

# **IMPACT FEE STUDY**

**City of Gonzales, Texas**



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**November 4, 2013**

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## Table of Contents

Introduction.....	1
Purpose .....	1
Area Description .....	1
Methodology.....	2
Legal Requirements.....	2
Service Area and Service Unit .....	2
Land Use Assumptions.....	4
Development Densities .....	5
Growth Rates.....	6
Service Unit Development .....	8
Cost Development .....	9
Credits .....	13
Implementation.....	14
Time for Collection of Impact Fees .....	15
Reduction or Waiving of Impact Fees.....	15
Collection of Fees if Service not Available .....	15
Refunds.....	16
Hearing on Land Use Assumptions and Capital Improvement Plan.....	16
Hearing on Impact Fee .....	17
Updating Capital Improvement Plan and Impact Fee .....	18
Appendix A – Capital Improvement Plan.....	19
Appendix B – Calculation of Impact Fees.....	20
Appendix C – Summary of Calculations.....	21
Appendix D – Land Use and Pressure Zone Maps.....	22

## Introduction

### ***Purpose***

The City of Gonzales is faced with aging infrastructure along with steady and potentially significant growth. Significant capital expenditures are necessary to improve and upgrade the infrastructure.

The costs associated with replacing, upgrading and developing adequate infrastructure continues to climb as the city addresses its needs. Creating additional revenue streams is needed to help pay for needed infrastructure.

This report provides preliminary analysis and outlines the procedures involved to determine the maximum impact fees that may be assessed and outlines the steps necessary to effect implementation. The *Impact Fee Study* must be based upon an adopted *Capital Improvement Plan* that is consistent with an adopted *Future Land Use Plan* developed for the city, based on a 10-year population projection. A *Comprehensive Plan* for the City of Gonzales was completed in May of 2013, and includes information such as existing and future land use map and population projections which are critical in determining the capital improvements necessary for projected new development, and the associated allowable impact fees.

In 2013 along with the completion of a *Comprehensive Plan*, and adoption of new subdivision and zoning ordinances, the city staff is recommending development and implementation of impact fees for the water, wastewater, and transportation and drainage infrastructure systems. This report provides a complete list of needed capital improvements within the City and its service areas. Land use and population projections are based on information from the adopted Comprehensive Plan. Preliminary impact fees have been calculated based on the list of needed capital improvements and as they relate to the adopted Comprehensive Plan.

### ***Area Description***

The City of Gonzales contains approximately 6.23 square miles of land within its city limits. In April of 2010, the United States Census Bureau estimated the population of Gonzales to be 7,237 people. In July of 2011 the Census Bureau estimated the population to be 7,272 people. Projecting this same rate of increase to January of 2013 the population is estimated to be 7,314 people.

Currently, the city operates a water treatment plant permitted for 4.5 million gallons per day, although only 3 million gallons per day are actually available through permits for water from the Guadalupe River and one existing water well. In addition, the city operates a wastewater treatment plant permitted for 2.25 million gallons per day, and maintains approximately 35 miles of streets and associated culverts, drainages ditches and storm sewers.

## **Methodology**

### ***Legal Requirements***

The enabling legislation for impact fee calculations and administration is governed by the *Local Government Code, Chapter 395, Financing Capital Improvements Required by New Development in Municipalities, Counties and Certain Other Local Governments*. This chapter defines the calculation of impact fees, accounting for the use of revenue from the impact fees, and the process for implementing and updating the impact fees. Chapter 395 allows for collection of impact fees for water, wastewater, drainage and roadways. The fee may only be collected to recover costs of constructing capital improvements. Operating costs are not eligible for recovery.

### ***Service Area and Service Unit***

The service area is defined as the area within the political subdivision to be served by the capital improvements plan for water, wastewater, transportation and drainage infrastructure. The water service area boundary is the documented Certificate of Convenience and Necessity (CCN), as shown in Figure 1. The sewer service area boundary is the area as shown in Figure 2. The transportation and drainage service area is the City Limits.

Service unit means a standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards. It is also based on historical data and trends applicable to the political subdivision in which the individual unit of development is located during the previous ten years. The service unit used in this report is a Living Unit Equivalent (LUE), with 246 gallons per day average sewage flow and 315 gallons per day average water flow. There are approximately 4417 existing LUE's within the City Limits, and 4669 LUE's within the City's 14.32 square mile water service area.

### ***Water Service Area***

The City of Gonzales currently operates under one basic service area for the entire town. The system operates under a single pressure plane, and there are no isolated areas that operate independent of the main service area. The city obtains most of its water from the Guadalupe River, and has one operational water well that has recently been upgraded and will serve to supplement the city's water supply. The city has permits to pump approximately 2 million gallons per day from the Guadalupe River, and the well has the ability to supply an additional 1 million gallons per day. In 2011, the City issued \$6,300,000 in bonds to update and upgrade the water treatment plant. This upgrade is currently being designed and is slated to start construction in late 2013. The water treatment plant is currently able to produce up to 4.5 million gallons of water per day, and after the upgrade is completed in 2014, will continue to have the same capacity of 4.5 million gallons of water per day. The existing system currently has one 1.5 million gallon stand pipe at the north end of town, and one 2.5 million gallon stand pipe at the east end of town, and is served by water mains varying in size from 2-inches to 24-inches. The current average water usage is approximately 1.5 million gallons per day. The peak summer time usage

occasionally exceeds 2.5 million gallons per day. The city currently has permits and a well to provide up to 3 million gallons per day. The excess capacity of 500,000 gallons per day is available for new development and population growth without the need of developing new water supplies.

As the City grows to the north, there is a need to develop a second pressure plane in the system at a higher elevation. This new pressure plane will essentially serve properties north of US Highway 90A. See attached map of Future Pressure Zone.

**Figure 1. Water Service Area Characteristics**

Service Area	Area (ac)	Existing LUEs	Additional LUEs Over Next 10 yrs.	Total Future LUEs
<i>City Service Area</i>	9165	4669	1105	5774

### Wastewater Service Area

The city currently operates 2.25 million gallons per day wastewater treatment plant. Sewers connected to the facility range in size from 6-inches to 24- inches. The city also operates eight lift stations in various locations to serve 11 different sewersheds within the service area. The wastewater service area for the City of Gonzales is divided into 11 areas based on the drainage boundaries. These drainage boundaries or sewersheds, are identified in the table below. Typically, the plant treats around 1.1 million gallons per day with an occasional peak of up to 1.5 million gallons per day. This leaves approximately 500,000 gallons per day of excess capacity in the plant without having to upgrade the facility. This excess capacity can be used by future population growth and new development.

As the City grows, there may be a need to add up to eight additional sewersheds and lift stations to serve future development.

**Figure 2. Sewershed Characteristics**

Sewershed	Area (ac)	Existing LUEs	Future Area (ac)	Additional LUEs Over Next 10 yrs.	Total Future LUEs
<i>F.M. 794</i>	35	137		13	150
<i>Oil Patch Ln.</i>	14	109		14	123
<i>183 North</i>	182	272		229	501
<i>Cone Street</i>	126	72		0	72
<i>St. Andrew</i>	41	77		0	77
<i>Independence Park</i>	129	29		0	29
<i>J.B. Wells</i>	161	109		0	109
<i>Green DeWitt</i>	12	41		0	41
<i>Tinsley Creek</i>	2403	2806		343	3149
<i>Upper Kerr Creek</i>	532	620		506	1126
<i>Lower Kerr Creek</i>	112	145		0	145
<b>Total</b>	<b>3747</b>	<b>4417</b>		<b>1105</b>	<b>5522</b>

### Street and Drainage Service Area

The City currently owns and maintains approximately 35 miles of streets and associated drainage and sidewalk facilities within the City Limits. This includes approximately 4 miles of arterial streets and 7 miles of collector streets. As the city grows new streets will be added to accommodate new development, and the existing arterials and collectors will need to be improved and upgraded to handle the additional traffic volume generated by growth.

