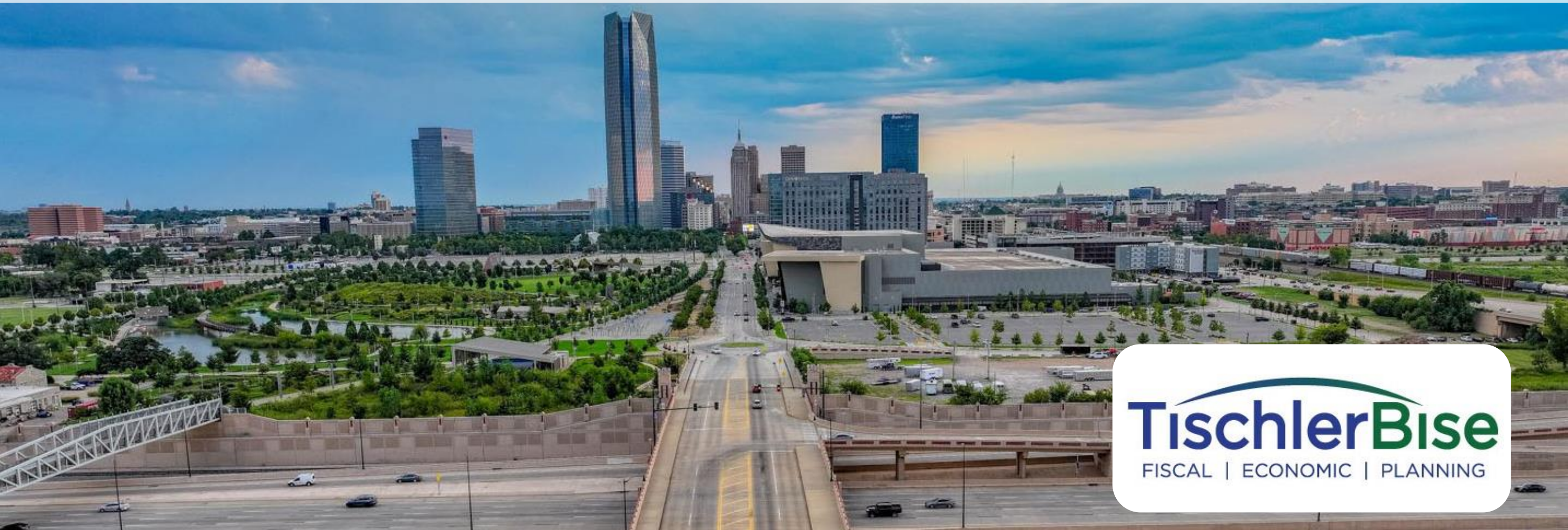


City of Oklahoma City

STREETS DEVELOPMENT IMPACT FEES



Presenters

- Geoff Butler, AICP, Planning Director
- Debbie Miller, PE, Public Works Director
- Colin McAweeney, Western Region Manager, TischlerBise

Agenda

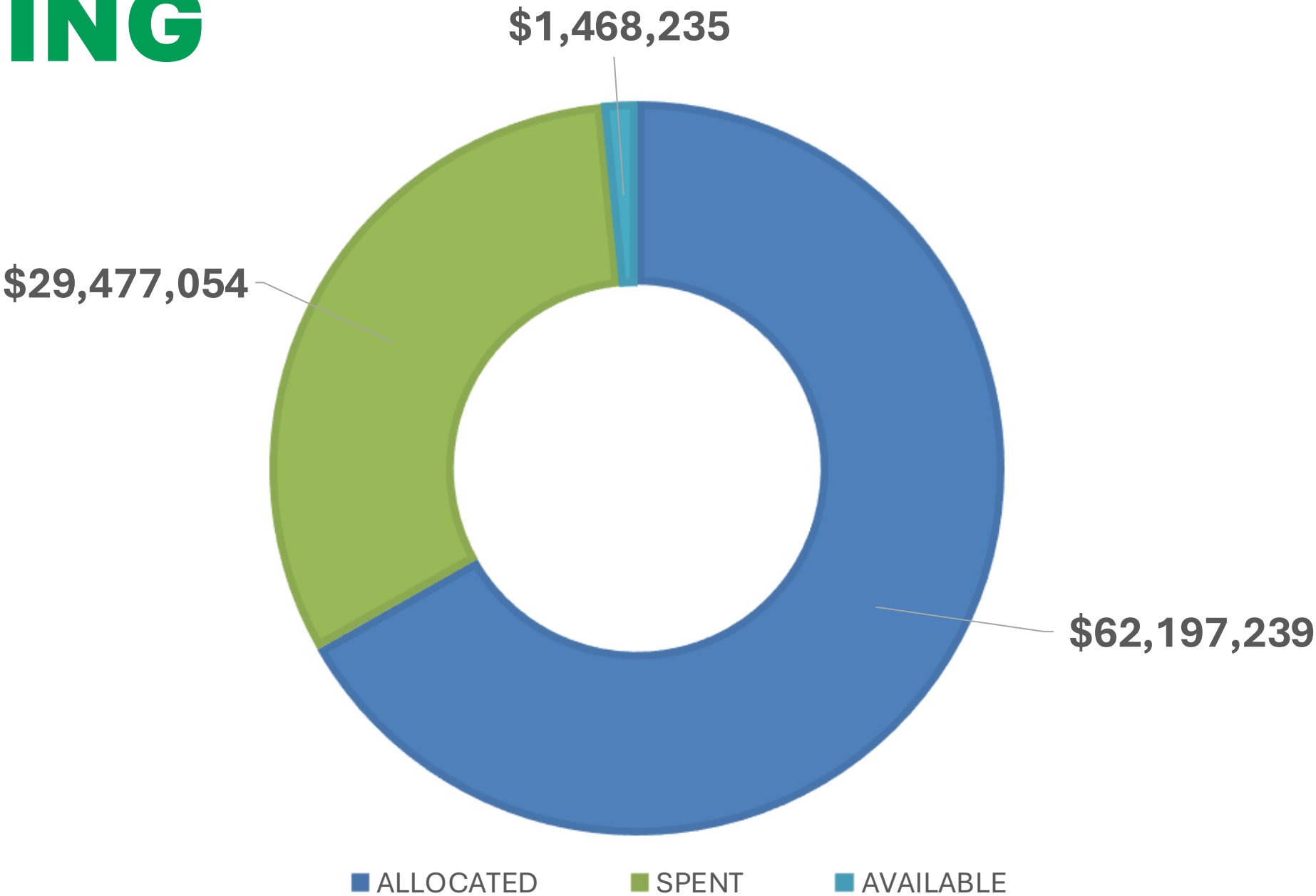
- Introduction
- Impact fee program expenditures and projects
- Study and maximum supportable fees
- Proposed fees

