



Evaluating Revenue, Developers' Asset Contributions, and Policy Incentives in Austin's Street Impact Fee (SIF) Program

Five Years of Implementation and Lessons for Growing Cities

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Growth

- Sustained development growth
- Increasing travel demand



Challenge

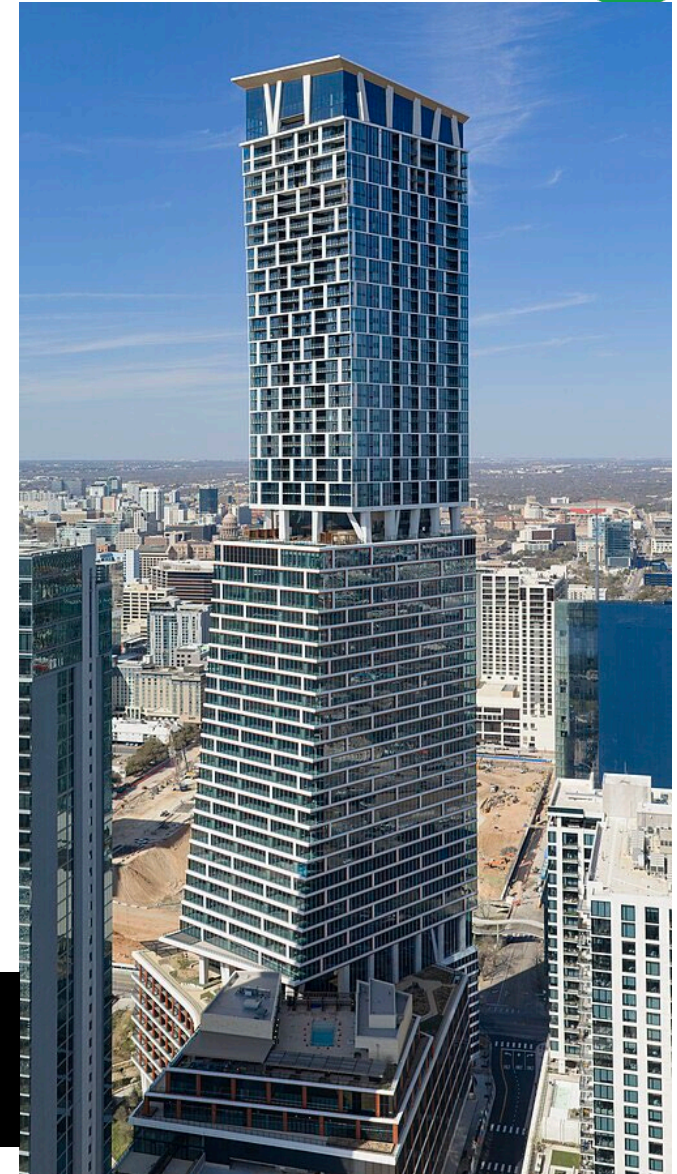
- Limited public funding
- Burden on existing residents



Policy Question

- Who pays for growth?
- How do we fund infrastructure fairly?

➤ **Aligning development with infrastructure investment is critical**





A SYSTEM TO FUND GROWTH

Policy Foundation

- Based on state impact fee law (Ch. 395)

Implementation

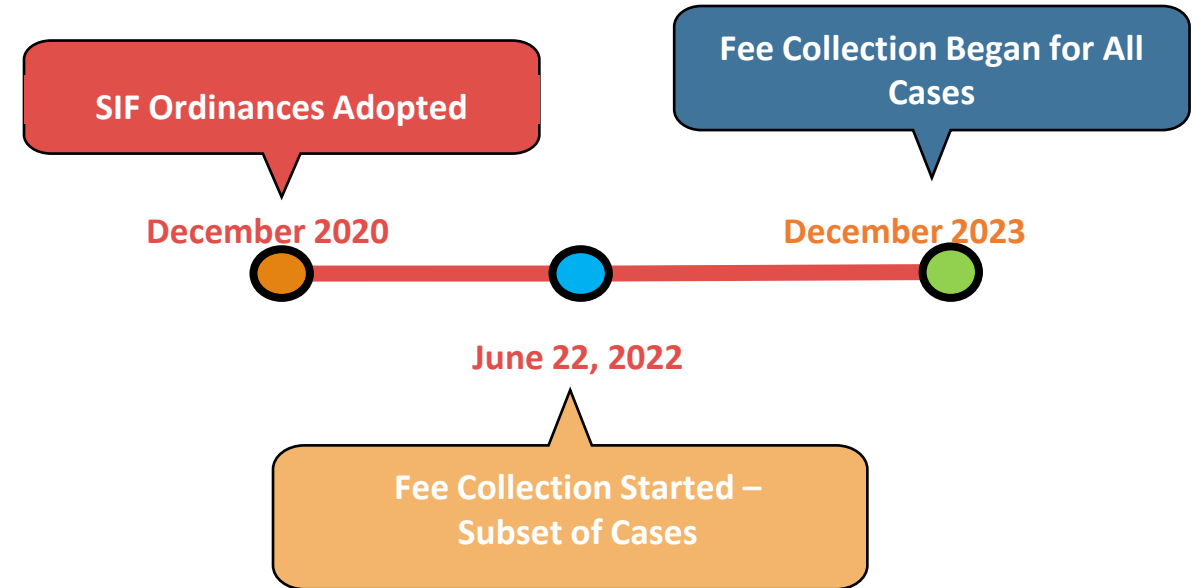
- Fee collection began: 2022

Program Design

- Growth pays for growth

ROLE OF STREET IMPACT FEE (SIF)

- Provide a structured, legally grounded mechanism





WHY THE TRADITIONAL APPROACH WAS NOT ENOUGH

Traffic impact
analysis if daily
trips > 2,000

Identify
deficiencies
based on LOS

Construct
improvements
or fee-in-lieu

Unpredictable

- Costs determined after lengthy study, could be cost-prohibitive

Rigid

- Fees collected can legally only be spent towards specific improvements

Inequitable

- Since based on LOS, it can encourage urban sprawl and provide fewer incentives for infill/urban development

