



Meeting Agenda

Work Session

Tuesday, October 8, 2024

5:00 PM

Board Room

CALL TO ORDER

CITIZEN COMMENTS

Comments on agenda items may be made in person at City Hall or by emailing recorder@franklinton.gov before noon on the day of the meeting. Comments will be submitted for the record.

WORK SESSION DISCUSSION ITEMS

1. Status Update And Discussion Of Progress On Development Of Bousquet Place AKA The Hill Property
WS 4/23/24
Sponsors: Vernon Gerth, Tom Marsh, Kathleen Sauseda
2. *Consideration Of Amendment 1 To COF Contract No. 2024-0092, An Agreement And Memorandum Of Understanding Among The City Of Franklin, Tennessee, The Battle Of Franklin Trust And Franklin's Charge, Inc

Sponsors: Eric Stuckey, Kristine Brock, Lisa Clayton
3. Consideration Of COF Contract No. 2024-0188, With Short Properties, GP For Parkland Impact Fee And Construction Agreement For Armistead PUD

Sponsors: Lisa Clayton, Heather Eusebio
4. Consideration Of Resolution 2024-81, A Resolution Amending The Haven At Cool Springs PUD Subdivision To Extend The Vested Rights, For The Property Located North Of Cool Springs Boulevard And East Of Mack Hatcher Parkway, Located At 151 Cool Springs Boulevard. Establishing A Public Hearing On November 12, 2024
FMPC 9/26/24, 8-0
Sponsors: Emily Wright, Amy Diaz-Barriga, Joseph Bryan
5. Consideration Of Resolution 2024-82, A Resolution Initiating The Annexation Process And Draft Plan Of Services, For The Possible Annexation Of 17.4 Acres, Located North Of Clovercroft Road And West Of John Williams Road, At 4038 And A Portion Of 4040 Clovercroft Road. Establishing A Public Hearing On November 12, 2024

Sponsors: Emily Wright, Amy Diaz-Barriga, Chelsea Randolph
6. Update Of Consideration Of Ordinance 2023-41, An Ordinance To Amend Chapter 4 Of Title 16 Of The Franklin Municipal Code, Concerning Road Impact Fees
WS 4/23/24; 8/27/24; 9/10/24
BOMA 5/14/24, 7-0; 5/28/24 postpone to 9/10/24, 7-0; postpone to 10/22/24, 7-1

Sponsors: Vernon Gerth, Paul Holzen, Michael Walters Young

7. *Consideration Of Ordinance 2024-28, An Ordinance To Establish A No-Parking-Anytime Zone Along The Southerly Extents And Around The Cul-De-Sac Of Bizerte Court

Sponsors: Paul Holzen, Adam Moser

8. Consideration Of Change Order 3 To COF Contract No. 2022-0114, With Dement Construction Co, LLC For Harlinsdale Farm Multi-Use Path And Pedestrian Bridge (COF Project No. 2017-018 / TDOT PIN 126630.00) For A Cost Increase Of \$67,688.70

Sponsors: Paul Holzen, Jonathan Marston, David Hodnett

9. Consideration Of COF Contract No. 2024-0289, With Truland, LLC (The Middle Eight PUD Subdivision) For A Development Agreement For An Amount Not To Exceed \$375,000 For Streetscape Improvements Per The Approved Middle Eight Development Plan

Sponsors: Paul Holzen, Jimmy Wiseman

10. Discussion Of City Hall Commercial Space Options

Sponsors: Alderman Patrick Baggett

OTHER BUSINESS

ADJOURN

Anyone needing accommodations due to disabilities please contact the ADA Coordinator at 615-791-3277 at least 24 hours prior to the meeting.



Bousquet Place

A partnership between the Hill, LLC and City of Franklin

Bousquet Place

Estimate of Revenue & Costs

		Sales Price		Total
Workforce Units		23	\$ 425,000.00	\$ 9,775,000.00
Affordable Units		10	\$ 330,000.00	\$ 3,300,000.00
Total Units		33		\$ 13,075,000.00
Price per square foot			\$ 200.00	
		Total	Workforce	Affordable
Square Feet		45,653	1,383	1,383
Land		\$ 479,700.00	\$ 14,536.36	\$ 14,536.36
COF Fees		\$ 899,329.25	\$ 27,252.40	\$ 27,252.40
Infrastructure		\$ 3,182,802.85	\$ 96,448.57	\$ 96,448.57
Construction Cost		\$ 9,130,600.00	\$ 276,684.85	\$ 276,684.85
A/E & Planning Fees		\$ 523,200.00	\$ 15,854.55	\$ 15,854.55
Legal Fees	1%	\$ 130,750.00	\$ 4,250.00	\$ 3,300.00
Taxes, Insurance, Cost Certification		\$ 61,545.00	\$ 1,865.00	\$ 1,865.00
HOA Operating Reserve		\$ 6,831.00	\$ 207.00	\$ 207.00
Carrying Interest Costs	6.5%	\$ 800,371.19	\$ 24,253.67	\$ 24,253.67
Construction Contingency	10%	\$ 1,231,340.28	\$ 37,313.34	\$ 37,313.34
Real Estate Commissions	3%	\$ 293,250.00	\$ 12,750.00	\$ -
Subtotal		\$ 16,739,719.57	\$ 511,415.74	\$ 497,715.74
Administrative Fee	9%	\$ 1,497,112.54	\$ 45,738.34	\$ 44,513.08
Total Uses		\$ 18,236,832.10	\$ 557,154.08	\$ 542,228.82
Home Sales		\$ 13,075,000.00	\$ 425,000.00	\$ 330,000.00
Total Sources		\$ 13,075,000.00	\$ 425,000.00	\$ 330,000.00
Shortfall		\$ (5,161,832.10)	\$ (132,154.08)	\$ (212,228.82)

Bousquet Place

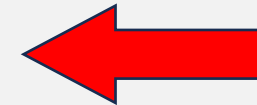
Estimate of Revenue & Costs

		Sales Price		Total
Workforce Units		23	\$ 425,000.00	\$ 9,775,000.00
Affordable Units		10	\$ 330,000.00	\$ 3,300,000.00
Total Units		33		\$ 13,075,000.00
Price per square foot		\$ 200.00		
		Total	Workforce	Affordable
Square Feet		45,653	1,383	1,383
Land		\$ 479,700.00	\$ 14,536.36	\$ 14,536.36
COF Fees		\$ 899,329.25	\$ 27,252.40	\$ 27,252.40
Infrastructure		\$ 3,182,802.85	\$ 96,448.57	\$ 96,448.57
Construction Cost		\$ 9,130,600.00	\$ 276,684.85	\$ 276,684.85
A/E & Planning Fees		\$ 523,200.00	\$ 15,854.55	\$ 15,854.55
Legal Fees	1%	\$ 130,750.00	\$ 4,250.00	\$ 3,300.00
Taxes, Insurance, Cost Certification		\$ 61,545.00	\$ 1,865.00	\$ 1,865.00
HOA Operating Reserve		\$ 6,831.00	\$ 207.00	\$ 207.00
Carrying Interest Costs	6.5%	\$ 800,371.19	\$ 24,253.67	\$ 24,253.67
Construction Contingency	10%	\$ 1,231,340.28	\$ 37,313.34	\$ 37,313.34
Real Estate Commissions	3%	\$ 293,250.00	\$ 12,750.00	\$ -
Subtotal		\$ 16,739,719.57	\$ 511,415.74	\$ 497,715.74
Administrative Fee	9%	\$ 1,497,112.54	\$ 45,738.34	\$ 44,513.08
Total Uses		\$ 18,236,832.10	\$ 557,154.08	\$ 542,228.82
Home Sales		\$ 13,075,000.00	\$ 425,000.00	\$ 330,000.00
Total Sources		\$ 13,075,000.00	\$ 425,000.00	\$ 330,000.00
Shortfall		\$ (5,161,832.10)	\$ (132,154.08)	\$ (212,228.82)

Bridging the Gap - How Can the City Help

Funding Gap - \$ 5,161,832.13

<u>Possible City Assistance</u>	
Land	\$ 479,700.00
COF Fees	\$ 899,329.25
Infrastructure Cost	\$ 3,182,802.85
CDBG Funds	\$ 600,000
Total	\$5,161,832.1





Questions and Next Steps



File #: 21-0805

DATE: September 25, 2024
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Kristine Brock, Asst. City Administrator/CFO
Lisa Clayton, Director of Parks

SUBJECT:

*Consideration Of Amendment 1 To COF Contract No. 2024-0092, An Agreement And Memorandum Of Understanding Among The City Of Franklin, Tennessee, The Battle Of Franklin Trust And Franklin's Charge, Inc

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Amendment 1 to COF Contract No. 2024-0092, an Agreement and Memorandum of Understanding among the City of Franklin, The Battle of Franklin Trust and Franklin's Charge.

BACKGROUND/STAFF COMMENTS:

On April 19, 2024, COF Contract No. 2024-0092 was executed for the purposes of the purchase of multiple properties for future parkland (Battlefield Park Property and Roper's Knox Expansion). The purchase price of the property, collectively, is \$4 million.

FINANCIAL IMPACT:

Amendment 1 adjusts the payment dates of the City's funding towards the land purchases. There is no change to total payment amount of \$4 million.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Amendment 1 to COF Contract No. 2024-0092.

AMENDMENT NO. 1 TO AGREEMENT AND MEMORANDUM OF UNDERSTANDING

COF CONTRACT NO. 2024-0092

THIS AMENDMENT NO. 1 is entered into on this ____ day of September, 2024 by and among the CITY OF FRANKLIN, TENNESSEE, a municipal government organized and existing under the laws of the State of Tennessee (the “City”), and THE BATTLE OF FRANKLIN TRUST, a Tennessee non-profit corporation (“BOFT”), and FRANKLIN’S CHARGE, INC., a Tennessee non-profit corporation (“FC”), (herein BOFT and FC and their successors and assigns shall collectively be referred to as the “Battlefield Organizations”)

RECITALS:

1. The parties hereto entered into that certain Agreement and Memorandum of Understanding dated April 19, 2024 (the “MOU”).
2. The parties hereto desire to amend and restate Section 1 of the MOU.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the City and the Battlefield Organizations agree as follows:

1. Section 1 of the MOU shall be amended and restated to read as follows:
 1. Purchase Price. The purchase price for the Battlefield Park Property and the Roper’s Knob Expansion shall be Four Million and No/100 Dollars (\$4,000,000.00) paid by the City as follows: (a) on or before August 26, 2024, the City shall pay to FC an amount equal to One Million and No/100 Dollars (\$1,000,000.00), (b) on or before October 1, 2024 the City shall pay to FC an amount equal to One Million and No/100 Dollars (\$1,000,000.00), and (c) on or before November 1, 2024, the City shall pay to FC an amount equal to Two Million and No/100 Dollars (\$2,000,000.00). The payment of the purchase price shall be made from time to time as set forth herein by direct deposit into the FC account maintained at Regions Bank, bearing account No. 7100135453.
2. The MOU is not amended in any other respect.

ENTERED INTO as of the date first set forth above.

[signature page to follow]

SIGNATURE PAGE TO AMENDMENT NO. 1 TO AGREEMENT AND MEMORANDUM OF UNDERSTANDING

COF CONTRACT NO. 2024-0092

CITY:

CITY OF FRANKLIN, TENNESSEE

By: _____
Dr. Ken Moore, Mayor

By: _____
Eric S. Stuckey, City Administrator

Approved as to form:

J. Blake Harper, Staff Attorney

BATTLEFIELD ORGANIZATIONS:

THE BATTLE FO FRANKLIN TRUST

By: _____
Eric A. Jacobson, CEO

FRANKLIN’S CHARGE, INC.

By: _____
Clay Perry, President



File #: 21-0348

DATE: June 11, 2024
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Lisa Clayton, Director of Parks
Heather Eusebio, Research & Planning Specialist

SUBJECT:

Consideration Of COF Contract No. 2024-0188, With Short Properties, GP For Parkland Impact Fee And Construction Agreement For Armistead PUD

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the Parkland Impact Fee and Construction Agreement for Armistead PUD.

BACKGROUND/STAFF COMMENTS:

Owner is in the process of developing Williamson County Property Tax Assessor's Map 064 Parcel 020.00 ("Development Project"), located in Parkland Quadrant 4 of the City, consisting of 837 dwelling units on the property known as Armistead. Owner intends to develop or cause the development of appurtenances and parkland amenities ("Parkland Project") consisting of playground structures, demonstration gardens, trails, pools, sports courts, shade structures and demonstration gardens on approximately one hundred and ninety two (192) acres, all as more particularly shown and described on Exhibit A.

FINANCIAL IMPACT:

The total Parkland Impact Fee for Owner is Three Million Six Hundred Two Thousand Four Hundred Forty-Eight And No/100 Dollars (\$3,602,448.00). The Owner shall pay twenty-five percent (25%) of the Total Parkland Impact Fee obligation at the recording of the first final plat or the issuance of the first building permit when a plat is not required for any property that includes a structure with dwelling units, and the remaining seventy-five percent (75%) shall be paid per permit in the pro-rated amount of Three Thousand Two Hundred Twenty-Eight and 00/100 (\$3,228.00) until such time the total obligation has been satisfied.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve COF Contract No. 2024-0188.

**PARKLAND IMPACT FEE AND CONSTRUCTION AGREEMENT
FOR PRIVATE/PUBLIC FOR ARMISTEAD PUD
BETWEEN THE CITY OF FRANKLIN AND SHORT PROPERTIES,
GP
CONTRACT NO. 2024-0188**

This PARKLAND IMPACT FEE AND CONSTRUCTION AGREEMENT (“Agreement”), made and entered into this ____ day of _____ 20__ by and between THE CITY OF FRANKLIN, TENNESSEE (“City”) and Short Properties, GP, developer of that certain land known as 1740 Hwy 96W in Williamson County, Tennessee, as more particularly described in Exhibit A attached hereto (“Owner”) pursuant to Title 25, Chapter 4 of the City of Franklin Municipal Code.

WITNESSETH:

WHEREAS, Owner is in the process of developing Williamson County Property Tax Assessor’s Map 064 Parcel 020.00 (“Development Project”), located in Parkland Quadrant 4 of the City, consisting of 837 dwelling units on the property known as Armistead; and

WHEREAS, Owner intends to develop or cause the development of appurtenances and parkland amenities (“Parkland Project”) consisting of playground structures, trails, pools, and demonstration gardens on approximately one hundred and ninety-two (192) acres, all as more particularly shown and described on Exhibit A; and

WHEREAS, Parkland Impact Fees and Parkland Dedication requirements are based on the mathematical formulas and allocations set forth in the City’s Parkland Dedication Ordinance: Ordinance 2016-25 and Franklin Municipal Code § 25-405 (“Ordinance”); and

WHEREAS, the Parkland Impact Fee as set forth in the Ordinance is Four Thousand Three Hundred Four and 00/100 Dollars (\$4,304.00) per dwelling unit; and

WHEREAS, the total Parkland Impact Fee for Owner is Three Million Six Hundred Two Thousand Four Hundred Forty-Eight And No/100 Dollars (\$3,602,448.00) ; and

WHEREAS, Owner shall pay twenty-five percent (25%) of the Total Parkland Impact Fee obligation at the recording of the first final plat or the issuance of the first building permit when a plat is not required for any property that includes a structure with dwelling units, and the remaining seventy-five percent (75%) shall be paid per permit in the pro-rated amount of Three Thousand Two Hundred Twenty-Eight and 00/100 (\$3,228.00) until such time the total obligation has been satisfied. If the total amount of dwelling units is equal to twelve (12) units or less, the total Parkland Impact Fees shall be paid up front; and

WHEREAS, Owner has requested to offset a portion of the costs of construction of these improvements against any Parkland Impact Fees due from the Development Project. The estimated amount of such eligible costs, and the potential offset, was determined by the Parks Department Director, or designee, on June 11, 2024, to be Two Million Seven Hundred One Thousand Eight Hundred Thirty-Six And No/100 Dollars (\$2,701,836.00); and

WHEREAS, Owner has agreed to construct the Public Parkland Project as illustrated on Exhibits A and B and described in detail below for the future enjoyment of the public free of charge, subject to the terms and conditions set forth herein; and

WHEREAS, the Parkland Project as illustrated in Exhibits A and B shall undergo further design and development which may change the size and location of the amenities as currently shown. However, the Projects shall not be altered in any way that modifies the nature and type of use as contemplated in this Agreement as of the date hereof, without the express prior written consent of the City (which shall not be unreasonably withheld, conditioned, or delayed).