Introduction

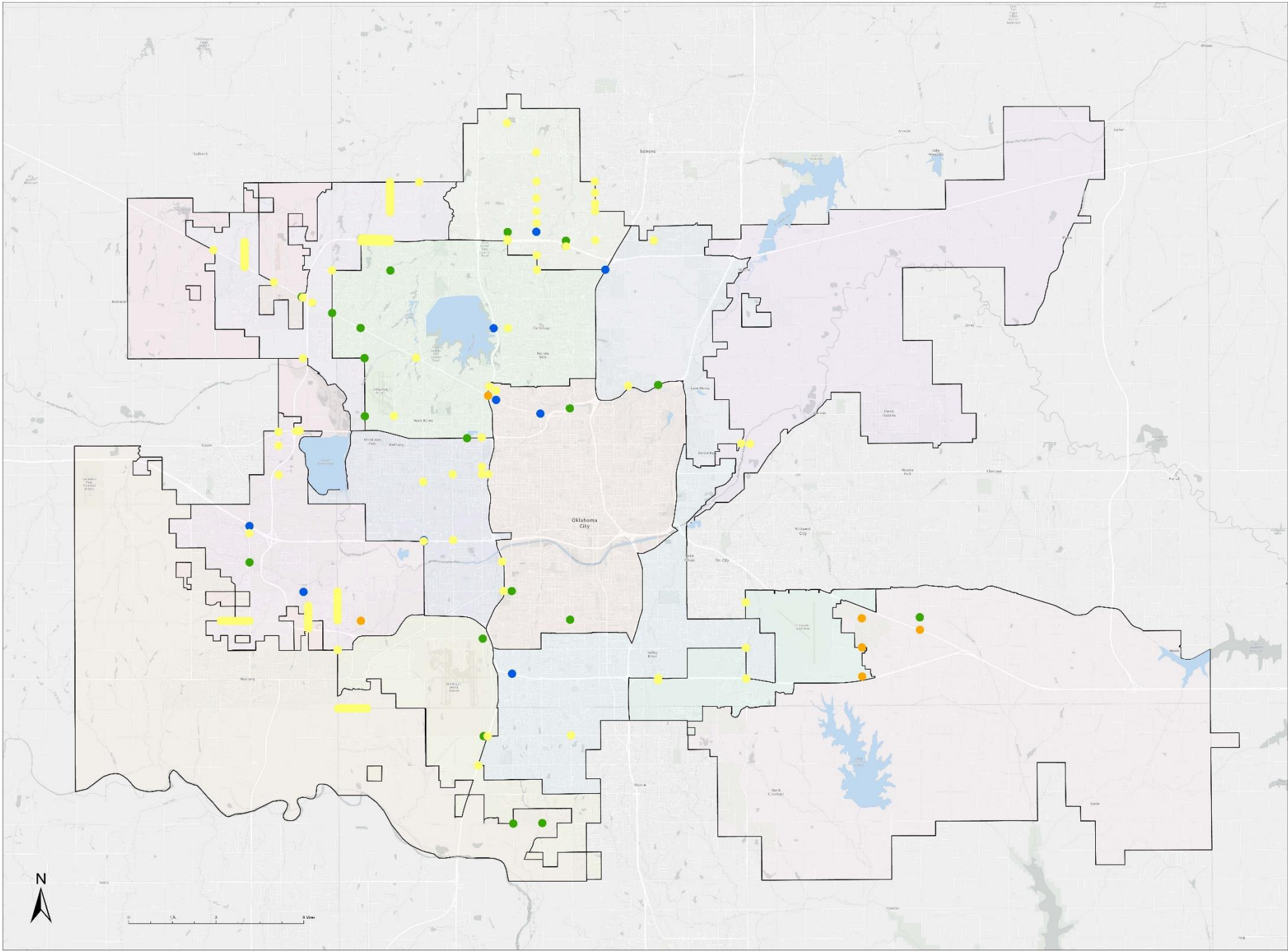
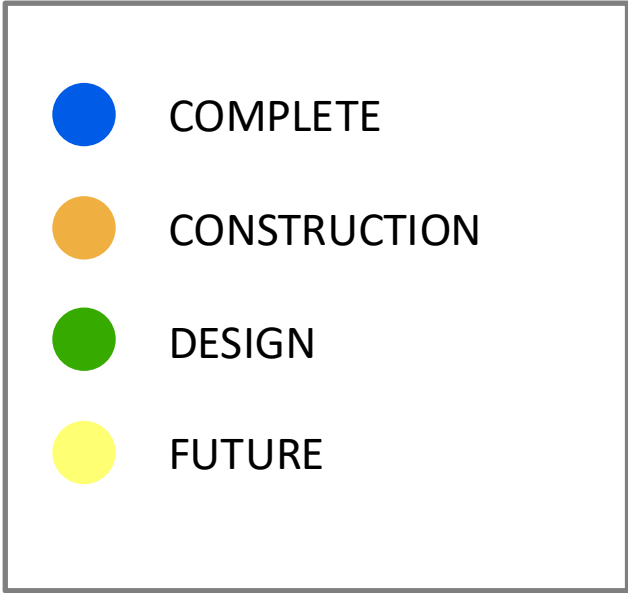
Transportation impact fees:

- Pay for needed improvements to accommodate growth
- Replaced ad-hoc development exactions with a predictable system
- Are based on traffic generation, which varies by land use type
- Cannot be used for maintenance
- Must be used in the same service or “benefit” area they were collected.

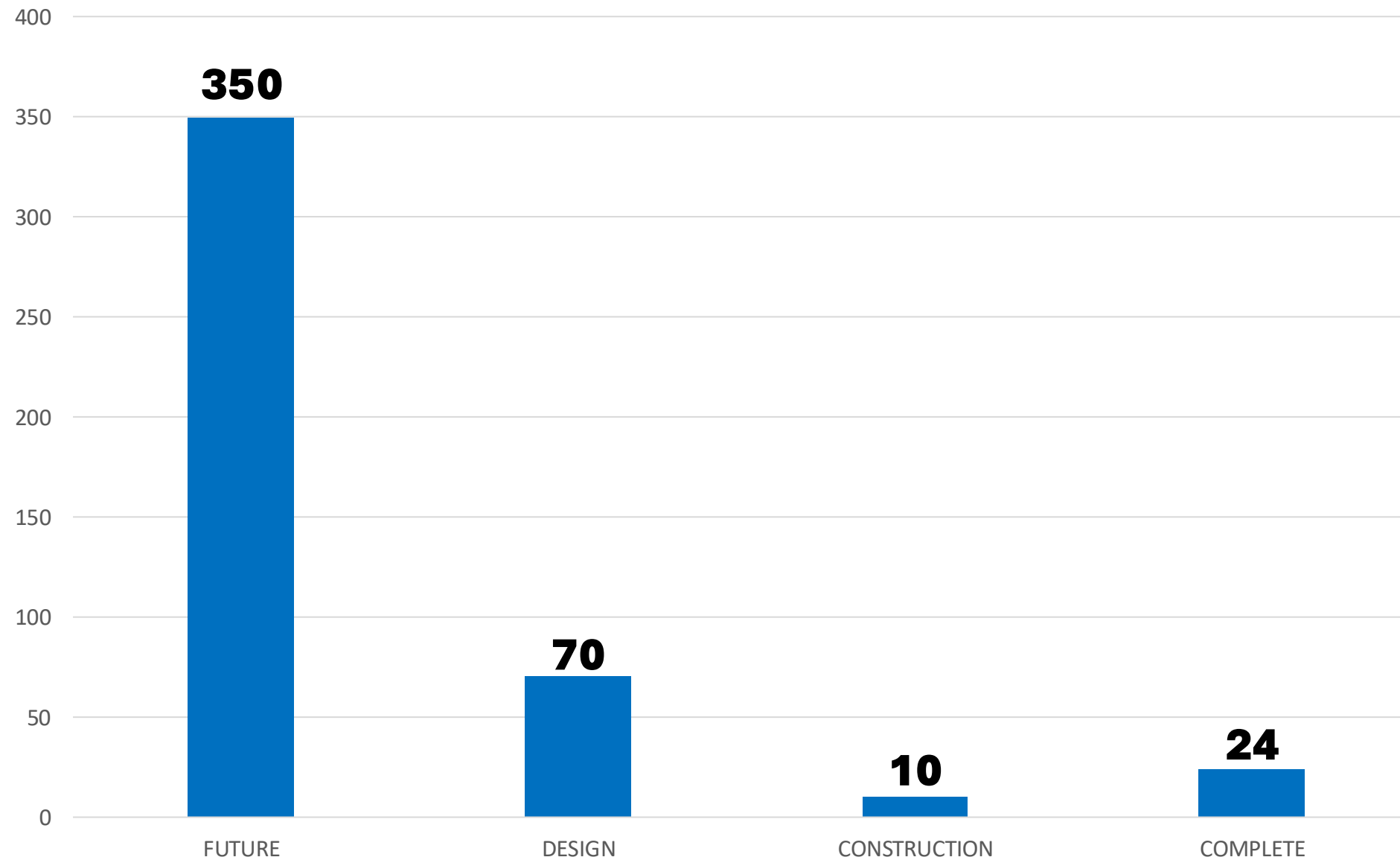
FUNDING



PROJECT STATUS



PROJECT STATUS















TIMELINE

2016

- City adopted its first **Streets Development Impact Fees**.

