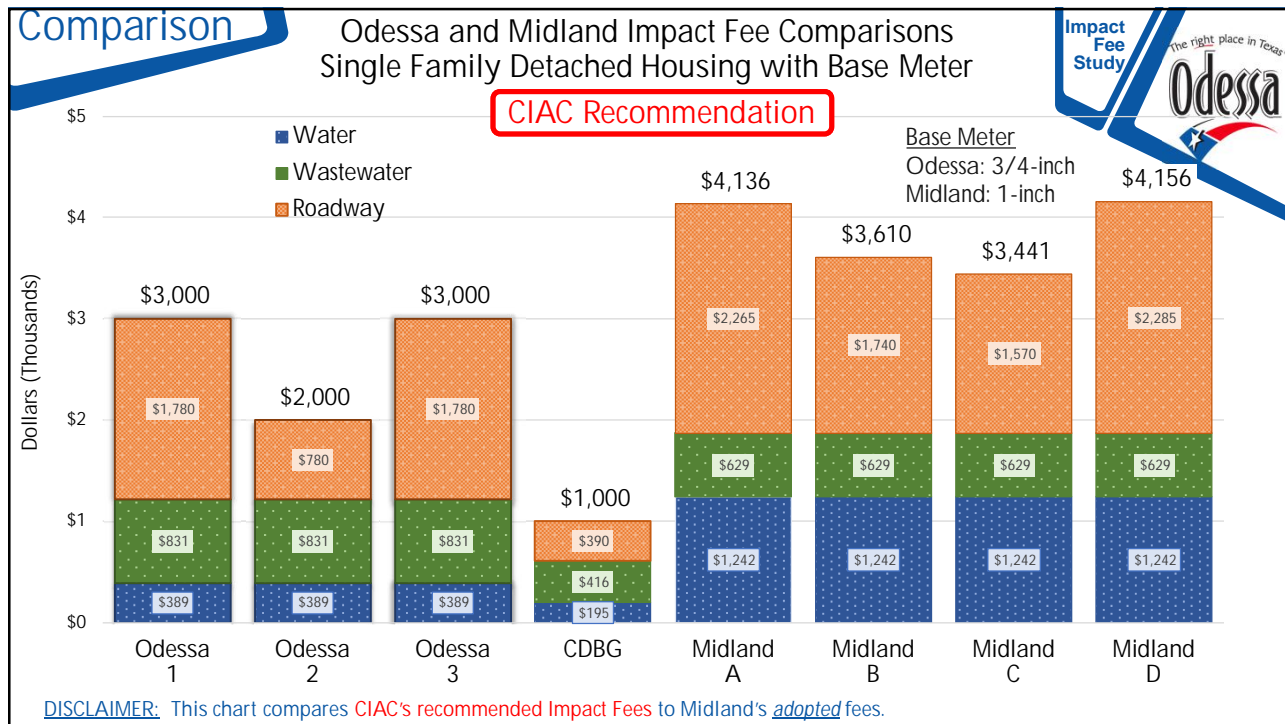
Step 3

Half of Max	=	\$8,096.22 * .50 = \$4,048.11
Half of Max with 25% Credit	=	\$4,048.11 * (1-.25) = \$3,036.08

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Comparison

Sample Calculation

(Water and Wastewater)



Development Type	General Office Building (10,000 ft ²)
Water Meter Size	1-inch PD

Meter Size	Max Continuous Operating Capacity	Service Unit Equivalent	Water Impact Fee 50% of Max
3/4" PD	15	1	\$389
1" PD	25	1.67	\$648
1-1/2" PD	50	3.33	\$1,297
2" PD	80	5.33	\$2,075
3" COMP	175	11.67	\$4,538
4" COMP	300	20	\$7,780
6" COMP	675	45	\$17,505
8" COMP	900	60	\$23,340

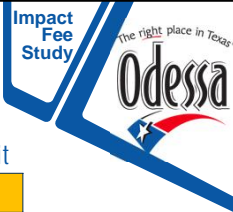
Meter Size	Max Continuous Operating Capacity	Service Unit Equivalent	Wastewater Impact Fee 50% of Max
3/4" PD	15	1	\$831
1" PD	25	1.67	\$1,385
1-1/2" PD	50	3.33	\$2,770
2" PD	80	5.33	\$4,432
3" COMP	175	11.67	\$9,695
4" COMP	300	20	\$16,620
6" COMP	675	45	\$37,395
8" COMP	900	60	\$49,860

