City of Albuquerque

Drainage Impact Fee Study

Findings

Presented to:
Albuquerque City Council
October 18th, 2004
Study Team

- C. (Kees) W. Corssmit, Ph.D., Integrated Utilities Group, Inc. 303-267-0200
- kcorssmit@iug.com
- Neil M. Geitner, P.E., Geitner Environmental Management Group, LLC. 720-493-5410
- ngeitner@geitnerenviron.com
Today’s Topics

- Review of Study Methodology
- Presentation of Results
Methodology

• Based on projects from existing drainage plans
• Removed projects that were:
  ➢ Non-City Projects
  ➢ Rehabilitation Projects
  ➢ Projects that are no longer needed
• Updated cost estimates to 2004 values
• Established service areas that met the nexus principle
Methodology - continued

• Calculated the full-marginal cost of growth
• Excluded on-site/within development projects from the fee calculation
• Acquired and used Council Adopted Land Use assumptions
Methodology – final

• Assigned Drainage Projects to Service Areas based on City Grid Coding
• Assigned project costs based on Service Area boundaries
• Calculated Impact Fees based on Projected Growth (service units) in each Service Area
Drainage Service Area Selection

• Joint Process with City staff and IUG.
• Based on hydrologic planning areas and large outfalls to river.
• Allowed systematic assignment of project costs to developing areas.
• Reduced cost allocation problems compared to smaller service areas.
Service Unit Definition

• One drainage service unit is one impervious acre.
Level of Service

- 100-year flood protection for major structures and conveyance.
What are the costs of growth?

- Costs for capital projects necessary to serve new customers.
Growth-related Capital Costs

- Capital costs from the City’s culled project lists.
- New projects assigned to one service area only.
- Capital costs were updated to June 2004.
- Credit will be given to constructing an AMAFCA project that is also on City drainage facilities Impact Fee CIP list.
## Service Area Information

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Basin Area (acres)</th>
<th>Total Cost of Projects to 2025 (2004 $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwest</td>
<td>15,490</td>
<td>$ 62,237,473</td>
</tr>
<tr>
<td>Far Northeast</td>
<td>11,753</td>
<td>$ 15,044,434</td>
</tr>
<tr>
<td>Fully Served</td>
<td>40,250</td>
<td>$ 0</td>
</tr>
<tr>
<td>Southwest</td>
<td>9,021</td>
<td>$ 35,393,166</td>
</tr>
<tr>
<td>Tijeras</td>
<td>2,611</td>
<td>$ 2,933,604</td>
</tr>
</tbody>
</table>
## Calculated Drainage Fees

<table>
<thead>
<tr>
<th>Service Area Name</th>
<th>Drainage Impact Fee per SU (impervious acre)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwest</td>
<td>$ 15,896</td>
</tr>
<tr>
<td>Far Northeast</td>
<td>$ 10,207</td>
</tr>
<tr>
<td>Southwest</td>
<td>$ 12,836</td>
</tr>
<tr>
<td>Tijeras</td>
<td>$ 13,290</td>
</tr>
</tbody>
</table>
Example Residential Fee Calculation

- Service Units (SU) = Total Area x Impervious Factor.
- With a density of 5 units per acre, the impervious factor is 0.73.
- For each acre of development you get 0.73 acre of impervious area, or, 0.73 acre of Service Units per total acre.
Example Residential Fee Calculation

- This means that you have 0.73 of a Service Unit @ 5 houses per acre, or 0.146 Service Unit per house.

- If the impact fee is $12,000 per SU, the fee per house is: \((0.146 \times $12,000) = $1,752\).
Questions?