### Land Use Assumptions

In lieu of adopting land use assumptions for each service area, a political subdivision may adopt system wide land use assumptions, which cover all of the area subject to the jurisdiction of the political subdivision for the purpose of imposing impact fees. For the purposes of this study, it is assumed the City of Gonzales will adopt the system wide land use assumptions based on the *2013 Capital Improvements Plan* to be developed based on the future land use plan from the Comprehensive Plan.

### Existing Land Use

An inventory of the current land use throughout Gonzales was needed to properly evaluate water and wastewater infrastructure for the master plan. The *Current Land Use* map developed as part of the Comprehensive Plan, shown in Exhibit 1, shows how the land within the city limits and surrounding area is divided into various groups according to its primary use. Each parcel of land was categorized into one of the following categories: Agriculture, Single Family Residential, Multi-Family Residential, Mobile Home Residential, Commercial, Industrial, Public, Semi-Public, Park, Unimproved and Other. Below is the Land Use Statistics from the Comprehensive Plan as determined through a field survey in the fall of 2012.

Figure 3.

Land Use	Units	Area	Units (%)	Area (%)
<b>Residential</b>	<b>2119</b>	<b>843.18</b>	<b>59.0%</b>	<b>17.5%</b>
Single Family Residential	1977	703.73	55.1%	14.6%
Multi-Family Residential	42	40.74	1.2%	0.8%
Mobile Home Residential	100	98.71	2.8%	2.0%
<b>Public &amp; Semi-Public</b>	<b>159</b>	<b>598.15</b>	<b>4.4%</b>	<b>12.4%</b>
Public	95	506.46	2.6%	10.5%
Semi-Public	64	91.69	1.8%	1.9%
<b>Commercial</b>	<b>512</b>	<b>658.59</b>	<b>14.3%</b>	<b>13.7%</b>
<b>Industrial</b>	<b>28</b>	<b>191.08</b>	<b>0.8%</b>	<b>4.0%</b>
<b>Agriculture</b>	<b>146</b>	<b>1354.94</b>	<b>4.1%</b>	<b>28.1%</b>
<b>Open Space/Park</b>	<b>11</b>	<b>521.45</b>	<b>0.3%</b>	<b>10.8%</b>
<b>Unimproved</b>	<b>572</b>	<b>585.99</b>	<b>15.9%</b>	<b>12.2%</b>
<b>Other</b>	<b>42</b>	<b>62.17</b>	<b>1.2%</b>	<b>1.3%</b>
	<b>3589</b>	<b>4815.55</b>	<b>100%</b>	<b>100.0%</b>

There is a fairly balanced mix of uses within the City Limits. Residential uses are concentrated primarily to the central and southern parts of the town. There are large tracts of Agricultural land within the City Limits especially to the north and east. Commercial properties are dispersed throughout the city, but are mostly congregating along the major roadways of Hwy 90-A and Hwy 183. Industrial properties are located primarily along the rail road spur in the industrial park north of Hwy 90-A, and located along the rail road south of Hwy 90-A. Public use areas include the schools, hospital, parks, and cemeteries.

### **Future Land Use**

The *Future Land Use Plan* included in the Comprehensive Plan illustrates possible future land uses based on assumptions within the Plan. It also recommends three annexation areas and time frames. The Future Land Use Plan within this report is based on zoning and knowledge of development trends within the community. The map is a depiction of which areas might see development and what type of development might occur at these locations through the year 2023. It is also based on an assumption that zoning and development trends will be consistent. For the purposes of this preliminary report the area of future development was calculated based on an assumed population projection. The data developed in the Comprehensive Plan was used and it was assumed the High Growth Scenario will occur.

The growth projected to occur in Gonzales is expected to be a mix of residential, commercial, public and industrial. Due to the occurrence of the current oil activity associated with the Eagle Ford Shale within the southern portions of Gonzales County, it is anticipated industrial businesses will continue to locate in Gonzales, creating a need for additional housing and new schools. The increase in population will then likely spur commercial growth as well.

The industrial growth is most likely to occur within the Industrial Park area and areas north of the Industrial Park along FM 789. Areas that are projected to see some future commercial development are along Hwy 90-A though the center of town and towards the east and Hwy 183 towards the north. Besides being zoned as commercial, these locations are ideal for businesses. The majority of residential growth is expected to occur to the north and east, with a small expansion possible to the west, and within the current city limits by infilling undeveloped or agricultural areas.

### ***Development Densities***

Based on the *Future Land Use Plan*, densities can be developed under the assumption that the densities for the different types of land use will stay the same over the next ten (10) years. This can be done by establishing an existing density ratio for each of the land use categories; current population to acreage of land use type.



## **Existing Densities**

The existing land use densities were determined by examining existing population divided by the total area for each of the categories mentioned in the *Existing Land Use Plan*. An example of this would be persons per acre of residential development or the density of a development.

The residential densities in Gonzales vary depending on the location. Areas closer to the center of town have a greater density while areas in the outer limits of the city are less dense. The current average residential density for the City of Gonzales based on the population as discussed below and the residential area presented in the Comprehensive Plan (Figure 3 above) is approximately 8.67 people per acre. The U.S. Census states the average people per house hold is around 2.87. This results in a residential density of approximately 3.0 LUE's per acre. Likewise, if the number of residential water meters issued by the City is divided by the residential acreage, approximately 3.0 LUE's per acre is calculated. Therefore, it is estimated the average existing residential density in the City of Gonzales is 3.0 LUE's per acre.

For Commercial and Industrial properties, the density was calculated by first determining the number of LUE's applicable to Commercial and Industrial uses, and then dividing the calculated number LUE's by the land area acreage shown in Figure 3 above. LUE's for commercial and industrial uses was calculated by determining the average commercial and industrial water usage, and dividing that number by the average flow per LUE determined from the residential water usage. The existing density for Commercial and Industrial properties was calculated to be approximately 2.2 LUE's per acre.

## **Future Densities**

The *Future Land Use* densities can be developed under the assumption that the densities for each for the categories will remain relatively the same over the 10-year period. The Comprehensive Plan makes the assumption that residential densities could be significantly higher than the current average for new development; however, for this study it is assumed the density will remain relatively the same, and therefore, a residential density of 3.0 LUE's per acre will be used. Likewise, a density of 2.2 LUE's per acre will be used to determine future land requirements for industrial and commercial properties.

## **Growth Rates**

The Growth Rate was determined by an analysis of the existing population and current growth trends. The growth rate of the City of Gonzales was relatively flat from 2000 to 2010. For purposes of this study the population increase from 2010 to 2013 has been estimated. Figure 4 below shows the estimation of the population increase from the year 2010 to 2013. In the Comprehensive Plan, there are four scenarios for growth rate over the next 20 years. It is anticipated with the activity associated with the Eagle Ford Shale, the population will tend to grow at a higher rate than that experienced in the past 10 years. Therefore, the High Growth Scenario as presented in the Comprehensive Plan was used for the population projections in this study. The growth rate for the City of Gonzales over the next ten (10) years is projected to be an average of 2.26% per year. The projected population increase is illustrated in Figure 5.

**Figure 4. City of Gonzales Population (US Census)**

Year	Population	Increase (#)	Increase (%)
2010	7237	-	-
2011	7272	35	0.48
2012	7293	21	0.29
2013	7314	21	0.29
<b>Average</b>			<b>.35%</b>

**Figure 5. The City of Gonzales's Population Projection**

Year	Population	Increase (#)	Increase (%)
2013	7314	-	-
2014	7479	165	2.26%
2015	7648	169	2.26%
2016	7821	173	2.26%
2017	7998	177	2.26%
2018	8178	181	2.26%
2019	8363	185	2.26%
2020	8552	189	2.26%
2021	8745	193	2.26%
2022	8943	198	2.26%
2023	9145	202	2.26%
<b>Average</b>			<b>2.26%</b>

To determine the needed area of new development over the next 10 years, it was assumed the population would grow at a rate of 2.26% adding approximately 1,832 people. That equates to approximately 638 LUE's of residential growth at 2.87 people per LUE. At 3.0 LUE's per acre approximately 213 acres are required to accommodate this growth.