2023

- Consultant completed a **review and comparative analysis** to peer cities.

2024/5

- Consultant study **updating impact fee methods and calcs** per recommendations.

2025

- Adopt recommended **changes to impact fee ordinance**.



- Impact fees/infrastructure financing strategies
- Fiscal/economic impact analyses
- Capital improvement planning
- Infrastructure finance/revenue enhancement
- Real estate and market feasibility

2023 Review and Comparative Analysis

FINDINGS

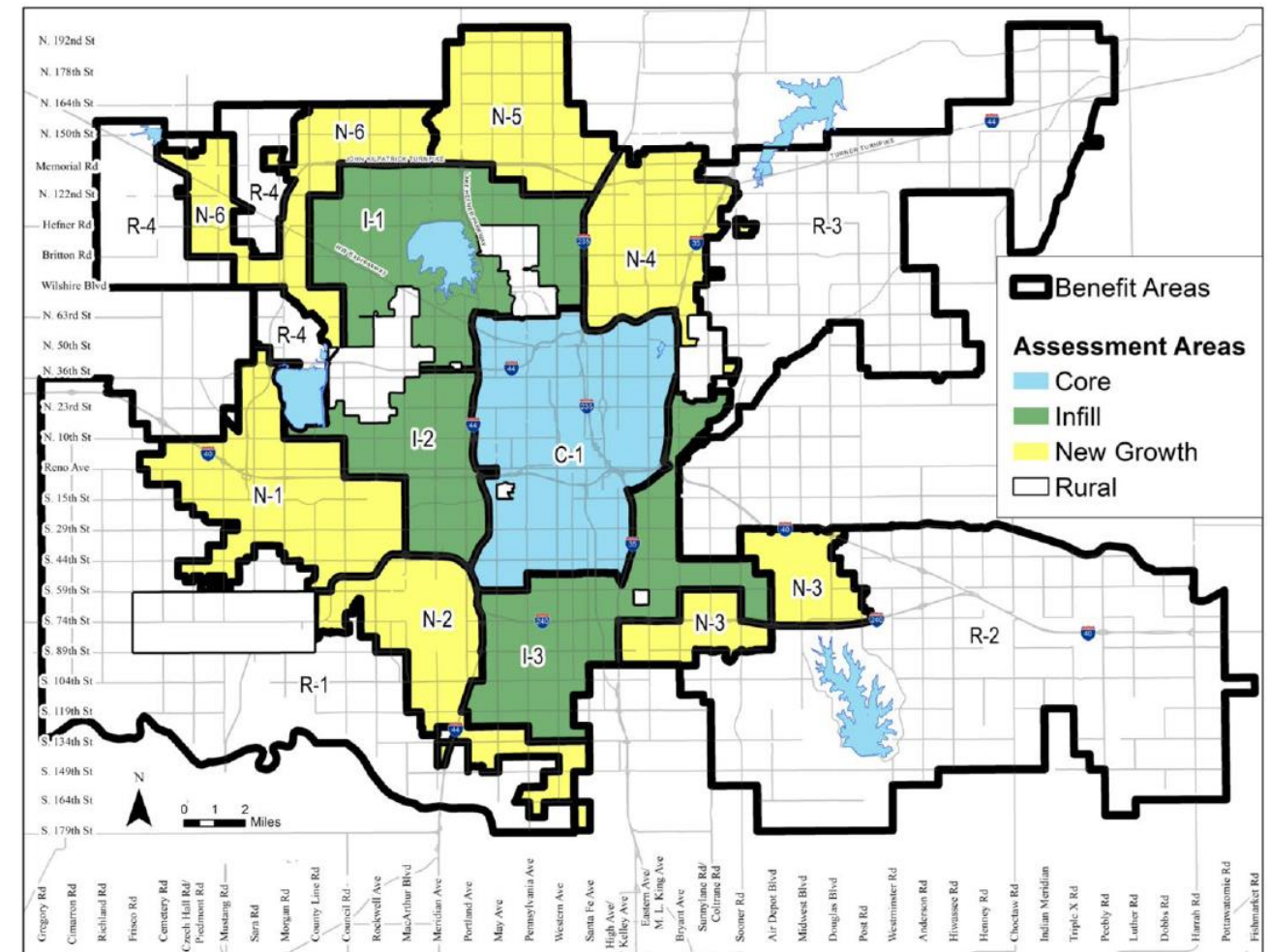
- OKC's property tax burden is lowest of competitor cities and peer cities.
- OKC's impact fee burden is among the lowest of all communities surveyed.
- OKC's impact fees do not pose a significant cost burden on development.
- OKC's streets development fee methodology is well-reasoned and generally reflects best practices.

RESIDENTIAL	Streets Fee	NON-RESIDENTIAL	Streets Fee
Tucson, AZ	\$4,053	Tucson, AZ	\$8,192
Fort Worth, TX	\$3,845	Austin, TX	\$4,847
Austin, TX	\$3,621	Lincoln, NE	\$3,850
Phoenix, AZ	\$3,080	Phoenix, AZ	\$3,758
Lincoln, NE	\$2,628	Fort Worth, TX	\$2,777
Albuquerque, NM	\$1,399	Oklahoma City, OK	\$2,650
Oklahoma City, OK	\$1,200	Salt Lake City, UT	\$1,955
Kansas City, MO	\$ 750	Kansas City, MO	\$1,464
Salt Lake City, UT	\$ 429	Albuquerque, NM	\$1,409

