

ORDINANCE NO. 2020-003

**AN ORDINANCE OF THE TOWN OF THOMPSON'S STATION,
TENNESSEE, TO AMEND TITLE 12, CHAPTER 4 OF THE MUNICIPAL
CODE REGARDING THE IMPACT ASSESSMENT FEE.**

WHEREAS, the Town is authorized pursuant to Tennessee Code Annotated § 6-2-201(15) and other applicable law to assess fees for use of or impact upon certain public infrastructure, including roadways, public parks, and recreation facilities; and

WHEREAS, the Town is experiencing and anticipating both rapid growth and an increase in commercial development which requires public facilities and infrastructure improvements to meet the demand created by such growth and development;

WHEREAS, the Board of Mayor and Aldermen has determined that it is in the best interest of the Town to amend the current code provisions related to its Impact Assessment Fees.

NOW, THEREFORE, BE IT ORDAINED by the Town of Thompson's Station as follows:

Section 1. That Title 12, Chapter 4 of the Municipal Code, *Impact Fees*, be deleted in its entirety upon the effective date of this ordinance and shall be amended by adding a new Chapter 4, *Impact Fees*, as set forth below:

CHAPTER 4

IMPACT FEES

SECTION

- 12-401. Title, authority, applicability.
- 12-402. Definitions.
- 12-403. Intent and Purposes.
- 12-404. Basis for fees.
- 12-405. Use of fees.
- 12-406. Fee calculations.
- 12-407. Payment of fee; appeals.
- 12-408. Credits.

12-401. Title, authority, applicability (a) This article shall be known and may be cited as the "Impact Fee Ordinance."

(b) Authority to implement this article is granted under the General Law Mayor-Aldermanic Charter, and such other additional powers granted to municipalities by the state legislature. The enumeration of particular powers in this article is not exclusive of others, not restrictive of general words or phrases granting powers and all powers shall be construed so as to permit the town to exercise freely any one or more such powers.

(c) Except as provided herein, this article shall be applicable to all new buildings constructed or additions to existing buildings constructed after the effective date of this Ordinance.

(d) This chapter is intended to impose an impact fee at the time of building permit or certificate of occupancy issuance, in an amount based upon the demand generated by new development. The Town will meet, to the extent finances permit through the use of general revenues, all capital improvement needs associated with existing development. This chapter shall be uniformly applicable to development that occurs within the Town limits and the urban growth boundary.

12-402. Definitions. The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

Board or BOMA. The duly constituted governing body of the Town, or the Board of Mayor and Aldermen.

Building Permit. The permit required for new construction and additions pursuant to the International Building Code heretofore adopted. The term *Building Permit*, as used herein, shall not be deemed to include permits required for remodeling, rehabilitation or other improvements to an existing structure or rebuilding a damaged or destroyed structure; provided, there is no increase in gross floor area or number of dwelling units resulting therefrom.

Building. Any permanent structure having a roof and used or built for the enclosure or shelter of persons, animals, vehicles, goods, merchandise, equipment, materials or property of any kind.

Capital Improvements.

(1) Public facilities that are treated as capitalized expenses according to generally accepted accounting principles and does not include costs associated with the operation, administration, maintenance or replacement of capital improvements.

(2) Any and/or all of the following, and including acquisition of land, construction, improvements, equipping and installing of same and which facilities are identified in the capital improvements plan to be financed by the imposition of an impact fee:

(a) Parks and recreational facilities;

(b) Road systems;

(c) Other facilities the costs of which may be substantially attributed to new development.

Development. Any human-made change to improved or unimproved real property, the use of any principal structure or land or any other activity that requires issuance of a building permit.

Gross Floor Area. The total square feet of enclosed space on the floor or floors comprising the structure. The total of the gross horizontal area of all floors that will be heated or cooled, including usable basements, cellars and attics, below the roof and within the outer surface of the main walls of principal or accessory buildings or the centerlines of a party wall separating such buildings or portions thereof, or within lines drawn parallel to and two feet within the roof line of any building or portions thereof without walls, but excluding enclosed parking areas, farm buildings, and arcades, porticoes and similar open areas that are accessible to the general public and are not designed or used as sales, display, storage, service or production areas.

Impact Fee. Any construction privilege tax charge, fee or assessment levied as a condition of issuance of a building permit or development approval for the purpose of funding any portion of the costs of capital improvements or any public facilities attributable to accommodating the additional demands created by new development.

Site. The land on which development takes place.

Town. The Town of Thompson's Station, a duly constituted political subdivision of the State of Tennessee.