Because the areas of residential land use, and commercial and industrial land uses, are currently relatively the same, it is assumed this trend will continue and approximately 213 acres of commercial and industrial land will also be required. Based on 2.2 LUE's per acre for Commercial and Industrial uses, approximately 467 additional LUE's will be created due to commercial and industrial activities over the next 10 years. This creates a total increase of 1105 LUE's over the next 10 years.

Over 200 acres of land have been identified for potential future residential uses in the Future Land Use map in the appendix of this report. Likewise, over 200 acres of land have been identified for potential commercial and industrial uses.

The Future Land use Map is included in the appendix of this report.

### ***Service Unit Development***

The service unit used in this report is the Living Unit Equivalent (LUE), which is the level of consumption and use anticipated from one single family dwelling. Based on 2010 census data, Gonzales had a population of 7237 in 2010. The population for 2013 has been increased based on additional data issued by the census in 2011. The 2013 population is estimated to be 7314 people. The 2010 census data also stated that the average persons per household for Gonzales was 2.87 people. By dividing the estimated population by the average persons per household 2,548 LUE's are calculated for the City of Gonzales.

To determine the water usage per LUE, water usage data for the past 10 years was analyzed and it was determined the average residential water consumption for the City of Gonzales was 315 gallons per LUE. Likewise, to determine the wastewater usage, the water usage data was analyzed for the past 10 years, but only the water consumption for the late fall, winter and early spring months was used. Based on this data it was determined the wastewater usage was 246 gallons per LUE.

To determine the number of LUE's for commercial and industrial uses, the water consumption over the past 10 years for these uses was analyzed. An average daily consumption in gallons was determined and then divided by 315 gallons/LUE to estimate the number of commercial and industrial LUE's.

Also, the rural "out of City" water consumption for the past 10 years was analyzed to determine the number LUE's being served outside the City Limits.

Based on this analysis, it was determined that there are 2548 residential LUE's and 1869 commercial and industrial LUE's within the City Limits, and there are 252 LUE's being served outside the City Limits. These calculations are summarized in the Appendix C of this report.

## ***Cost Development***

### **Assumptions**

Assumptions used for calculating the impact fees areas are shown in Figures 6 and 7 below.

**Figure 6. Assumptions for Determining Capital Costs Associated With New Development**

<b>Assumption</b>	<b>Description</b>
Water Service needs at 10 years in future (Project Area)	For each service area, the projects needed for growth were identified for the next 10-year period. Growth rates were determined from projections in population. Project cost based on Capital Improvement Plan and 2013 prices.
Wastewater Service needs at 10 years in future (Project Area)	For each service area, the projects needed for growth were identified for the next 10-year period. Growth rates were determined from projections in population. Project cost based on Capital Improvement Plan and 2013 prices.
Street and Drainage Service needs at 10 years in future (Project Area)	For each service area, the projects needed for growth were identified for the next 10-year period. Growth rates were determined from projections in population. Project cost based on Capital Improvement Plan and 2013 prices.

**Figure 7. Assumptions for Determining the Impact Fee on a Service Area Basis**

<b>Assumption</b>	<b>Description</b>
Total Costs (associated with new development)	This is the sum of the capital costs associated with new development for eligible capital projects with cost apportioned based on future development.
Water Service Area (within City's ETJ)	This is the area for the water service within the City's CCN.
Wastewater Service Area (within City's ETJ)	This is the area for the wastewater service within the City's CCN.
Assumed New Number of LUEs in Service Area	Calculated: The number of LUEs associated with new development is determined by multiplying the estimated developable land by the assumed density of 2.2 LUE's per acre for Commercial and 3.0 LUE's per acre for Residential.
Estimated Impact Fee / LUE (before credits)	Calculated: The impact fee per LUE is determined by dividing the capital costs associated with new development in the service area by the number of LUE's associated with new development.

## **2013 Capital Projects**

The capital projects that are eligible for inclusion for impact fees will be selected from the *2013 Capital Improvements Plan*. The projects eligible for inclusion must be related to future development.

The water projects include the improvements to create a second pressure zone at the north end of town, a project to add an 8" waterline on the west side of Water Street, and a project to add an 8" waterlines in the unopened portion of Walker Street, and a waterline in the northern portion of Sydler Street.

The wastewater projects include upgrading and replacing the 15" Tinsley Creek Wastewater Interceptor from St. Louis Street to Sarah DeWitt Drive, upgrading and replacing the 15" wastewater interceptor along St. Francis Street, Cuero Street and Fischer Street from St. Joseph to Tinsley Creek, installing a new 12" wastewater line to serve the 1835 Village and adjacent properties, and installing a 8" wastewater lines in the unopened portions of Walker Street.

The street and drainage projects include the construction of the unopened portion of Walker Street from Lou's Garden to St. Andrew Street and from Spur 131 to 1200 feet north, and the proposed collector streets within 1835 Village from Hwy 97 to Winding Way.

## **Capital Cost Apportionment between Existing and Future**

Some projects may have costs that are not eligible to be included in the impact fee. For example, the replacement of the 15" Tinsley Creek Wastewater Interceptor will serve not only the future population, but a large portion of the existing population as well. Therefore, the entire costs associated with installing this line are not eligible to be included in the impact fee, only that portion that is attributable to new development in the next ten years. The following paragraphs contain an explanation of each project that has an apportioned cost.

### **Water**

Excess Capacity of Water Treatment Plant – The existing water treatment plant has a capacity of 4.5 million gallons per day; however, the permitted water supply from the Guadalupe River is only 2 million gallons per day, and the additional available supply from the HWY 97 water well is 1 million gallons per day, creating a total water supply availability of 3 million gallons per day. The average daily usage of water is approximately 1.5 million gallons per day, with a peak usage approaching 2.5 million gallons per day in the summer months. Based on the peak usage, approximately 500,000 gallons per day are available for new development and population growth. Assuming 315 gallons per day per LUE and an additional 1105 LUE's over the next ten years, an additional demand of 348,075 gallons per day will be generated. 348,078 gallons per day is 70 percent of 500,000 gallons per day, and therefore 70 percent of the excess capacity value can be applied to the calculation of impact fees.

Create Dual Pressure Planes within the City – In order to adequately serve properties in the northern portions of the City Limits, it will be necessary to create a second higher pressure zone for the water system. Approximately 25 percent of the land area within the new pressure plane identified on the Future Land Use Map is associated with new development.

Water Street Waterline – This waterline is needed to complete a looped system on the west side of Water Street. The need for this waterline is 100 percent associated with new development in immediate area.

Sydler Street Waterline - This waterline is needed to provide water to future development adjacent to the portion of Sydler Street north of US 90-A. The need for this waterline is 100 percent associated with new development.

Walker Street (North) Waterline – This waterline is needed to provide water to future development adjacent to the unopened portion of Walker Street north of US 90-A. The need for this waterline is 100 percent associated with new development.

Walker Street (South) Waterline - This waterline is needed to complete a looped system from the end of Walker Street to St. Andrew Street. The need for this waterline is 100 percent associated with new development in immediate area.

### **Wastewater**

Excess Capacity of Wastewater Treatment Plant – The existing wastewater treatment plant has a capacity of 2.25 million gallons per day; however, the plant will have to be expanded once it reaches 90 percent of this capacity which is approximately 2 million gallons per day. The plant currently operates at an average daily flow rate of approximately 1.1 million gallons per day, with a peak usage approaching 1.5 million gallons per day. Based on the peak usage, approximately 500,000 gallons per day are available for new development and population growth. Assuming 246 gallons per day per LUE and an additional 1105 LUE's over the next ten years, an additional demand of 271,830 gallons per day will be generated. 271,830 gallons per day is 54 percent of 500,000 gallons per day, and therefore, 54 percent of the excess capacity value can be applied to the calculation of impact fees.

Tinsley Creek Wastewater Interceptor – This wastewater line is in poor condition, and needs to be upgraded and replaced to serve both existing and future development. The portion of the watershed served by this line that is associated with potential new development is approximately 10 percent. Therefore, 10 percent of the estimated cost of this project will be apportioned towards the calculation of impact fees.