2023 Review and Comparative Analysis

RECOMMENDATIONS

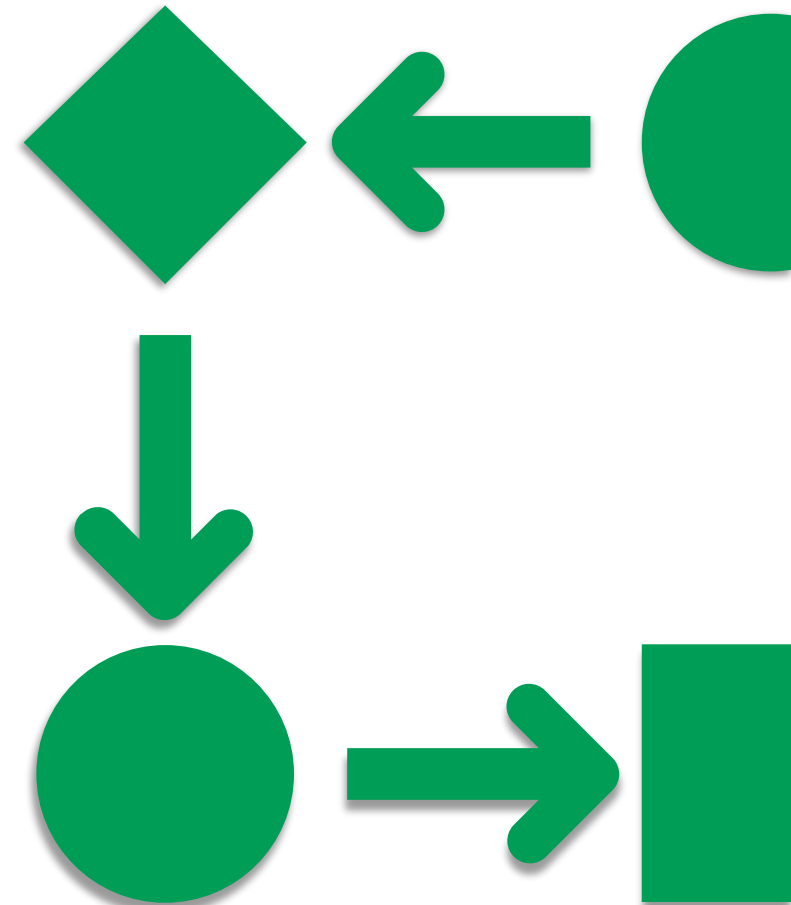
- Produce detailed written technical study to document methodology, assumptions and demand indicators.
- Reduce number of Benefit Areas.
- Update non-residential land use categories.
- Consider fee reductions for mixed-use and transit-oriented developments.



2025 Streets Development Impact Fees Study

PROCESS

- Used same general methodology as 2016 process and updated it.
 - Used newer version of professional source for trip generation estimates (Institute of Transportation Engineers).
- Reduced number of Benefit Areas while maintaining rational nexus.
- Determined maximum supportable development fee:
 - Updated inputs to fee calculations (like vehicle trip rates and roadway construction costs)
 - Factored in credits for property tax payments into calculation methodology.
- Determined appropriate discounts for mixed-use and transit-oriented developments.



2025 Streets Development Impact Fees Study

PROPOSED CHANGES

Summary of modifications to impact fee study and ordinance:

1

Reduce number of Benefit Areas from 14 to 5.

2

Refine calculation methodology to factor in differences with trip generation in Benefit Areas.

3

Change calculation methodology for Central Assessment Area from VMT to PMT to provide for pedestrian infrastructure.

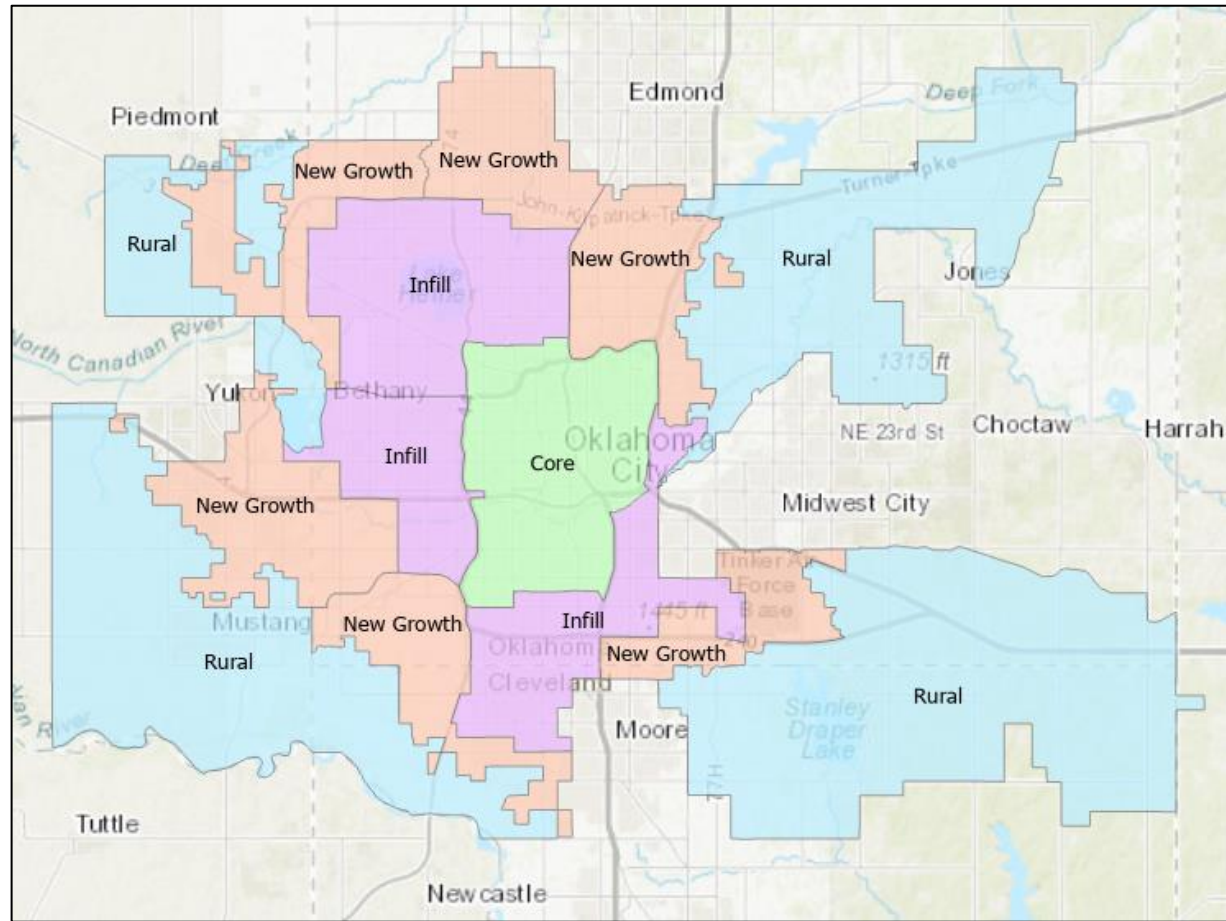
4

Update fees and fee structure.