NOW, THEREFORE, in consideration of the terms, conditions, and mutual agreements by and between the parties as hereinafter set forth in detail, the parties do hereby mutually agree as follows:

I. AGREEMENT FOR PARKLAND CONSTRUCTION AND DEDICATION

1. The foregoing recitals are incorporated into this Agreement and made a part thereof.
2. Owner agrees to and has attached all pertinent exhibits to this contract prior to the first submittal of this Agreement to the City for review. Owner further understands that failure to provide all pertinent exhibits prior to the first submittal of this Agreement for review will result in a delay in the agreement approval process.
3. Owner agrees to provide the City of Franklin with a Certificate of Liability Insurance evidencing General Liability insurance at One Million and 00/100 Dollars (\$1,000,000.00) per occurrence and Two Million and 00/100 Dollars (\$2,000,000.00) aggregate limits that shall reflect the City of Franklin as Certificate Holder. Owner shall provide this Certificate of Liability Insurance prior to the signing of this agreement and shall provide an updated Certificate of Liability Insurance as General Liability insurance renews or changes throughout the term of this Agreement.
4. The total estimated cost of land and/or easement dedication, design, and the cost of labor, equipment, supplies, and materials used to construct the Project is Three Million Six Hundred Two Thousand Four Hundred Forty-Eight And No/100 Dollars (\$3,602,448.00), as more particularly described in Exhibit C, and the estimated total offset to Owner is Two Million Seven Hundred One Thousand Eight Hundred Thirty-Six And No/100 Dollars (\$2,701,836.00) upon submittal and approval of supporting documentation. Costs for the Public Project Amenities, including land value as determined by the predetermined land value in the Ordinance, shall be valued at One Hundred Percent (100%) of the total costs, and costs for the Private Project shall be valued at Fifty Percent (50%) of the total costs. The following costs are specifically excluded and not eligible for an offset: fiscal cost, including interest on money borrowed to finance the construction, cost for utility relocations, and other improvements that benefit the development.
5. As provided in Title 25, Chapter 4 of the Franklin Municipal Code, the eligible offset does not exceed the total Parkland Impact Fees due for the Development Project.
6. Owner shall be responsible for the location and protection of all existing utilities in accordance with State and local laws while utilizing the right-of-way. There shall be no offsets or reimbursement for relocation or protecting public utilities.
7. All improvements, uses, and activities shall comply with the policies established by the City of Franklin Zoning Ordinance and Municipal Code and with the terms and conditions of this agreement.

8. Upon Completion, and prior to acceptance, of the Parkland Project improvements, Owner shall provide reasonable documentation for all such costs and provide notarized release of liens.
9. Naming Rights. The policy of the City is to reserve naming or renaming of City assets to those circumstances which tradition and practice have shown to best serve the interest of the City and assure a worthy and enduring legacy for the City.
10. Organized Events. If an event requires a Special Event Permit, Owner or the sponsoring entity must obtain the permit from the City prior to the event occurring on the Parkland Project area.
11. Final as-built plans shall be submitted immediately following completion of construction activities. If the project is developed in phases, as-built plans for each phase shall be submitted once the work is complete in that phase. Acceptance of Parkland dedication and construction projects will not be issued until satisfactory as-built plans have been approved by the Parks Department Director and the City Engineer. All aspects of the project that have been affected by construction shall be verified and appear on the as-built plans. This would include, but is not limited to the following items:
 - All property lines and easements
 - New and Existing structures (include restrooms, playground equipment, trail/multi-use paths, trail heads, pavilions, pools, etc.)
 - Location of all “as-built” work with station and offsets
 - Height and location of all fences, walls, screens, trees, and hedges over 42” tall
 - All commercial driveways, paved areas, and required parking spaces
 - All concealed components with station and offsets (include known buried cables, utilities, drainage structures, etc.)
 - All utilities
 - File formats shall be in a *.PDF along with either *.DWG, *.DXF, *.DGN, or AutoDADr14
 - Two paper sets

*Note: on all sheets referencing the Tennessee State Plane Coordination System, Zone 5301, Fipszone 4100; NAD 83 datum.

Concealed components will require documented proof to be submitted with the as-built plans in the form of a certified construction log that has been generated by the design engineer. As-built plans are required to be endorsed by a Tennessee registered professional engineer and or a registered land surveyor.
12. Barring force majeure or weather delays, Owner agrees, upon thirty (30) days written notice from the City, to remove, maintain, repair, or replace trees, landscaping, and trail damage as described herein that may require reasonable removal, maintenance, repair, or replacement. The City reserves the right to assess the health of trees and landscaping, and the condition of the Public Parkland Project and whether trees, landscaping, and Parkland Project improvements must be replaced and maintained. If no remedy is made within the specified time, the City reserves the right to remove all affected trees and landscaping and repair the area with notice to Owner and at the sole cost and expense of Owner. Owner shall submit payment for full cost and expense incurred by the City within forty-five (45) days of the date of the invoice.

13. In the case of emergency situations where an unplanned disturbance of the trees, landscaping, and/or the Parkland Project occurs due to natural disaster, The City will perform emergency infrastructure repairs or conduct a public safety/emergency response. The City will minimize the disturbance to the extent feasible and will act swiftly for the purposes of public health, safety, and welfare. The City will bring the site back to substantially similar condition as soon as practicable, subject to budgetary constraints, other priorities that serve the public health, safety, and welfare, seasonal limitations for replacement or planting, and weather delays.
14. The Agreement shall be effective as of the date of execution by both parties and shall terminate only as provided within this Agreement.
15. This Agreement is non-transferable to the successors or assigns of Owner unless the successor assumes the same obligations of Owner in writing. Any assignment, in whole or in part, shall be provided to the City within fifteen (15) days after the transfer of the Development Project and must be approved by the City's Board of Mayor and Aldermen.
16. Owner shall exercise the rights, privileges, and permission granted herein at Owner's own risk. Owner shall not claim any damages from the City for any injuries or damages, including death, due to the exercise of such rights, privileges, or permission or the condition or use of the non-exclusive, all-access public easement. Owner shall indemnify and hold harmless the City, its Mayor, Aldermen, officers, employees, officials, and agents, from and against all claims, actual damages, actual losses, and actual out-of-pocket expenses, including reasonable attorney's fees for outside counsel and costs, arising out of, resulting from, or in any way connected with the failure of Owner to comply with any of the provisions herein or with the City's direction to remove and/or maintain any trees, landscaping, or portions of the Parkland Project depicted in Exhibits A and B. The City shall not be liable to Owner should Owner's use of the property be hindered or disturbed. The City will not be liable to Owner for any reason not specifically stated herein.
17. The City and Owner agree that the terms and conditions contained herein shall be binding on and shall inure to their heirs, representatives, successors, and assigns and that there are no understandings or agreements between them except as contained in this instrument.
18. Applicable Law/Choice of Forum and Venue. This Agreement is made under and will be construed in accordance with the laws of the State of Tennessee without giving effect to that state's choice of law rules. The parties' choice for forum and venue shall be exclusively in the courts of Williamson County, Tennessee.
19. Notices. All notices required to be given by any party shall be in writing, addressed to all other parties, and delivered by certified mail or in person to:

In the case of the City:

City of Franklin
Attn: Mark Hilty, ACA
109 Third Ave. South
P.O. Box 305
Franklin, TN 37065-0305

In the case of Owner:

SHORT PROPERTIES, GP
1740 NEW HWY 96W
FRANKLIN, TN 37064

20. This agreement shall be recorded with the Williamson County Register of Deeds with a copy maintained in the City Recorder's office in City Hall, 109 Third Avenue South, Franklin, TN 37064. Upon completion of this agreement, the City agrees to cover the costs and responsibility associated with recording this Agreement.
21. Entire Agreement. This Agreement constitutes the entire agreement between the parties. There are no other agreements or understandings, written or oral, in effect between the parties, relating to the subject matter hereof. This Agreement may be amended or modified only by an instrument of equal formality signed by the respective parties.

Personal Liability. No member, Mayor, Alderman, official, or employee of the City shall be personally liable to Owner or any successor in interest, in the event of any default or breach by the City, or for any amount which may become due to Owner or successor or on any obligations hereunder.
22. Warranties /Limitation of Liability/Waiver. The City reserves all rights afforded to local governments under law for all general and implied warranties. The City does not waive any rights it may have to all remedies provided by law and therefore any attempt by Owner to limit its liability shall be void and unenforceable. The City, being a Tennessee governmental entity, is governed by the provisions of the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 et. seq., for causes of action sounding in tort. Further, no contract provision requiring a Tennessee political entity to indemnify or hold harmless the Contractor beyond the liability imposed by law is enforceable because it appropriates public money and nullifies governmental immunity without the authorization of the General Assembly.
23. Severability. If any term or provision of this Agreement is held to be illegal or unenforceable, the validity or enforceability of the remainder of this Agreement will not be affected.

IN WITNESS WHEREOF the said parties have hereunto set their signatures, on this day and date first above written.

CITY OF FRANKLIN, TENNESSEE

Attest:

By: _____
Dr. Ken Moore, Mayor

By: _____
Angie Skarp, City Recorder

Date: _____

Date: _____

STATE OF TENNESSEE)
)
COUNTY OF WILLIAMSON)

Before me, _____, a Notary Public of said State and County, personally appeared, Dr. Ken Moore and Angie Skarp, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and where, upon oath, Dr. Ken Moore acknowledged himself to be Mayor and Angie Skarp acknowledged herself to be City Recorder of the City of Franklin, Tennessee, and that as such, being authorized to do so, have executed the foregoing instrument for the purposes therein contained.

Witness my hand and seal, at office, this _____ day of _____, 20__.

NOTARY PUBLIC

My Commission Expires: _____

Approved as to form:

By: _____
J. Blake Harper
Staff Attorney

Owner

By: MARY ANNE WARREN
Name: Mary Anne Warren
Title: General Partner

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF Tennessee)
COUNTY OF Williamson)

On September 18, 2024, before me, Autumn McNeil,
Notary Public, personally appeared Mary Anne Warren who proved to me on the
basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Tennessee
that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Autumn McNeil
NOTARY PUBLIC

My Commission Expires: 02/16/2027



Armistead Parkland Amenity Diagram



Legend

- 2. Multifamily Pool (Private)
- 3. Pedestrian Bridge (Public)
- 4. Playground Area (Public)

- 6. Perimeter Trail (Public)
- 7. Demonstration Gardens

Armistead Parkland Dedicaton Diagram



Legend

- 1. Non-Floodplain Dedication (8.54 ac)
- 2. Floodplain Dedication (3.46ac)

Armistead Parkland Offset Calculations							
Total Parkland Cost		\$ 3,602,448			Maximum Eligible Offset		\$ 2,701,836
Public Park Construction Costs							
Item (number corresponds to diagram)	unit type	units	Cost per unit	total	Public (y/n)		total reimbursable
6. Perimeter Trail (grading, base, cover, landscape)	sf	63,200	\$5	\$316,000	y		316,000
3. Pedestrian Bridge (Grading, structural, finishes, lighting)	sf	2600	\$150	\$390,000	y		390,000
7. Demonstration Gardens (Grading, beds, irrigation, shade structure, fencing, security)	ea	1	\$225,000	\$225,000	y		225,000
4. Playground Structures (grading, base layer, structures, lighting, landscaping)	ea	2	\$75,000	\$150,000	y		150,000
4. Farm Park (grading, utilities, base layer, structures, lighting, landscaping)	ea	1	\$250,000	\$250,000	y		250,000
Design Fees (civil and structural engineering, landscape, architecture)	ea	1	\$150,000	\$150,000	y		150,000
Contingency	%	1	20%	\$296,200	y		296,200
Total Public Area Eligible Reimbursement							\$ 1,777,200
\$1,777,200					% of offset	66%	
Land Contribution							
1. Total Area (outside Floodplain)	Acres	8.54	\$62,121	\$530,513	y	100%	530,513
2. Total Area (inside Floodplain or stream buffer)	Acres	3.46	\$45,757	\$158,319	y	100%	158,319
Total Land Contribution Offset							\$ 688,833
					% of offset	25%	
Private Park Construction Costs							
Item	unit type	units	Cost per unit	total	Public (y/n)	multiplier	total reimbursable
2. Multifamily Pool Area (Grading, pool, hardscape, shade stucture(s), restrooms, furnishings, landscape, lighting, fencing)	ls	1	\$650,000	\$650,000	n	100%	650,000
Design Fees (civil and structural engineering, landscape, architecture)	ea	1	\$100,000	\$50,000	n	100%	50,000
Contingency	%	1	20%	\$140,000	n	100%	140,000
Total Private Area Cost							840,000
Total Private Area Eligible Reimbursement							\$ 235,803
Total Parkland Cost		Sum of eligible Private and Public costs, plus Land Value					3,306,033
Maximum Eligible Offset		837.00	\$4,304	\$3,602,448		75%	\$ 2,701,836



File #: 21-0648

DATE: September 25, 2024
TO: Board of Mayor and Aldermen
FROM: Emily Wright, Director of Planning and Sustainability
Amy Diaz-Barriga, Asst Director of Planning Development
Joseph Bryan, Principal Planner

SUBJECT:

Consideration Of Resolution 2024-81, A Resolution Amending The Haven At Cool Springs PUD Subdivision To Extend The Vested Rights, For The Property Located North Of Cool Springs Boulevard And East Of Mack Hatcher Parkway, Located At 151 Cool Springs Boulevard. Establishing A Public Hearing On November 12, 2024
FMPC 9/26/24, 8-0

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Municipal Planning Commission (FMPC) and Board of Mayor and Aldermen (BOMA) concerning a vesting extension request for the Haven At Cool Springs PUD Subdivision.

BACKGROUND/STAFF COMMENTS:

VESTED PROPERTY RIGHTS INFORMATION

State Law establishes vested property rights. It states that a vested property right is established with the approval of an entitling document (in this case a Development Plan), and during a defined vesting period, the locally adopted development standards which are in effect on the date of approval shall remain the development standards applicable to that property during the vesting period.

The law describes the vesting period as beginning with a three-year time frame during which an applicant must secure final approval of the plan (in this case a site plan), secure any necessary permits, and begin site preparation. Should the project meet these three requirements, the vesting period is extended for an additional two years. Within these two years, an applicant must begin construction and maintain any necessary permits. If a project gets to this point, and begins construction on at least one building, the vesting period is extended for a total of 10 years for single-phase projects or 15 years for multiphase projects. This 10-15 year time period is measured from the original approval date of the entitling document, which in this case is the date the BOMA approved the Development Plan.

THE REQUEST

The request is to extend the vesting period for two years, December 14, 2024 until December 14, 2026, to allow the applicant to secure any necessary permits and commence site preparation.