Not Transparent

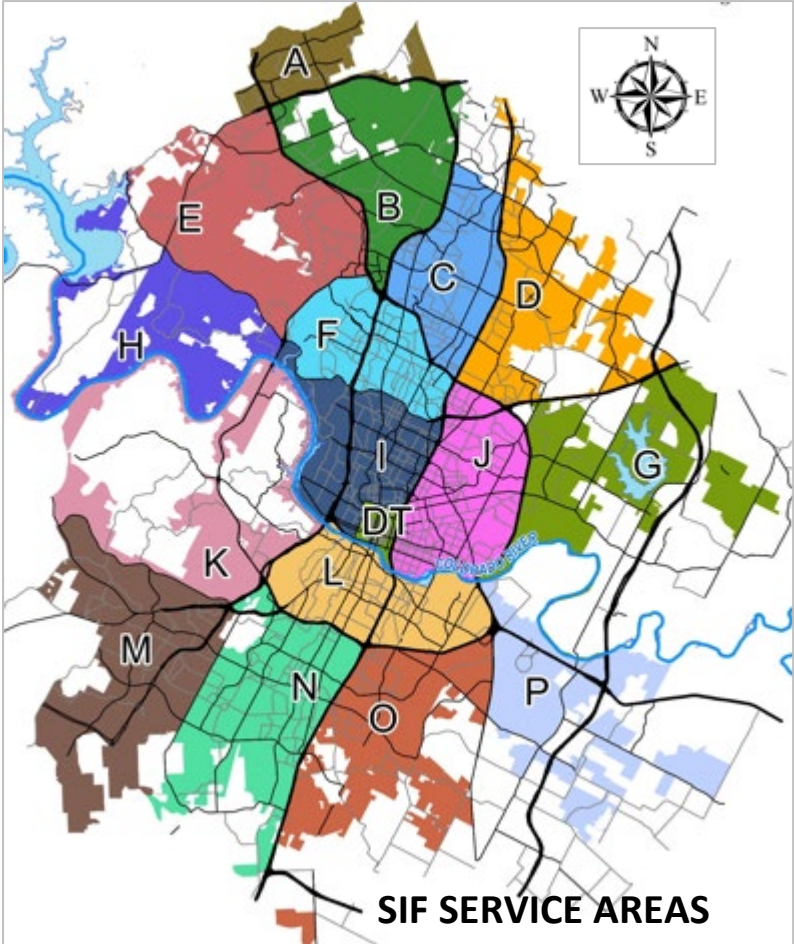
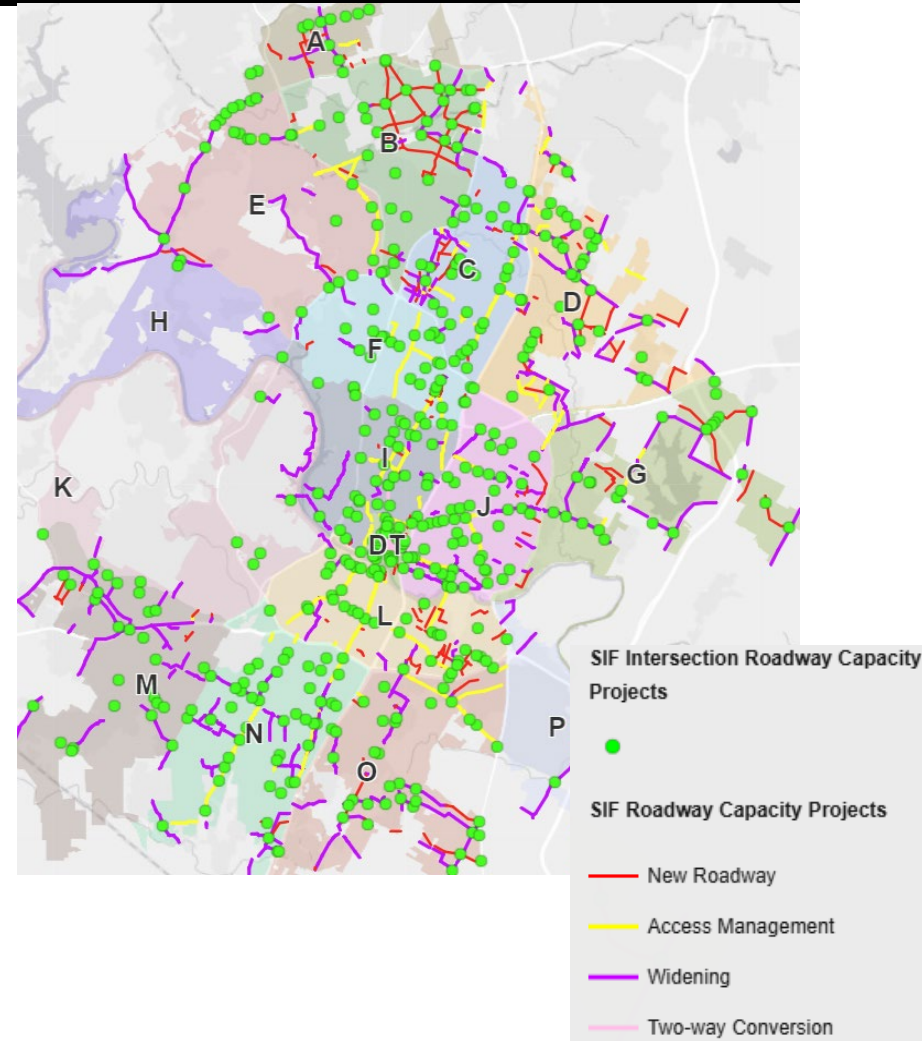
- Significant part of the process is negotiation-dependent

➤ **A more predictable, transparent, and equitable system was needed**



HOW DID COA SET THE SIF RATE?

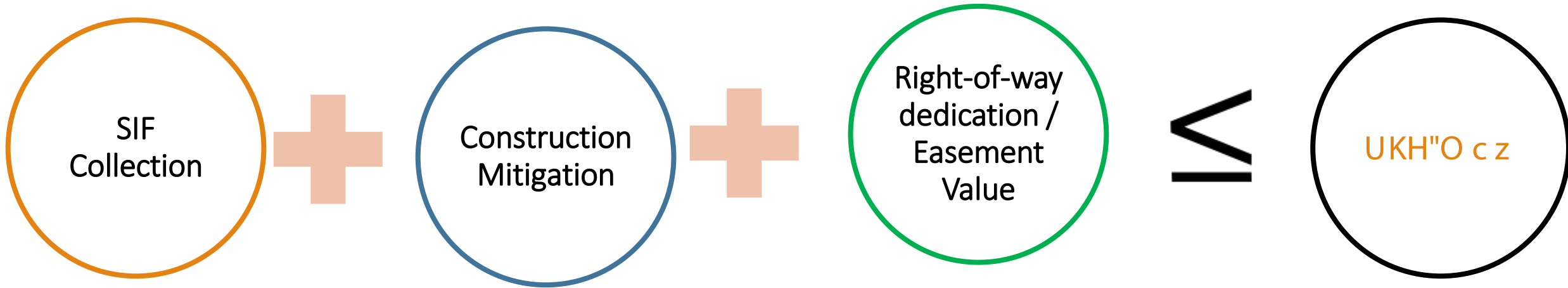
- **Demand** from new development
 - Growth converted to vehicle-miles
 - **Supply** (capital improvement)
 - Roadway Capacity Plan (RCP)
- Maximum SIF = **Cost** of RCP from developments ÷ Total **Vehicle-miles** by developments



Service Area	Maximum Fee Per Service Unit (per Vehicle-Mile)	Service Area	Maximum Fee Per Service Unit (per Vehicle-Mile)
A	\$1,472	I	\$1,712
B	\$4,479	J	\$3,724
C	\$3,642	K	\$5,752
D	\$2,218	L	\$2,520
DT	\$1,361	M	\$2,415
E	\$2,043	N	\$1,507
F	\$1,604	O	\$3,921
G	\$3,071	P	\$3,011
H	\$1,543		