12-403. Intent and Purposes. (a) The board of mayor and aldermen has determined that the rapid growth rate which the town has experienced and is expected to experience in the foreseeable future necessitates capital improvements and makes it necessary to regulate land development and building activity that generates increased traffic and other impacts within the Town. It is the intent of the Town that the capacity of the road network in the community should handle the traffic demands generated by new development, thus maintaining a satisfactory quality of life in Thompson's Station. Additionally, the demands on the public parks and recreational facilities caused by new development must be addressed to maintain a satisfactory quality of life in Thompson's Station.

(b) In order to finance the necessary capital improvements required to meet the traffic demands, park demands, and recreational facility demands, as well as other capital improvement projects, created by growth in population and business activity, a variety of financial sources shall be used to fund the planning, engineering, and construction of future capital improvement projects.

(c) It shall be the purpose of this chapter to establish a regulatory system and method by which the Town calculates, collects, and obligates a regulatory fee hereinafter referred to as the impact fee. Except as otherwise provided for in this chapter, this fee shall be assessed on each new building or addition to an existing structure constructed within the Town. The fee shall provide a portion of the revenues required to complete infrastructure and public works projects necessary to service this new development.

(d) The public health, safety, and general welfare is protected when adequate financial resources are available to fund the public works projects needed to handle traffic demand generated from land development activities and the construction of new buildings in the Town.

(e) The intent of this chapter is to allow for continued land development and new building construction in accordance with orderly fulfillment of appropriate capital improvement projects.

(f) The impact fee shall be assessed to each new land development and building based on a reasonably estimated proportionate share of the anticipated cost of future public works projects attributable to new development.

12-404. Basis for fees. The impact fee schedule shall be based upon use of available land use planning data related to the Town, other transportation studies in the vicinity and other available transportation related studies and traffic general analysis and basic assumptions as updated by the Institute of Transportation Engineers (ITE), as well as any other information relevant to traffic, roadways, public parks, and recreational facilities, including census data and other reliable metrics.

12-405. Use of fees. The impact fees generated by this ordinance shall be used to pay for the public infrastructure required by new development, to include roadways, public parks, and recreational facilities. Upon the recommendation of the Town Administrator, the Board shall approve all impact fee fund expenditures as related to the costs of capital improvements. The impact fees shall be segregated into trust funds for each type of impact fee. Road impact fee funds shall be used only for capacity-expanding improvements to arterial and collector roads. Park impact fee funds shall be used only for new or expanded parks and recreational facilities.

12-406. Fee calculations. (a) A schedule of impact fees, based on the method of calculation promulgated by this chapter, shall be adopted herewith.

(b) For each land use, a demand factor shall be determined for use in calculating the appropriate impact fee. Such demand factors shall be based on the average travel demand generated by new development, with regard to roads, and based on the applicable service unit or equivalent dwelling unit used at the time by the Town, with regard to public parks and recreation facilities.

(c) The impact fee schedule shall be based upon a written analysis that demonstrates that the adopted fees do not exceed the proportionate share of the costs required to accommodate the increased demands on public facilities likely to be generated by new development.

(d) The following fees are the maximum amounts calculated in the Road and Park Impact Fee Study prepared by Duncan Associates in 2019. These fees are hereby adopted at 100% of the maximum amounts.

Land Use	Unit	Impact Fee per Development Unit		
		Roads	Parks	Total
Single-Family Detached	Dwelling	\$3,593	\$488	\$4,081
Multi-Family	Dwelling	\$2,786	\$327	\$3,113
Mobile Home Park	Pad	\$1,903	\$488	\$2,391
Senior Adult Housing, Detached	Dwelling	\$1,621	\$488	\$2,109
Senior Adult Housing, Attached	Dwelling	\$1,408	\$327	\$1,735

Golf Course	Acre	\$1,028	\$0	\$1,028
Hotel/Motel	Room	\$2,230	\$0	\$2,230
Retail/Commercial/Shopping Center	1,000 sf	\$5,601	\$0	\$5,601
Restaurant, Standard	1,000 sf	\$10,744	\$0	\$10,744
Restaurant, Drive-Through	1,000 sf	\$23,904	\$0	\$23,904
Gas Station w/Convenience Mkt.	Pump	\$9,274	\$0	\$9,274
Office/Institutional	1,000 sf	\$4,238	\$0	\$4,238
Elementary/Secondary School	1,000 sf	\$1,312	\$0	\$1,312
Community College	1,000 sf	\$2,963	\$0	\$2,963
Day Care Center	1,000 sf	\$3,487	\$0	\$3,487
Hospital	1,000 sf	\$3,275	\$0	\$3,275
Nursing Home	1,000 sf	\$1,997	\$0	\$1,997
Place of Worship	1,000 sf	\$2,119	\$0	\$2,119
Industrial	1,000 sf	\$1,590	\$0	\$1,590
Warehouse	1,000 sf	\$823	\$0	\$823
Mini-Warehouse	1,000 sf	\$711	\$0	\$711

Note: square feet based on gross floor area; definitions of land uses are provided in the impact fee study, which is attached hereto and incorporated herein as Exhibit "A".