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Comparison

Sample Calculation

(Roadway – Service Area 1)



Determine Development Unit and Service Units Per Development Unit

Step 1

Development Type	General Office Building (5,000 ft ²)
Development Unit:	1,000 SF GFA
Number of Development Units	5 (5,000 ft ² /1,000)
Service Units *Vehicle-Miles) Per Development Unit	3.45

Determine Maximum Assessable Impact Fee

Step 2

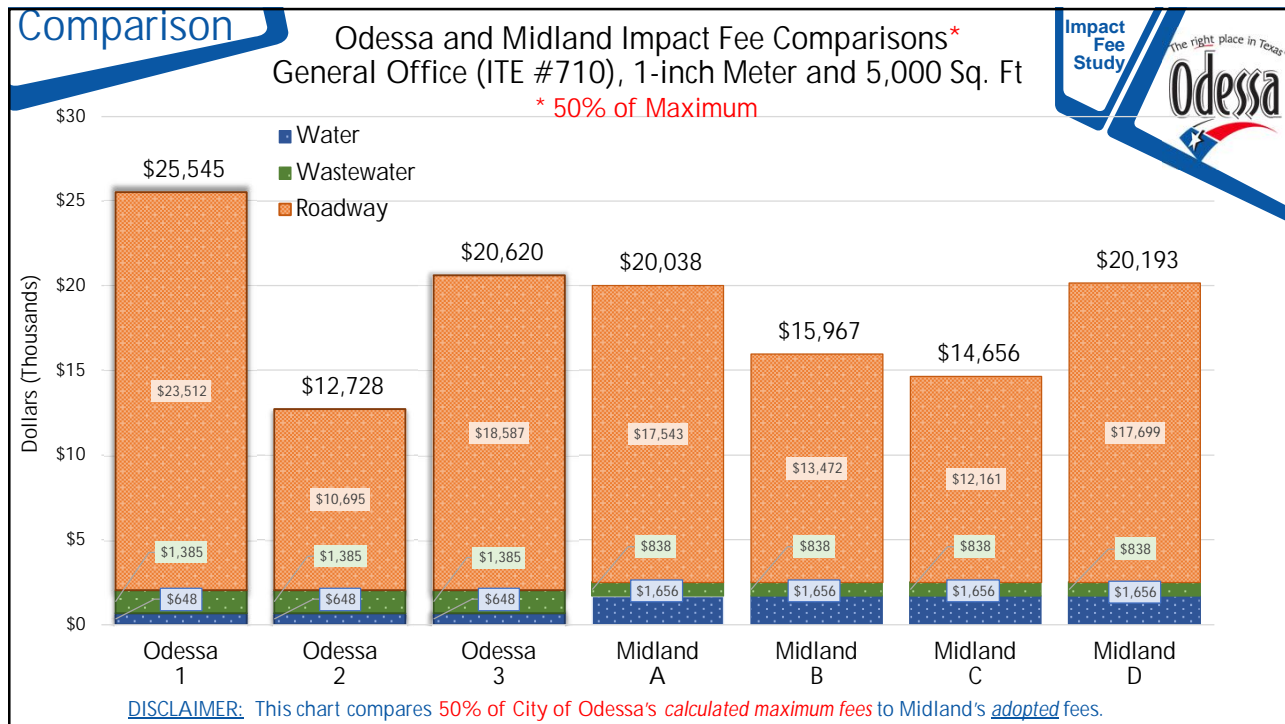
Maximum Impact Fee	= # of dev. Units * veh-mile per dev. Units * max fee per service unit
	= 5 * 3.45 * \$2,726
	= \$47,023.50

