City of Fort Worth, Texas

Mayor and Council Communication

DATE: 08/26/25 **M&C FILE NUMBER**: M&C 25-0768

LOG NAME: 06TRANSPORTATION IMPACT FEE ORDINANCE LEGISLATIVE UPDATE 2025

SUBJECT

(ALL) Adopt an Ordinance Amending Chapter 30, Article VIII, "Transportation Impact Fees" of the Code of the City of Fort Worth to Revise Certain Provisions Relating to the Transportation Impact Fee Program to Comply with Legislation Passed by the 89th Texas Legislature and to Make Other Text Revisions and Amending Chapter 2, Article I "In General" of the Code of the City of Fort Worth Regarding the Character and Make-Up of Boards

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance amending the Code of the City of Fort Worth Chapter 30 "Streets and Sidewalks", Article VIII, "Transportation Impact Fees," Division 1 "General Provisions" Section 30-154 "Definitions" and Section 30-159 "Functions of Capital Improvements Advisory Committee for Transportation Impact Fees" and Division 2 "Assessment and Collection of Impact Fees" Section 30-173 "Collection of Impact Fees" to revise certain provisions relating to the Capital Improvements Advisory Committee required by legislation passed by the 89th Texas Legislature and make other text revisions thereto and amending Chapter 2 "Administration", Article I "In General", Division 4 "Rules and Procedures for Certain City Boards", Section 2-83 "Number of Members and Terms of Service; and Establishment of Places.

DISCUSSION:

The purpose of this Mayor and Council Communication is to adopt an ordinance amending Chapter 30, Article VIII, Transportation Impact Fees to address the impacts of Senate Bill (S.B.) 1883 and S.B. 840 passed by the 89th Texas Legislature. Both bills take effect on September 1, 2025.

S.B. 1883 makes substantial changes to certain procedures which are not codified in City Code. The change that is being addressed by this Ordinance is to the composition of the Capital Improvements Advisory Committee (CIAC). S.B. 1883 removes the provision that allows the City Plan Commission to serve as the impact fee advisory committee. City Code Sec. 30-154 Definitions defined the CIAC to be the City Plan Commission which has served in that role. Moreover, the character of the committee has been changed such that 50% of the minimum five members must be representatives of the real estate, development, or building industries who are not employees or officials of a governmental entity. The ordinance establishes the CIAC in an existing section describing its duties as per state law.

Staff recommends that the CIAC be composed of seven regular members and two alternates. Four of the seven members and one of the two alternates must be representatives from the real estate, development, and building industries who are not employees or officials of a political subdivision or governmental entity in accordance with the bill.

The other changes to the Impact Fees code are based on S.B. 840 to clarify when impact fees will be collected on shell buildings and subsequent finish out for occupancy and by staff to make clear that the extraordinary investment discount is for permanent jobs and that the small business discount applies to non-residential building permits.

The ordinance will amend Chapter 2 of the City Code to exempt the CIAC from the standing requirement of being an eleven member boad appointed by council district. The ordinance will be effective upon adoption.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of the recommendation will have no material effect on City funds.

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