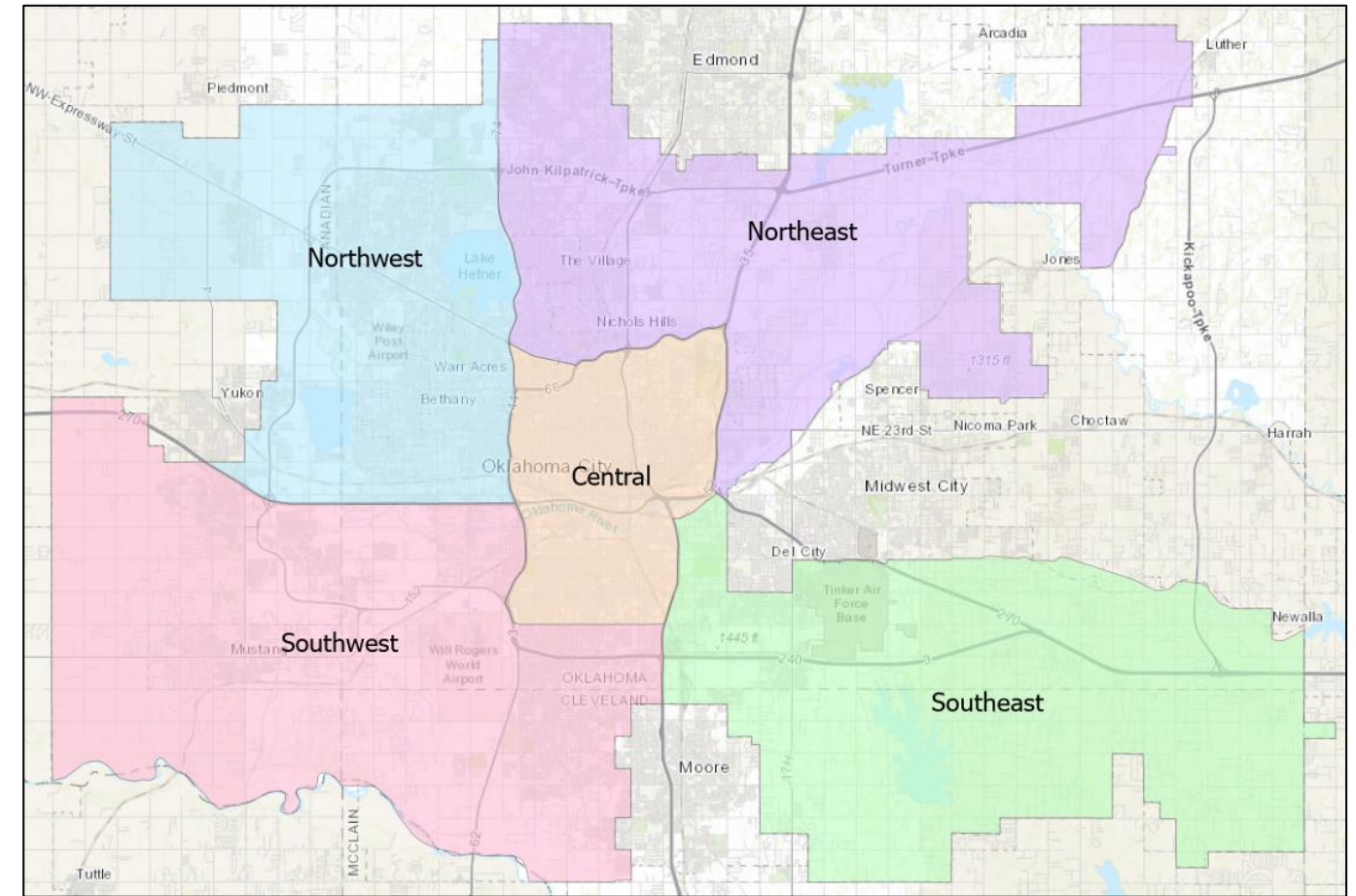
5

Document offsets & introduce discounts for mixed-use and TOD development.

1. Reduce Number of Benefit Areas from 14 to 5



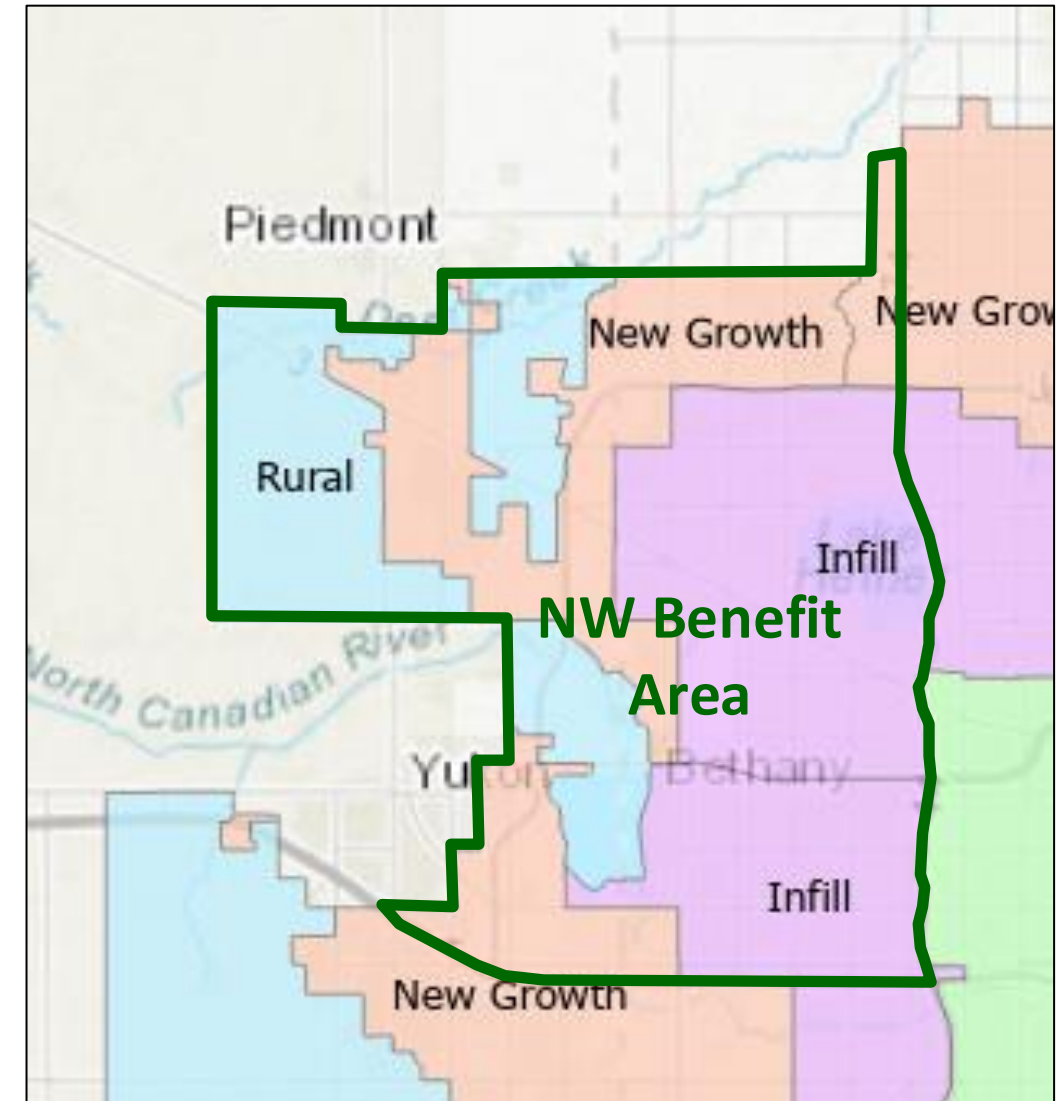
Four **Assessment Areas** help establish fee rates based on traffic generation differences.



All fees collected within a **Benefit Area** must be spent on transportation improvements within that area.

2. Refine calculation methodology

- Fees are calculated based on trip length, and trip length varies within Assessment and Benefit Areas.
- Generally, the farther a land use is from the middle of the city, the longer the trips are that start from it and end at it.
- Created a trip length adjustment factor for the Assessment Areas, which is captured in separate fee schedules.