Walker Street (North) – This wastewater line is needed to serve potential new developments in

the area adjacent to this portion of Walker Street north of Spur 131 and US 90-A. The need for this wastewater line is 100 percent associated with new development

Walker Street( South) Wastewater line – This wastewater line is needed to serve potential new development in the immediate area adjacent to this portion of Walker Street south of Lou’s Garden and north of St. Andrew Street. The need for this wastewater line is 100 percent associated with new development.

1835 Village Wastewater Line – This wastewater line is needed to serve the 1835 Village development as well as adjacent properties to the east and north. The installation of this wastewater line will support new development of approximately 100 acres. An agreement is currently in place for the developer to construct this line and then be reimbursed over 15 years through a Chapter 380 Agreement. Because this agreement is for 15 years and impact fees must be calculated based on 10 years, only 67 percent of this cost can be used in the calculation, and because approximately 12 percent of the developable land will be platted prior to adaption of impact fees, and developed within one year of the adoption, only 88 percent of this amount can be apportioned to the calculation of impact fees. Therefore, 59% of the total construction cost for this item can be used in the calculation of impact fees.

### **Streets and Drainage**

Walker Street (South) – The construction of Walker Street from Spur 131 to approximately 1200 feet north is needed to support and promote development in that part of the City. 100 percent of the cost to construct this portion of Walker Street can be apportioned to the calculation of impact fees.

Walker Street (South) – The construction of Walker Street from Lou’s Garden to St. Andrew Street is needed to support and promote development in that part of the City. 100 percent of the cost to construct this portion of Walker Street can be apportioned to the calculation of impact fees.

City Arterial and Collector Streets – St. Vincent Street, St. Paul Street, St. Lawrence Street, St. Andrew Street, College Street and Church Street – Because new development is likely to be dispersed throughout the City either on vacant properties, or by redevelopment of existing properties, including down town buildings, it is anticipated that traffic volumes on the City’s arterial and collector streets will increase significantly as the population increases and new developments occur. Therefore, a portion of the cost to improve and upgrade these streets to accommodate the additional traffic can be used in the calculation of impact fees. Based on the population projections over the next 10 years, the population will increase by 25 percent. This new population generated by the influx of new businesses and developments will then be 20 percent of the overall population, and therefore, 20 percent of the cost to improve and upgrade the City’s arterial and collector streets can be used in the calculation of impact fees.

Downtown Sidewalk Improvements – Sidewalks along St. James Street, St. Lawrence Street, St. Joseph Street, St. George Street and St. Paul Street – Sidewalks in the downtown area need to be reconstructed to create safe accessible pedestrian access to downtown businesses to promote new development and redevelopment of existing buildings in the downtown area. The City wants to encourage redevelopment of downtown, and it is anticipated that over the next 10 years by redeveloping existing buildings in to multi-use retail/apartments, restaurants and hotels, that up to 50 additional LUE's can be generated in the downtown area. 50 LUE's is 4.5 percent of the total new LUE's anticipated over the next 10 years, and therefore, 4.5 % of the cost to develop the downtown sidewalks can be used in the calculation of impact fees.

Drainage Improvements to Downtown Streets – St. Lawrence Street, St. Paul Street, St. James Street and St. Francis Street – Drainage improvements are needed at several locations downtown to correct drainage issues. The City wants to encourage redevelopment of downtown, and it is anticipated that over the next 10 years by redeveloping existing buildings in to multi-use retail/apartments, restaurants and hotels, that up to 50 additional LUE's can be generated in the downtown area. 50 LUE's is 4.5 percent of the total new LUE's anticipated over the next 10 years, and therefore, 4.5 % of the cost to develop the downtown sidewalks can be used in the calculation of impact fees.

1835 Village Collector Streets – 1835 Village is a new development in the north east portion of the City. An agreement is currently in place for the developer to construct these streets and then be reimbursed over 15 years through a Chapter 380 Agreement. Because this agreement is for 15 years and impact fees must be calculated based on 10 years, only 67% of this cost can be used in the calculation, and because approximately 12 percent of the developable land will be platted prior to adaption of impact fees, and developed within one year of the adoption, only 88 percent of this amount can be apportioned to the calculation of impact fees. Therefore, 59% of the total construction cost for this item can be used in the calculation of impact fees.

A complete list of proposed capital improvements included in the 2013 Capital Improvement Plan and the portion of projects applicable to the calculation of Impact Fees is included in Appendix A of this report.

### ***Credits***

The Local Government Code (LGC), Chapter 395, requires communities that implement impact fees to provide credits to the impact fees in order to account for new revenue created by the taxes that will be paid by the new development. There are two (2) options for calculating credits as indicated in LGC 395.014(a)(7) as indicated below:

- 50 percent of the total projected cost for implementing the Capital Improvement Plan,

or



- Credit for the portion of ad valorem tax and utility service revenues generated by new service units during the program period that are used for the payment of improvements, including the payment of debt, that are included in the Capital Improvement Plan.
  - Ad valorem tax credit is based on property taxes that will be paid by the property owner or developer that has been used to fund capital projects related to the improvement and directly affect the parcel being developed.
  - Service fee credits are based the funds received for service to the development to provide water or wastewater service. The fee would be based on the LUE.

The city will need to select one of the above methods for calculating fee credits. For the purposes of this study, the 50 percent of the total projected cost is used. The examples and fees calculated for this report use this method.

### Maximum Fee Development

The impact fee is calculated separately for each type of infrastructure. Therefore, a separate fee structure is to be established for water, wastewater and street infrastructure. The appendix to this report includes a list the projects from the *2013 Capital Improvements Plan* that are eligible to be included in the impact fee calculation.

As required by LGC 395, the service unit was defined as a Living Unit Equivalent (LUE) for the purposed of calculating the impact fee. The LUE is the preferred service unit because it provides continuity with the city's normal development classification system.

The impact fee before credits is determined by dividing the number of LUE's associated with new development into the capital cost associated with the new development. The number of LUE's associated with new development is based on the predicted future land use. Figure 8 below is a summary of the impact fees for water, wastewater and streets and drainage which includes the 50% credit. The calculation of Impact Fees is included in the Appendix B of this report.

**Figure 8. Impact Fee Summary**

Service Area	Type	Impact Fee (per LUE)
City Wide	Water	\$596
City Wide	Wastewater	\$233
City Wide	Streets and Drainage	\$1,003

## ***Implementation***

The city will need to follow the requirements of LGC 395 in order to implement an impact fee. Basically, the chapter requires that the city develop a Capital Improvement Advisory Committee which will review and approve the Capital Improvement Plan (CIP) and Land Use Assumptions (LUA). Next, a public hearing is required with prior availability of the CIP and LUA to the public. Within 30 days of the public hearing, the CIP and LUA must be accepted or rejected. If the CIP and LUA are accepted, then another public hearing must be held on the proposed impact fees and the advisory committee must post its comments no later than 5 days before the hearing. Within 30 days of the public hearing the impact fees must be approved or rejected.

## ***Time for Collection of Impact Fees***

For new development which is platted in accordance with the City of Gonzales subdivision and platting procedures before the adoption of the impact fees, an impact fee cannot be collected on any service unit for which a valid building permit is issued within one (1) year after the date of adoption of the impact fee.

For new development which is platted in accordance with the City of Gonzales subdivision and platting procedures after the adoption of the impact fees, the development will be assessed impact fees before, or at the time of recordation of a subdivision plat or other plat under the subdivision ordinance of the City of Gonzales in the official records of the county clerk of the county in which the tract is located. Except as provided by Local Government Code §395.019, if the City of Gonzales has water and wastewater capacity available:

1. the City of Gonzales shall collect the fees at the time the City issues a building permit; or
2. for land platted outside the corporate boundaries of the City, the City shall collect the fees at the time an application for an individual meter connection to the City's water or wastewater system is filed.