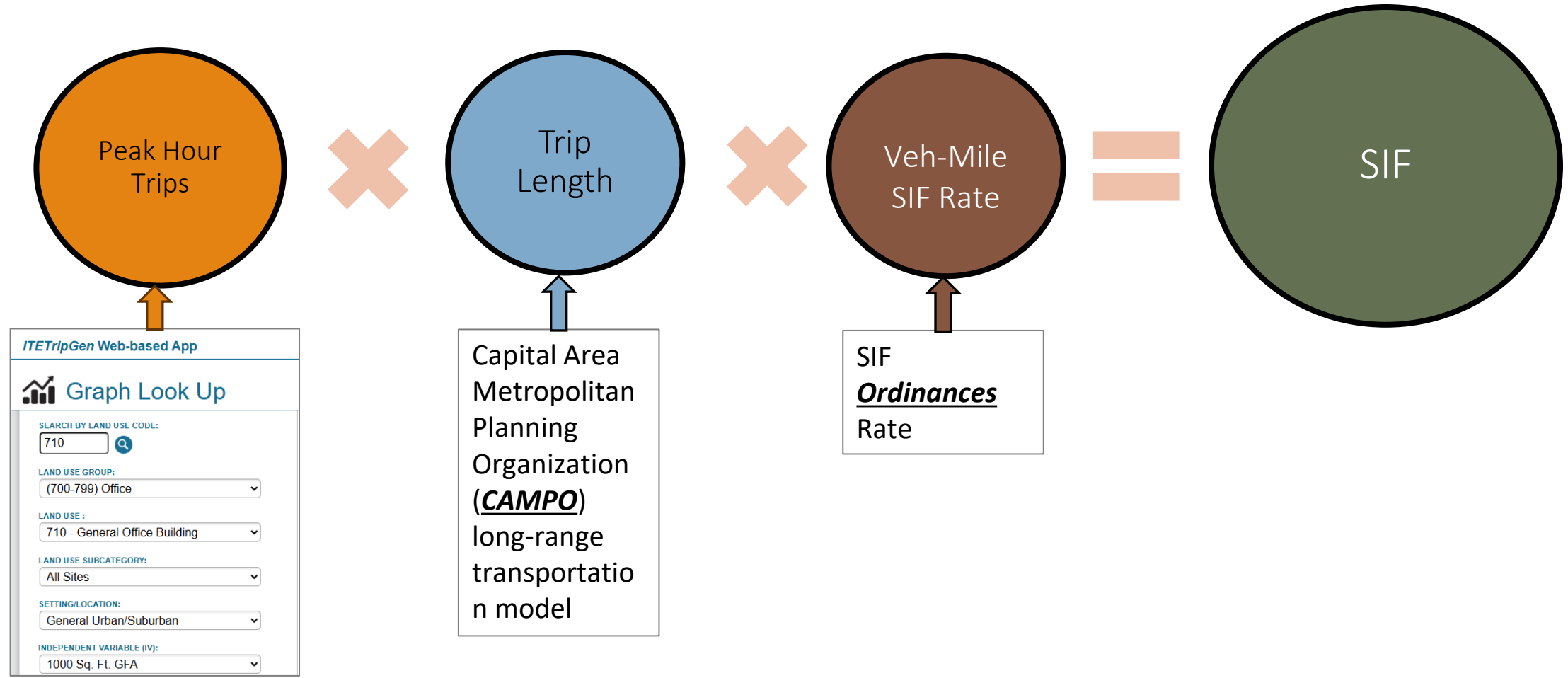
SIF CALCULATION – FUNDAMENTAL CONCEPT



➤ Development contributes through fees, infrastructure construction, and land dedication



HOW DO WE CALCULATE SIF FOR EACH DEVELOPMENT?





A SYSTEM TO FUND GROWTH

Beyond Fees

- Assets exceed fee revenue

Incentives as Policy Tools

- Support affordability, transportation demand management, small development

Multi-Channel Contributions

- Integrated system (Fees + ROW + mitigation)

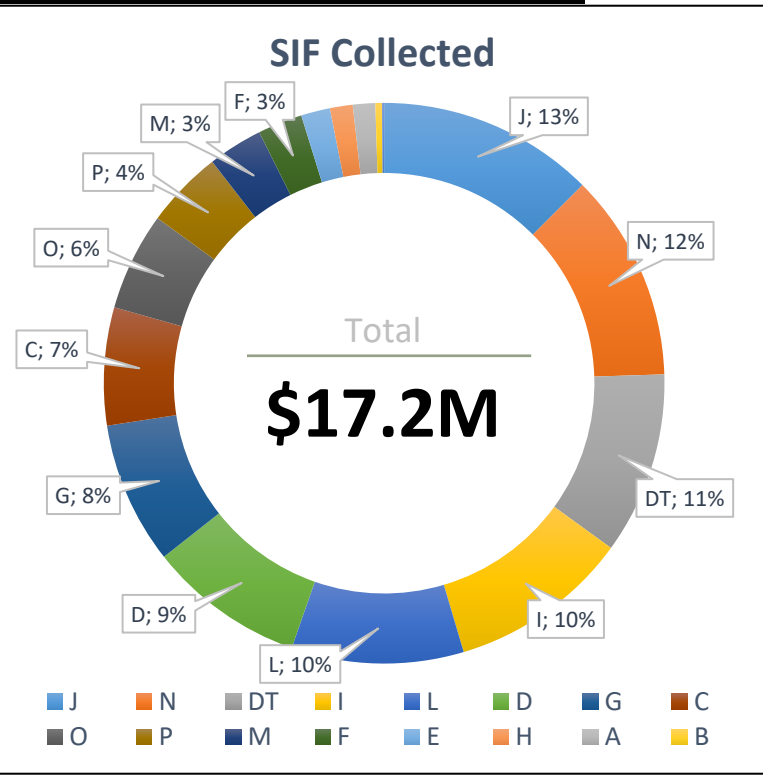
Program is Maturing

- Increasing participation, more consistent over time

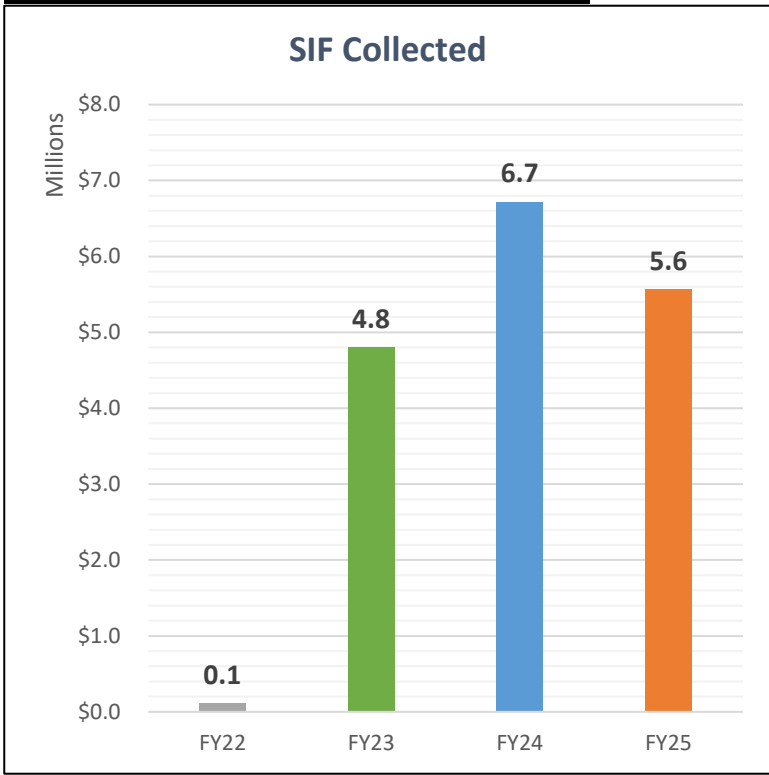
➤ **SIF captures a broader and more strategic contribution than fees alone**