2. Refine calculation methodology




NW Infill

Square Footage of Dwelling Unit	Trip Ends	Trip End Adj	Trip Length (miles)	Trip Length Adjustment	VMT per Unit
Under 1,000	5.23	55%	3.07	88%	7.75
1,000 to 1,499	6.55	55%	3.07	88%	9.71
1,500 to 1,999	8.17	55%	3.07	88%	12.11
2,000 to 2,499	9.39	55%	3.07	88%	13.92
2,500 to 2,999	10.35	55%	3.07	88%	15.34
3,000 to 3,499	11.16	55%	3.07	88%	16.54
3,500 to 3,999	11.85	55%	3.07	88%	17.56
4,000 or More	12.45	55%	3.07	88%	18.45




SW Infill

Square Footage of Dwelling Unit	Trip Ends	Trip End Adj	Trip Length (miles)	Trip Length Adjustment	VMT per Unit
Under 1,000	5.23	55%	2.91	88%	7.35
1,000 to 1,499	6.55	55%	2.91	88%	9.20
1,500 to 1,999	8.17	55%	2.91	88%	11.48
2,000 to 2,499	9.39	55%	2.91	88%	13.19
2,500 to 2,999	10.35	55%	2.91	88%	14.54
3,000 to 3,499	11.16	55%	2.91	88%	15.68
3,500 to 3,999	11.85	55%	2.91	88%	16.65
4,000 or More	12.45	55%	2.91	88%	17.49

New Growth

Square Footage of Dwelling Unit	Trip Ends	Trip End Adj	Trip Length (miles)	Trip Length Adjustment	VMT per Unit
Under 1,000	5.23	55%	3.07	100%	8.83
1,000 to 1,499	6.55	55%	3.07	100%	11.06
1,500 to 1,999	8.17	55%	3.07	100%	13.79
2,000 to 2,499	9.39	55%	3.07	100%	15.85
2,500 to 2,999	10.35	55%	3.07	100%	17.47
3,000 to 3,499	11.16	55%	3.07	100%	18.84
3,500 to 3,999	11.85	55%	3.07	100%	20.00
4,000 or More	12.45	55%	3.07	100%	21.01

New Growth

Square Footage of Dwelling Unit	Trip Ends	Trip End Adj	Trip Length (miles)	Trip Length Adjustment	VMT per Unit
Under 1,000	5.23	55%	2.91	100%	8.37
1,000 to 1,499	6.55	55%	2.91	100%	10.48
1,500 to 1,999	8.17	55%	2.91	100%	13.07
2,000 to 2,499	9.39	55%	2.91	100%	15.02
2,500 to 2,999	10.35	55%	2.91	100%	16.56
3,000 to 3,499	11.16	55%	2.91	100%	17.86
3,500 to 3,999	11.85	55%	2.91	100%	18.96
4,000 or More	12.45	55%	2.91	100%	19.92

Rural

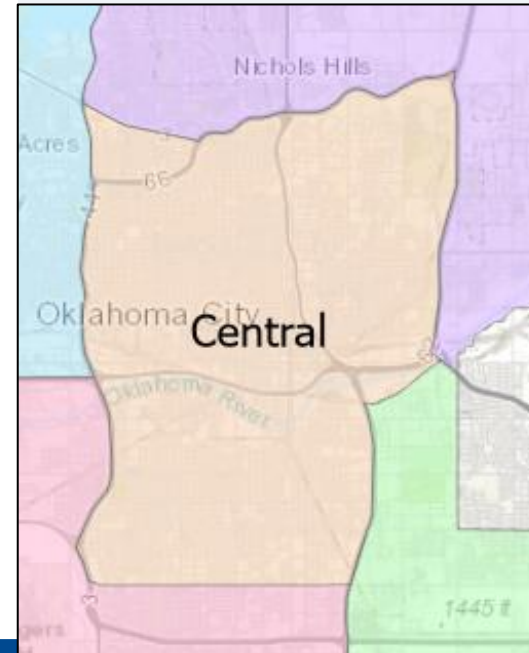
Square Footage of Dwelling Unit	Trip Ends	Trip End Adj	Trip Length (miles)	Trip Length Adjustment	VMT per Unit
Under 1,000	5.23	55%	3.07	135%	11.92
1,000 to 1,499	6.55	55%	3.07	135%	14.93
1,500 to 1,999	8.17	55%	3.07	135%	18.62
2,000 to 2,499	9.39	55%	3.07	135%	21.40
2,500 to 2,999	10.35	55%	3.07	135%	23.59
3,000 to 3,499	11.16	55%	3.07	135%	25.43
3,500 to 3,999	11.85	55%	3.07	135%	27.01
4,000 or More	12.45	55%	3.07	135%	28.37

Rural

Square Footage of Dwelling Unit	Trip Ends	Trip End Adj	Trip Length (miles)	Trip Length Adjustment	VMT per Unit
Under 1,000	5.23	55%	2.91	135%	11.30
1,000 to 1,499	6.55	55%	2.91	135%	14.15
1,500 to 1,999	8.17	55%	2.91	135%	17.65
2,000 to 2,499	9.39	55%	2.91	135%	20.28
2,500 to 2,999	10.35	55%	2.91	135%	22.36
3,000 to 3,499	11.16	55%	2.91	135%	24.11
3,500 to 3,999	11.85	55%	2.91	135%	25.60
4,000 or More	12.45	55%	2.91	135%	26.90

3. Calculations for Central Assessment Area

- Street infrastructure in the Central Assessment Area is mostly built out and expected to accommodate future automobile capacity needs.
- Future transportation infrastructure needs will focus on pedestrian improvements and a limited number of intersection projects.
- Methodology uses plan-based approach for automobile-oriented projects.
- The resulting maximum supportable fee is lower than in other benefit areas where significant automobile-oriented infrastructure is needed.

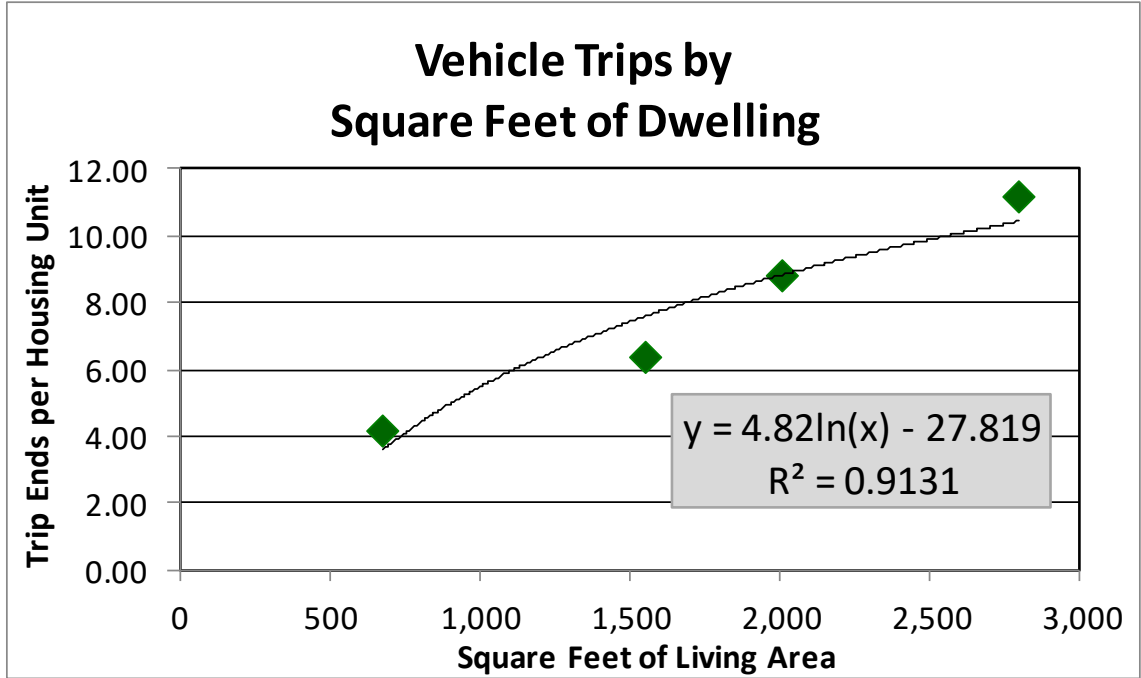


4. Update Fees and Fee Structure

Residential:

- Current program is based on a linear best-fit line
- Trip ends per unit plateau as homes get bigger
- Size bands recommended