APPROVAL HISTORY AND PROJECT DESCRIPTION

The development plan for the Haven at Cool Springs PUD was approved by BOMA on December 14, 2021. The plan includes 39.44 DUA and 8,595 square feet of nonresidential space for a site that is composed of 7.53 acres. Staff recommended approval, with conditions, of the overall Development Plan. BOMA approved the Development Plan by a vote of 8-0.

CURRENT STATUS

This plan is within the first three-year period and is vested until December 14, 2024. The applicant has an approved site plan for the property, but it has not yet pulled any permits for the site.

VESTING IMPACTS

If the vesting period is not extended, the project entitlements would cease to exist, stop work orders would be issued, if applicable. A new development would need to be approved and would be reviewed against the current local development standards.

In reviewing the plan against the current City regulations, the current plan generally complies with today's Zoning Ordinance. The differences in today's Zoning Ordinance versus their vested Ordinance (12/8/2020) are minor, and could be incorporated into the design without major changes to the plan. A new parkland agreement would need to be approved for any new plan. Additionally, this specific property has a shared responsibility with those at 201 and 101 Cool Springs Boulevard for constructing the fourth leg of the Windcross Court and Cool Springs Boulevard intersection, as well as providing cross-connection between these two parcels. These improvements and cross-connections would need to be shown in any new plan for this property. For water capacity, the SFUE is shown as 223 SFUE. As it stands today, the capacity is accounted for in the studies that have been completed.

The development plan does not comply with today's Envision Franklin, adopted in May 2024. Today's Envision Franklin still places this property in Regional Commerce, but limits the height on this stretch of Cool Springs Boulevard to only four stories, as per Appendix E, Interstate Corridor Building Heights. The current plan is approved for 6 stories. In comparison, the approved project to the east, at 201 Cool Springs Boulevard, has a maximum height of four stories (70 feet). While the building height of 6 stories complies with today's Zoning Ordinance, staff is preparing a Zoning Ordinance and Map amendment to rezone properties in this area that are currently zoned RC-6 to a newly proposed RC-4 zoning district, as directed by the FMPC and BOMA at a recent Joint Conceptual Workshop. While this change does not directly affect this property as it is zoned PD, it does affect nearby properties.

FINANCIAL IMPACT:

Unknown.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Resolution 2024-81 if it is determined that it is in the best interest of the community.

Franklin Municipal Planning Commission recommends approval of Resolution 2024-81 by a vote of 8-0.

RESOLUTION 2024-81

A RESOLUTION AMENDING THE HAVEN AT COOL SPRINGS PUD SUBDIVISION TO EXTEND THE VESTED RIGHTS, FOR THE PROPERTY LOCATED NORTH OF COOL SPRINGS BOULEVARD AND EAST OF MACK HATCHER PARKWAY, LOCATED AT 151 COOL SPRINGS BOULEVARD

WHEREAS, the Board of Mayor and Aldermen (BOMA) of the City of Franklin, Tennessee, has approved the zoning for the property as part of Ordinance 2021-46; and

WHEREAS, BOMA has approved the Planned Unit Development for the property as part of Resolution 2021-154; and

WHEREAS, in accordance with the provisions of the City of Franklin, Tennessee, Zoning Ordinance, and as required by *Tennessee Code Annotated* (T.C.A.) § 13-4-310, as amended, the approval of the Development Plan by the BOMA initiates a vesting period during which the development standards adopted by the City and in effect on the date of approval; and

WHEREAS, T.C.A. § 13-4-310 (d) (1) states that the vesting period applicable to a development plan shall be a period of three (3) years, beginning on the date of the local government's approval of the preliminary development plan; provided, that the applicant obtains local government secures any necessary permits and commences site preparation within the vesting period; and

WHEREAS, the Haven at Cool Springs PUD vesting period began on December 14, 2021 and is set to expire on December 14, 2024, and the applicant has not yet secured site permits nor began site preparation; and

WHEREAS, T.C.A. § 13-4-310 (h) states that an amendment to an approved development plan by the developer must be approved by the local government to retain the protections of the vested property right, and a vested property right shall not terminate if the local government determines, in writing, that it is in the best interest of the community to allow the development to proceed under the amended plan without terminating the vested property right;

WHEREAS, the *Franklin Zoning Ordinance* § 2.4.2 (16) states that upon the expiration of a vesting period for a Development Plan, construction may not proceed unless a new Development Plan is approved by the BOMA that meets all development standards in effect at the time of approval for portions of the project not already constructed or under construction or, alternatively, the BOMA may grant an extension of the vesting period if it determines, in writing, that it is in the best interest of the community to allow the development to proceed without terminating the vested property right; and

WHEREAS, the applicant has requested an extension of the vesting period for two years, until December 14, 2026.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, TENNESSEE, AS FOLLOWS:

SECTION I. That the legal description of the property included in the Development Plan is as follows:

PREMISES CONSIDERED

Map-Parcel	Acres
62-45.05	7.53
Total	7.53

SECTION II. That the attached Location Map and Survey shall serve the purpose of further delineating the geographical boundaries as described by this Resolution.

SECTION III. That the overall entitlements for the Haven at Cool Springs PUD Subdivision, as outlined below and through Exhibit A, are as follows:

Entitlements	Haven at Cool Springs PUD
Base Zone District	PD 39.44/8,595
Other Zoning Overlays	FFO, FWO
Number of Dwelling Units	297
Number of Nonresidential Square Footage	8,595
Number of Hotel Rooms	n/a
Open Space Requirements	15%
Number of Phases in Development	1

SECTION IV. That the original vesting period was initiated on December 14, 2021 and was set to expire on December 14, 2024. The amended development plan will now have until December 14, 2026 to secure permits and begin site preparation. If these requirements are met, then the vesting period shall be extended an additional two (2) years to commence construction and maintain any necessary permits to remain vested.

SECTION V. That the total vesting period of ten years shall not be extended. If construction commences during this extended vesting period, the development standards applicable during the vesting period shall remain in effect until the local government has certified final completion of the development or project; provided, the total vesting period for the project shall not exceed 10 years from the date of the original approval of the preliminary development plan December 14, 2021 and shall remain at December 14, 2031.

SECTION VI. That the Development Plan, the exhibits accompanying the Development Plan, and all conditions and restrictions placed upon the originally Development Plan by the Franklin Municipal Planning Commission and this Board shall be made a part of this Resolution as though copied verbatim herein, and that a permanent record of the Development Plan, the exhibits accompanying the Development Plan, and all such conditions and restrictions shall be kept in the Franklin Planning and Sustainability Department.

SECTION VIII. BE IT FINALLY ORDAINED by the Board of Mayor and Aldermen of the City of Franklin, Tennessee, that this Resolution shall take effect from and after its passage on final reading, the health, safety, and welfare of the citizens requiring it.

IT IS SO RESOLVED AND DONE on this ____ day of _____, 2024.

ATTEST:

CITY OF FRANKLIN, TENNESSEE:

By: _____
Angie Skarp
City Recorder

By: _____
Dr. Ken Moore
Mayor

Approved as to form by:

Shauna R. Billingsley
City Attorney

PLANNING COMMISSION RECOMMENDED:

PUBLIC HEARING HELD:

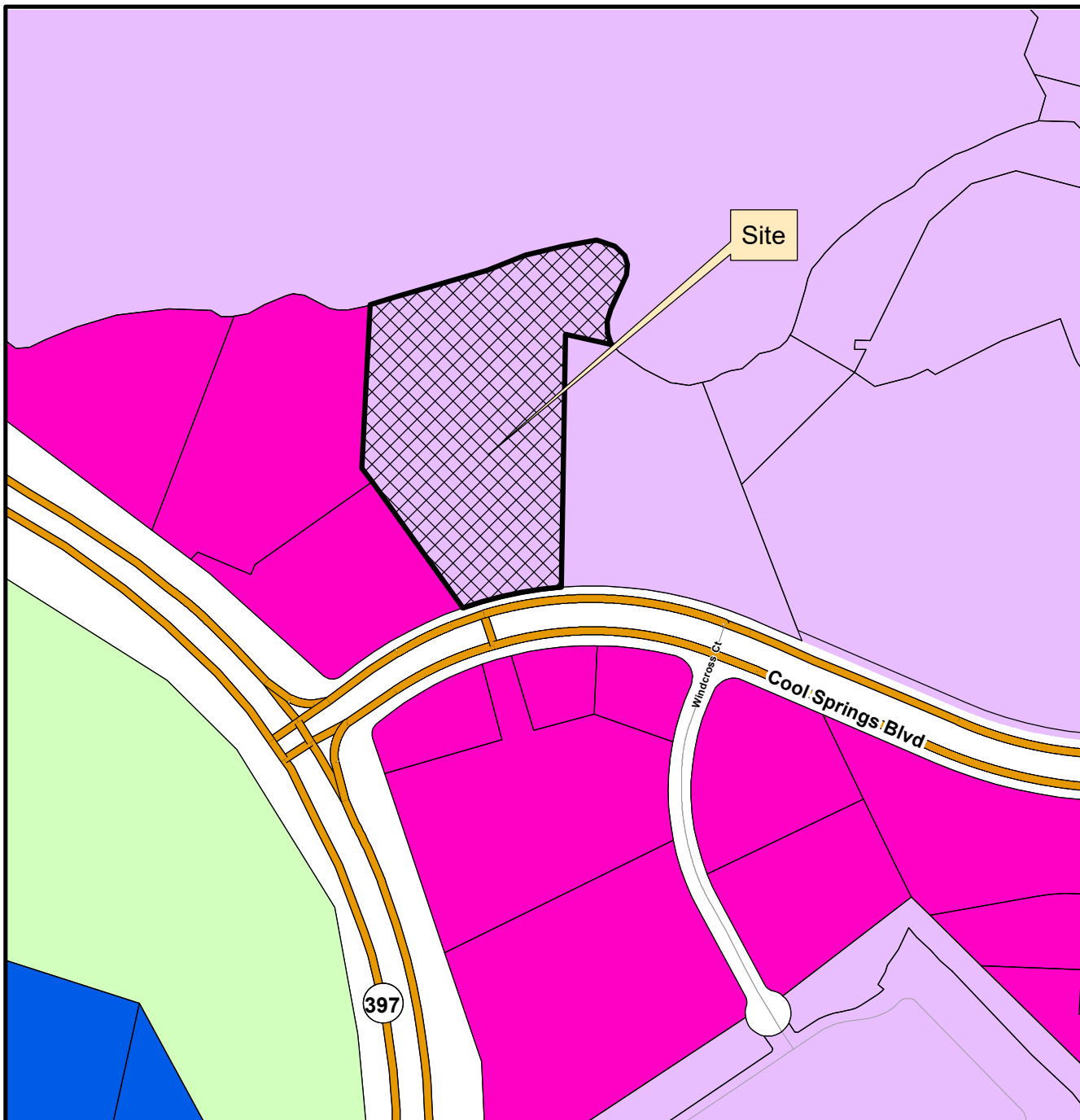
HAVEN AT COOL SPRINGS PUD SUBDIVISION VESTING EXTENSION RESOLUTION 2024-81

Project Information

Existing Zoning: PD 39.44/8,595
Overlay Districts: FFO, FWO
Total Dwelling Units: 297
Total Nonresidential: 8,595 SF
Site Acreage: 7.53 acres

Legend

-  Haven at Cool Springs PUD
-  AG Agricultural District
-  ER Estate Residential District
-  R1 Residential 1 District
-  R2 Residential 2 District
-  R3 Residential 3 District
-  R4 Residential 4 District
-  R6 Residential 6 District
-  MR Mixed Residential District
-  PD Planned District
-  OR Office Residential District
-  CI Civic Institutional District
-  NC Neighborhood Commercial
-  CC Central Commercial District
-  DD Downtown District
-  1ST Avenue District
-  5TH Avenue District
-  RC6 Regional Commerce 6 District
-  RC12 Regional Commerce 12 District
-  GO General Office District
-  LI Light Industrial District
-  HI Heavy Industrial District



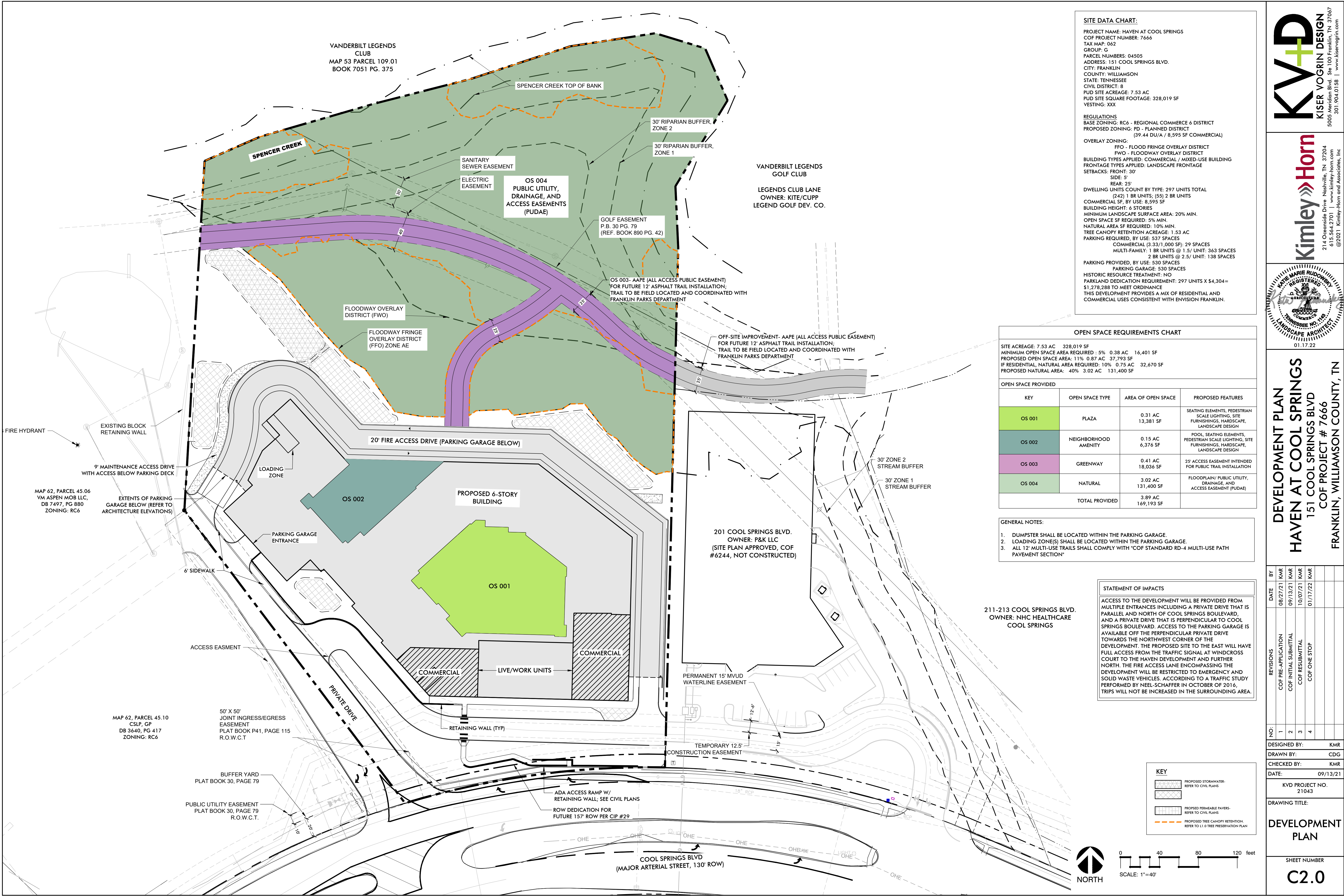
This map was created by the Franklin Planning Department.
It was compiled from the most authentic information available.
The City is not responsible for any errors or omissions contained hereon.
All data and materials (c) copyright 2023. All rights reserved.