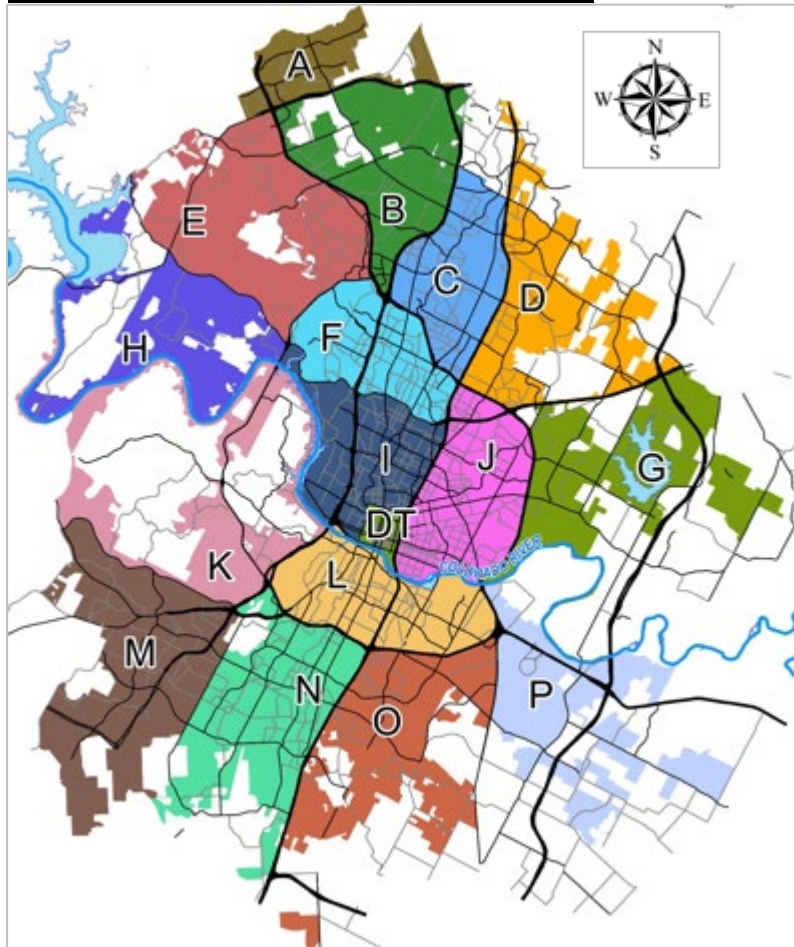
BY SERVICE AREA



BY FISCAL YEAR



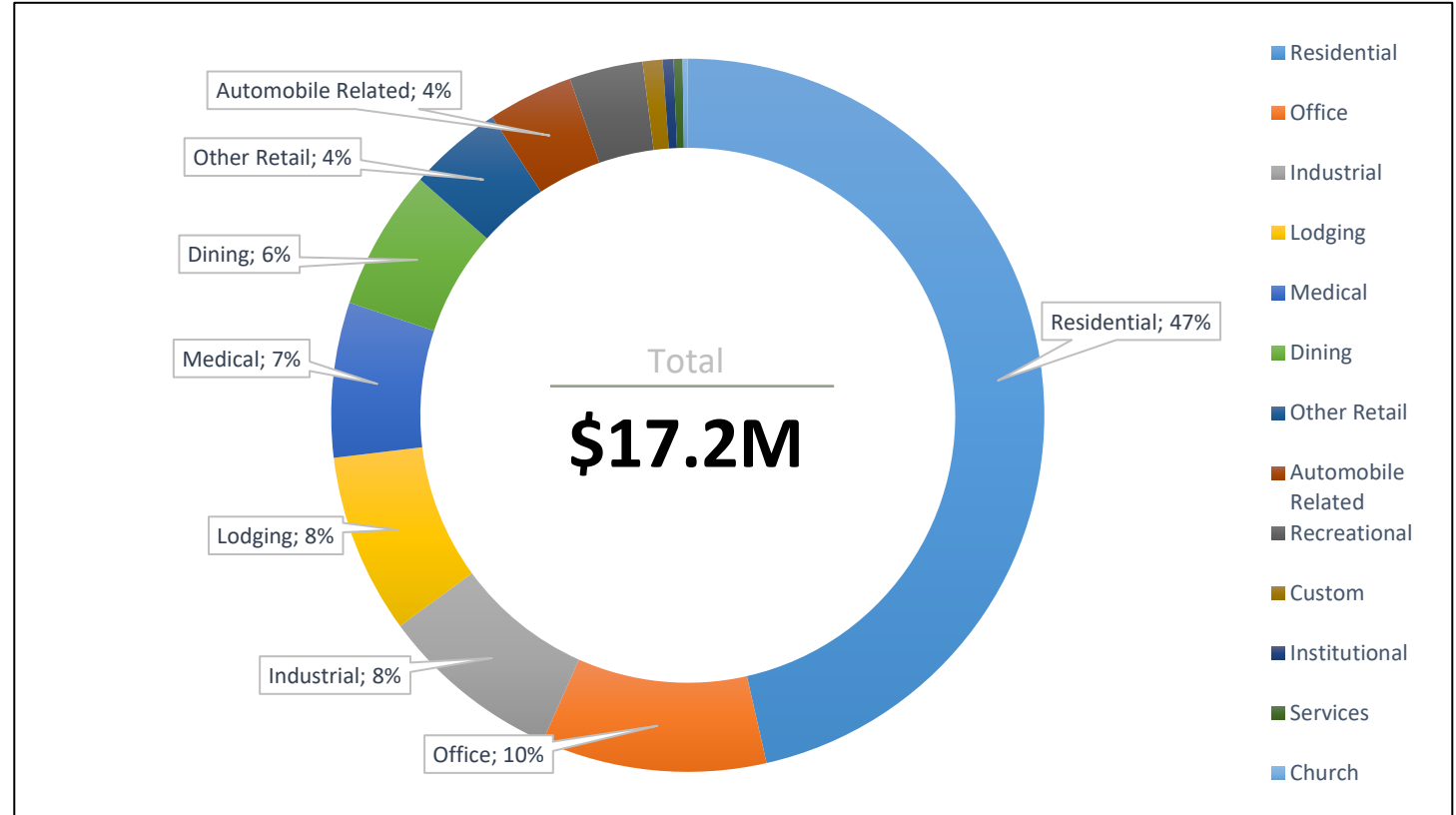
SERVICE AREA





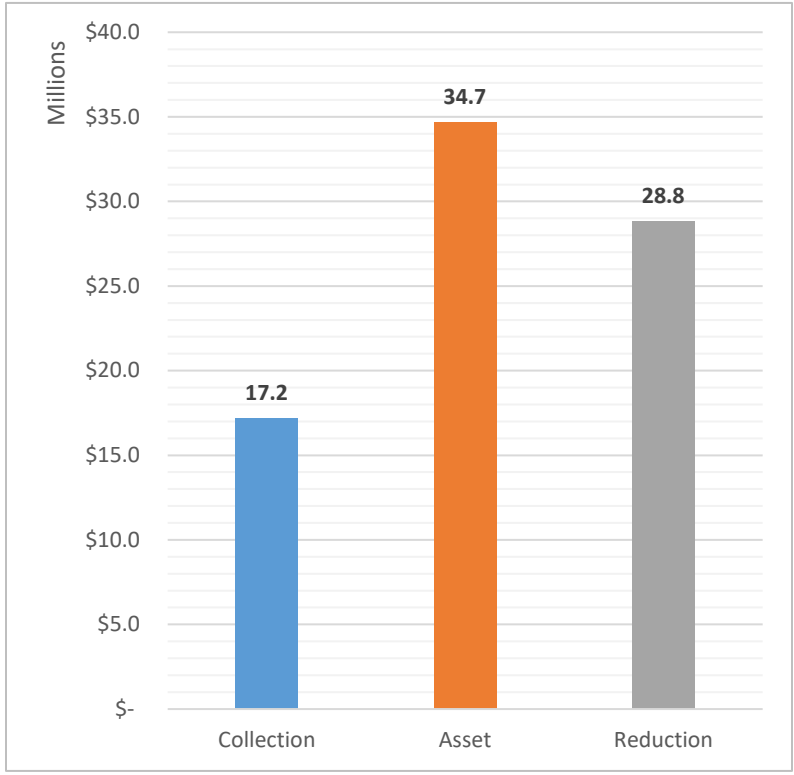
BY LAND USE CATEGORY

Land Use Category	Amount
Residential	\$ 7,982,536
Office	\$ 1,754,592
Industrial	\$ 1,422,651
Lodging	\$ 1,400,910
Medical	\$ 1,206,541
Dining	\$ 1,095,737
Retail	\$ 733,080
Automobile	\$ 666,744
Recreational	\$ 572,586
Custom	\$ 155,569
Institutional	\$ 83,396
Services	\$ 70,344
Church	\$ 39,574
Total	\$17.2M