Actual Averages per Hsg Unit			Fitted-Curve Values	
Bedrooms	Square Feet	Trip Ends	Sq Ft Range	Trip Ends
0-1	678	4.13	Under 1,000	5.23
2	1,555	6.35	1,000 to 1,499	6.55
3	2,010	8.81	1,500 to 1,999	8.17
4+	2,795	11.19	2,000 to 2,499	9.39
Vehicle trips by dwelling size are derived from 2022 ACS PUMS data for the area that includes OKC. Square footage for dwelling units by number of bedrooms is derived from building permit data of new housing construction between 2019-2024.			2,500 to 2,999	10.35
			3,000 to 3,499	11.16
			3,500 to 3,999	11.85
			4,000 or More	12.45



4. Update Fees and Fee Structure

Non-residential:

- Split the Office/Institutional/Lodging category
- Add Warehousing/Distribution category
- Updated trip end rates with 11 edition (2021) *ITE Trip Generation Manual*
 - Capturing recent market trends
 - (Previous fee study used 8th edition ITE Manual)

5. Update & Document Offsets

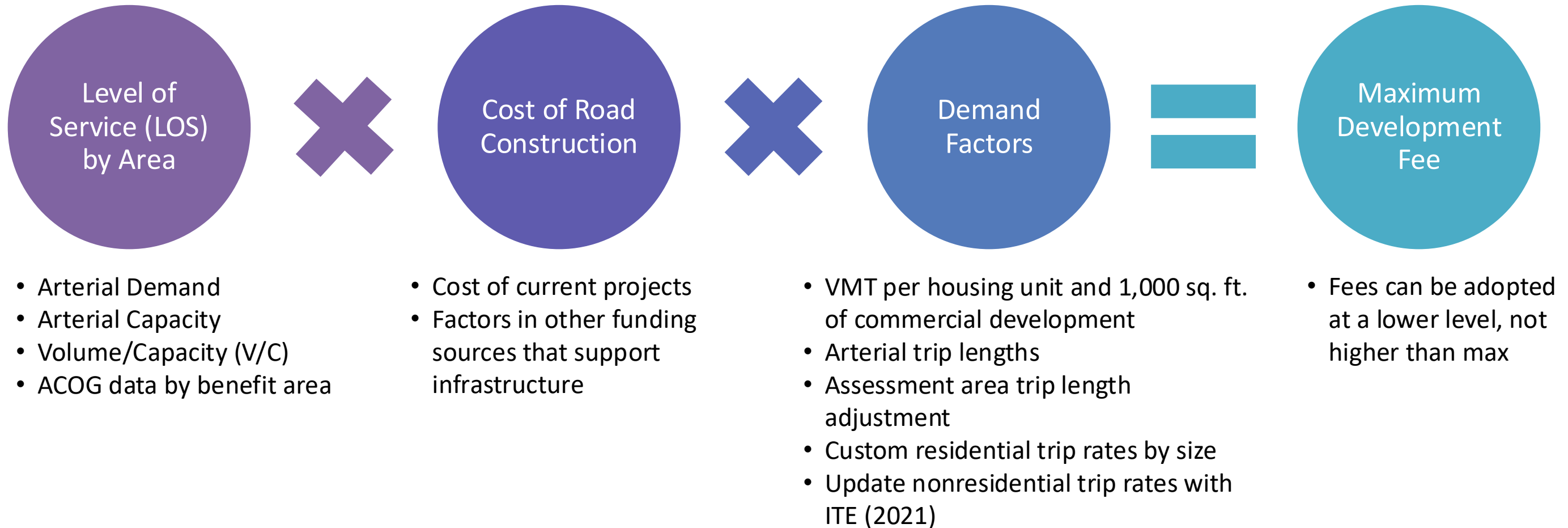
- Documents and accounts for various funding sources:
 - GO bond
 - MAPS 4 funding of multimodal projects
 - Revenues from future residents and business funding arterial roadways
 - Impact fee fund balances from previously collected fees
- ❖ All of the above are included in the fee analysis, reducing the maximum supportable fee amounts
- ❖ Roadway dedication credits still available when going through entitlement process

5. Discounts for Mixed Use Development & TODs

- Development fees are based on demand. Certain developments have less demand:
 - Mixed-use development (MXD) vehicle trip reduction: **29%**
 - Transit-Oriented Development (TOD) trip reduction: **15%**
 - MXD and TOD discounts can be stacked for a total discount of **44%**

METHODOLOGY

Incremental expansion method - examines current capacity and demand on arterial streets



METHODOLOGY

Incremental expansion method - examines current capacity and demand on arterial streets

The **capacity** being added to system every lane mile →

Recommended Street Level of Service	
Arterial Lane Mile Capacity	6,000
Level of Service (V/C)	0.770
VMТ Added @ LOS	4,620

The **cost** to add the capacity to system →

Cost of Arterial Lane Mile [1]	\$3,125,000
VMТ Added @ LOS	4,620
Cost per VMТ	\$676

The cost attributed to **OKC demand** →

External-External % of Trips	4.4%
Ext - Ext Roadway Cost per VMТ	\$30
Net Oklahoma City Cost per VMТ	\$646

[1] Based on estimated roadway widening costs

Roadway costs have increased from \$1.4 million in 2016

MAXIMUM SUPPORTABLE FEE (NW example)

Northwest

Fee Component	Cost per VMT
Roadway Expansion	\$646.00
Gross Total	\$646.00
Future Bond Portion of Need (45%)	(\$291.99)
Future Bond Payment Credit	(\$36.57)
Credit for Fund Balance (4.8%)	(\$31.01)
Net Total	\$286.43

Credits reduced maximum amounts by **56%**

Infill Assessment Area

Square Feet of Dwelling Unit	VMT per Unit	Maximum Supportable Fee	Current Fees	Increase/Decrease
Residential (per housing unit)				
Under 1,000	7.75	\$2,220	\$342	\$1,878
1,000 to 1,499	9.71	\$2,781	\$475	\$2,306
1,500 to 1,999	12.11	\$3,469	\$665	\$2,804
2,000 to 2,499	13.92	\$3,987	\$855	\$3,132
2,500 to 2,999	15.34	\$4,394	\$1,045	\$3,349
3,000 to 3,499	16.54	\$4,738	\$1,235	\$3,503
3,500 to 3,999	17.56	\$5,030	\$1,425	\$3,605
4,000 or More	18.45	\$5,285	\$1,615	\$3,670

Infill Assessment Area

Development Type	VMT per KSF	Maximum Supportable Fee	Current Fees	Increase/Decrease
Nonresidential (per 1,000 square feet)				
Industrial	6.94	\$1,988	\$400	\$1,588
Warehousing/Distribution	2.55	\$730	\$400	\$330
Lodging (per room)	5.67	\$1,624	\$1,170	\$454
Office	10.07	\$2,884	\$1,170	\$1,714
Institutional	14.90	\$4,268	\$1,170	\$3,098
Customer-Oriented Low	15.97	\$4,574	\$1,050	\$3,524
Customer-Oriented Moderate	38.14	\$10,924	\$1,460	\$9,464
Customer-Oriented High	69.61	\$19,938	\$2,510	\$17,428

Proposed Fees

- 30 percent of maximum supportable fees
- Due to methodology changes, some fees go up more than others, and some go down.