0 250 500 1,000
Feet



HISTORIC
FRANKLIN
TENNESSEE



SITE DATA CHART:
PROJECT NAME: HAVEN AT COOL SPRINGS
COF PROJECT NUMBER: 7666
TAX MAP: 062
GROUP: G
PARCEL NUMBERS: 04505
ADDRESS: 151 COOL SPRINGS BLVD.
CITY: FRANKLIN
COUNTY: WILLIAMSON
STATE: TENNESSEE
CIVIL DISTRICT: 8
PUD SITE ACREAGE: 7.53 AC
PUD SITE SQUARE FOOTAGE: 328,019 SF
VESTING: XXX

REGULATIONS
BASE ZONING: RC6 - REGIONAL COMMERCE 6 DISTRICT
PROPOSED ZONING: PD - PLANNED DISTRICT
(39.44 DU/A / 8,595 SF COMMERCIAL)

OVERLAY ZONING:
FFO - FLOOD FRINGE OVERLAY DISTRICT
FWO - FLOODWAY OVERLAY DISTRICT

BUILDING TYPES APPLIED: COMMERCIAL / MIXED-USE BUILDING
FRONTAGE TYPES APPLIED: LANDSCAPE FRONTAGE
SETBACKS: FRONT: 30'
SIDE: 5'
REAR: 25'

DWELLING UNITS COUNT BY TYPE: 297 UNITS TOTAL
(242) 1 BR UNITS; (55) 2 BR UNITS
COMMERCIAL SF, BY USE: 8,595 SF
BUILDING HEIGHT: 6 STORIES
MINIMUM LANDSCAPE SURFACE AREA: 20% MIN.
OPEN SPACE SF REQUIRED: 5% MIN.
NATURAL AREA SF REQUIRED: 10% MIN.
TREE CANOPY RETENTION ACREAGE: 1.53 AC
PARKING REQUIRED, BY USE: 537 SPACES
COMMERCIAL (3.33/1,000 SF): 29 SPACES
MULTI-FAMILY: 1 BR UNITS @ 1.5/ UNIT: 363 SPACES
2 BR UNITS @ 2.5/ UNIT: 138 SPACES

PARKING PROVIDED, BY USE: 530 SPACES
PARKING GARAGE: 530 SPACES
HISTORIC RESOURCE TREATMENT: NO
PARKLAND DEDICATION REQUIREMENT: 297 UNITS X \$4,304= \$1,278,288 TO MEET ORDINANCE
THIS DEVELOPMENT PROVIDES A MIX OF RESIDENTIAL AND COMMERCIAL USES CONSISTENT WITH ENVISION FRANKLIN.

OPEN SPACE REQUIREMENTS CHART
SITE ACREAGE: 7.53 AC 328,019 SF
MINIMUM OPEN SPACE AREA REQUIRED : 5% 0.38 AC 16,401 SF
PROPOSED OPEN SPACE AREA: 11% 0.87 AC 37,793 SF
IF RESIDENTIAL, NATURAL AREA REQUIRED: 10% 0.75 AC 32,670 SF
PROPOSED NATURAL AREA: 40% 3.02 AC 131,400 SF

KEY	OPEN SPACE TYPE	AREA OF OPEN SPACE	PROPOSED FEATURES
OS 001	PLAZA	0.31 AC 13,381 SF	SEATING ELEMENTS, PEDESTRIAN SCALE LIGHTING, SITE FURNISHINGS, HARDSCAPE, LANDSCAPE DESIGN
OS 002	NEIGHBORHOOD AMENITY	0.15 AC 6,376 SF	POOL, SEATING ELEMENTS, PEDESTRIAN SCALE LIGHTING, SITE FURNISHINGS, HARDSCAPE, LANDSCAPE DESIGN
OS 003	GREENWAY	0.41 AC 18,036 SF	25' ACCESS EASEMENT INTENDED FOR PUBLIC TRAIL INSTALLATION
OS 004	NATURAL	3.02 AC 131,400 SF	FLOODPLAIN/ PUBLIC UTILITY, DRAINAGE, AND ACCESS EASEMENT (PUDAE)
TOTAL PROVIDED		3.89 AC 169,193 SF	

GENERAL NOTES:
1. DUMPSTER SHALL BE LOCATED WITHIN THE PARKING GARAGE.
2. LOADING ZONE(S) SHALL BE LOCATED WITHIN THE PARKING GARAGE.
3. ALL 12' MULTI-USE TRAILS SHALL COMPLY WITH "COF STANDARD RD-4 MULTI-USE PATH PAVEMENT SECTION"

STATEMENT OF IMPACTS
ACCESS TO THE DEVELOPMENT WILL BE PROVIDED FROM MULTIPLE ENTRANCES INCLUDING A PRIVATE DRIVE THAT IS PARALLEL AND NORTH OF COOL SPRINGS BOULEVARD, AND A PRIVATE DRIVE THAT IS PERPENDICULAR TO COOL SPRINGS BOULEVARD. ACCESS TO THE PARKING GARAGE IS AVAILABLE OFF THE PERPENDICULAR PRIVATE DRIVE TOWARDS THE NORTHWEST CORNER OF THE DEVELOPMENT. THE PROPOSED SITE TO THE EAST WILL HAVE FULL ACCESS FROM THE TRAFFIC SIGNAL AT WINDCROSS COURT TO THE HAVEN DEVELOPMENT AND FURTHER NORTH. THE FIRE ACCESS LANE ENCOMPASSING THE DEVELOPMENT WILL BE RESTRICTED TO EMERGENCY AND SOLID WASTE VEHICLES. ACCORDING TO A TRAFFIC STUDY PERFORMED BY NEEL-SCHAFER IN OCTOBER OF 2016, TRIPS WILL NOT BE INCREASED IN THE SURROUNDING AREA.

KEY
[Pattern] PROPOSED STORMWATER- REFER TO CIVIL PLANS
[Pattern] PROPOSED PERMEABLE PAVERS- REFER TO CIVIL PLANS
[Pattern] PROPOSED TREE CANOPY RETENTION- REFER TO L.I.O TREE PRESERVATION PLAN

0 40 80 120 feet
SCALE: 1"=40'

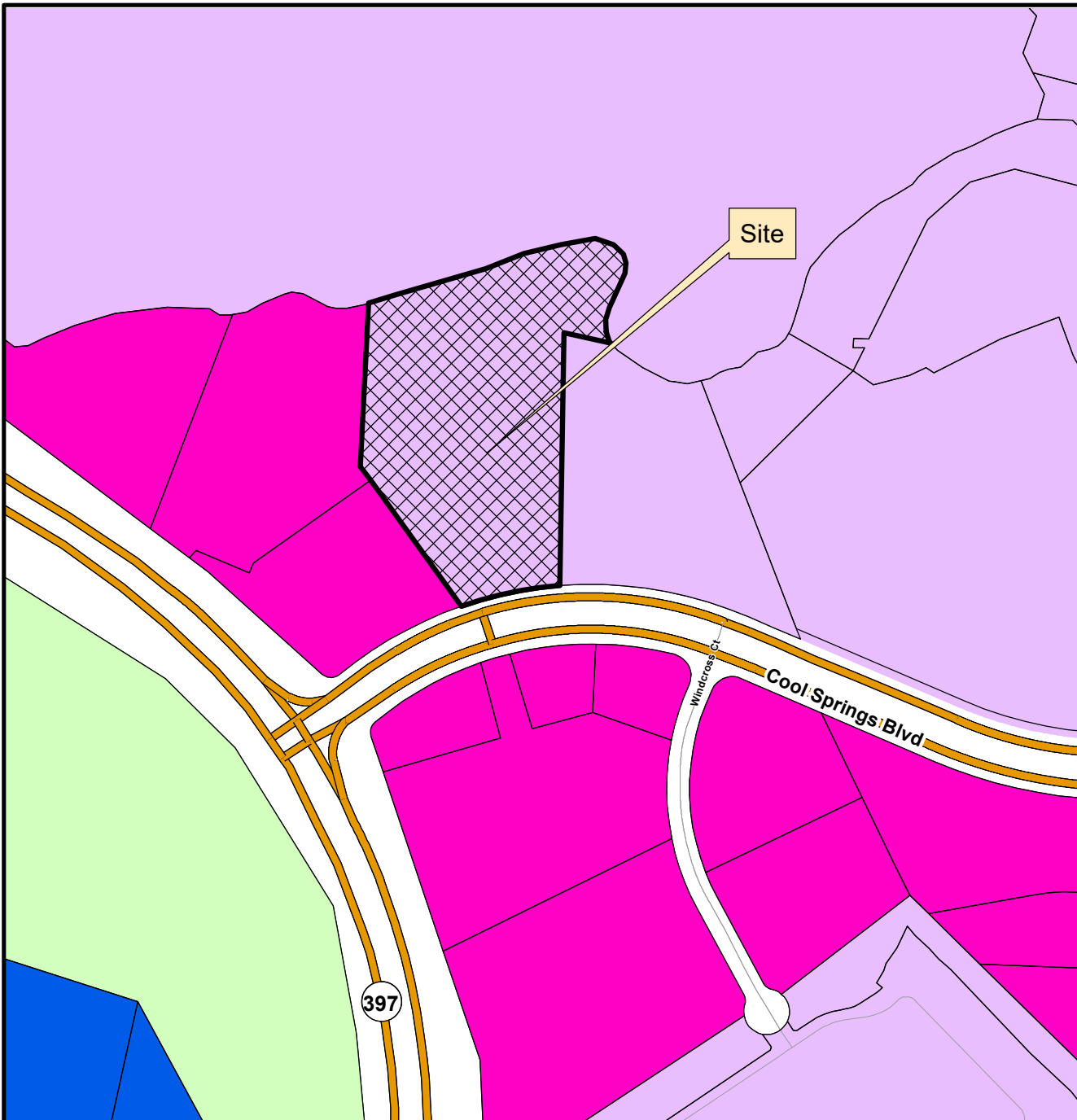
HAVEN AT COOL SPRINGS PUD SUBDIVISION VESTING EXTENSION RESOLUTION 2024-81

Project Information

Existing Zoning: PD 39.44/8,595
Overlay Districts: FFO, FWO
Total Dwelling Units: 297
Total Nonresidential: 8,595 SF
Site Acreage: 7.53 acres

Legend

-  Haven at Cool Springs PUD
-  AG Agricultural District
-  ER Estate Residential District
-  R1 Residential 1 District
-  R2 Residential 2 District
-  R3 Residential 3 District
-  R4 Residential 4 District
-  R6 Residential 6 District
-  MR Mixed Residential District
-  PD Planned District
-  OR Office Residential District
-  CI Civic Institutional District
-  NC Neighborhood Commercial
-  CC Central Commercial District
-  DD Downtown District
-  1ST Avenue District
-  5TH Avenue District
-  RC6 Regional Commerce 6 District
-  RC12 Regional Commerce 12 District
-  GO General Office District
-  LI Light Industrial District
-  HI Heavy Industrial District



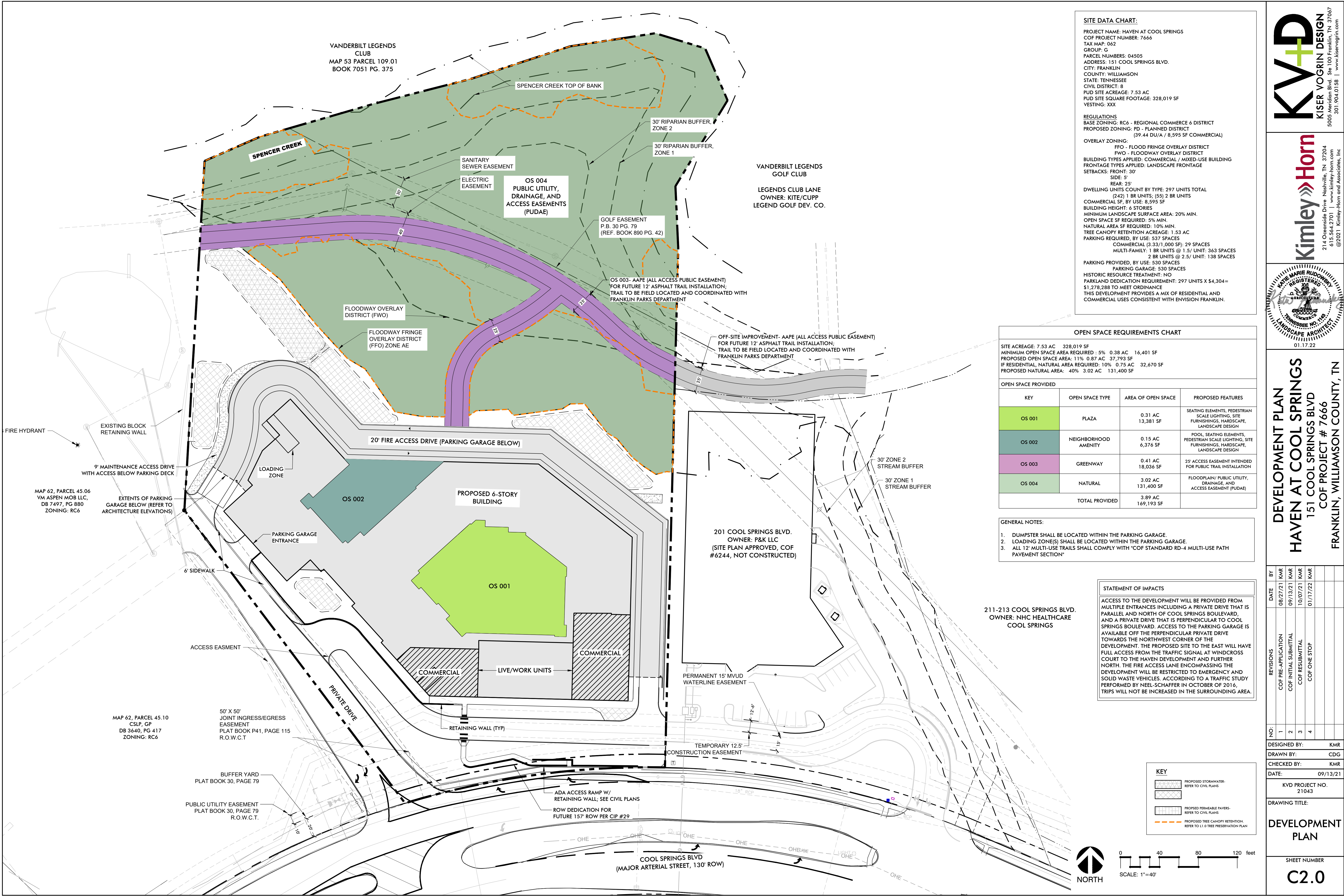
This map was created by the Franklin Planning Department.
It was compiled from the most authentic information available.
The City is not responsible for any errors or omissions contained hereon.
All data and materials (c) copyright 2023. All rights reserved.