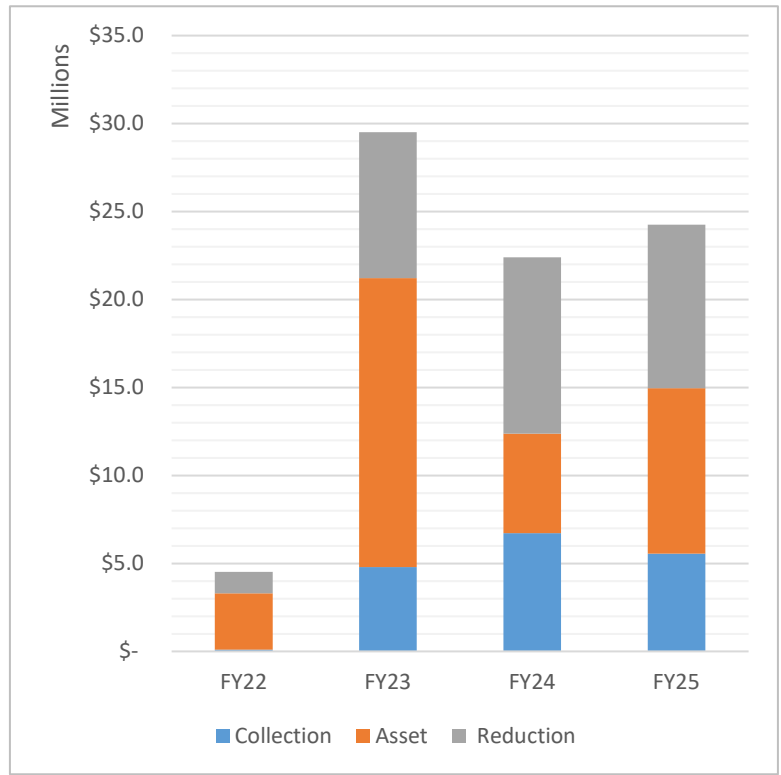




CITY-WIDE



BY FISCAL YEAR

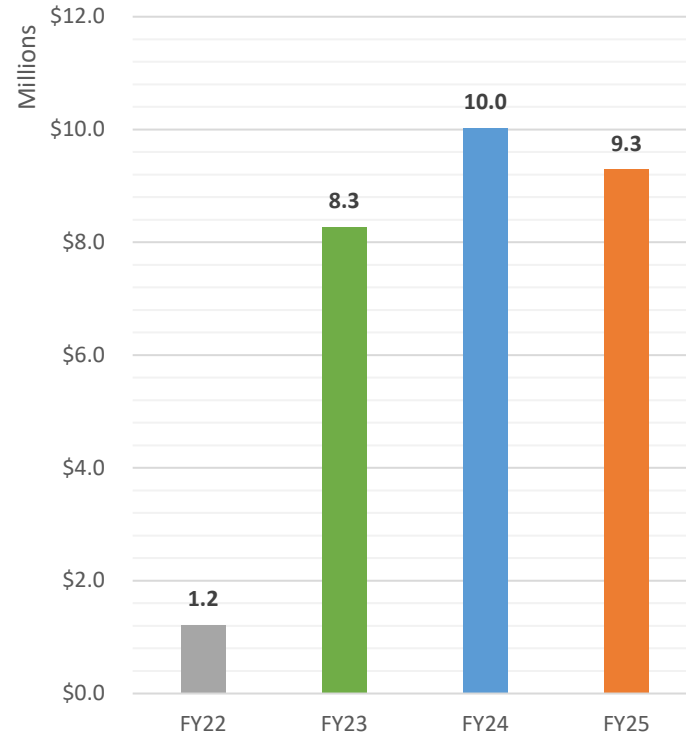
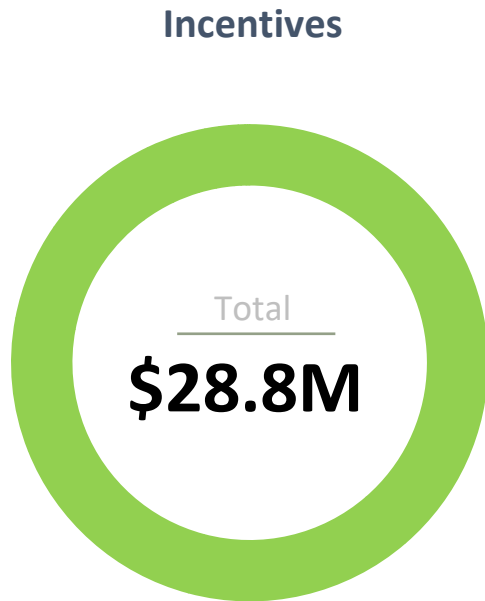


➤ Developer contributions significantly exceed fee collection alone

Asset: ROW + Easement + Mitigation



Policy Reductions as Strategic Incentives



Purpose

- Not discounts
- Policy-driven incentives



What They Support

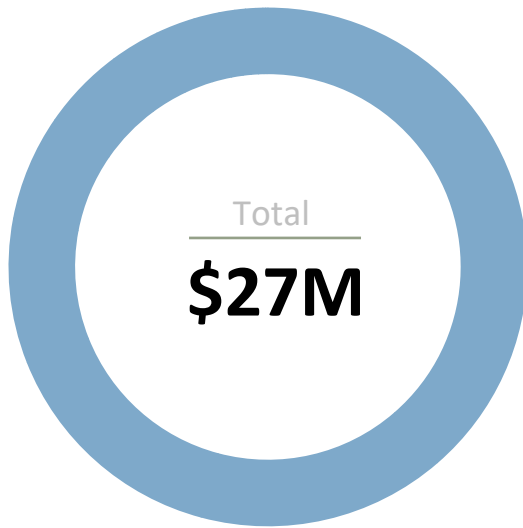
- Transportation Demand Management
- Affordable housing
- Small development
- Schools & public uses
- Daycare
- Others

