Water, Wastewater, and Roadway Impact Fees - Frequently Asked Questions

- 1. What are Impact Fees?
 - a. Impact Fees are one-time fees on new development or re-development. Impact Fees help offset new development's financial impact on the public Water, Wastewater, and Roadway systems. The fees are used to fund projects that upsize or expand Water, Wastewater, and Roadway systems so they can adequately serve new development. The amount of each fee is determined by development type and number/size of water meters.
- 2. When are Impact Fees assessed?
 - a. Impact Fees are usually assessed at the time of platting and collected when a building permit is pulled. In some situations, they will be collected when a water meter is applied for or before the final plat is filed.
- 3. What projects are eligible to pay Impact Fees?
 - a. New development and redevelopment only. Increasing building square footage (non-residential and multifamily only), number or size of water meters, and/or number of sewer connections could trigger Impact Fee eligibility.
- 4. Are Impact Fees a tax increase or development fee?
 - a. No. Impact Fees are a one-time payment required for new development and re-development projects only. Impact Fees help offset each development's impact on existing public systems.
- 5. Are there any exceptions?
 - a. Yes! Legally platted lots have 12 months after the Impact Fee Ordinance effective date, April 3, 2023, to be issued a valid building permit before being assessed Impact Fees. All new development will be Impact Fee eligible after April 3, 2024.
- 6. What will Impact Fee revenue pay for?
 - a. Impact Fee revenue can only be used for Water, Wastewater, and Roadway infrastructure projects serving new development and redevelopment.
- 7. How can I account for Impact Fees in my development costs?
 - a. Reach out to City staff at <u>engineering@cityofdenison.com</u> or 903-465-2720 ext. 2455.

For more information check out: <u>https://www.cityofdenison.com/publicworks/page/impact-fee-program</u>



Water, Wastewater, and Roadway Impact Fees - Frequently Asked Questions (cont.)

| DO I NEED TO PAY IMPACT FEES? | | |
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| NO Remodeling my home and keeping the same size | | YES Renovating a single-family home into a duplex and |
| and number of water meters and sewer connections | | adding a water meter and sewer tap |
| | | ightarrow Existing in-service water meters and sewer |
| | | connections will be exempt—only additions |
| | | will be assessed an Impact Fee |
| NO Paving and striping a parking lot at my business or | | YES Building a new lease space and adding water meters |
| adding a garage to my home | | and sewer connections to serve |
| NO Renovating a loft and keeping the same size and | | YES Renovating one loft into multiple lofts and adding |
| number of water meters and sewer connections | | water meters or sewer connections |
| | | ightarrow Existing in-service water meters and sewer |
| | | connections are exempt – only additions are |
| | | assessed an Impact Fee |
| NO Moving into an existing industrial warehouse | | YES Building a new industrial warehouse and adding a |
| without adding new water meters or sewer | | water meter and sewer connection to serve |
| connections | | |
| NO Building a single-family home or other | | YES Building a single family home or other development |
| development on a lot platted before April 3, 2023 | | on a lot platted or replatted after April 3, 2023 |
| with a building permit issued before April 3, 2024. | | Building permits pulled after April 3, 2023 will |
| | | require payment of Impact Fees |
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