0 250 500 1,000
Feet



HISTORIC
FRANKLIN
TENNESSEE



SITE DATA CHART:

PROJECT NAME: HAVEN AT COOL SPRINGS
COF PROJECT NUMBER: 7666
TAX MAP: 062
GROUP: G
PARCEL NUMBERS: 04505
ADDRESS: 151 COOL SPRINGS BLVD.
CITY: FRANKLIN
COUNTY: WILLIAMSON
STATE: TENNESSEE
CIVIL DISTRICT: 8
PUD SITE ACREAGE: 7.53 AC
PUD SITE SQUARE FOOTAGE: 328,019 SF
VESTING: XXX

REGULATIONS

BASE ZONING: RC6 - REGIONAL COMMERCE 6 DISTRICT
PROPOSED ZONING: PD - PLANNED DISTRICT
(39.44 DU/A / 8,595 SF COMMERCIAL)

OVERLAY ZONING:
FFO - FLOOD FRINGE OVERLAY DISTRICT
FWO - FLOODWAY OVERLAY DISTRICT

BUILDING TYPES APPLIED: COMMERCIAL / MIXED-USE BUILDING
FRONTAGE TYPES APPLIED: LANDSCAPE FRONTAGE
SETBACKS: FRONT: 30'
SIDE: 5'
REAR: 25'

DWELLING UNITS COUNT BY TYPE: 297 UNITS TOTAL
(242) 1 BR UNITS; (55) 2 BR UNITS
COMMERCIAL SF, BY USE: 8,595 SF
BUILDING HEIGHT: 6 STORIES
MINIMUM LANDSCAPE SURFACE AREA: 20% MIN.
OPEN SPACE SF REQUIRED: 5% MIN.
NATURAL AREA SF REQUIRED: 10% MIN.
TREE CANOPY RETENTION ACREAGE: 1.53 AC
PARKING REQUIRED, BY USE: 537 SPACES
COMMERCIAL (3.33/1,000 SF): 29 SPACES
MULTI-FAMILY: 1 BR UNITS @ 1.5/ UNIT: 363 SPACES
2 BR UNITS @ 2.5/ UNIT: 138 SPACES
PARKING PROVIDED, BY USE: 530 SPACES
PARKING GARAGE: 530 SPACES
HISTORIC RESOURCE TREATMENT: NO
PARKLAND DEDICATION REQUIREMENT: 297 UNITS X \$4,304= \$1,278,288 TO MEET ORDINANCE
THIS DEVELOPMENT PROVIDES A MIX OF RESIDENTIAL AND COMMERCIAL USES CONSISTENT WITH ENVISION FRANKLIN.

OPEN SPACE REQUIREMENTS CHART

SITE ACREAGE: 7.53 AC 328,019 SF
MINIMUM OPEN SPACE AREA REQUIRED : 5% 0.38 AC 16,401 SF
PROPOSED OPEN SPACE AREA: 11% 0.87 AC 37,793 SF
IF RESIDENTIAL, NATURAL AREA REQUIRED: 10% 0.75 AC 32,670 SF
PROPOSED NATURAL AREA: 40% 3.02 AC 131,400 SF

KEY	OPEN SPACE TYPE	AREA OF OPEN SPACE	PROPOSED FEATURES
OS 001	PLAZA	0.31 AC 13,381 SF	SEATING ELEMENTS, PEDESTRIAN SCALE LIGHTING, SITE FURNISHINGS, HARDSCAPE, LANDSCAPE DESIGN
OS 002	NEIGHBORHOOD AMENITY	0.15 AC 6,376 SF	POOL, SEATING ELEMENTS, PEDESTRIAN SCALE LIGHTING, SITE FURNISHINGS, HARDSCAPE, LANDSCAPE DESIGN
OS 003	GREENWAY	0.41 AC 18,036 SF	25' ACCESS EASEMENT INTENDED FOR PUBLIC TRAIL INSTALLATION
OS 004	NATURAL	3.02 AC 131,400 SF	FLOODPLAIN/ PUBLIC UTILITY, DRAINAGE, AND ACCESS EASEMENT (PUDAE)
TOTAL PROVIDED		3.89 AC 169,193 SF	

GENERAL NOTES:
1. DUMPSTER SHALL BE LOCATED WITHIN THE PARKING GARAGE.
2. LOADING ZONE(S) SHALL BE LOCATED WITHIN THE PARKING GARAGE.
3. ALL 12' MULTI-USE TRAILS SHALL COMPLY WITH "COF STANDARD RD-4 MULTI-USE PATH PAVEMENT SECTION"

STATEMENT OF IMPACTS

ACCESS TO THE DEVELOPMENT WILL BE PROVIDED FROM MULTIPLE ENTRANCES INCLUDING A PRIVATE DRIVE THAT IS PARALLEL AND NORTH OF COOL SPRINGS BOULEVARD, AND A PRIVATE DRIVE THAT IS PERPENDICULAR TO COOL SPRINGS BOULEVARD. ACCESS TO THE PARKING GARAGE IS AVAILABLE OFF THE PERPENDICULAR PRIVATE DRIVE TOWARDS THE NORTHWEST CORNER OF THE DEVELOPMENT. THE PROPOSED SITE TO THE EAST WILL HAVE FULL ACCESS FROM THE TRAFFIC SIGNAL AT WINDCROSS COURT TO THE HAVEN DEVELOPMENT AND FURTHER NORTH. THE FIRE ACCESS LANE ENCOMPASSING THE DEVELOPMENT WILL BE RESTRICTED TO EMERGENCY AND SOLID WASTE VEHICLES. ACCORDING TO A TRAFFIC STUDY PERFORMED BY NEEL-SCHAFER IN OCTOBER OF 2016, TRIPS WILL NOT BE INCREASED IN THE SURROUNDING AREA.

KEY

PROPOSED STORMWATER- REFER TO CIVIL PLANS

PROPOSED PERMEABLE PAVERS- REFER TO CIVIL PLANS

PROPOSED TREE CANOPY RETENTION- REFER TO L.I.O TREE PRESERVATION PLAN

KV+D

KISER VOGRIN DESIGN

5005 Meridian Blvd. Ste 100 Franklin, TN 37067
301.904.0158 | www.kiservogrin.com

Kimley»Horn

214 OceanSide Drive Nashville, TN 37204
615.564.2701 | www.kimley-horn.com
©2021 Kimley-Horn and Associates, Inc

REGISTERED PROFESSIONAL LANDSCAPE ARCHITECT
Tennessee No. 19
01.17.22

DEVELOPMENT PLAN

HAVEN AT COOL SPRINGS

151 COOL SPRINGS BLVD

COF PROJECT # 7666

FRANKLIN, WILLIAMSON COUNTY, TN

REVISIONS	BY	DATE
COF PRE-APPLICATION	KMR	08/27/21
COF INITIAL SUBMITTAL	KMR	09/13/21
COF RESUBMITTAL	KMR	10/07/21
COF ONE STOP	KMR	01/17/22

NO. 1 2 3 4

DESIGNED BY: KMR
DRAWN BY: CDG
CHECKED BY: KMR
DATE: 09/13/21

KVD PROJECT NO. 21043

DRAWING TITLE: DEVELOPMENT PLAN

SHEET NUMBER C2.0

This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kiser + Vogrin Design, LLC, shall be without liability to Kiser + Vogrin Design, LLC.

Page 31 of 196

HAVEN AT COOL SPRINGS, LLC
3200 Southwest Freeway, Suite 1870
Houston, TX 77027

July 22, 2024

City of Franklin
Planning and Sustainability Department
109 Third Avenue South
Franklin, TN 37064

RE: COF #7666, Haven at Cool Springs PUD Development Plan

To Whom It May Concern:

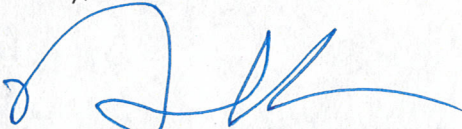
Please consider this our formal request to extend the vesting rights of the Haven at Cool Springs PUD Development Plan (COF #7666), which was initially approved by BOMA on December 13, 2021.

The approved plans are set to expire on December 13, 2024. We request that a 2 year extension be granted for this plan, such that the expiration date would be extended to December 13, 2026.

This request is due to unforeseen circumstances in the current market. The combination of record inflation and rise in interest rates has delayed our ability to close on the construction financing for the project. We are continuing to pursue the construction financing in earnest and are fully committed to breaking ground as soon as we successfully achieve financial close.

We appreciate your consideration of this vesting extension request and can be reached at the contact information below to address any further questions or concerns you may have.

Sincerely,



Richard Owen
Authorized Signatory, Haven at Cool Springs, LLC
E: rowen@ascendantdevco.com
P: 713.600.9390
3700 Southwest Freeway, Suite 1870
Houston, TX 77027



File #: 21-0432

DATE: August 19, 2024
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Emily Wright, Director of Planning and Sustainability
Amy Diaz-Barriga, Asst Director of Planning Development
Chelsea Randolph, Principal Planner

SUBJECT:

Consideration Of Resolution 2024-82, A Resolution Initiating The Annexation Process And Draft Plan Of Services, For The Possible Annexation Of 17.4 Acres, Located North Of Clovercroft Road And West Of John Williams Road, At 4038 And A Portion Of 4040 Clovercroft Road. Establishing A Public Hearing On November 12, 2024

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2024-82, A Resolution Initiating The Annexation Process And Draft Plan Of Services, For The Possible Annexation Of 17.4 Acres, Located North Of Clovercroft Road And West Of John Williams Road, At 4038 and a portion of 4040 Clovercroft Road. Establishing A Public Hearing On November 12, 2024.

PROJECT INFORMATION

Applicant: Rob Marrero, Marrero Building LLC
Owner: Robert Luddy, Thales Academy (4038 Clovercroft Road)
Jack Holloway, Franklin Christian Church

BACKGROUND/STAFF COMMENTS:

The property being considered is located north of Clovercroft Road and west of John Williams Road, at 4038 and 4040 Clovercroft Road. 4038 Clovercroft is currently vacant and owned by Thales Academy, while Franklin Christian Church is located at 4040 Clovercroft Road and is selling a portion of 4040 Clovercroft Road that the applicant is requesting as part of this annexation into the City. These properties are noncontiguous to the City limits and are within the City's Urban Growth Boundary (UGB). The properties are within the Mixed Residential Design Concept as defined by the Envision Franklin Land Use Plan. Envision Franklin states that the Mixed Residential Design Concept, "contains residential neighborhoods with a combination of single-family dwellings, big houses, duplexes, and townhouses. The defined character across this design concept may vary by neighborhood, but new development should transition from existing development patterns in adjacent neighborhoods."

It is the intention of the applicant to develop approximately 10 single-family residential homes using the land at 4038 Clovercroft Road and a portion of 4040 Clovercroft Road. These properties were brought forward for annexation initiation in December 2023, and the annexation initiation was not approved by the Board of Mayor and Aldermen. 4038 Clovercroft Road was granted sewer availability for 1 single family unit equivalents (SFUE) in 2020, contingent on a signed and recorded annexation agreement that is now expired. There is also an annexation agreement for the property located at 4040 Clovercroft Road. If the developer would like to include a portion of the church property into their development of 4038 Clovercroft, Staff recommends that the entire parcel, inclusive of the church, be annexed into the city, as CI (fitting of a church). Then, once annexed, the church shall subdivide under the City regulations. Once subdivided, the new lot could be consolidated into the proposed subdivision of 4038 Clovercroft through a PD. Annexing the entire 4040 Clovercroft property allows for a more cohesive review of the future proposed development at 4038 Clovercroft and the specified portion of 4040 Clovercroft, especially with regard to access points, traffic circulation, and utilities.

Should the BOMA not wish to proceed with annexing all of 4040 Clovercroft and wishes to only annex the specified portion, the area of land to be included in this annexation must be subdivided prior to annexation, to ensure that County standards for the remaining land (and associated site plan) can still be met.

A draft Plan of Services is included as an attachment. The Plan of Services outlines how the City will serve the properties requesting annexation and any additional infrastructure that would be required for new development. This property is in the Watson Branch Drainage Basin, which is almost entirely composed of city properties. This property is one of the few remaining to be annexed. As such, this drainage basin was not studied as part of the Annexation Capability Analysis. Staff generally recommends that properties in this area should be annexed, when requested by the property owner, to help complete existing voids in the City limit boundaries.

The properties lie within the Milcrofton Utility District and would need to follow their guidance on extending water infrastructure. Sanitary sewer could be extended across Clovercroft. These properties include future roadways listed on the Major Thoroughfare Plan, and annexing these properties would continue to complete an area of UGB that is surrounded by existing City limits.

FINANCIAL IMPACT:

Unknown.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Resolution 2024-82.

RESOLUTION 2024-82

RESOLUTION INITIATING THE ANNEXATION PROCESS AND REVIEW OF DRAFT PLAN OF SERVICES, FOR THE POSSIBLE ANNEXATION OF 17.4 ACRES, LOCATED NORTH OF CLOVERCROFT ROAD AND WEST OF JOHN WILLIAMS ROAD, AT 4038 CLOVERCROFT ROAD.

WHEREAS, Thales Academy ("Owner") of 4038 Clovercroft Road ("Property") petitioned the Board of Mayor and Aldermen ("BOMA") of the City of Franklin, Tennessee ("City"), to annex the Property not adjoining the City limits and located within the Franklin Urban Growth Boundary ("UGB"); and

WHEREAS, it is believed it is in the best interest of the City to further investigate the area petitioned to be annexed in order to consider the area for future development in accordance with City standards;

WHEREAS, this resolution shall not bind the City to later annex the Property and this resolution is not approving a plan of service; and

WHEREAS, *Tennessee Code Annotated* (T.C.A.) § 6-51-102, as amended, requires that a Plan of Services be adopted by a municipal governing body prior to the passage of an annexation resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, TENNESSEE, AS FOLLOWS:

SECTION I. That the Property to be further considered by the Franklin Municipal Planning Commission and the Board of Mayor and Alderman is located North of Clovercroft Road and West of John Williams Road, as described herein and as depicted on the Map attached hereto as Exhibit A:

Map-Parcel	Acres
79-05500	17.4
Total	17.4

SECTION II: That the attached Draft Plan of Services hereto as Exhibit B shall provide guidance to the Board of Mayor and Alderman on how the Property would be served by City resources but is not binding on final annexation.

SECTION III: That the Draft Plan of Services shall be studied by City staff and amended as needed during the study before final presentation to the Franklin Municipal Planning Commission and BOMA.

SECTION IV. **BE IT RESOLVED** by the Board of Mayor and Aldermen of the City of Franklin, Tennessee, that this Resolution shall take effect from and after its passage.

IT IS SO RESOLVED AND DONE on this ____ day of _____, 2024.