➤ Reductions are used to advance community priorities



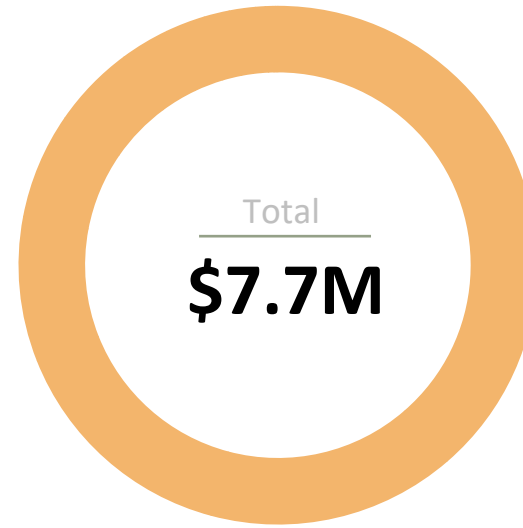
LAND DEDICATION

Land from developers



MITIGATION CONSTRUCTION

Infrastructure Construction



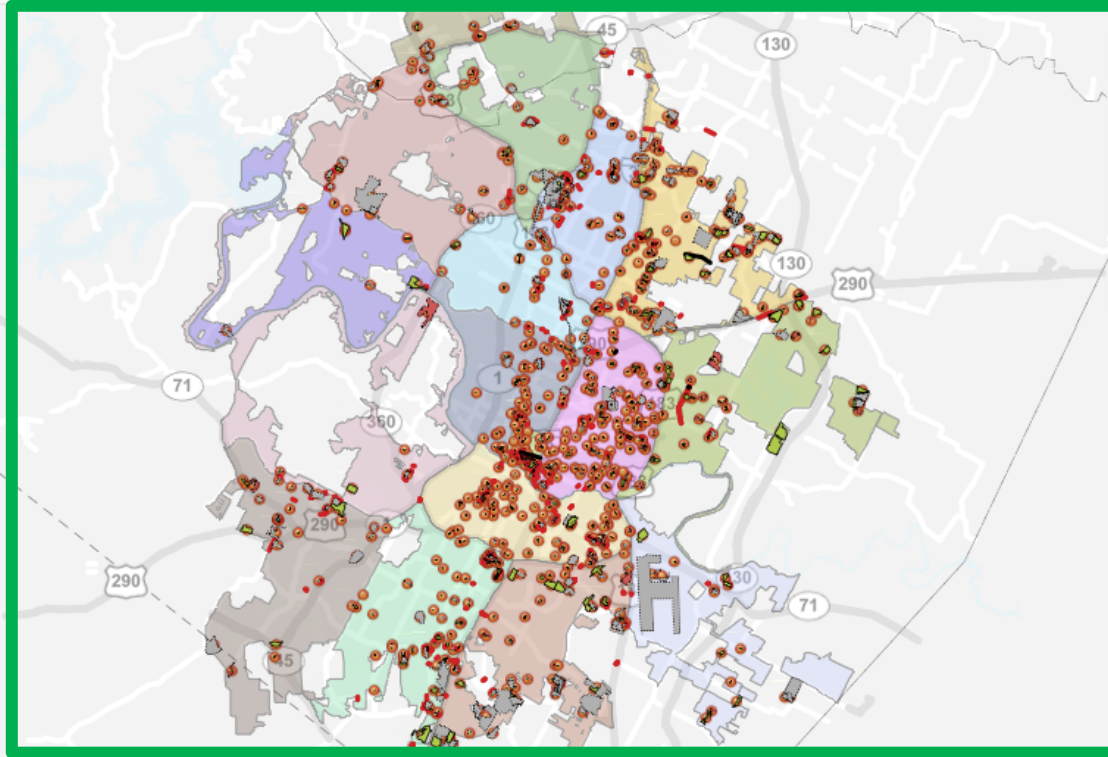
➤ **SIF captures a broader and more strategic contribution than fees alone**



Assets, SIF, & Mitigations from Developments

Data Filters

- Land Development Type
All
- SIF Collected
All
- Construction by Developer
All
- Status
All
- Offset Agreement Signed
All
- Council District
All
- SIF Service Area
All



Land Development Cases

Status

- Approved (< 3 yrs)
- Approved (> 3 yrs)
- In-Review

SIF Encumbered

Mitigation Data

Land Development Cases - Points

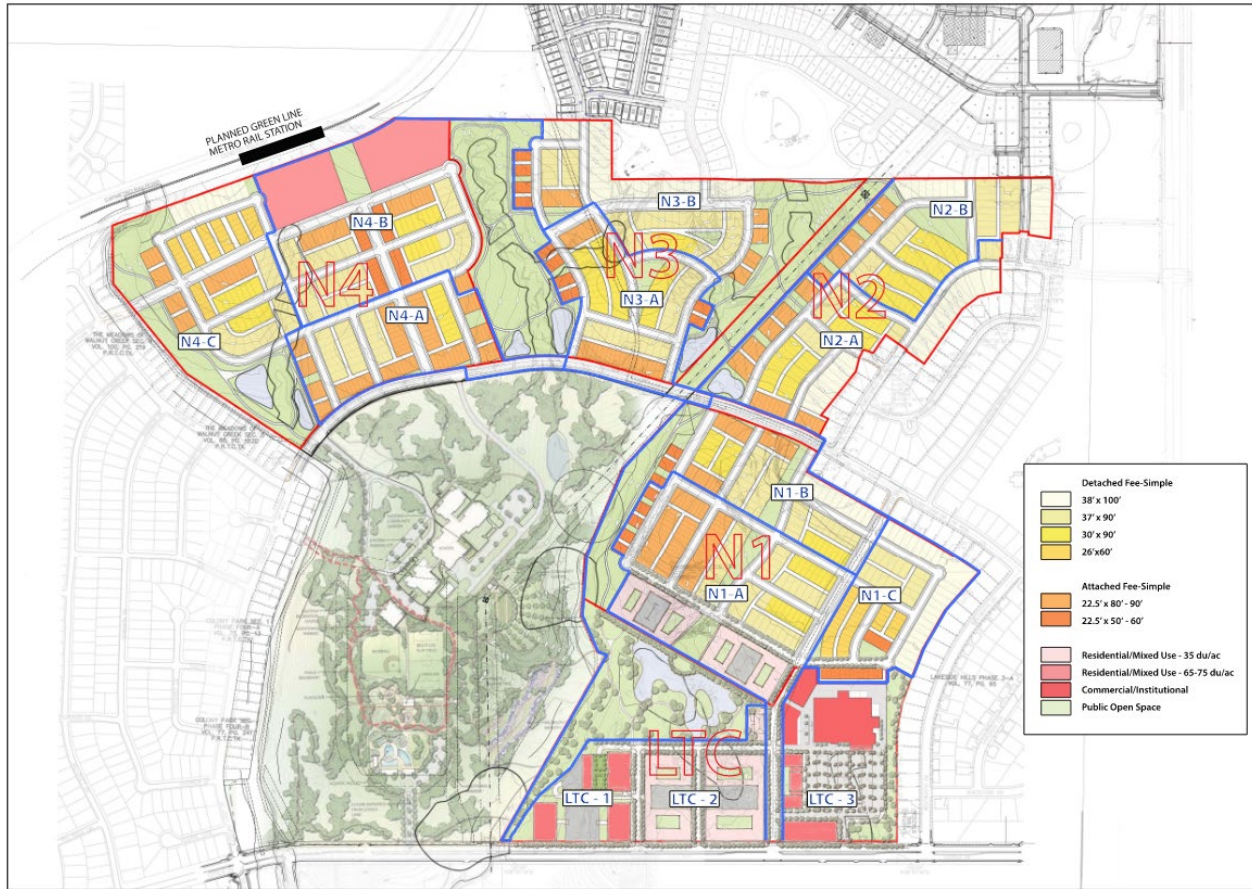
SIF Service Areas

- A
- B

Map legend

SIF Collected	ROW Dedication	Affordability Reduction Amount
17.57M	11.12M	4.27M
Construction Value by Developer	Easement Dedication	SIF Encumbered
7.73M	15.88M	3.43M

➤ Live dashboard available for ongoing monitoring



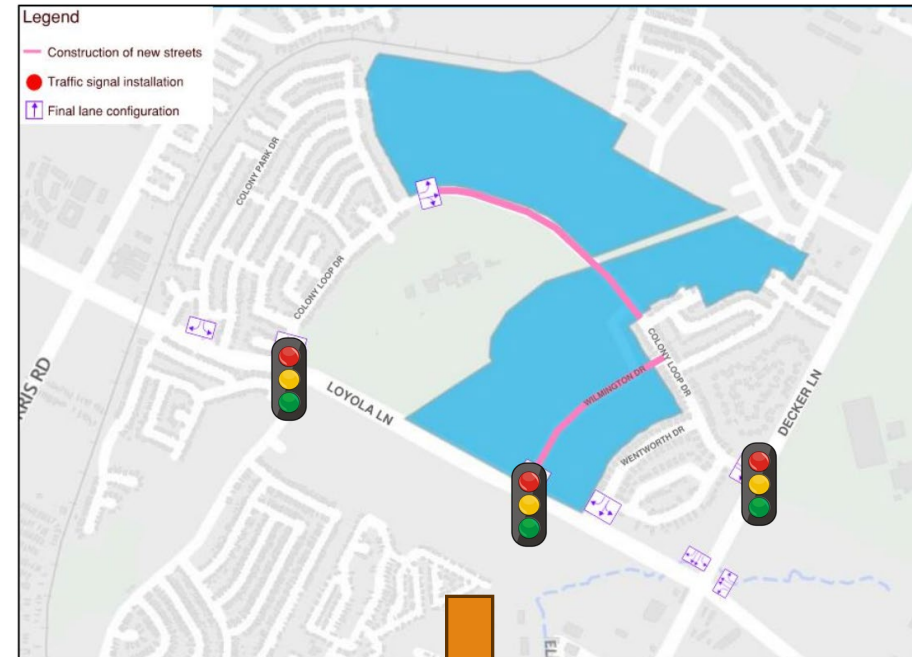
Land Use	Size	24-Hour Two-Way Volume
Single Family Detached	1,800 DU	16,974
Multifamily Housing (Mid-Rise)	1,200 DU	5,448
General Office	260,000 SF	2,818
Shopping Center	240,000 SF	8,882
Total		34,122