PROPOSED FEES (averages)

New Growth Assessment Area (Average of NW, NE, SW, & SE Benefit Areas)				
Land Use	Estimated 2026 Fees per unit/s.f*	Supportable Fee per unit/s.f*	Proposed Fee per unit/s.f*	Proposed Fee as % of Const. Cost
Residential - Under 1,000	\$348.45	\$2,450.00	\$735.00	0.59%
Residential - 1,000 to 1,499	\$580.75	\$3,068.25	\$920.48	0.44%
Residential - 1,500 to 1,999	\$813.05	\$3,826.75	\$1,148.03	0.39%
Residential - 2,000 to 2,499	\$1,045.35	\$4,398.00	\$1,319.40	0.33%
Residential - 2,500 to 2,999	\$1,277.65	\$4,848.50	\$1,454.55	0.30%
Residential - 3,000 to 3,499	\$1,509.95	\$5,228.50	\$1,568.55	0.27%
Residential - 3,500 to 3,999	\$1,742.25	\$5,551.00	\$1,665.30	0.24%
Residential - 4,000 or More	\$1,974.55	\$5,831.75	\$1,749.53	0.22%
Warehouse/Distribution	\$0.51	\$0.81	\$0.24	0.15%
Industrial	\$0.51	\$2.19	\$0.66	0.35%
Lodging	\$1.43	\$3.58	\$1.07	0.46%
Office	\$1.43	\$3.18	\$0.95	0.31%
Institutional	\$1.43	\$4.71	\$1.41	0.64%
Customer-Oriented Low	\$1.28	\$5.04	\$1.51	0.80%
Customer-Oriented Moderate	\$1.79	\$12.04	\$3.61	1.92%
Customer-Oriented High	\$3.07	\$21.96	\$6.59	2.55%
*Residential costs are per unit; non-residential are per square foot. (750 s.f. was assumed for the "Under 1,000 category and 4,250 s.f. for the 4,000 or More category.)				

PROPOSED FEES (averages)

Rural Assessment Area (Average of NW, NE, SW, & SE Benefit Areas)				
Land Use	Estimated 2026 Fees per unit/s.f*	Supportable Fee per unit/s.f*	Proposed Fee per unit/s.f*	Proposed Fee as % of Const. Cost
Residential - Under 1,000	\$348.45	\$3,308.00	\$992.40	0.79%
Residential - 1,000 to 1,499	\$580.75	\$4,143.50	\$1,243.05	0.59%
Residential - 1,500 to 1,999	\$813.05	\$5,167.25	\$1,550.18	0.53%
Residential - 2,000 to 2,499	\$1,045.35	\$5,939.00	\$1,781.70	0.44%
Residential - 2,500 to 2,999	\$1,277.65	\$6,546.25	\$1,963.88	0.40%
Residential - 3,000 to 3,499	\$1,509.95	\$7,059.25	\$2,117.78	0.37%
Residential - 3,500 to 3,999	\$1,742.25	\$7,495.25	\$2,248.58	0.32%
Residential - 4,000 or More	\$1,974.55	\$7,874.50	\$2,362.35	0.30%
Warehouse/Distribution	\$0.76	\$1.09	\$0.33	0.20%
Industrial	\$0.76	\$2.96	\$0.89	0.48%
Lodging	\$1.54	\$4.83	\$1.45	0.62%
Office	\$1.54	\$4.29	\$1.29	0.42%
Institutional	\$1.54	\$6.36	\$1.91	0.86%
Customer-Oriented Low	\$1.28	\$6.81	\$2.04	1.08%
Customer-Oriented Moderate	\$1.79	\$16.25	\$4.88	2.59%
Customer-Oriented High	\$3.07	\$29.66	\$8.90	3.44%
*Residential costs are per unit; non-residential are per square foot. (750 s.f. was assumed for the "Under 1,000 category and 4,250 s.f. for the 4,000 or More category.)				

PROPOSED FEES (averages)

Core Assessment Area				
Land Use	Estimated 2026 Fees per unit/s.f*	Supportable Fee per unit/s.f*	Proposed Fee per unit/s.f*	Proposed Fee as % of Const. Cost
Residential - Under 1,000	\$249.98	\$839	\$251.70	0.20%
Residential - 1,000 to 1,499	\$416.63	\$1,050	\$315.00	0.15%
Residential - 1,500 to 1,999	\$583.28	\$1,310	\$393.00	0.13%
Residential - 2,000 to 2,499	\$749.93	\$1,505	\$451.50	0.11%
Residential - 2,500 to 2,999	\$916.58	\$1,657	\$497.10	0.10%
Residential - 3,000 to 3,499	\$1,083.23	\$1,787	\$536.10	0.09%
Residential - 3,500 to 3,999	\$1,249.88	\$1,899	\$569.70	0.08%
Residential - 4,000 or More	\$1,416.53	\$1,994	\$598.20	0.07%
Warehouse/Distribution	\$0.36	\$0.28	\$0.08	0.05%
Industrial	\$0.36	\$0.76	\$0.23	0.12%
Lodging	\$1.06	\$1.24	\$0.37	0.16%
Office	\$1.06	\$1.10	\$0.33	0.11%
Institutional	\$1.06	\$1.62	\$0.49	0.22%
Customer-Oriented Low	\$0.95	\$1.74	\$0.52	0.28%
Customer-Oriented Moderate	\$1.31	\$4.15	\$1.24	0.66%
Customer-Oriented High	\$2.26	\$7.56	\$2.27	0.88%
*Residential costs are per unit; non-residential are per square foot. (750 s.f. was assumed for the "Under 1,000 category and 4,250 s.f. for the 4,000 or More category.)				

PROPOSED FEES (averages)

Infill Assessment Area (Average of NW, NE, SW, & SE Benefit Areas)				
Land Use	Estimated 2026 Fees per unit/s.f.*	Supportable Fee per unit/s.f.*	Proposed Fee per unit/s.f.*	Proposed Fee as % of Const. Cost
Residential - Under 1,000	\$295.43	\$2,151.75	\$645.53	0.51%
Residential - 1,000 to 1,499	\$492.38	\$2,694.00	\$808.20	0.39%
Residential - 1,500 to 1,999	\$689.33	\$3,361.25	\$1,008.38	0.34%
Residential - 2,000 to 2,499	\$886.28	\$3,862.00	\$1,158.60	0.29%
Residential - 2,500 to 2,999	\$1,083.23	\$4,257.25	\$1,277.18	0.26%
Residential - 3,000 to 3,499	\$1,280.18	\$4,591.00	\$1,377.30	0.24%
Residential - 3,500 to 3,999	\$1,477.13	\$4,874.50	\$1,462.35	0.21%
Residential - 4,000 or More	\$1,674.08	\$5,120.75	\$1,536.23	0.19%
Warehouse/Distribution	\$0.41	\$0.71	\$0.21	0.13%
Industrial	\$0.41	\$1.93	\$0.58	0.31%
Lodging	\$1.21	\$3.14	\$0.94	0.40%
Office	\$1.21	\$2.79	\$0.84	0.27%
Institutional	\$1.21	\$4.14	\$1.24	0.56%
Customer-Oriented Low	\$1.09	\$4.43	\$1.33	0.70%
Customer-Oriented Moderate	\$1.50	\$10.57	\$3.17	1.68%
Customer-Oriented High	\$2.60	\$19.29	\$5.79	2.24%
*Residential costs are per unit; non-residential are per square foot. (750 s.f. was assumed for the "Under 1,000 category and 4,250 s.f. for the 4,000 or More category.)				

NEXT STEPS

- Review period beginning next week for 3 weeks
 - Website: <https://vision.okc.gov/street-development-fees>
 - Comments may be submitted online, or:
- Contacts:
 - justin.henry@okc.gov
 - geoff.butler@okc.gov
 - debbie.miller@okc.gov