(e) The fee schedule shown above in subsection (d) shall be adjusted on January 1st of each year by the percentage change in the *Engineering News-Record* Construction Cost Index for the most recent available twelve (12) month period, provided that updated fees have not been adopted based upon a new impact fee study within the preceding eight (8) months. If the aforementioned index becomes unavailable, an alternative and reasonably comparable cost index shall be used as determined by the BOMA by resolution. The Town Recorder shall ensure that (1) a notice of the adjusted impact fee schedule is posted on the Town's website at least two weeks prior to the January 1st effective date of the adjusted fees, and (2) the current fees are at all times available to the public on the Town's website and by request.

(f) Within sixty (60) days of January 1st in odd-numbered years, beginning in 2023, the BOMA shall review the then effective impact fee schedule under this Chapter and determine if said schedule should be adjusted in the best interests of the Town.

(g) In the event of redevelopment or change of use, each type of fee shall be assessed based on the net impact of the proposed development compared to the previously-existing development. This will be determined as the total potential road or park fee for the proposed development less the total fee under the current fee schedule for the previous development. No road fee will be due and no refund will be provided if the net impact on roads is negative. Similarly, no park fee will be due and no refund will be provided if the net impact on parks is negative.

12-407. Payment of fee; appeals. (a) Payment of the impact fee shall be made at the time that a building permit is issued by the town. No building permit shall be issued for a development unless the impact fee is imposed and calculated pursuant to this chapter.

(b) Appeals. (1) A person may challenge the calculation or application of a fee imposed pursuant to this chapter by filing with the Town Administrator a written notice of appeal with a full statement of the grounds and an appeal fee of two hundred and fifty dollars (\$250.00) or such other amount as may be fixed from time to time by resolution of the Board. Notwithstanding the appeal, the building permit for the land use may be issued if the notice of appeal is accompanied by a bond, cashier's check or other security acceptable to the Town

Administrator in an amount equal to the fee. Appeals filed pursuant to this section must be submitted prior to issuance of the building permit or within ten (10) days thereafter.

(2) The appellant bears the burden of demonstrating that the amount of the fee was not calculated or applied according to the procedures established in this chapter.

(3) The board of zoning appeals shall hear the appeal at a regularly scheduled meeting or special called meeting which falls within thirty (30) days following receipt of the notice of appeal by the Town Administrator. The determination of the board of zoning appeals shall be announced at the conclusion of the hearing or at the next regular meeting of the board of zoning appeals. The determination of the board of zoning appeals shall be final.

12-408. Credits. (a) A property owner may elect, with written permission of the Board, to construct an eligible capital improvement listed in the capital improvements plan. If the property owner elects to make such improvement, the property owner must enter into an agreement with the Town prior to issuance of any building permit. The agreement must establish the estimated cost of the improvement, the schedule for initiation and completion of the improvement, a requirement that the improvement be completed to Town standards, and such other terms and conditions as deemed necessary by the Town. The Town must review the improvement plan, verify costs and time schedules, determine if the improvement is an eligible improvement, and determine the amount of the applicable credit for such improvement to be applied to the otherwise applicable impact fee prior to issuance of any building permit. In no event may the Town provide a refund for a credit that is greater than the applicable impact fee. If, however, the amount of the credit is calculated to be greater than the amount of the impact fee due, the property owner may utilize such excess credit toward the impact fees imposed on other building permits for development on the same site and in the same ownership. Credits shall only be applied against the type of impact fee (e.g., roads, parks) that is the same as the type of the improvement.

(b) No credits shall be given for the construction of local on-site facilities required by zoning, subdivision or other Town regulations.

Section 5. All Prior Conflicting Ordinances Repealed; Interpretation. That upon the effective date of this ordinance, all prior ordinances and resolutions in conflict herewith be repealed.

Section 6. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this ordinance.

Section 7. Effective date. This ordinance shall take effect upon its passage on final reading, provided that it shall not take effect until July 1, 2020, the public welfare requiring it.

Duly approved and adopted by the Board of Mayor and Aldermen of the Town of Thompson's Station, Tennessee.

Mayor Corey Napier

ATTEST:

Town Recorder

Passed First Reading: _____

Passed Second Reading: _____

Submitted to Public Hearing on the ____ day of _____ 2020, at 7:00 p.m., after being advertised in the *Williamson AM* Newspaper on the ____ day of _____, 2020.

APPROVED AS TO FORM AND LEGALITY:

Town Attorney