Case Study – Mitigations

Colony Park TIA Update - Cost Estimates for City Required Improvements

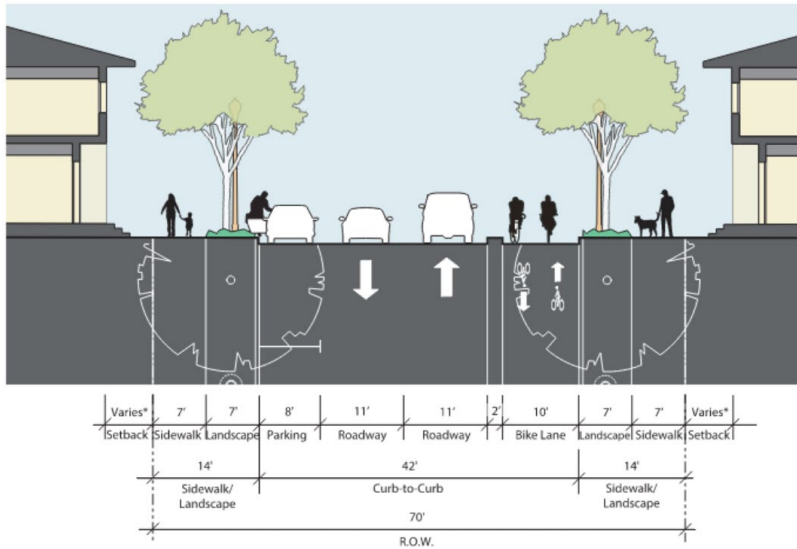
Name	Improvement	Improvement Cost
Roadway		
Colony Loop Drive Construction	Design and construct the missing Colony Loop section from Overton Elementary School to Valleyfield Drive	*
Wilmington Drive Construction	Design and construct Wilmington Dr from Loyola Lane to Colony Loop Drive	*
Intersections		
Loyola Lane and Decker Lane	Construction of a southbound right-turn lane on Decker Lane (800-foot storage, 30-foot taper)	\$ 503,000
	Construction of a westbound right-turn lane on Decker Lake Road (625-foot storage, 30-foot taper)	\$ 342,000
	Signal timing optimization	\$ 5,000
Loyola Lane and Colony Park Drive	Restriping of approach to provide a southbound right-turn lane on Colony Park Drive (270-foot storage, 30-foot taper)	\$ 10,000
	Restriping of approach to provide a southbound right-turn lane on Colony Loop Drive (345-foot storage, 30-foot taper)	\$ 10,000
Loyola Lane and Colony Loop Drive/Cielo Vista Drive	Restriping of approach to provide a southbound right-turn lane on Colony Loop Drive (345-foot storage, 30-foot taper)	\$ 10,000
	Installation of a traffic signal when warrants are met	\$ 480,000
Loyola Lane and Wentworth Drive	Restriping of approach to provide a southbound right-turn lane on Wentworth Drive (170-foot storage, 30-foot taper)	\$ 10,000
Decker Lane and Colony Loop Drive	Restriping of approach to provide an eastbound left-turn and right-turn lane on Colony Loop Drive (100-foot storage, 100-foot taper)	\$ 10,000
	Installation of a traffic signal when warrants are met	\$ 360,000
Scool/Dwy B and Colony Loop Drive	Restriping of approach to provide an eastbound left-turn lane on Colony Loop Drive (100-foot storage, 100-foot taper)	\$ 10,000
Loyola Lane and Dwy O/Wilmington Drive	Construct and stripe southbound approach to provide one left-turn lane and one through/right-turn lane	*
	Installation of a traffic signal when warrants are met	\$ 360,000



Total Cost of Signal Improvements – \$1.2 Million
 Total Cost of Other Intersection Improvements – \$1 Million



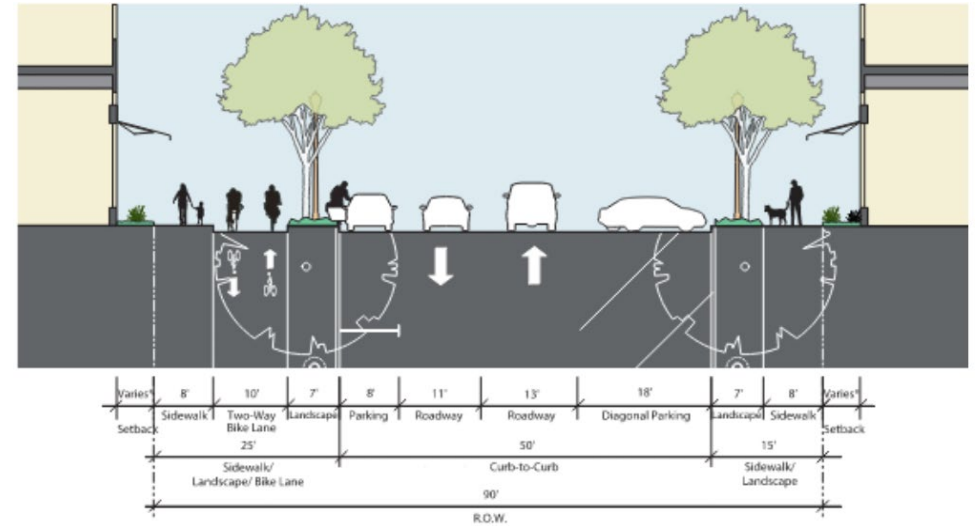
Case Study – Mitigations



Colony Loop Drive



Colony Loop Drive Roadway Cost = \$2 Million



Wilmington Street (Retail Emphasis)



Wilmington Drive Roadway Cost = \$1.8 Million



Case Study – Overall Cost

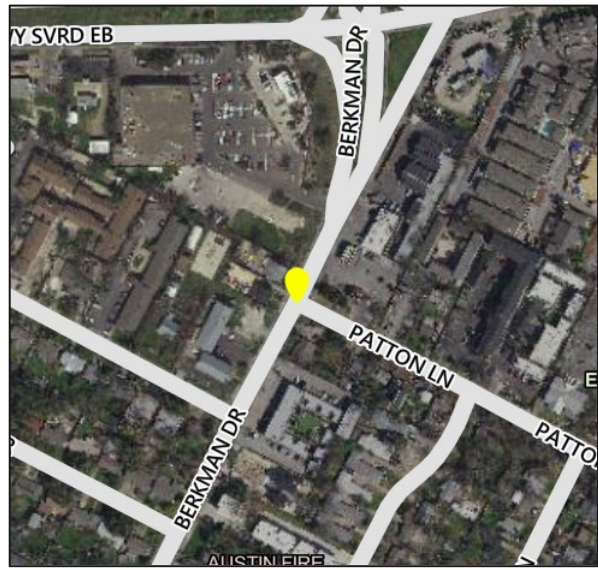


Additionally, right-of-way for multiple roadways shall be dedicated to the City of Austin

