

Semi-Annual Progress Report

**Capital Improvements Advisory Committee for
Transportation Impact Fees
April 2022**



Prepared by the Fort Worth Development Services Department

CIAC Semi-Annual Report

April 2022

Introduction

This report was prepared by the Fort Worth Development Services Department staff and adopted by the Capital Improvements Advisory Committee for Transportation Impact Fees (“CIAC”). The purpose of this report is to advise the City Council, in accordance with Chapter 395 of the Texas Local Government Code, of the status of the Transportation Impact Fee Program.

Program Overview and Status

On May 13, 2008, Fort Worth City Council adopted the transportation impact fee ordinance (Ord. #18083-05-2008). Transportation impact fees are charges assessed by local governments on new development projects in order to partially fund transportation improvements that are necessitated by new development.

The status of various program elements are as follows:

- Study Update** - Under state law, the impact fee study must be updated at least every 5 years and is based on the City’s adopted Master Thoroughfare Plan. The 2022 Transportation Impact Fee Study is currently in process and we will begin presenting components of the report to CIAC today for input and final consideration with the proposed schedule:

Study Component	CIAC Meeting	City Council Date
Proposed Service Areas	4-27-2022	5-24-2022
Land Use Assumptions & Transportation Improvement Plan	5-25-2022	6-28-2022
Land Use Assumptions & TIP (CIAC Public Hearing)	6-22-2022	Intro: 8-2-2022 Public Hearing: 9-13-2022
Impact Fee Study, Ordinance Amendments & Fee Schedule	7-27-2022	Intro: 9-13-2022 Public Hearing: 10-25-2022

- Land use assumptions** – The current land uses were updated with the adoption of the 2017 Transportation Impact Fee Study by Council on January 23, 2018, as recommended by the CIAC. We are not proposing any land use assumption modifications with this report as they are being updated with the study and will be presented to the CIAC next month.
- Funds Utilization** – The expenditures of the program from FY 2011 through FY 2015 were primarily used to participate in developer projects. Over the course of the program, there has been \$33.26 million appropriated towards public-private partnerships, utilizing an average of \$3.3 Million annually. Some notable completed public-private partnerships of the program were the Park Vista Drive project and the Basswood Bridge.

The Capital project participation has become the major expenditure of the program from FY 2016 to today. Over the course of the program, there has been \$82 Million appropriated towards City capital projects, utilizing an average of \$8.2 Million annually. Some notable capital project partnerships have been the Tarrant County Bond Program match and Timberland Boulevard.