ATTEST:

CITY OF FRANKLIN, TENNESSEE:

By: _____
Angie Skarp
City Recorder

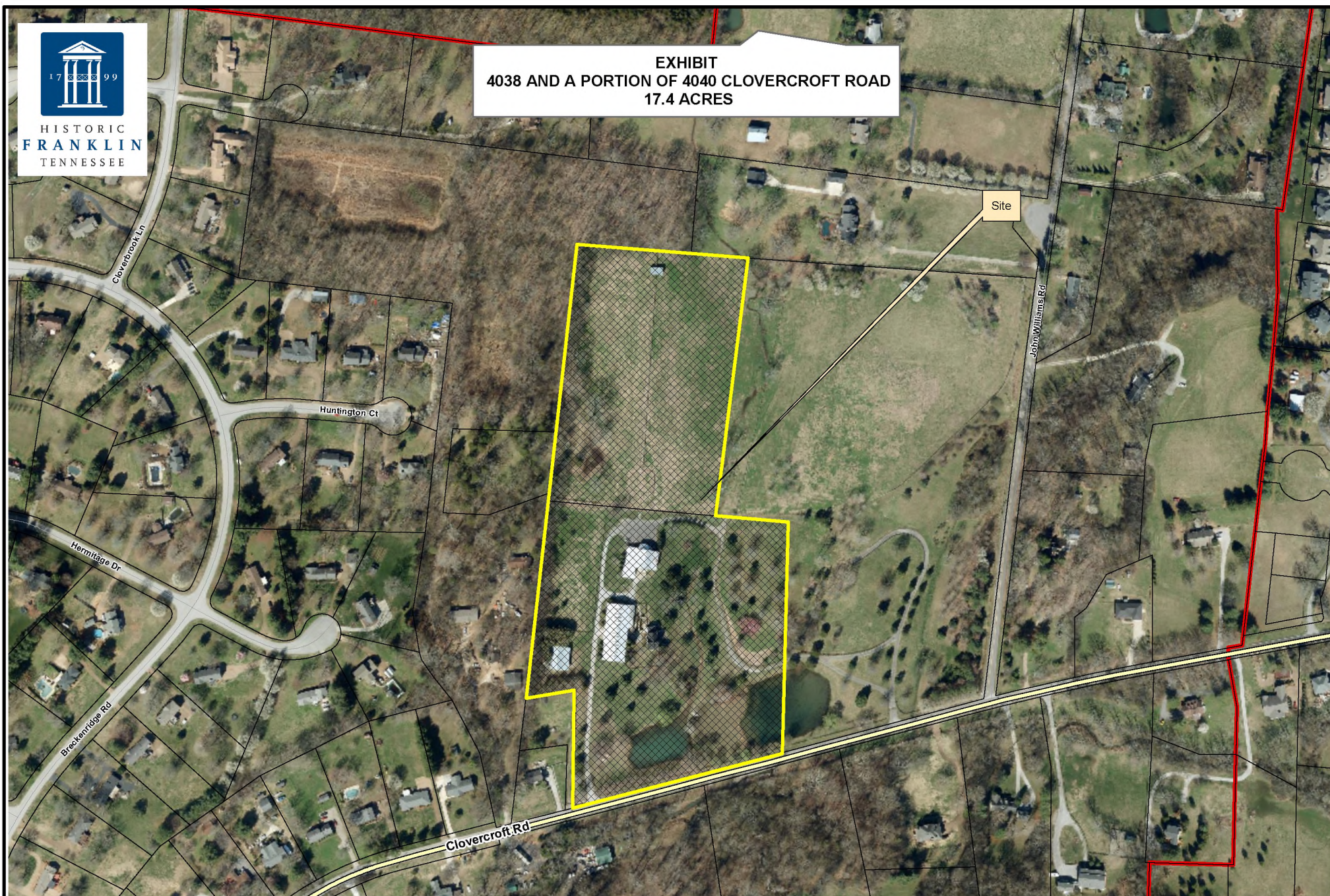
By: _____
Dr. Ken Moore
Mayor

Approved as to form by:

Shauna R. Billingsley
City Attorney

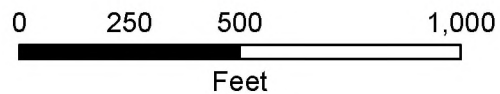


EXHIBIT
4038 AND A PORTION OF 4040 CLOVERCROFT ROAD
17.4 ACRES



Legend

-  4038 and a portion of 4040 Clovercroft Road
-  Limits



This map was created by the Franklin Planning Department.
It was compiled from the most authentic information available.
The City is not responsible for any errors or omissions contained hereon.
All data and materials (c) copyright 2024. All rights reserved.

DRAFT Plan of Services
Exhibit B

The Properties are located North of Clovercroft Road and West of John Williams Road, noncontiguous to the City limits, within the Urban Growth Boundary, and as described herein and as depicted on the Map attached hereto as Exhibit A:

Map-Parcel	Acres
79-05500	9.9
p/o 79-05505	7.50
Total	17.4

A. Water

1. The Properties are located within the Milcrofton service area.
2. Water availability shall be approved and provided through the Milcrofton Utility District prior to annexation.
3. The Owner shall be required to provide adequate fire flow and pressure to the Properties.

ISSUES TO CONSIDER:

- N/A

B. Reclaimed Water

1. According to the City of Franklin's Municipal Code, reclaimed water systems shall be extended to a development if the development is located within 1,000 feet of an existing reclaimed water line.
2. In the case of these Properties, an extension of approximately 2 miles would be required to serve the Properties. For this reason, reclaimed water will not be required to be extended to the Properties.

ISSUES TO CONSIDER:

- N/A

C. Wastewater

1. The Properties lie within the Watson Branch Basin as defined in the City of Franklin Sanitary Sewer Basin Study.
2. The proposed development of The Properties is anticipated to construct single family lots.
3. The Owner shall be required to extend the sanitary sewer main from across Clovercroft to the Properties to provide service to the Properties.
4. The Owner shall be required to submit engineering calculations to determine final sizing requirements.
5. The Owner shall be required to provide Engineering design, construction, easements, rights-of-way and the costs associated with the on-site sanitary sewer infrastructure required to serve the development of these Properties.
6. The Owner shall be responsible for the payment of fees per the policies and procedures outlined in Franklin Municipal Code.

ISSUES TO CONSIDER:

DRAFT Plan of Services Exhibit B

- *4038 Clovercroft Road was granted availability for 1 single family unit equivalents (SFUE) in 2020, contingent on a signed and recorded annexation agreement. Any additional sewer demand for the 4038 Clovercroft Road and 4040 Clovercroft Road properties would require an additional availability request.*

D. Stormwater

1. The Owner shall be responsible for the engineering, design and construction of the necessary stormwater infrastructure for the development of the Properties and shall comply with the requirements as outlined in the Franklin Municipal Code.
2. As the Properties develop, the City will charge prevailing stormwater user fees per policies and procedures as outlined in the Franklin Municipal Code.

ISSUES TO CONSIDER:

- *There are several jurisdictional features on the site that must be identified at the Development Plan stage.*

E. Streets

1. Emergency maintenance of streets will begin on the effective date of annexation.
2. Reconstruction and resurfacing of streets, routine maintenance, and installation of storm drainage will be accomplished under existing City policies.
3. Access to the Properties shall be provided from Clovercroft Road.
4. Unless waived by the Franklin Engineering Department, the Owner of the Properties shall be required to submit a traffic impact study prior to submitting a development plan for review and approval. The exact scope associated with this traffic impact study shall be determined prior to submittal of the development plan. Required street improvements shall be determined as part of the plan. The roadways constructed as part of this development shall comply with City Street Standards.

ISSUES TO CONSIDER:

- *These Properties includes future roadways listed on the Major Thoroughfare Plan. It includes Clovercroft Road.*
- *While the site currently has access to Clovercroft Road, a traffic study will determine connectivity requirements and additional access points. Access shall be reevaluated at the Development Plan Stage.*

F. Traffic Control

1. Traffic signals, traffic signs, street markings, and other traffic control devices shall be installed as the need is established by appropriate study and traffic standards. No needs have been identified for the area at this time.
2. New development after the effective date of annexation shall comply with City regulations governing traffic control devices and markings.

ISSUES TO CONSIDER:

- N/A

G. Street Lighting

1. No off-site street lighting is proposed at this time.
2. Street lighting within new developments shall be funded and installed by the Owner per City policy, which includes the installation of electric meters to allow for future ownership and

DRAFT Plan of Services Exhibit B

maintenance by the City or homeowners association. The installation and operation of street lights shall coincide with the phasing of development and issuance of Certificates of Occupancy.

ISSUES TO CONSIDER:

- N/A

H. Street Name Signs

1. No additional street name signs in the area have been deemed necessary.
2. New development shall install street name signs per City policy.

ISSUES TO CONSIDER:

- N/A

I. Fire Protection

1. Fire protection by the present personnel and equipment of the Franklin Fire Department will be provided on and after the effective date of annexation.
2. No additional manpower or equipment will be necessary to serve the annexation area at this time.

ISSUES TO CONSIDER:

- N/A

J. Planning and Zoning

1. The planning and zoning jurisdiction of the City will extend to the annexed area on and after the effective date of annexation.
2. The proposed development is set to follow the Mixed Residential design concept. The Mixed Residential design concept contains residential neighborhoods with a combination of single-family dwellings, big houses, duplexes, and townhouses. The defined character across this design concept may vary by neighborhood, but new development should transition from existing development patterns in adjacent neighborhoods.
3. Upon annexation, the Properties will be zoned by the Board of Mayor and Aldermen to a Zoning District and any applicable Overlay Zoning District(s), pursuant to the requirements of the Franklin Zoning Ordinance. If the Owner has requested the Planned District, they shall be required to submit a Development Plan, pursuant to the Franklin Zoning Ordinance.

ISSUES TO CONSIDER:

- *These Properties are in the Watson Branch Drainage Basin, which is almost entirely composed of City properties. This Properties are one of the few remaining to be annexed. As such, this drainage basin was not studied as part of the Annexation Capability Analysis. Staff generally recommends that properties in this area should be annexed, when requested by the Properties owner, to complete existing voids in the City limit boundaries.*
- *The Properties are located within the Urban Growth Boundary.*
- *Should the Properties be annexed, it would continue some odd city boundaries that would leave these Properties surrounded by a fragment of county land which is in turn surrounded by City limits.*
- *There is already an annexation agreement for the property located at 4040 Clovercroft Road. Staff recommends that the entire parcel, inclusive of the church, be annexed into the city, as CI (fitting of a church). Then, once annexed, the church shall subdivide under the City regulations. Once subdivided, the new lot could be consolidated into the proposed*

DRAFT Plan of Services Exhibit B

subdivision of 4038 Clovercroft through a PD. Annexing the entire 4040 Clovercroft property allows for a more cohesive review of the future proposed development at 4038 Clovercroft and the specified portion of 4040 Clovercroft, especially in regards to access points, traffic circulation, and utilities. Should the BOMA not wish to proceed with annexing all of 4040 Clovercroft and wishes to only annex the specified portion, the area of land to be included in this annexation must be subdivided prior to annexation, to ensure that County standards for the remaining land (and associated site plan) can still be met.

K. Parks and Recreation

1. The benefit and use of the recreational facilities and programs provided by the Parks Department will be available on and after the effective date of the annexation. Recreational facilities and programs will be provided with existing personnel, facilities and resources.
2. New development in the annexed area shall comply with the City of Franklin Parkland Impact Fees and Parkland Dedication Ordinance 2016-25. The Ordinance can be found at https://library.municode.com/tn/franklin/codes/code_of_ordinances
3. The Parks Master Plan is due to be updated to include amendments that have been added over the past few years. As the plan is updated, the Parks Department will look at the outer boundaries of the UGB for potential areas to build new City parks. Neighborhood parks and trails will be a part of future planning, as well.

ISSUES TO CONSIDER:

- N/A

L. Police Protection

1. Police patrol and response to calls by the Franklin Police Department will be provided on and after the effective date of annexation.
2. Police services will be provided with existing personnel and equipment.

ISSUES TO CONSIDER:

- N/A

M. Building and Code Inspection Services

1. Building and code inspection services will begin in the annexed area on and after the effective date of the annexation.
2. New development in the annexed area shall comply with adopted City Building Codes, pay the applicable fees, and obtain the required permits for inspection services.

ISSUES TO CONSIDER:

- N/A

N. Garbage and Recycling Pickup and Environmental

1. The Sanitation and Environmental Services Department will begin providing services in the annexed area on and after the effective date of the annexation in accordance with adopted City requirements.
2. No additional manpower or equipment will be necessary to serve the annexation area at this time.

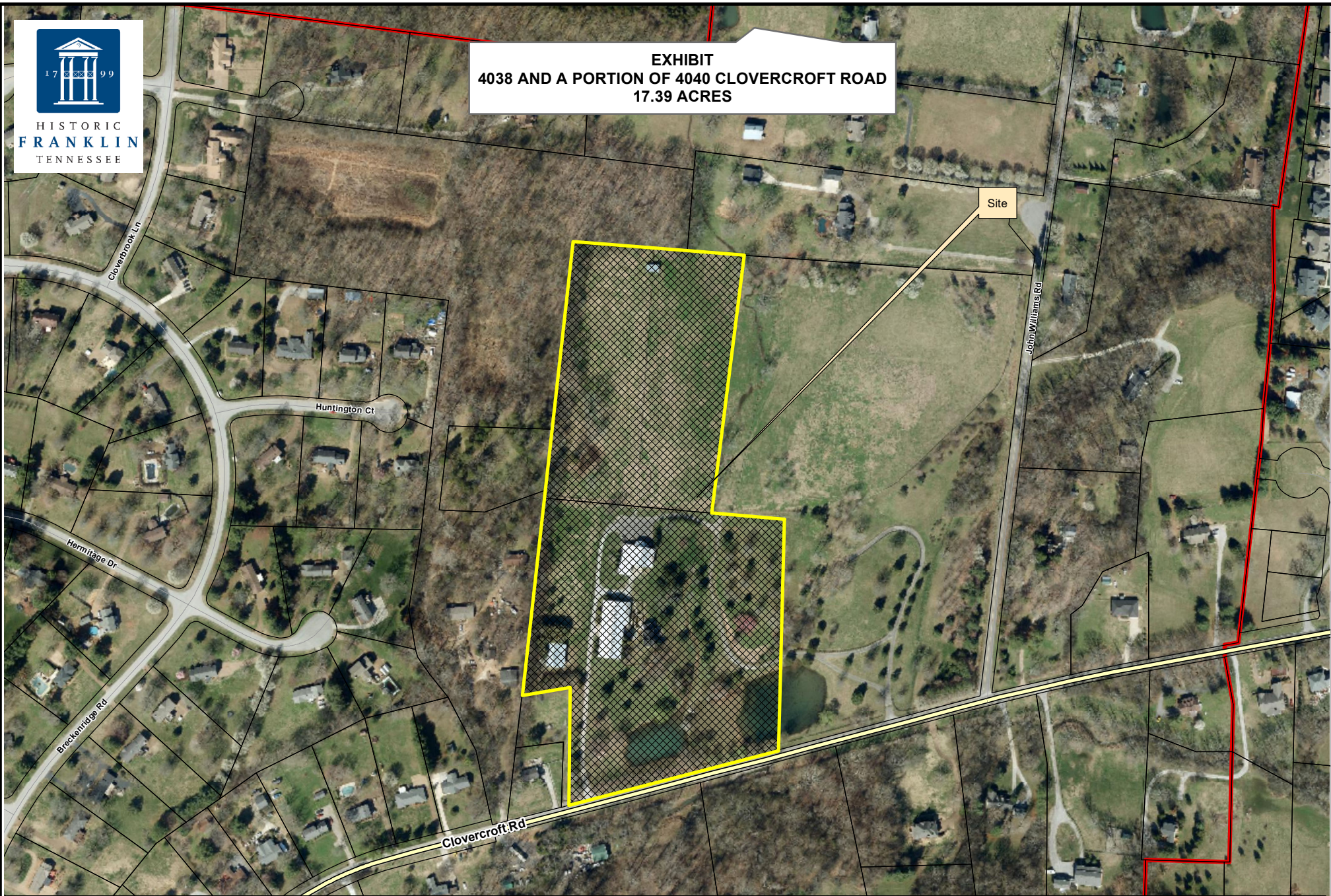
ISSUES TO CONSIDER:

- Service will be provided once the owner has established an account with the City, if applicable.

DRAFT Plan of Services
Exhibit B

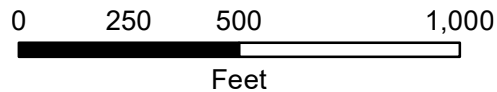


EXHIBIT
4038 AND A PORTION OF 4040 CLOVERCROFT ROAD
17.39 ACRES



Legend

-  4038 and a portion of 4040 Clovercroft Road
-  Limits



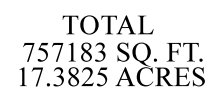
This map was created by the Franklin Planning Department.
It was compiled from the most authentic information available.
The City is not responsible for any errors or omissions contained hereon.
All data and materials (c) copyright 2024. All rights reserved.



