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?		
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