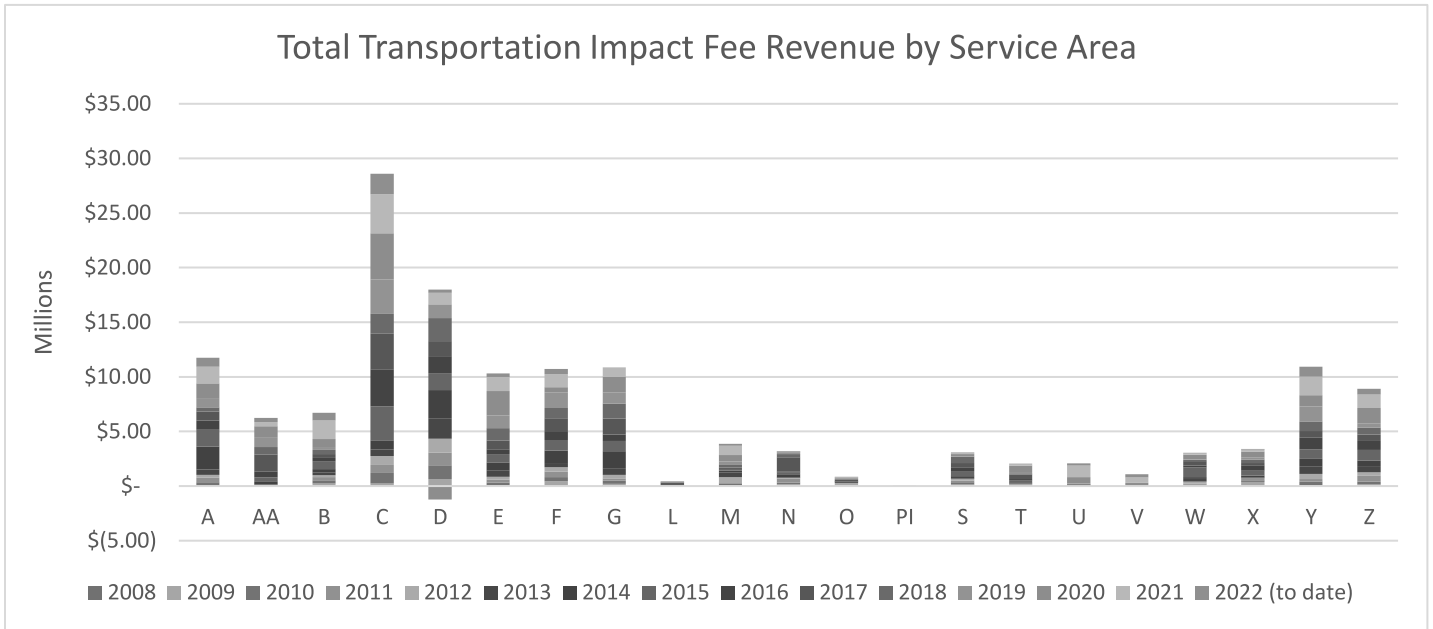
- **Internal Audit** – The Transportation Impact Fee program was audited by the City of Fort Worth Internal Auditors. The auditors reviewed revenues, permits, and procedures of the program. The auditors reviewed data from FY2019 through Q2 of FY2021. The full audit report is available on the City’s Website at: [Audit Reports – Welcome to the City of Fort Worth \(fortworthtexas.gov\)](https://www.fortworthtexas.gov/Audit-Reports)

There were three audit findings that the department have been working to cure:

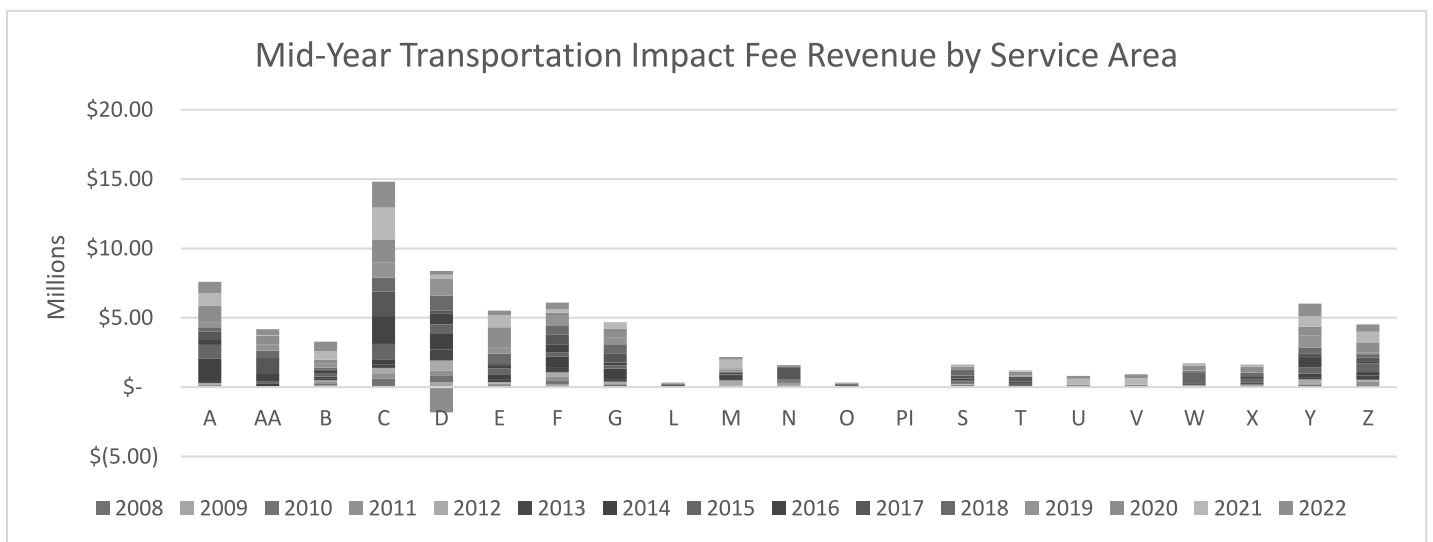
- Audit Finding 1A: The Development Services Director should require that Accela financial transactions and accounts be routinely reconciled to the general ledger.
 - Program Response: The Office will create a Standard Operating Procedure (SOP) for the Transportation Impact Fee Reconciliations with input from the department’s Business Support Team. This will formalize and document the process to reconcile the transportation impact fees between Accela and the General Ledger. The SOP will be completed by January 31, 2022. The Transportation Impact Fee Office staff will begin monthly reconciliations in February 2022.
 - Response Status: These have been completed.
- Audit Finding 1B: The Development Services Director should require that accountability is established for past unreconciled revenue, with particular focus on where less revenue is posted in the general ledger than in Accela.
 - Program Response: The program concurred with this finding, and that this is an area of concern for the program. Staff is to utilize the SOP created for recommendation 1A, and reconcile the previous years’ accounts. The reconciliation and resolution of any findings will be completed by June 30, 2022.
 - Response Status: FY2019 and FY2020 have been reconciled against the General Ledger (GL) and we are in the process of preparing the report for the necessary corrections to the GL for these years. The reconciliation of the remaining years will be completed within the month. We are on target to complete this as scheduled.
- Audit Finding 2: In one instance, transportation impact fees were not billed as required by City Ordinance.
 - Program Response: The program concurred with this finding, and submitted a request to pay to the developer and third-party entity hired by the developer. In addition, staff will work with ITS to create and run scheduled system queries to identify all assessed fees to ensure all are invoiced properly.
 - Response Status: This has been completed as of December 28, 2021.
- **Process Improvements** – The Transportation Impact Fee program has also worked with Financial Management on changes to the financial reporting for the Semi-Annual Report. The changes are minor, but they ensure that the report captures modifications and adjustments made throughout the fiscal year to ensure the data is the most up-to-date information.