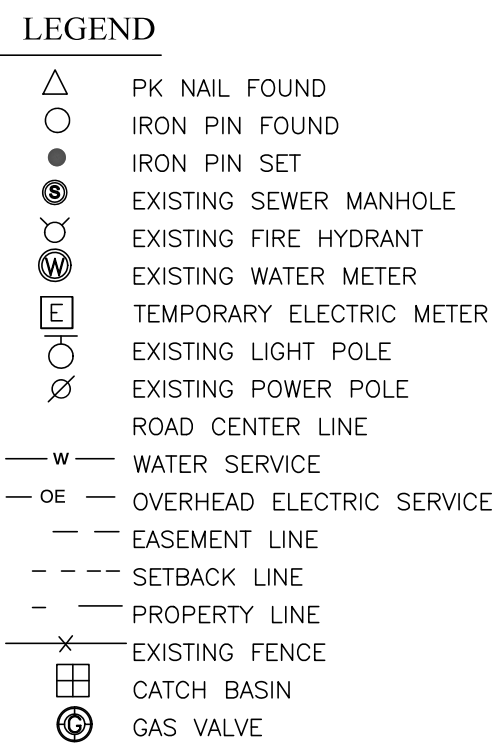
PROPERTY DESCRIPTION
A TRACT OF LAND IN WILLIAMSON COUNTY, TENNESSEE BEING GENERALLY LOCATED NORTH OF CLOVERCROFT ROAD, EAST OF STATE HIGHWAY 96 AND EAST OF JOHN WILLIAMS ROAD AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT IN THE NORTHERN MARGIN OF CLOVERCROFT ROAD (50' ROW), SAID POINT BEING THE SOUTHWEST CORNER OF THE FRANKLIN CHRISTIAN CHURCH TRACT, AS EVIDENCED IN DEED BOOK 6667, PAGE 902, R.O.W.C., TN., THENCE

1. WITH THE MARGIN OF CLOVERCROFT ROAD, S 75°07'44" W A DISTANCE OF 57.521 TO A POINT, THE SOUTHEAST CORNER OF THE STEVE ADAMS, JR. PROPERTY, AS EVIDENCED IN DEED BOOK 7396, PAGE 39, R.O.W.C., IN, THENCE
2. TO THE EAST BOUNDARY OF THE ADAMS TRACT, WITH THE EASTERN LINE OF SAID TRACT, S 01°06'53" E A DISTANCE OF 296.32 TO A POINT, THE NORTHEAST CORNER OF SAID ADAMS TRACT, THENCE
3. WITH THE NORTHERN LINE OF ADAMS, S 78°44'17" W A DISTANCE OF 132.00 TO A POINT IN THE EASTERN LINE OF W. J. BOYD, AS EVIDENCED IN DEED BOOK 7420, PAGE 451, R.O.W.C., IN, THENCE
4. WITH BOYD'S EASTERN LINE, N06°39'21" E A DISTANCE OF 120.124 TO A POINT, THENCE
5. TO SAID ADAMS BOUNDARY, S 81°17'55" E A DISTANCE OF 182.93 TO THE SOUTHWEST CORNER OF THE WILLIAM COLLINS, ETUX TRACT, AS EVIDENCED IN DEED BOOK 3829, PAGE 396, R.O.W.C., IN, THENCE
6. TO SAID COLLINS BOUNDARY, S 81°17'55" E A DISTANCE OF 182.93 TO A POINT, THENCE
7. LEAVING THE SOUTHERN LINE OF SAID COLLINS AND SEVERING THE LANDS OF THE FRANKLIN CHRISTIAN CHURCH, AS EVIDENCED IN DEED BOOK 6667, PAGE 902, R.O.W.C., IN, S 08°31'20" W A DISTANCE OF 687.56 TO A POINT IN THE NORTHERN LINE OF THALES ACADEMY, AS EVIDENCED IN DEED BOOK 7420, PAGE 451, R.O.W.C., IN, THENCE
8. WITH THE NORTHERN LINE OF THALES, S 86°17'55" E A DISTANCE OF 166.49 TO A POINT, THENCE
9. TO THALES EASTERN LINE, S 07°01'46" E A DISTANCE OF 594.46 TO THE POINT OF BEGINNING AND CONTAINING 757,183 SQUARE FEET OR 17.39 ACRES MORE OR LESS.

BEING ALL THE OF LAND CONVEYED TO THALES ACADEMY AS EVIDENCED IN DEED BOOK 8700, PAGE 171, R.O.W.C., TN. AND A PORTION OF THE PROPERTY CONVEYED TO FRANKLIN CHRISTIAN CHURCH AS EVIDENCED IN DEED BOOK 6667, PAGE 902, R.O.W.C., TN.



SCALE: 1"=50'



Seal



SEAL OF THE STATE OF TENNESSEE

JOSEPH E. AHLER

REGISTERED LAND SURVEYOR

COMMERCIAL

TENNESSEE NO. 1434

ANNEXATION EXHIBIT- PROPOSED SUBDIVISION

4038 CLOVERCROFT ROAD
WILLIAMSON COUNTY, TN.

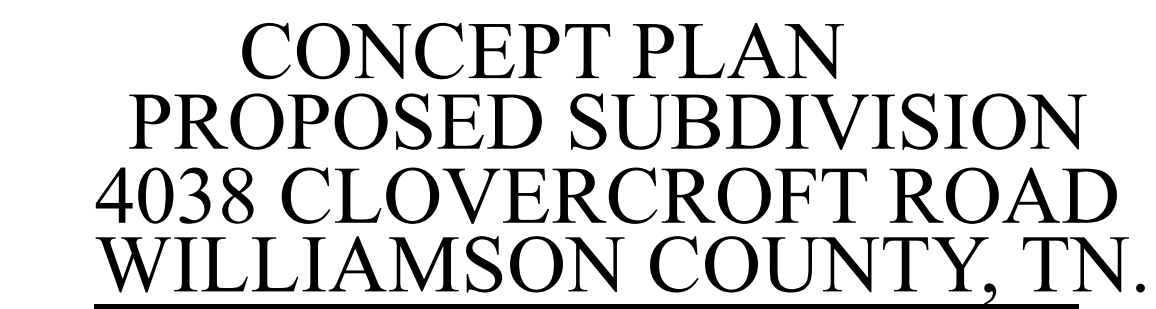
Issue:		
	8/29/24	PARCEL NO.5
-	8/23/24	Original Issue
Mark	Date	Description

Project No:	NUMBER
DWG. File:	DWGFILE
Drawn By:	JEA
Chk'd By:	JEA

Sheet	Description
1	General Notes
2	Foundation Details
3	Structural Details
4	Roof Details
5	Interior Details
6	Exterior Details
7	Section Details
8	Detail Notes
9	Material Specifications
10	Construction Methods
11	Quality Control
12	Project Summary

ZONING
EXHIBIT

S1.0



SCALE: 1"=50'

430575.0 SQ. FT.
9.88 ACRES



SCALE 1"=100'

LEGEND

- | | |
|---|---------------------------|
|  | PK NAIL FOUND |
|  | IRON PIN FOUND |
|  | IRON PIN SET |
|  | EXISTING SEWER MANHOLE |
|  | EXISTING FIRE HYDRANT |
|  | EXISTING WATER METER |
|  | TEMPORARY ELECTRIC METER |
|  | EXISTING LIGHT POLE |
|  | EXISTING POWER POLE |
| | ROAD CENTER LINE |
|  | WATER SERVICE |
|  | OVERHEAD ELECTRIC SERVICE |
|  | EASEMENT LINE |
|  | SETBACK LINE |
|  | PROPERTY LINE |
|  | EXISTING FENCE |
|  | CATCH BASIN |
|  | GAS VALVE |

Issue:

[illegible]

Project No:	NUMBER
DWG. File:	DWGFILE
Drawn By:	JEA
Chk'd By:	JEA

Sheet	Description
1	General Notes
2	Foundation Details
3	Structural Details
4	Roof Details
5	Interior Details
6	Exterior Details
7	Section Details
8	Detail Notes
9	Material Specifications
10	Construction Methods
11	Quality Control
12	Project Summary

ALTA/NPS
SURVEY

S1.0

~~Page 45 of 196~~

Seal

CONCEPT PLAN PROPOSED SUBDIVISION

4038 CLOVERCROFT ROAD
WILLIAMSON COUNTY, TN.

A	SURVEYING PLANNING DESIGN CONSULTING CIVIL
Ahler & Associates, LLC CONSULTING ENGINEERS & LAND SURVEYORS P.O. BOX 1636 SPRING HILL, TN 37174 PH: 615.481.3106 Fax: 615.523.1517	

P.O. BOX 1636
SPRING HILL, TN 37174
PH 615.481.3106
Fax: 615.523.1517



City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-06334

DATE: September 30, 2024

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Vernon Gerth, Asst. City Administrator Community Development
Paul Holzen, Director of Engineering
Michael Walters Young, Chief Budget & Performance Officer

SUBJECT:

Update Of Consideration Of Ordinance 2023-41, An Ordinance To Amend Chapter 4 Of Title 16 Of The Franklin Municipal Code, Concerning Road Impact Fees
WS 4/23/24; 8/27/24; 9/10/24
BOMA 5/14/24, 7-0; 5/28/24 postpone to 9/10/24, 7-0; postpone to 10/22/24, 7-1

PURPOSE:

The purpose of this item is to review with the Board of Mayor and Aldermen staff's ongoing analysis of the possible financial impacts of revising the Road Impact Fees charged to projects wishing to build in the City of Franklin.

BACKGROUND/STAFF COMMENTS:

After the last presentation to the Board of Mayor and Aldermen on September 8th, staff went back and re-ran possible scenarios on anticipated Road Impact fee revenue collections and unrealized Road Impact fee revenue from various methods of phasing in and grandfathering existing projects as they pertain to Ordinance 2023-41.

Review:

As a reminder, staff started by calculating, project by project, the amount of money collected in Road Impact Fees over the last five audited fiscal years, FY 2019-2023. This averaged \$8.35 million in collections annually. After assessing what was collected, staff evaluated the amount of money that would have been collected had the full implementation of the proposed fees under Ordinance 2023-41 been implemented over the same timeframe. This amount is \$21.2 million annually.

This was done as the first step because it was important to review what actually has been recorded to properly evaluate possibilities of what might occur. Because it is impossible to project development activity – when permits are actually pulled, whether or not a development comes to fruition, the variability of economic winds, changing market desires (e.g. office desirability pre-pandemic vs. post-pandemic) – staff can only base possible projections off of past experience.

New:

From last meeting, we have calculated 11 different scenarios (now labeled Scenarios A-K) and attached to the end of this memorandum. There are ten internal scenarios and one external as requested by the development community. Though each are different, the key variables in each are:

- 1) Phase-in for new projects would be in increments of 3, 4 or 5 years.
- 2) Grandfathering is assumed over 5, 8, or 10 years.
- 3) Future development activity assumes the same as the previous five years of audited development activity.
- 4) As grandfathered projects are built, the proportionate share of impact fees collected would drop and be replaced by new projects.

The categories of scenarios are organized by years of phase-in:

Three(3) Year Phase-In

Scenario A: 3 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario B: 3 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario C: 3 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Four (4) Year Phase-In

Scenario D: 4 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario E: 4 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario F: 4 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Five (5) Year Phase-In

Scenario G: 5 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario H: 5 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario I: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Scenario J: 5 Year Phase-In of New Fees with No Grandfathering

Scenario K (Development Community): 5 Year Phase-In of New Fees with Grandfathering

One additional scenario (K) shows the impact of a proposal made by the development community on September 27, 2024. Although several components are included, for this forecasting, the points included are:

- Grandfathering (the proposal asked for a Grandfathering based upon Vested dates shown on an attached schedule. For comparative purposes with other scenarios, City Staff has capped that grandfathering at 10 years like all other maximum proposals)
- Phase In: 5-year phase in of full fees for new projects as follows: Year 1) 10%, Year 2) 25%, Year 3) 40%, Year 4) 70% and Year 5) 100%.
- Indexing: a 5% growth in fees (for indexing purposes) is included, (like in all other Scenarios A-J)

Other considerations requested regarding the timing of fee calculations, development milestones, and the timing of payments are not reflected in this costing.

FINANCIAL IMPACT:

While eleven (11) scenarios are a lot of permutations, the overall impact of these proposals is as follows:

- 1) Should no Grandfathering be applied, the maximum available revenue per year of phase-in (3, 4 or 5 years) would be result in unrealized revenue of up to \$28.8 million over the 10-year forecast window when comparing the 3-year phase in (\$232,575,136) to the 5-year phase in (\$203,790,881)

2) Grandfathering over 5, 8 or 10 years would result in unrealized revenue of another \$11.5 million (5-year phase-in option) to \$39.2 million (3-year phase-in option) over the 10-year forecast.

3) Taken all together, the maximum revenue forecast is the 3-year phase in with no grandfathering (\$232,575,136) and the minimum revenue forecast is the 5-year phase-in with a 10-year grandfathering (\$178,669,811), or a range of up to \$53,905,325 in unrealized revenue over the 10-year forecast window.

4) The Development Community proposal would result in the lowest amount of revenue - \$170,871,846 and up to \$61,703,290 in unrealized revenue.

Finally, please remember these models are an estimate, based on averages derived from actual activity from FY 2019-2023. They are a best attempt to evaluate what revenues would be unrealized from a delayed implementation of the revised fees.

RECOMMENDATION:

Staff recommends additional guidance from the Board of Mayor and Aldermen (BOMA) for any changes that are not included in Ordinance 2023-41.

ORDINANCE 2023-41

AN ORDINANCE TO AMEND CHAPTER 4 OF TITLE 16 OF THE FRANKLIN MUNICIPAL CODE, CONCERNING ROAD IMPACT FEES.

WHEREAS, the Board of Mayor and Aldermen desires to set road impact fees to assure the provision of adequate arterial road improvements to serve such new development, by requiring the developer to pay the pro rata share of the cost of new road improvements or expansions reasonably attributable to such new development, based upon recent growth in residential and nonresidential developments; arterial road improvements actually constructed; changing levels of service and transportation needs; inflation; revised cost estimates for arterial road improvements; and changes in the availability of other funding sources for arterial road improvements; and

WHEREAS, the Board of Mayor and Aldermen commissioned and received a Road Impact Fee Update study conducted by Alfred Benesch & Co. dated January 5, 2024, that indicates a need to increase the Road Impact Fees in order to recover funds for the City's roadway infrastructure improvements more efficiently; and

WHEREAS, the Board of Mayor and Aldermen commissioned Duncan Associates to validate the methodology and data studied by Alfred Benesch & Co.; and

WHEREAS, the City of Franklin Municipal Charter, art. H, § 1 (38), as amended by Priv. Acts 1987, Ch. 54 and by Priv. Acts 1987, Ch. 117 (HB 1311) confers such power to increase Road Impact Fees.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF FRANKLIN BOARD OF MAYOR AND ALDERMEN, AS FOLLOWS:

SECTION I. Appendix A, Title 16, of the City of Franklin Municipal Code is hereby amended to delete the "Road Impact Fees" and "Implementation of Fee Schedule" tables, and by replacing them with the tables included herewith in Exhibit A – Option ____.

SECTION II. This Ordinance shall take effect after its passage on third and final reading, the health, safety, and welfare of the citizens requiring it.