For land on which new development occurs or is proposed to occur without platting, the City may assess the impact fees at any time during the development and building process and may collect fees at either the time of recordation of the subdivision plat or connection to the City's water or wastewater system or at the time the City issues either a building permit or the certificate of occupancy.

## ***Reduction or Waiving of Impact Fees***

A political subdivision may reduce or waive the impact fee for any service unit that qualifies as "affordable housing." If affordable housing is not constructed, the political subdivision may reverse its decision to reduce/waive the impact fee and impose it.

### ***Collection of Fees if Service not Available***

Impact fees may be assessed but not collected in areas where services are not currently available unless:

- The collection of fees is made to pay for capital improvements that have been identified in the approved Capital Improvement Plan. The city must commit to commence construction of the improvements within two years and have service available within a reasonable period of time, but in no case longer than five years.
- The city agrees that the owner of a new development may construct or finance the capital projects. If so, then the city must also agree that the funds provided by the developer to construct the capital projects will be credited against the impact fees due from the new development. The city must also agree to reimburse the developer from the impact fees paid from other new developments that will use the capital projects.

### ***Refunds***

The political subdivision shall refund the impact fee:

1. If the existing facilities are available and service is denied;
2. If the political subdivision has failed to commence the construction within two years from the date of payment;
3. If the political subdivision has not made the service available within a reasonable period of time, but in no event later than five years from the payment;
4. If the political subdivision has not expended the fees within 10 years after the date of payment.

### ***Hearing on Land Use Assumptions and Capital Improvement Plan***

The following actions are required to adopt the land use assumptions and capital improvement plan.

1. Appoint a Capital Improvement Advisory Committee or delegate authority to the Planning and Zoning Commission. The Planning and Zoning Commission may act as the advisory committee if there is at least one member that represents the real estate, development or building industries that is not an employee or official of a political subdivision or governmental entity.

- The advisory committee serves in an advisory capacity and is established to: 1) advise and assist the political subdivision in adopting land use assumptions, 2) review the capital improvements plan and file written comments, 3) monitor and evaluate implementation of the capital improvements plan, 4) file semiannual reports with respect to the progress of the capital improvements plan and report any perceived inequities in implementing the plan or imposing the impact fee and 5) advise the political subdivision of the need to update or revise the land use assumptions, capital improvement plan or impact fee. (Reference LGC 395.058)
2. The political subdivision shall provide for a capital improvements plan to be developed by qualified professionals using generally accepted engineering and planning practices. (Reference LGC 395.0411)
  3. Develop an order, ordinance or resolution to establish a public hearing date to consider the land use assumptions and capital improvements plan for the designated service area. (Reference LGC 395.042)
  4. Provide the public with information regarding the land use assumptions and capital improvement plan on or before the first date of publication of the notice of the hearing. The political subdivision shall make available its land use assumptions, time period of projections and a description of the capital improvements. (Reference LGC395.043)
  5. Post the notice of the hearing at least 30 days in advance of the hearing in one or more newspapers of general circulation in each county where the political subdivision lies. In addition, the political subdivision shall send a notice via certified mail to any person that has requested notice of the hearing in the prior two years. (Reference LGC 395.044)
  6. Conduct the hearing on the land use assumptions and capital improvement plan.
  7. The political subdivision, within 30 days after the date of the public hearing, shall approve or disapprove the land use assumptions and capital improvement plan. The political subdivision shall determine whether to adopt or reject the land use assumptions and capital improvement plan in an ordinance, order or resolution, and it may not be adopted as an emergency measure. (Reference LGC 395.045)

### ***Hearing on Impact Fee***

The following actions are required to adopt an impact fee.

1. After adoption of the land use assumptions and capital improvement plan, the governing body shall adopt an order or resolution setting a public hearing to discuss the imposition of an impact fee. The public hearing must be held by the governing body of the political subdivision to discuss the proposed ordinance, order or resolution imposing an impact fee. (Reference LGC 395.047)
2. Post the notice of the hearing at least 30 days in advance of the hearing in one or more newspapers of general circulation in each county where the political subdivision lies. In addition, the political subdivision shall send a notice via certified mail to any person that has requested notice of the hearing in the prior two years. (Reference LGC 395.049)
3. The advisory committee shall file its written comments on the proposed impact fees before the fifth business day before the date of the public hearing. (Reference LGC 395.050)
4. Conduct the hearing on the imposition of impact fees.
5. Within 30 days of the public hearing, the political subdivision shall approve or disapprove the imposition of an impact fee in an ordinance, order or resolution, and it may not be adopted as an emergency measure. (Reference LGC 395.051)

### ***Updating Capital Improvement Plan and Impact Fee***

1. A political subdivision imposing an impact fee shall update the land use assumptions and capital improvements plan at least every five years. The initial five year period begins on the day the capital improvements plan is adopted. (Reference LGC 395.052)
2. Within 60 days of receiving an update of the land use assumptions and capital improvements plan, the political subdivision shall adopt an order to set a public hearing to discuss and review the update and whether or not to amend the plan. (Reference LGC 395.053)
3. Publish notice of a public hearing to consider the amended land use assumptions, capital improvements plan or impact fee. Make provisions for the updated information available to the public. (Reference LGC 395.054)
4. The advisory committee shall provide its comments to the proposed amendments to the land use assumptions, capital improvements plan or impact fee before the fifth day prior to the public hearing. (Reference LGC 395.056)
5. Conduct the public hearing.

6. a) Within 30 days of the public hearing, the political subdivision shall approve or disapprove the imposition of an impact fee in an ordinance, order or resolution, and it may not be adopted as an emergency measure, or  
  
b) Make a determination that no change is necessary, and follow the requirements of LGC 395.0575.

## **Appendix A**

CITY OF GONZALES  
CAPITAL IMPROVEMENT PLAN  
OCTOBER 2013

Project	Total CIP 2013-2023	Percentage	Estimated Cost
	Estimated Cost	Applicable to Impact Fees	Applicable to Impact Fees
WATER			
Replace Raw Water Pump	\$ 16,000.00	0%	\$ -
	\$ -		
Create Dual Pressure Planes - Booster Station	\$ 500,000.00	25%	\$ 125,000.00
Create Dual Pressure Planes - Fill Line	\$ 532,000.00	25%	\$ 133,000.00
Create Dual Pressure Planes - Elevated Storage Tank	\$ 1,000,000.00	25%	\$ 250,000.00
Create Dual Pressure Planes - Valves and PRV's	\$ 35,000.00	25%	\$ 8,750.00
	\$ -		
Kelly Loop Water Line - 9500 LF - 12" waterline extension	\$ 650,000.00	0%	\$ -
Water Street Water Line - 1000 LF - 8" waterline extension	\$ 80,371.00	100%	\$ 80,371.00
Sydler Street Water Line - 1200 LF 8" waterline extension	\$ 93,600.00	100%	\$ 93,600.00
Walker Street (North) Waterline - 700 LF - 8" waterline extension	\$ 56,260.00	100%	\$ 56,260.00
	\$ -		
Walker Street (South)Waterline - 2000 LF - 8" waterline extension	\$ 144,771.00	100%	\$ 144,771.00
	\$ -		
WATER TOTAL	\$ 2,958,142.00	30%	\$ 891,752.00