- **Fee Revenues:**

- **Total Program Revenue:** The Total program revenue through March 31, 2022 is \$144,872,344.16. Service Area C has seen the highest revenue of all the service areas with a total collection of \$28,597,589.24. Service Area D is the second highest in revenue collection at \$16,752,916.28, followed by Service Area A with \$11,754,663.63.

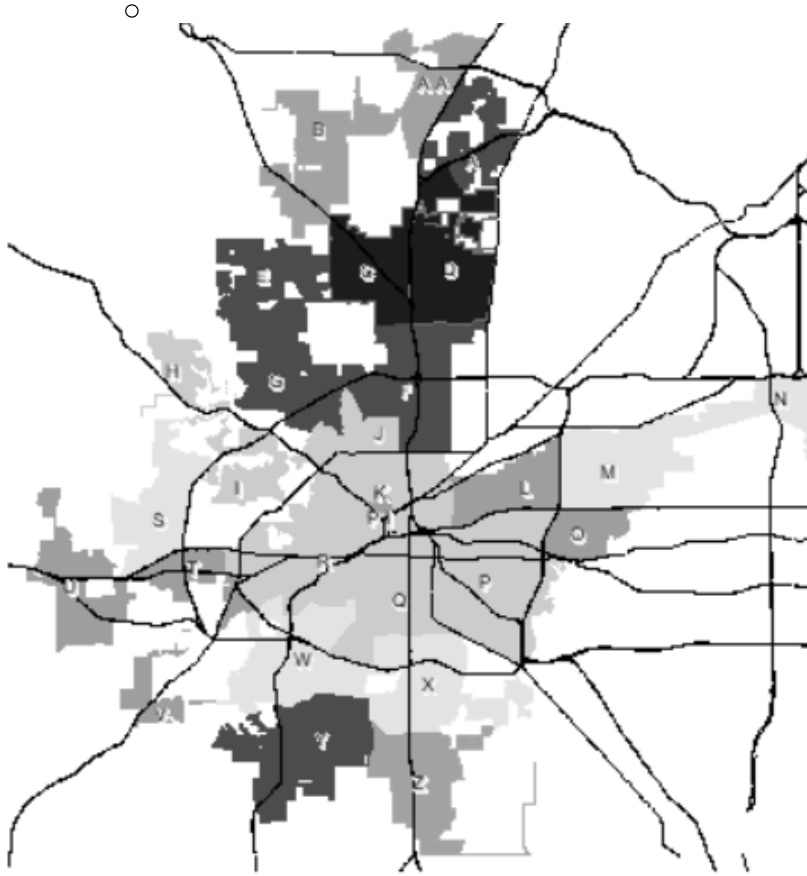


- **Year to Date Revenue:** For the first two quarters of FY 2022 a total of \$7,329,656.05 has been collected. Service Area C has the highest revenue with \$1,867,291.05 collected to date, followed by Service Area Y with \$917,378.14 and Service Area A with \$824,977.33. Service Area G is reflecting negative revenue for FY 2022 as staff processed a refund of \$97,555.98 for Western Ridge subdivision for the construction of Cromwell Marine Creek Parkway.

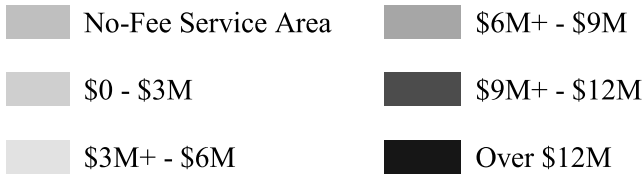


- **Covid-19 Revenue Impact:** The initial view of Covid-19 on Transportation Impact Fee Collection saw high increases in revenues when comparing FY 2019 to FY 2020. There was an increase of \$3,181,313.41 when comparing year to year, showing a 25% increase in collection. However, the increase from FY 2021 to FY 2020 was only \$1,449,906.09 for a nine percent increase. When comparing revenues from FY 2020 and FY 2021 to annual revenue for the program, these two years represent the highest two-year collections for the program, with the next highest revenue collection year being FY 2017 with \$15,022,848.39. If FY 2022 revenue remains consistent, the revenue will fall above FY 2019, but behind FY 2020 at \$14,659,312.10.

Covid-19 Revenue Impact (2019 to 2022 Revenue collection)						
Service Area	FY 2019 Revenue	FY 2020 Revenue	% Change	FY 2021 Revenue	% Change	FY 2022 Revenue
A	\$844,422.54	\$1,366,003.69	62%	\$1,514,121.36	11%	\$824,977.33
AA	\$882,652.48	\$1,004,500.16	14%	\$372,633.41	-63%	\$397,428.09
B	\$264,555.88	\$723,148.95	173%	\$1,704,336.01	136%	\$703,671.45
C	\$3,154,767.95	\$4,215,970.92	34%	\$3,595,659.93	-15%	\$1,867,291.05
D	\$1,278,668.33	\$-1,238,451.94	-197%	\$1,042,719.63	184%	\$292,266.50
E	\$1,171,094.18	\$2,214,780.07	89%	\$1,290,375.86	-42%	\$331,808.69
F	\$1,453,285.30	\$451,205.69	-69%	\$1,197,839.99	165%	\$482,048.44
G	\$993,381.23	\$1,448,777.02	46%	\$857,405.66	-41%	\$-36,788.73
L	\$43,740.59	\$47,567.23	9%	\$8,890.60	-81%	\$44,061.76
M	\$325,197.94	\$583,395.67	79%	\$829,924.50	42%	\$188,908.15
N	\$184,662.67	\$5,488.24	-97%	\$16,392.19	199%	\$51,979.50
O	\$44,627.50	\$101,475.00	127%	\$23,425.75	-77%	\$28,462.50
PI	\$-14,031.89	\$0	NA	\$0	N/A	\$0
S	\$11,119.86	\$239,581.94	2055%	\$85,788.75	-64%	\$73,722.00
T	\$122,783.40	\$589,339.00	380%	\$132,620.01	-77%	\$15,593.00
U	\$31,000.00	\$567,656.00	1731%	\$1,061,507.49	87%	\$206,250.00
V	\$0	\$289,500.00	N/A	\$506,250.00	75%	\$277,707.76
W	\$68,804.16	\$391,733.14	469%	\$127,802.03	-67%	\$61,943.87
X	\$222,914.87	\$518,686.36	133%	\$169,654.77	-67%	\$67,432.48
Y	\$1,389,274.63	\$1,022,785.06	-26%	\$1,694,497.22	66%	\$917,378.14
Z	\$346,065.10	\$1,457,157.93	321%	\$1,218,361.06	-16%	\$533,514.07
TOTAL	\$12,818,986.72	\$16,000,300.13	25%	\$17,450,206.22	9%	\$7,329,656.05



