



<b>DEPARTMENT:</b> Community Development	Reading No.	2
	Public Hearing	Yes
	Quasi-judicial Item (Disclosure Required)	No
<b>COUNCIL DISTRICT: N/A</b>	<b>Item No.</b>	<b>B.9.</b>

**SUBJECT:**

Zoning Code amendment (Z-2019-1285AD) and Land Development Regulations (LDR-2019-01) - Capacity reservation fee elimination and amendments to impact fees/mobility fees

**BACKGROUND/CONSIDERATION:**

This is the second reading of an ordinance amending Chapter 58, Appendix B and Appendix D of City Code as it relates to impact fees and mobility fees. The intent of the changes is to reduce development barriers by eliminating extra steps in the development process; allowing all impact fees to be paid at certificate of occupancy; and providing additional deferral of impact fee options for affordable housing.

The ordinance provides for the elimination of capacity reservation fees, which are an upfront, non-refundable percentage payment of the estimated impact fees for water, sewer and transportation/mobility due at site plan approval. In anticipation of the new development software, Engineering, Code Compliance, and Community Development have discussed the effectiveness of the capacity reservation fees and are recommending that they be eliminated. In addition, the amendment would modify the timing of impact fee payment for water, sewer and transportation/mobility fees, from issuance of a building permit to certificate of occupancy. Currently, recreation and public facility impact fees are due at the time of a certificate of occupancy (CO), but a deferral process for the creation of jobs is available for non-residential projects to postpone payment until CO. The proposed changes would also establish a mobility improvement credit and agreement section and require a pre-selection of the payment in lieu of amount prior to construction plan approval.

Additionally, in May 2018, City Council discussed reducing the burden of impact fee payments for developers of affordable housing projects. Proposed changes would allow a deferral request for a percentage of impact fees for affordable housing (including water, sewer, mobility, public facility, and recreation impact fees), to assist with financing and building affordable housing projects.

On February 21, 2019, the Planning and Zoning Board voted unanimously to recommend approval of the proposed amendments.

**FISCAL/BUDGET IMPACT:**

N/A