CITY OF GONZALES  
CAPITAL IMPROVEMENT PLAN  
OCTOBER 2013

Project	Total CIP 2013-2023	Percentage	Estimated Cost	
	Estimated Cost	Applicable to Impact Fees	Applicable to Impact Fees	
WASTEWATER				
St. Andrew Street - 300LF - 8" replacement	\$ 33,300.00	0%	\$ -	
	\$ -			
Main Street - 300 LF - 8" replacement	\$ 52,200.00	0%	\$ -	
	\$ -			
King Street - 500 LF - 8" replacement	\$ 39,750.00	0%	\$ -	
	\$ -			
Benton Street - 400 LF - 8" replacement	\$ 42,000.00	0%	\$ -	
	\$ -			
Espinosa Street - 700 LF - 8" replacement	\$ 76,000.00	0%	\$ -	
	\$ -			
FM 794 Bore	\$ 33,000.00	0%	\$ -	
	\$ -			
Hamilton Street - 380 LF - 8" replacement	\$ 40,280.00	0%	\$ -	
	\$ -			
McClure Street - 8" replacement	\$ 43,680.00		\$ -	
	\$ -			
St. Joseph Street, Cone Street, Tate Street - 8" replacement	\$ 259,200.00	0%	\$ -	
	\$ -			
St. Francis Street, Cuero Street, Fischer Street - 15" replacement	\$ 499,730.00	0%	\$ -	
	\$ -			
Tinsley Creek - 15" From St. Louis to Fischer Street	\$ 90,000.00	10%	\$ 9,000.00	
Tinsley Creek - 15" From Fischer Street to St. Andrew Street	\$ 93,775.00	10%	\$ 9,377.50	
Tinsley Creek - 15" From St. Andrew Street to Weimar Street	\$ 330,935.00	10%	\$ 33,093.50	
Tinsley Creek - 15" From Weimar Street to Sarah DeWitt Drive	\$ 279,950.00	10%	\$ 27,995.00	
	\$ -			
Pioneer Village - Extend 6" wastewater to serve Pioneer Village	\$ 20,000.00	0%	\$ -	
Walker Street (North) - Extend 8" wastewater line	\$ 83,000.00	100%	\$ 83,000.00	
	\$ -			
Walker Street(South) - Extend 8" wastewater line	\$ 60,472.00	100%	\$ 60,472.00	
Kelly Loop Wastewater System	\$ 1,044,735.00	0%	\$ -	
1835 Village Wastewater Line	\$ 319,190.00	59%	\$ 188,322.10	
	\$ -			
183 North Wastewater System - Lift station, force main, wastewater lines	\$ 854,602.00	0%	\$ -	
	\$ -			
WASTEWATER TOTAL	\$ 2,848,874.00	14%	\$ 411,260.10	

CITY OF GONZALES  
CAPITAL IMPROVEMENT PLAN  
OCTOBER 2013

Project	Total CIP 2013-2023	Percentage	Estimated Cost
	Estimated Cost	Applicable to Impact Fees	Applicable to Impact Fees
STREETS AND DRAINAGE			
Drainage Improvments			
St. Lawrence to St. Vincent - St. Lawrence to St. Louis	\$ 49,912.00	0%	\$ -
St. Lawrence to St. Vincent - St. Louis to St. Matthew	\$ 71,540.00	0%	\$ -
St. Lawrence to St. Vincent - Alley to Smith Street	\$ 35,700.00	0%	\$ -
St. Lawrence to St. Vincent - St. Matthew to St. Vincent	\$ 157,325.00	0%	\$ -
St. Lawrence to St. Vincent - Smith to Drainage Ditch	\$ 53,040.00	0%	\$ -
Drainage Improvements			
St. Vincent Street - Bright Street to Smith Street	\$ 103,680.00		\$ -
St. Vincent Street - Drainage Ditch to DeWitt Street	\$ 97,500.00		\$ -
Street Improvements			
St. Vincent Street - St. Joseph to College Street	\$ 22,899.80	20%	\$ 4,579.96
St. Vincent Street - College Street to Bright Street	\$ 22,899.80	20%	\$ 4,579.96
St. Vincent Street - Bright to Ponton Street	\$ 22,899.80	20%	\$ 4,579.96
St. Vincent Street - Ponton Street to Fair Street	\$ 22,899.80	20%	\$ 4,579.96
Drainage Improvements			
St. Andrew Street	\$ 30,000.00	4.5%	\$ 1,350.00
Street Improvements			
St. Andrew Street - St Paul Street to College Street	\$ 21,269.62	20%	\$ 4,253.92
St. Andrew Street - College Street to Church Street	\$ 21,269.62	20%	\$ 4,253.92
St. Andrew Street - Church Street to Klein Street	\$ 21,269.62	20%	\$ 4,253.92
St. Andrew Street - Klein Street to Sydler Street	\$ 21,269.62	20%	\$ 4,253.92
Street Improvements			
College Street - Sarah DeWitt to Sterin Road	\$ 375,310.00	20%	\$ 75,062.00
Larry Drive - All	\$ 291,940.00	0%	\$ -
Oakland Street - FM 794 to College Street	\$ 260,000.00	0%	\$ -
Ridgemont Street - FM 794 to College Street	\$ 287,000.00	0%	\$ -
Drainage Improvements			
St. Lawrence Street	\$ 150,000.00	4.5%	\$ 6,750.00
Street Improvements	\$ -		
St. Lawrence Street - St. Joseph Street to College Street	\$ 293,225.00	20%	\$ 58,645.00
St. Lawrence Street - College Street to Moore Street	\$ 329,300.00	20%	\$ 65,860.00
St. Lawrence Street - Moore Street to Clark Street	\$ 245,125.00	20%	\$ 49,025.00
St. Lawrence Street - Clark Street to Sydler	\$ 257,150.00	20%	\$ 51,430.00

CITY OF GONZALES  
CAPITAL IMPROVEMENT PLAN  
OCTOBER 2013

Project	Total CIP 2013-2023	Percentage	Estimated Cost
	Estimated Cost	Applicable to Impact Fees	Applicable to Impact Fees
Drainage Improvements St. Paul Street	\$ 262,905.00	4.5%	\$ 11,830.73
Street Improvements St. Paul Street - St. Vincent Street to St. Louis Street	\$ 77,149.87	20%	\$ 15,429.97
St. Paul Street - St. Louis Street to St. Andrew Street	\$ 77,149.87	20%	\$ 15,429.97
St. Paul Street - St. Andrew Street to Tate Street	\$ 77,149.87	20%	\$ 15,429.97
St. Paul Street - Tate Street to Sarah DeWitt Drive	\$ 77,149.87	20%	\$ 15,429.97
Drainage Improvements St. Francis Street - St. Joseph to St. James	\$ 187,737.00	4.5%	\$ 8,448.17
Drainage Improvements St. James Street - St. Lawrence to St. George	\$ 97,127.00	4.5%	\$ 4,370.72
Street Improvements Church Street - St. Andrew to Sarah DeWitt	\$ 164,722.05	20%	\$ 32,944.41
Street Improvements 1835 Village	\$ 1,180,810.00	59%	\$ 696,205.58
Street Improvements Walker Street (North) Spur 131 to 1200 feet north	\$ 318,780.00	100%	\$ 318,780.00
Walker Street (South) Lou's Garden to St. Andrew	\$ 598,500.00	100%	\$ 598,500.00
STREET AND DRAINAGE TOTAL	\$ 4,884,015.21	43%	\$ 2,076,257.02

CITY OF GONZALES  
CAPITAL IMPROVEMENT PLAN  
OCTOBER 2013

Project	Total CIP 2013-2023	Percentage	Estimated Cost
	Estimated Cost	Applicable to Impact Fees	Applicable to Impact Fees
DOWNTOWN SIDEWALKS			
400 Block of St. James Street	\$ 293,992.33	4.5%	\$ 13,229.65
300 Block of St. Lawrence Street	\$ 272,658.10	4.5%	\$ 12,269.61
400 Block of St. Lawrence Street	\$ 436,994.25	4.5%	\$ 19,664.74
500 Block of St. Joseph Street	\$ 282,613.65	4.5%	\$ 12,717.61
600 Block of St. Joseph Street	\$ 454,894.00	4.5%	\$ 20,470.23
400 Block of St. George Street	\$ 261,171.90	4.5%	\$ 11,752.74
600 Block of St. Paul Street	\$ 480,231.95	4.5%	\$ 21,610.44
500 Block of St. Paul Street	\$ 316,566.25	4.5%	\$ 14,245.48
400 Block of St. Francis	\$ 319,007.70	4.5%	\$ 14,355.35
Total Downtown Sidewalks	\$ 3,118,130.13	4.5%	\$ 140,315.86
ELECTRIC			
Fair Street	\$ 18,850.00	0%	\$ -
St. Louis Street	\$ 35,670.00	0%	\$ -
Live Oak Street	\$ 67,048.00	0%	\$ -
Melody/Alley	\$ 40,310.00	0%	\$ -
St. Vincent Street - Fair Street to Patrick Street	\$ 57,710.00	0%	\$ -
St. Vincent Street - Patrick Street to College Street	\$ 187,520.00	0%	\$ -
St. Vincent Street - College Street to St. Joseph Street	\$ 104,960.00	0%	\$ -
St. Joseph Street	\$ 22,400.00		
St. Michael Street	\$ 46,720.00		
Substaton	\$ 220,000.00	0%	\$ -
Harrell Addition	\$ -		
Pole Upgrades	\$ 25,000.00	0%	\$ -
Transformers	\$ 35,000.00	0%	\$ -
Distribution System	\$ 35,000.00	0%	\$ -
Spare Transformers	\$ 45,000.00	0%	\$ -
Replacement of Existing Traffic Lights	\$ 25,000.00	0%	\$ -
ELECTRIC TOTAL	\$ 966,188.00	0%	\$ -