Service Area Revenues through March 31, 2022

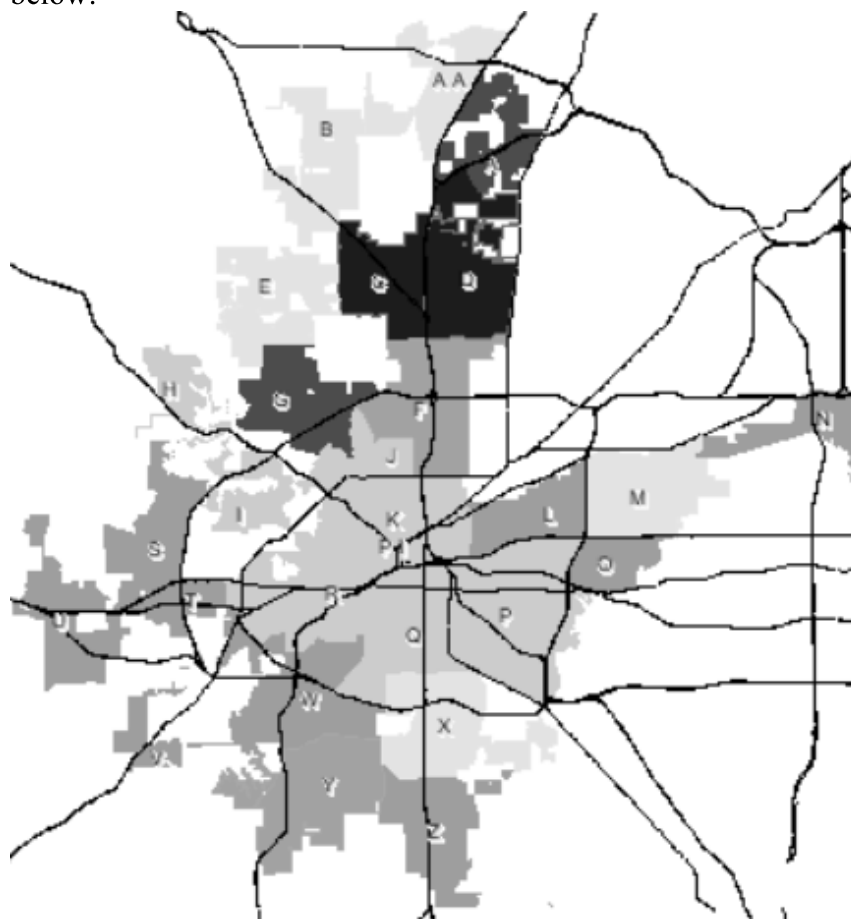


Total Program Revenues through March 31, 2022	
Service Area	Total Revenue
A	\$11,754,663.63
AA	\$6,245,893.53
B	\$6,710,216.01
C	\$28,597,589.24
D	\$16,752,916.28
E	\$10,316,667.89
F	\$10,728,443.03
G	\$10,833,133.97
L	\$453,848.41
M	\$3,872,509.23
N	\$3,185,652.38
O	\$840,980.72
PI	\$0
S	\$3,084,914.84
T	\$2,034,683.62
U	\$2,080,674.65
V	\$1,073,457.76
W	\$3,049,348.86
X	\$3,401,982.32
Y	\$10,942,397.84
Z	\$8,912,369.95
Total	\$144,872,344.16