Percent Reduction

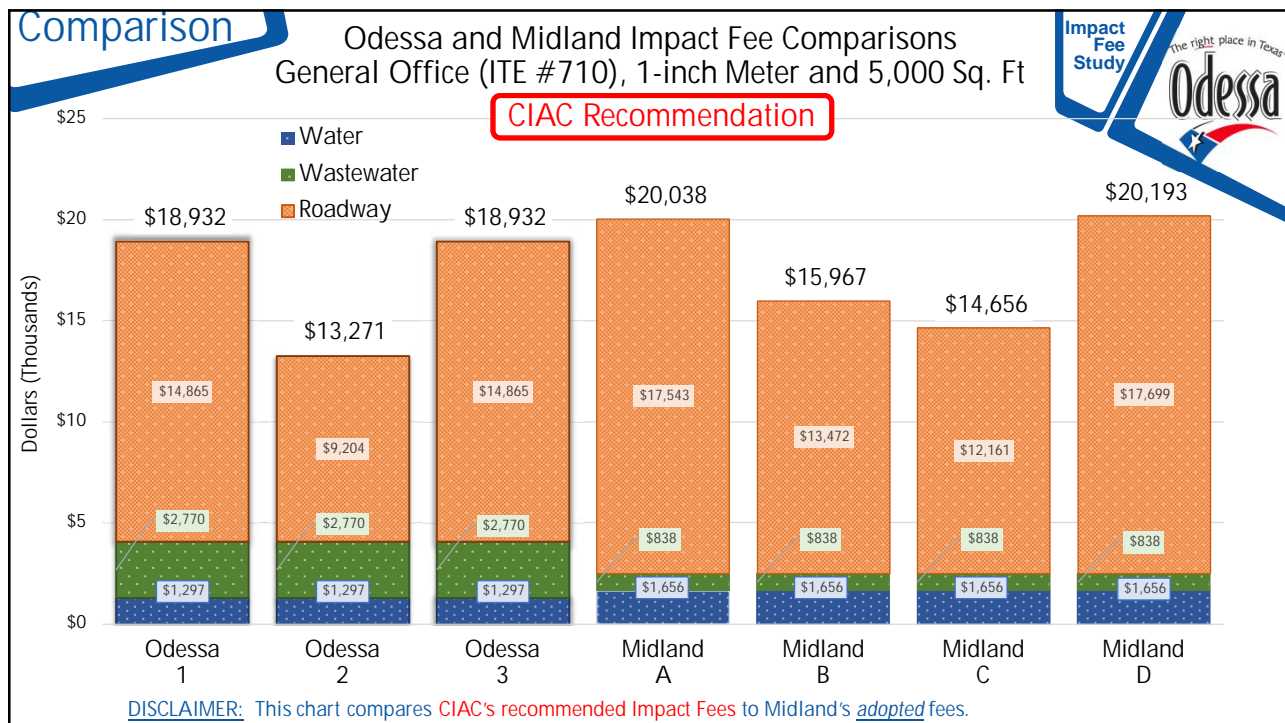
Step 3

Half of Max	\$47,023.50 * .50 = \$23,511.75
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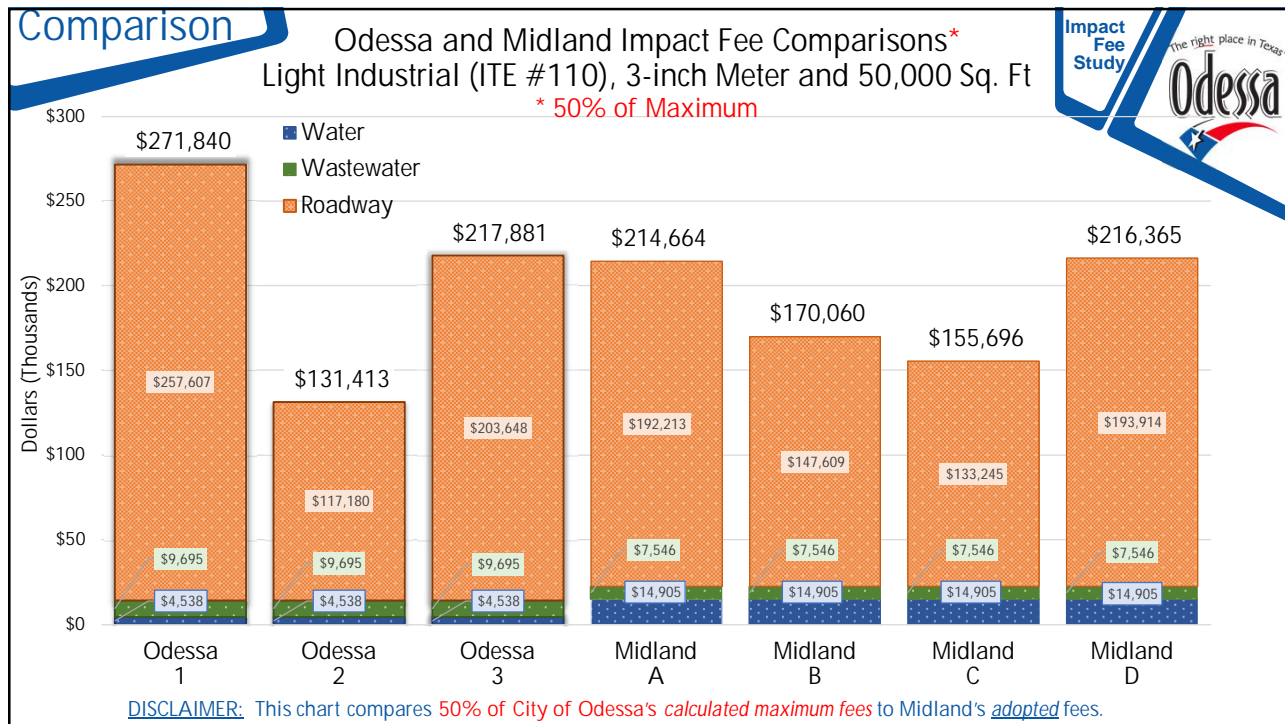
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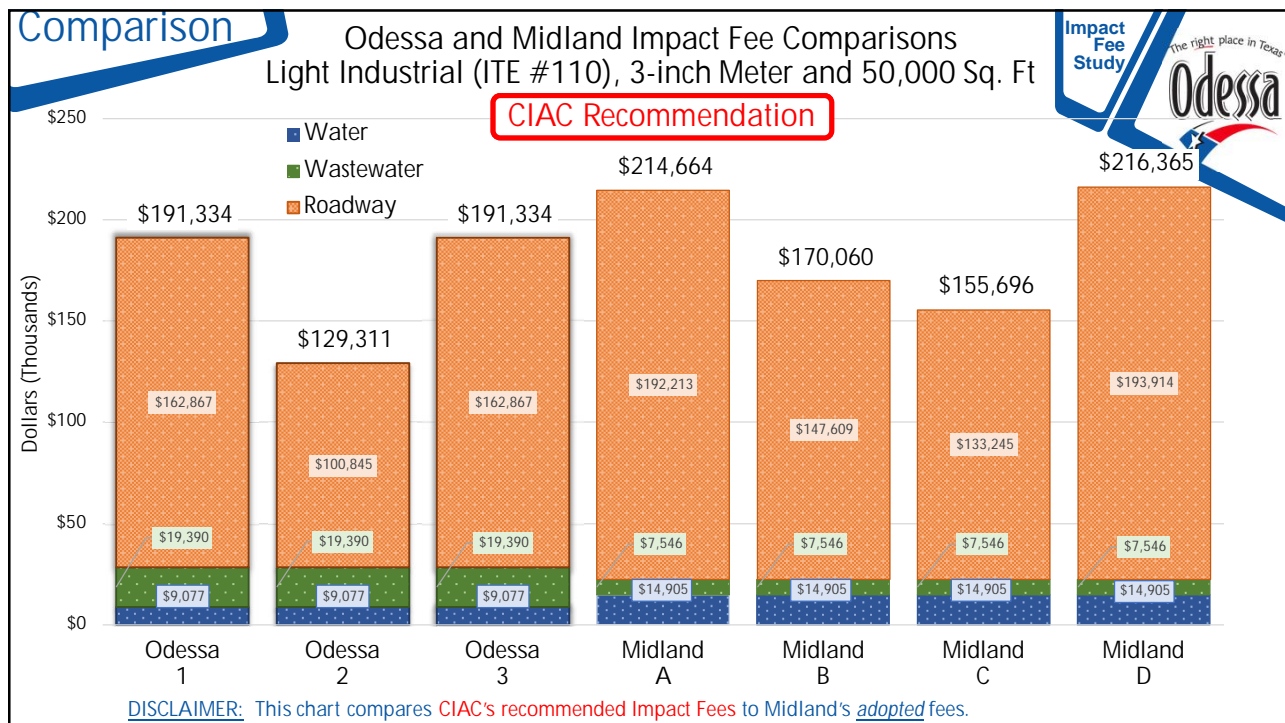