CITY OF GONZALES  
CAPITAL IMPROVEMENT PLAN  
OCTOBER 2013

Project	Total CIP 2013-2023	Percentage	Estimated Cost
	Estimated Cost	Applicable to Impact Fees	Applicable to Impact Fees
PARKS			
Independence Park - Sewer Line	\$ 200,000.00	0%	\$ -
Independence Park - Force Main	\$ 79,830.00	0%	\$ -
Independence Park - Lift Station - Brick Yard	\$ 40,000.00	0%	\$ -
Independence Park - New Restrooms - 4	\$ 200,000.00	0%	\$ -
Independence Park - New Pool -1	\$ 150,000.00	0%	\$ -
Independence Park - Recreation Center	\$ 1,000,000.00	0%	\$ -
Independence Park - Skate Park	\$ 100,000.00	0%	\$ -
Independence Park - Old Rodeo Arena Renovation	\$ 150,000.00	0%	\$ -
Independence Park - Renovate Existing Restrooms - 3	\$ 150,000.00	0%	\$ -
Independence Park - Redo Electric at RV Sites	\$ 18,000.00	0%	\$ -
Independence Park - Reconstruct Road Through Park	\$ 431,502.50	0%	\$ -
Independence Park - Add Curb to Park Road	\$ 265,540.00	0%	\$ -
Independence Park - Replace Existing Playground Structures	\$ 20,000.00	0%	\$ -
Independence Park - Market Square	\$ 20,000.00	0%	\$ -
Independence Park - Resurface Basketball Court	\$ 6,000.00	0%	\$ -
	\$ -	0%	\$ -
Kerr Creek Park - Restrooms	\$ 75,000.00	0%	\$ -
Kerr Creek Park - Pavilion	\$ 100,000.00	0%	\$ -
	\$ -	0%	\$ -
PARKS TOTAL	\$ 3,005,872.50	0%	\$ -
J.B. WELLS			
Athletic Field	\$ 75,000.00	0%	\$ -
	\$ -		
J.B WELLS TOTAL	\$ 75,000.00	0%	\$ -
TOTAL ALL DEPARTMENTS	\$ 22,217,217.18	16%	\$ 3,519,584.98

EVALUATION OF EXCESS CAPACITIES OF THE WATER AND WASTEWATER TREATMENT PLANTS				
Water Treatment Plant	Value			
Total Plant Capacity - 4.5 MGD	\$ 3,644,900.00			
Total Water Supply Capacity - 3.0 MGD	\$ 3,644,900.00			
Existing Peak Demand - 2.5 MGD	\$ 3,037,416.67			
Excess Capacity - 0.5 MGD	\$ 607,483.33	70%	\$ 425,238.33	
Wastewater Treatment Plant				
Total Plant Capacity - 2.25 MGD	\$ 747,000.00			
90% of Total Plant Capacity - 2.02 MGD	\$ 747,000.00			
Existing Peak Demand - 1.5 MGD	\$ 554,702.97			
Excess Capacity - 0.5 MGD	\$ 192,297.03	54%	\$ 103,840.40	

## **Appendix B**

## Impact Fee Calculation-Water City Service Area

### Impact Fee Calculation

Total Costs (of Implementing CIP Projects)	\$	891,752.00
Value of Excess Capacity in the Existing Water Treatment Plant	\$	425,238.33
Total Costs and Existing Excess Value		\$1,316,990.33
Existing Number of LUEs in Service Area		4669
Projected Number of LUEs in Service Area		5774
Proposed New LUEs in Service Area		1105
Impact Fee / LUE (before credits)		\$1,191.85

### Total Credits

Percent of Construction Cost	50.00%
Total Credits	\$445,876.00
Credit per LUE	\$595.92

### Impact Fee (Maximum)

Impact fee per LUE (before credits)	\$1,191.85
Credit per LUE	\$595.92
Maximum Allowed Impact Fee per LUE	<b>\$595.92</b>

## Impact Fee Calculation-Wastewater City Service Area

### Impact Fee Calculation

Total Costs (of Implementing CIP Projects)	\$	411,260.10
Value of Excess Capacity in Existing Wastewater Treatment Plant	\$	103,840.40
Total Costs and Existing Excess Value	\$	515,100.50
Existing Number of LUEs in Service Area		4417
Projected Number of LUEs in Service Area		5522
Proposed New LUEs in Service Area		1105
Impact Fee / LUE (before credits)	\$	466.15

### Total Credits

Percent of Construction Cost	50.00%
Total Credits	\$205,630.05
Credit per LUE	\$233.08

### Impact Fee (Maximum)

Impact fee per LUE (before credits)	\$466.15
Credit per LUE	\$233.08
Maximum Allowed Impact Fee per LUE	<b>\$233.08</b>



## Impact Fee Calculation-Streets, Drainage and Sidewalks

### Impact Fee Calculation

Total Costs (of Implementing CIP Projects)	\$	2,216,572.88
Existing Number of LUEs in Service Area		4417
Projected Number of LUEs in Service Area		5522
Proposed New LUEs in Service Area		1105
Impact Fee / LUE (before credits)		\$2,005.95

### Total Credits

Percent of Construction Cost	50.00%
Total Credits	\$1,108,286.44
Credit per LUE	\$1,002.97

### Impact Fee (Maximum)

Impact fee per LUE (before credits)	\$2,005.95
Credit per LUE	\$1,002.97
Maximum Allowed Impact Fee per LUE	\$1,002.97

## **Appendix C**

# SUMMARY OF CALCULATIONS

RESIDENTIAL LUE'S AND DENSITY WITHIN CITY LIMITS				
Population	People per Residence	Residential LUE's within City Limits	Residential Area	Residential Density
7314	2.87	2548	843	3.02

RESIDENTIAL WATER USEAGE		
Average Gallons per Day	Residential LUE's	Gallons per LUE
802,660	2548	315

RESIDENTIAL WASTEWATER USEAGE		
Average Gallons per Day	Residential LUE's	Gallons per LUE
627,751	2548	246

RURAL WATER USEAGE		
Average Gallons per Day	Gallons per LUE	Rural LUE's
79,278	315	252

COMMERCIAL AND INDUSTRIAL WATER USEAGE		
Average Gallons per Day	Gallons per LUE	Commercial / Industrial LUE's
588,583	315	1869