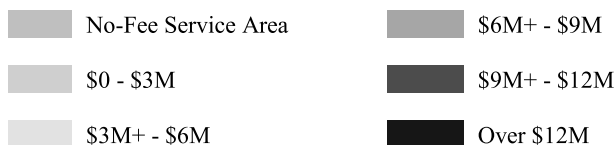
- **Impact Fee Expenditures** – The only expenditure since the previous report has been a public-private partnership (PPP) for the construction of N. Beach Street from SH170 to Saratoga. The project was included in the 2017 Transportation Improvements Plan. Council has authorized the use of 78% of all funds collected. At this time, funds collected have been spent well within the ten years of collection.

Impact Fee Funded Projects October 1, 2021 to March 31, 2022			
Service Area	Project	Project Type	Funding
A/D	N. Beach Street from SH 170 to Saratoga	PPP	\$2,890,550.00
TOTAL Project Funding			\$2,890,550.00

The total impact fee appropriations authorized through September 30, 2021 by service area are as shown below:



Service Area Expenditures through March 31, 2022



Total Program Expenditures through March 31, 2022	
Service Area	Total Expenditures
A	\$10,195,915.34
AA	\$5,576,131.87
B	\$3,967,441.50
C	\$24,412,886.49
D	\$20,757,236.26
E	\$5,540,902.24
F	\$8,649,510.32
G	\$9,864,033.76
L	\$376,131.86
M	\$3,011,131.87
N	\$276,131.87
O	\$76,131.87
PI	\$0.00
S	\$2,854,442.79
T	\$1,576,131.87
U	\$60,576.32
V	\$25,550.00
W	\$1,757,185.11
X	\$3,234,631.87
Y	\$8,464,111.11
Z	\$2,176,325.87
Total	\$112,852,540.19

Total Program Overview			
through September March 31, 2022			
Service Area	Total Revenue	Total Expenditures	Total Revenue Expended
A	\$11,754,663.63	\$10,195,915.34	87%
AA	\$6,245,893.53	\$5,576,131.87	89%
B	\$6,710,216.01	\$3,967,441.50	59%
C	\$28,597,589.24	\$24,412,886.49	85%
D	\$16,752,916.28	\$20,757,236.26	124%
E	\$10,316,667.89	\$5,540,902.24	54%
F	\$10,728,443.03	\$8,649,510.32	81%
G	\$10,833,133.97	\$9,864,033.76	91%
L	\$453,848.41	\$373,131.36	83%
M	\$3,872,509.23	\$3,011,131.87	78%
N	\$3,185,652.38	\$276,131.87	9%
O	\$840,980.72	\$76,131.87	9%
PI	\$0	\$0.00	N/A
S	\$3,084,914.84	\$2,854,442.79	93%
T	\$2,034,683.62	\$1,576,131.87	77%
U	\$2,080,674.65	\$60,576.32	3%
V	\$1,073,457.76	\$25,550.00	2%
W	\$3,049,348.86	\$1,757,185.11	58%
X	\$3,401,982.32	\$3,234,631.87	95%
Y	\$10,942,982.32	\$8,464,111.11	77%
Z	\$8,912,369.95	\$2,176,325.87	24%
Total	\$144,872,344.16	\$112,852,540.19	78%

Recommendation

The CIAC submits the following recommendations for consideration by the Fort Worth City Council:

- The transportation impact fee is being collected and maintained in accordance with state law and City code.
- The transportation impact fee revenues are being expended in accordance with state law and City code.

The committee endorses this report and its recommendations and will discuss such with the City Council at their request.



Wanda Conlin (Apr 27, 2022 18:02 CDT)

Donald Boren, Chair
Place 8



Mirian Spencer, Interim Planning Manager
Staff Liaison

Vicky Schoch	Place 1
Kathy Hamilton	Place 2
Jim Tidwell	Place 3
Matt Kotter	Place 4
Will Dryden	Place 5
Armard Anderson	Place 6
Edward Deegan	Place 7
Vacant	Place 9
Josh Lindsay	Alternate
Matthijs Melchiors	Alternate
Stephanie Spann	Alternate
Jarrett Wilson	Alternate