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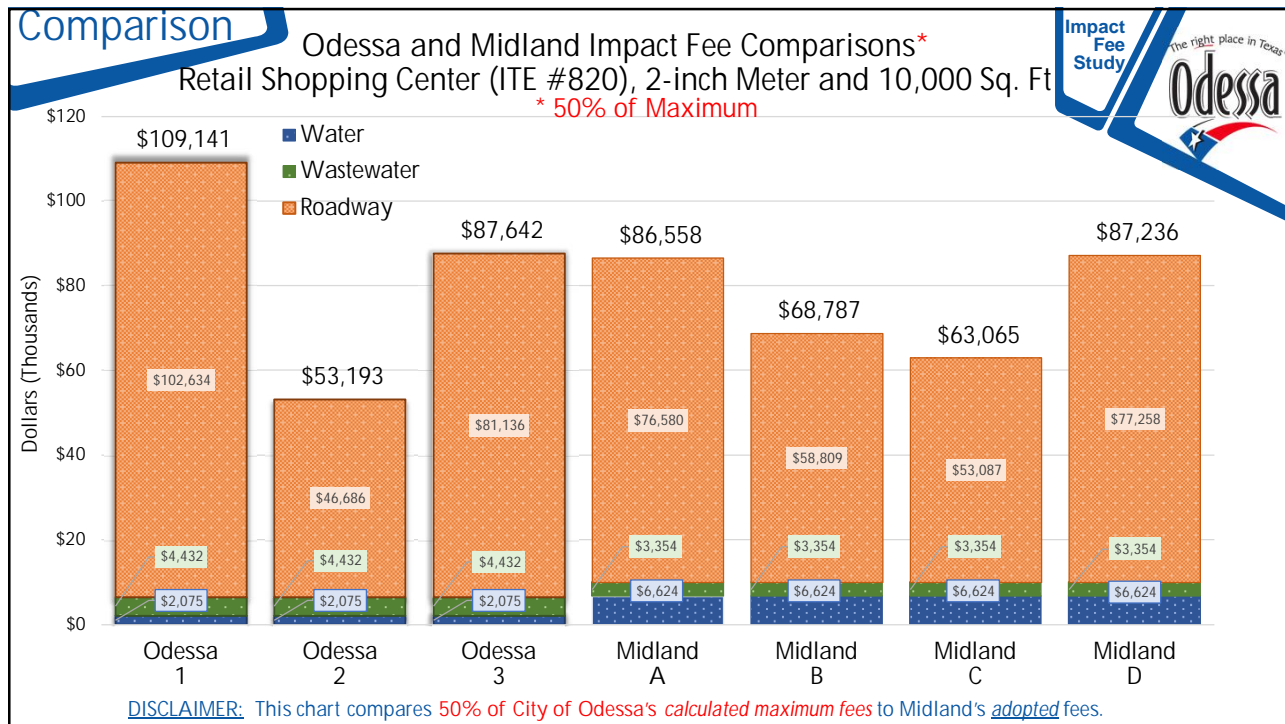
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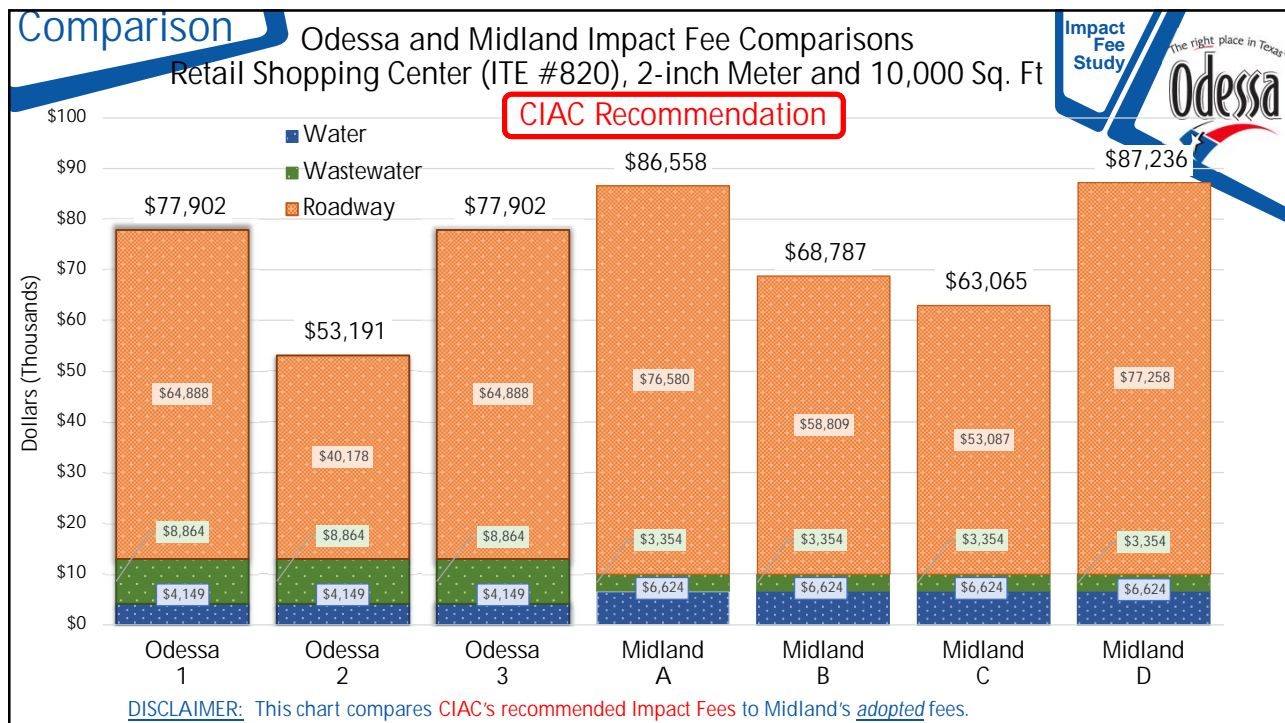
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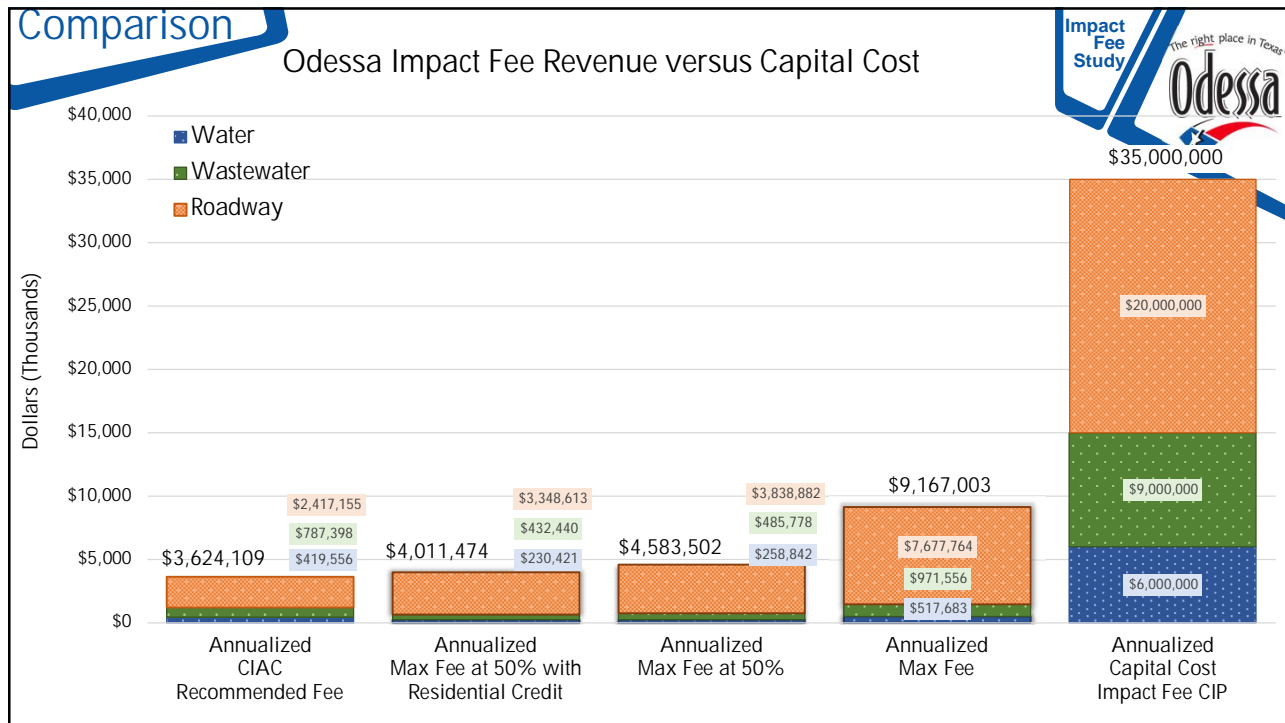


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Revenue Comparison Annualized



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Adoption Schedule

	Date	Council Meetings
✓	4/13/21	Council Public Hearing of LUA and IF CIP
✓	5/5/21	Stakeholders/Developers Workshop
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➔	6/1/21	Council Work Session to Review CIAC Recommendations
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•	7/27/21	Council Meeting to Adopt Impact Fee Ordinance

Upcoming



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Questions

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