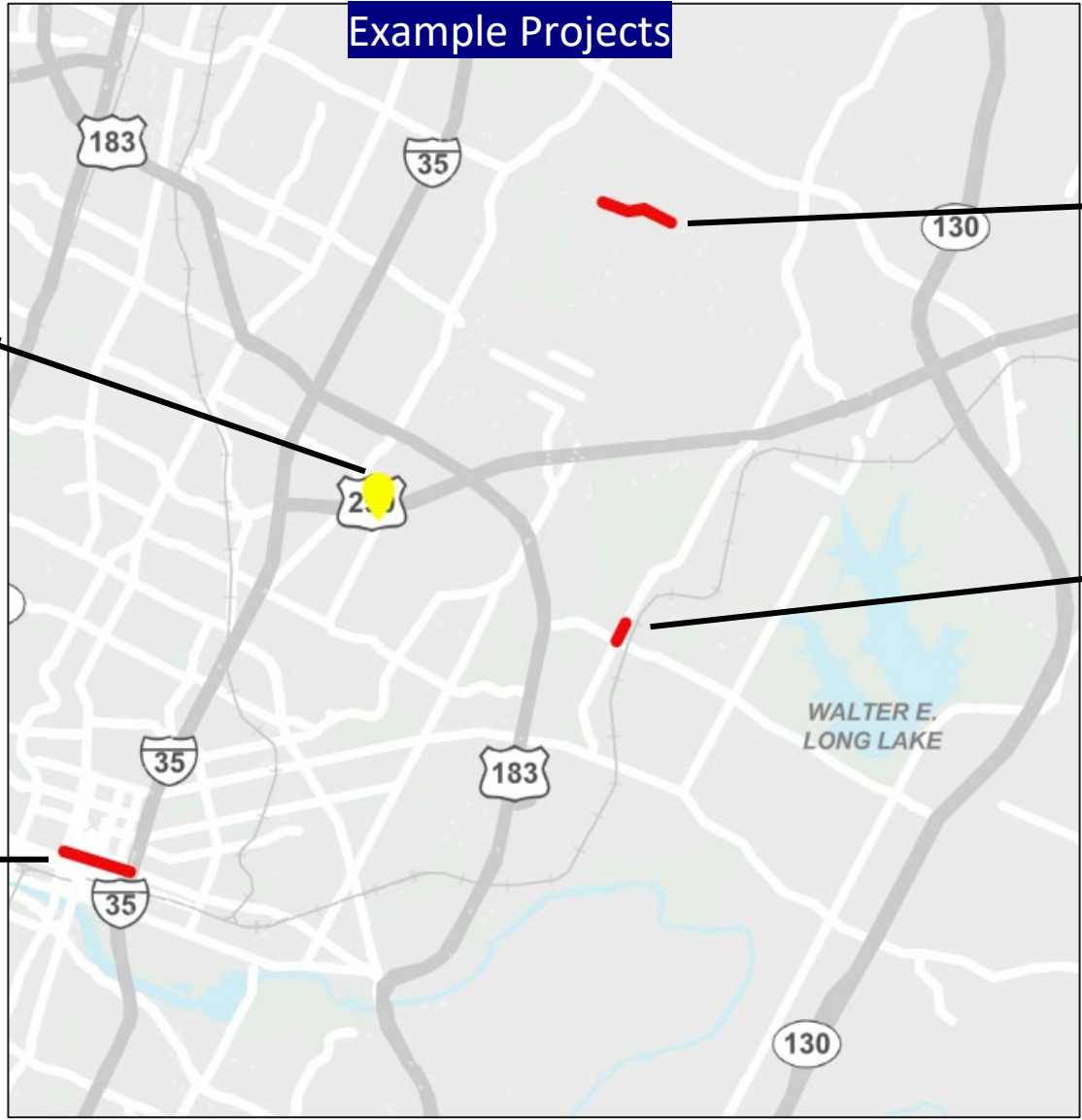
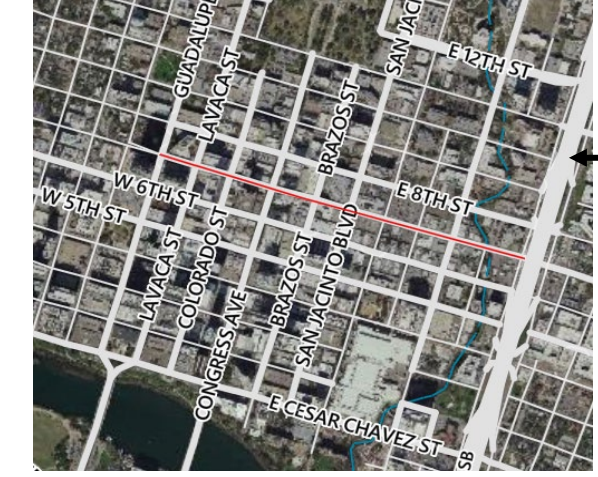
WHAT ARE WE FUNDING?



Berkman/Patton Signal - \$0.5M



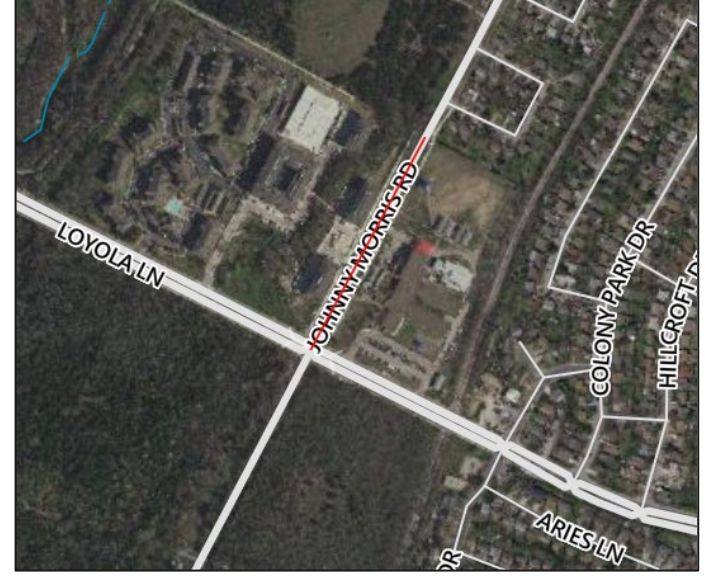
7th Street Improvement - \$1M



Braker Ln Ext. - \$1.34M Construction



Johnny Morris Roadway - \$0.6M





Predictable

- Standardized fee structure
- Reduces uncertainty
- Anyone can determine the fee without doing an intensive study



Transparent

- Clear methodology
- Publicly trackable
- A worksheet to calculate the fee is publicly available



Flexible

- Funds usable within service areas
- Supports multiple project types



Equitable

- Consistent
- Supports policy priorities

➤ **A balanced system of funding, flexibility, and policy alignment**



Timing

- Fee updates may lag market changes



Transition

- Adjusting to new fee structure



Public-private partnership development projects

- Limited opportunity



Planning Integration

- Need more dynamic, real-time inputs



Perception

- Concerns about cost levels

➤ **Ongoing refinement is essential for long-term success**

SIF STUDY
UPDATE IS
IN
PROGRESS



Beyond Fees

- Contributions exceed fee revenue



Policy Alignment

- Supports equity & community goals



Integrated System

- Fees + assets + mitigation



Scalable Model

- Applicable to growing cities

➤ **Impact fees can be a strategic tool to fund growth fairly and effectively**



Thank You!

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