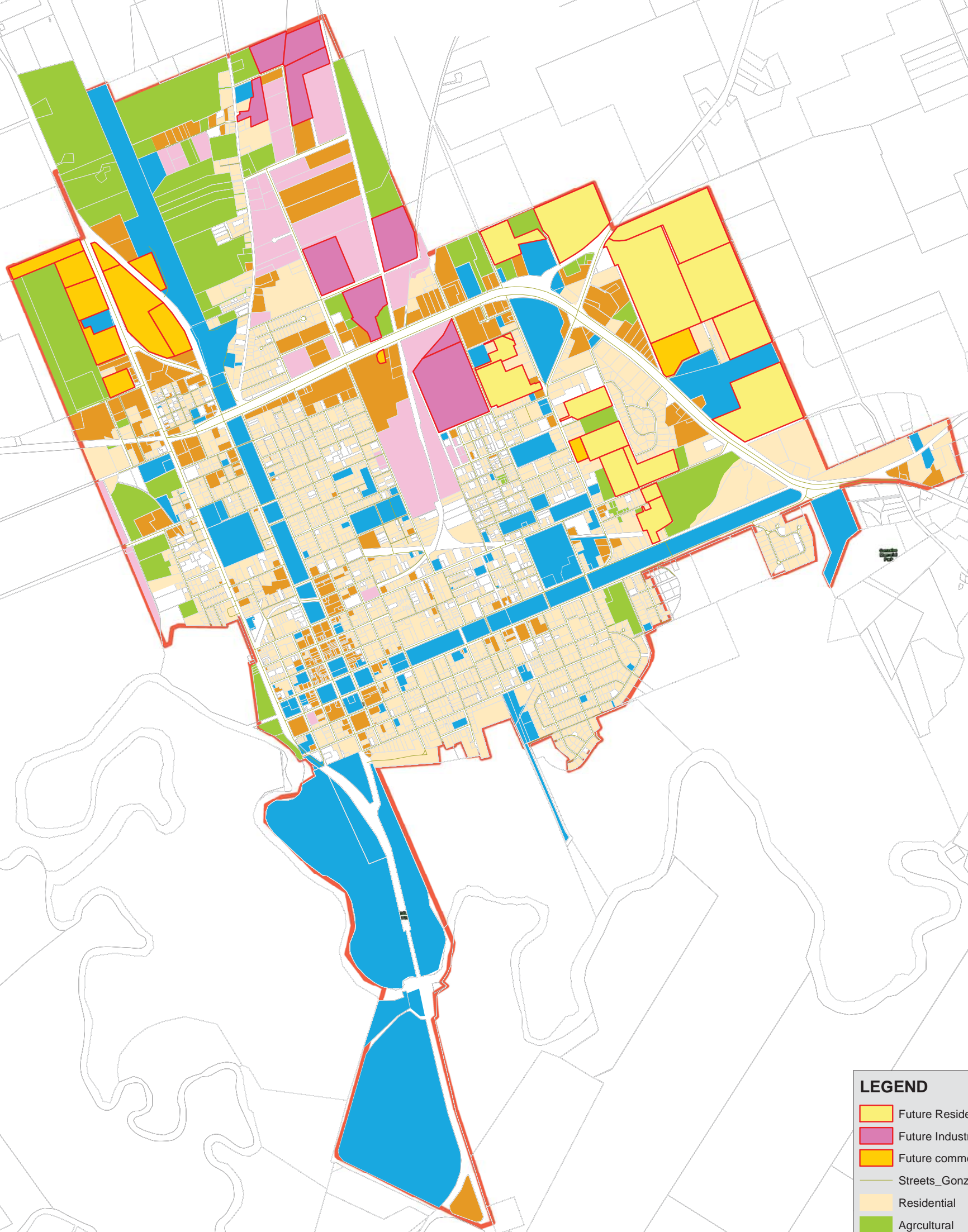
COMMERCIAL AND INDUSTRIAL DENSITY		
Commercial / Industrial Area	Commercial / Industrial LUE's	Commercial / Industrial LUE's
850	1869	2.20

SUMMARY OF LUE'S				
Residential LUE's within City Limits	Commercial / Industrial LUE's	LUE's within City Limits	Rural LUE's	Total LUE's
2,548	1869	4,417	252	4669

## **Appendix D**

# Future Land Use Map

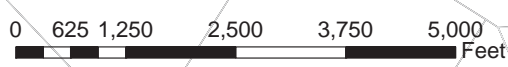
of the  
City of Gonzales, Texas



**LEGEND**

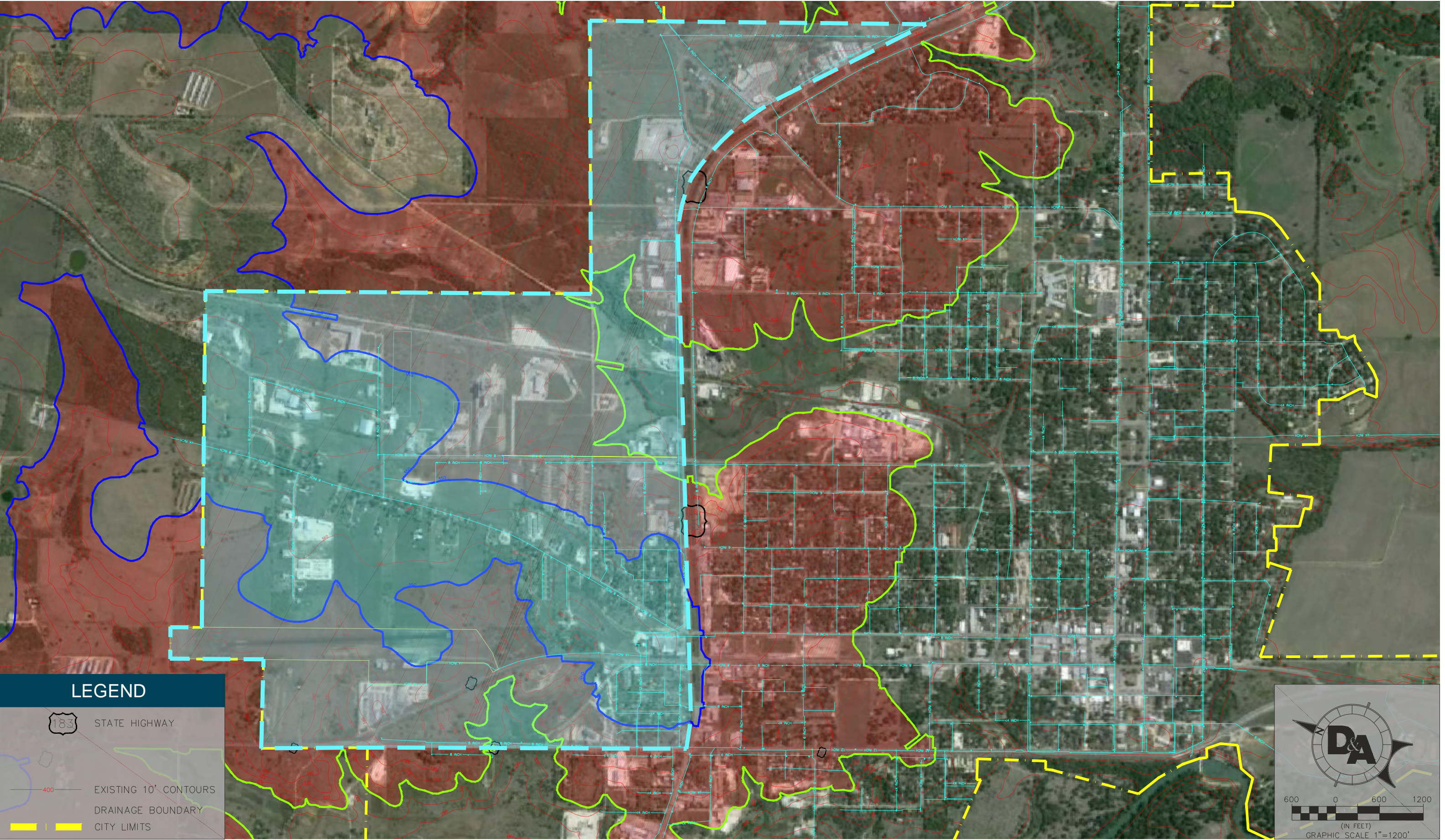
- Future Residential
- Future Industrial
- Future commercial
- Streets\_Gonzales
- Residential
- Agrcultural
- Commercial
- Industrial
- Public/Institutional
- Vacant
- City Limit

Draft as of October 03, 2013



**DA DOUCET & ASSOCIATES** | celebrating 20 YEARS 1992 - 2012





LEGEND

STATE HIGHWAY

EXISTING 10' CONTOURS

DRAINAGE BOUNDARY

CITY LIMITS