ATTEST:

CITY OF FRANKLIN, TENNESSEE

BY: _____
ERIC S. STUCKEY
City Administrator

BY: _____
DR. KEN MOORE
Mayor

Approved as to Form

By: _____
William E. Squires
Assistant City Attorney

PASSED FIRST READING

PUBLIC HEARING PASSED

SECOND READING

THIRD READING

Implementation of Road Impact Fees										
Land Use Type	Unit	Arterial	Current Fees		Fee Effective January 1, 2025			Fee Effective January 1, 2026		
			Collector	Total	Arterial	Collector	Total	Arterial	Collector	Total
Single-Family Detached	Dwelling	\$ 4,911	\$ 3,340	\$ 8,251	N/A	N/A	N/A	N/A	N/A	N/A
Single-Family Det <1,500 sf	Dwelling	N/A	N/A	N/A	\$ 9,665	\$ 2,084	\$ 11,749	\$ 12,543	\$ 2,704	\$ 15,247
Single-Family Det 1,500-2,999 sf	Dwelling	N/A	N/A	N/A	\$ 10,581	\$ 2,281	\$ 12,862	\$ 14,374	\$ 3,098	\$ 17,472
Single-Family Det 3,000 sf or more	Dwelling	N/A	N/A	N/A	\$ 11,421	\$ 2,461	\$ 13,883	\$ 16,054	\$ 3,460	\$ 19,514
Single-Family Att <1,500 sf	Dwelling	N/A	N/A	N/A	\$ 8,525	\$ 1,838	\$ 10,363	\$ 10,263	\$ 2,212	\$ 12,475
Single-Family Att 1,500-2,999 sf	Dwelling	N/A	N/A	N/A	\$ 9,276	\$ 1,999	\$ 11,275	\$ 11,763	\$ 2,535	\$ 14,298
Single-Family Att 3,000 sf or more	Dwelling	N/A	N/A	N/A	\$ 9,950	\$ 2,145	\$ 12,096	\$ 13,113	\$ 2,827	\$ 15,940
Multi-Family	Dwelling	\$ 3,112	\$ 2,121	\$ 5,233	\$ 7,208	\$ 1,555	\$ 8,763	\$ 10,111	\$ 2,181	\$ 12,292
Mobil Home Park	Site	\$ 2,338	\$ 1,592	\$ 3,930	\$ 6,958	\$ 1,499	\$ 8,457	\$ 10,683	\$ 2,301	\$ 12,984
Congregate Care Facility	Dwelling	\$ 1,093	\$ 743	\$ 1,836	\$ 2,550	\$ 551	\$ 3,101	\$ 3,590	\$ 776	\$ 4,366
Hotel/Motel	Room	\$ 2,567	\$ 1,750	\$ 4,317	\$ 5,049	\$ 1,090	\$ 6,139	\$ 6,547	\$ 1,414	\$ 7,961
Retail/Commercial										
Shopping Center/Gen. Retail	1,000 ft ²	\$ 6,484	\$ 4,394	\$ 10,878	\$ 14,133	\$ 3,061	\$ 17,195	\$ 19,325	\$ 4,186	\$ 23,511
Restaurant, Quality	1,000 ft ²	\$ 12,069	\$ 8,186	\$ 20,255	\$ 33,060	\$ 7,169	\$ 40,229	\$ 49,474	\$ 10,728	\$ 60,202
Restaurant, Fast Food	1,000 ft ²	\$ 17,442	\$ 11,862	\$ 29,304	\$ 40,426	\$ 8,765	\$ 49,191	\$ 56,769	\$ 12,308	\$ 69,077
Office/Institutional										
Office, General	1,000 ft ²	\$ 4,632	\$ 3,170	\$ 7,802	\$ 9,769	\$ 2,124	\$ 11,894	\$ 13,130	\$ 2,855	\$ 15,985
Hospital	1,000 ft ²	\$ 5,359	\$ 3,653	\$ 9,012	\$ 10,295	\$ 2,217	\$ 12,512	\$ 13,174	\$ 2,837	\$ 16,011
Nursing Home	1,000 ft ²	\$ 3,082	\$ 2,099	\$ 5,181	\$ 6,259	\$ 1,345	\$ 7,605	\$ 8,254	\$ 1,774	\$ 10,028
Church	1,000 ft ²	\$ 3,258	\$ 2,218	\$ 5,476	\$ 5,378	\$ 1,154	\$ 6,532	\$ 6,248	\$ 1,340	\$ 7,588
Elementary/Sec. School	1,000 ft ²	\$ 1,606	\$ 1,091	\$ 2,697	\$ 3,723	\$ 803	\$ 4,526	\$ 5,227	\$ 1,127	\$ 6,354
Industrial										
Manufacturing	1,000 ft ²	\$ 2,030	\$ 1,389	\$ 3,419	\$ 5,039	\$ 1,095	\$ 6,134	\$ 7,269	\$ 1,580	\$ 8,849
Industrial Park	1,000 ft ²	\$ 3,636	\$ 2,484	\$ 6,120	\$ 5,093	\$ 1,104	\$ 6,198	\$ 5,157	\$ 1,118	\$ 6,275
Business Park	1,000 ft ²	\$ 6,613	\$ 4,519	\$ 11,132	\$ 14,116	\$ 3,068	\$ 17,184	\$ 19,087	\$ 4,149	\$ 23,236
Warehouse	1,000 ft ²	\$ 1,893	\$ 1,294	\$ 3,187	\$ 2,612	\$ 566	\$ 3,178	\$ 2,605	\$ 564	\$ 3,169
Mini-Warehouse	1,000 ft ²	\$ 885	\$ 602	\$ 1,487	\$ 1,715	\$ 373	\$ 2,088	\$ 2,209	\$ 480	\$ 2,689

Starting January 1, 2027, the City Engineer, in consultation with the City Administrator and such other City staff as the City Administrator may designate, shall adjust the road impact fee annually. The adjustment shall be based on the percent change published by the National Highway Construction Cost Index (NHCCI) as published by the U.S. Department of Transportation Federal Highway Administration. The NHCCI was 2.843 for the first quarter of 2023.

Implementation of Road Impact Fees													
Land Use Type	Unit	Current Fees			Fee Effective January 1, 2025			Fee Effective January 1, 2026			Fee Effective January 1, 2027		
		Arterial	Collector	Total	Arterial	Collector	Total	Arterial	Collector	Total	Arterial	Collector	Total
Single-Family Detached	Dwelling	\$ 4,911	\$ 3,340	\$ 8,251	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Single-Family Det <1,500 sf	Dwelling	N/A	N/A	N/A	\$ 8,706	\$ 1,877	\$ 10,583	\$ 10,625	\$ 2,290	\$ 12,915	\$ 12,543	\$ 2,704	\$ 15,247
Single-Family Det 1,500-2,999 sf	Dwelling	N/A	N/A	N/A	\$ 9,317	\$ 2,008	\$ 11,325	\$ 11,845	\$ 2,553	\$ 14,398	\$ 14,374	\$ 3,098	\$ 17,472
Single-Family Det 3,000 sf or more	Dwelling	N/A	N/A	N/A	\$ 9,877	\$ 2,129	\$ 12,005	\$ 12,965	\$ 2,794	\$ 15,760	\$ 16,054	\$ 3,460	\$ 19,514
Single-Family Att <1,500 sf	Dwelling	N/A	N/A	N/A	\$ 7,946	\$ 1,713	\$ 9,659	\$ 9,105	\$ 1,962	\$ 11,067	\$ 10,263	\$ 2,212	\$ 12,475
Single-Family Att 1,500-2,999 sf	Dwelling	N/A	N/A	N/A	\$ 8,446	\$ 1,820	\$ 10,267	\$ 10,105	\$ 2,178	\$ 12,282	\$ 11,763	\$ 2,535	\$ 14,298
Single-Family Att 3,000 sf or more	Dwelling	N/A	N/A	N/A	\$ 8,896	\$ 1,918	\$ 10,814	\$ 11,005	\$ 2,372	\$ 13,377	\$ 13,113	\$ 2,827	\$ 15,940
Multi-Family	Dwelling	\$ 3,112	\$ 2,121	\$ 5,233	\$ 6,240	\$ 1,346	\$ 7,586	\$ 8,175	\$ 1,764	\$ 9,939	\$ 10,111	\$ 2,181	\$ 12,292
Mobil Home Park	Site	\$ 2,338	\$ 1,592	\$ 3,930	\$ 5,717	\$ 1,231	\$ 6,948	\$ 8,200	\$ 1,766	\$ 9,966	\$ 10,683	\$ 2,301	\$ 12,984
Congregate Care Facility	Dwelling	\$ 1,093	\$ 743	\$ 1,836	\$ 2,203	\$ 476	\$ 2,679	\$ 2,897	\$ 626	\$ 3,523	\$ 3,590	\$ 776	\$ 4,366
Hotel/Motel	Room	\$ 2,567	\$ 1,750	\$ 4,317	\$ 4,549	\$ 983	\$ 5,532	\$ 5,548	\$ 1,198	\$ 6,746	\$ 6,547	\$ 1,414	\$ 7,961
Retail/Commercial													
Shopping Center/Gen. Retail	1,000 ft ²	\$ 6,484	\$ 4,394	\$ 10,878	\$ 12,402	\$ 2,687	\$ 15,089	\$ 15,864	\$ 3,436	\$ 19,300	\$ 19,325	\$ 4,186	\$ 23,511
Restaurant, Quality	1,000 ft ²	\$ 12,069	\$ 8,186	\$ 20,255	\$ 27,588	\$ 5,982	\$ 33,571	\$ 38,531	\$ 8,355	\$ 46,886	\$ 49,474	\$ 10,728	\$ 60,202
Restaurant, Fast Food	1,000 ft ²	\$ 17,442	\$ 11,862	\$ 29,304	\$ 34,978	\$ 7,584	\$ 42,562	\$ 45,874	\$ 9,946	\$ 55,819	\$ 56,769	\$ 12,308	\$ 69,077
Office/Institutional													
Office, General	1,000 ft ²	\$ 4,632	\$ 3,170	\$ 7,802	\$ 8,649	\$ 1,881	\$ 10,530	\$ 10,890	\$ 2,368	\$ 13,257	\$ 13,130	\$ 2,855	\$ 15,985
Hospital	1,000 ft ²	\$ 5,359	\$ 3,653	\$ 9,012	\$ 9,335	\$ 2,010	\$ 11,345	\$ 11,254	\$ 2,424	\$ 13,678	\$ 13,174	\$ 2,837	\$ 16,011
Nursing Home	1,000 ft ²	\$ 3,082	\$ 2,099	\$ 5,181	\$ 5,594	\$ 1,202	\$ 6,797	\$ 6,924	\$ 1,488	\$ 8,412	\$ 8,254	\$ 1,774	\$ 10,028
Church	1,000 ft ²	\$ 3,258	\$ 2,218	\$ 5,476	\$ 5,089	\$ 1,091	\$ 6,180	\$ 5,668	\$ 1,216	\$ 6,884	\$ 6,248	\$ 1,340	\$ 7,588
Elementary/Sec. School	1,000 ft ²	\$ 1,606	\$ 1,091	\$ 2,697	\$ 3,221	\$ 695	\$ 3,916	\$ 4,224	\$ 911	\$ 5,135	\$ 5,227	\$ 1,127	\$ 6,354
Industrial													
Manufacturing	1,000 ft ²	\$ 2,030	\$ 1,389	\$ 3,419	\$ 4,295	\$ 934	\$ 5,229	\$ 5,782	\$ 1,257	\$ 7,039	\$ 7,269	\$ 1,580	\$ 8,849
Industrial Park	1,000 ft ²	\$ 3,636	\$ 2,484	\$ 6,120	\$ 5,072	\$ 1,100	\$ 6,172	\$ 5,115	\$ 1,109	\$ 6,223	\$ 5,157	\$ 1,118	\$ 6,275
Business Park	1,000 ft ²	\$ 6,613	\$ 4,519	\$ 11,132	\$ 12,459	\$ 2,708	\$ 15,167	\$ 15,773	\$ 3,429	\$ 19,201	\$ 19,087	\$ 4,149	\$ 23,236
Warehouse	1,000 ft ²	\$ 1,893	\$ 1,294	\$ 3,187	\$ 2,615	\$ 566	\$ 3,181	\$ 2,610	\$ 565	\$ 3,175	\$ 2,605	\$ 564	\$ 3,169
Mini-Warehouse	1,000 ft ²	\$ 885	\$ 602	\$ 1,487	\$ 1,551	\$ 337	\$ 1,888	\$ 1,880	\$ 408	\$ 2,288	\$ 2,209	\$ 480	\$ 2,689

Starting January 1, 2025, the City Engineer, in consultation with the City Administrator and such other City staff as the City Administrator may designate, shall adjust the road impact fee annually. The impact fee published above shall be adjusted (increased or decreased) based on the percent change published by the National Highway Construction Cost Index (NHCCI) as published by the U.S. Department of Transportation Federal Highway Administration. The NHCCI was 2.843 for the first quarter of 2023.



City of Franklin, Tennessee

Road Impact Fee Proposals Financial Review: Update

Board of Mayor and Aldermen

October 8, 2024



City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Slide 2

Outline

- Overview
- New Scenarios
- Summary

Overview

- On September 10, 2024, staff presented an initial Financial Review of Ordinance 2023-41 – an ordinance to revise the Road Impact Fees of the City of Franklin, Tennessee. The review was focused on a comparison of the average amount of total road impact fees collected annually for the last 5 audited years of financial information (FY 2019-2023) vs. what would have been collected had the full proposed implementation as proposed under Ord. 2023-41 been in place.

Overview

- To review, staff of the Office of Budget & Performance first evaluated, permit by permit, project by project, the amount of money collected in Road Impact Fees over the last 5 audited fiscal years, FY 2019-2023. That annual average amount was \$8,352,601.

Figure 1: Annual Road Impact Fees Collected - FY 2019-2023

Actual Revenue Collected*	2019	2020	2021	2022	2023	Average
	\$7,659,855	\$12,251,152	\$6,975,153	\$10,641,106	\$4,235,737	\$ 8,352,601

*Actual collections as provided from Annual Comprehensive Financial Reports, City of Franklin, FY 2019-2023

The average amount collected per year had the fees been implemented was \$21,255,116.

Figure 2: Road Impact Fees Collections with Full Implementation of fees proposed - FY 2019-2023

Full RIF Implementation	2019	2020	2021	2022	2023	Average
	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$ 21,255,116

Overview

- Staff then presented several options pertaining to the implementation of the fees aside from maintaining the status quo and implementing the full recommended fees all at once:
 - **Phasing in over a period of years:** Given the large increase in the fees year over year, staff has proposed a two-year or three-year phase-in of the fees to assist the development community in accommodating the difference. As part of conversations with the development community and the Board of Mayor and Alderman, we have provided multiple year phase-in projections below, including a two-year, a three-year, a four-year and a five-year phase in option. Those are shown on the next slide.
 - **Grandfathering existing projects**



City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Phase-In Options

Figure 3: Road Impact Fee Forecasted Collections w/ Phase-In Options

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>	<u>Unrealized Revenue</u>
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (A+B+C+D+E)</u>	<u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Phase-In Plan							
2-Year							
Amount of phase-in	50%	100%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$12,902,516	\$58,061,321	
2-Year Total	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$21,255,116	\$99,824,324	-\$6,451,258
3-Year							
Amount of phase-in	33%	66%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$4,300,839	\$8,601,677	\$12,902,516	\$12,902,516	\$12,902,516	\$51,610,063	
3-Year Total	\$12,653,439	\$16,954,278	\$21,255,116	\$21,255,116	\$21,255,116	\$93,373,066	-\$12,902,516
4-Year							
Amount of phase-in	25%	50%	75%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$3,225,629	\$6,451,258	\$9,676,887	\$12,902,516	\$12,902,516	\$45,158,805	
4-Year Total	\$11,578,230	\$14,803,858	\$18,029,487	\$21,255,116	\$21,255,116	\$86,921,808	-\$19,353,774
5-Year							
Amount of phase-in	20%	40%	60%	80%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$2,580,503	\$5,161,006	\$7,741,509	\$10,322,013	\$12,902,516	\$38,707,547	
5-Year Total	\$10,933,104	\$13,513,607	\$16,094,110	\$18,674,613	\$21,255,116	\$80,470,550	-\$25,805,031

New Scenarios

- From the comments made at that last meeting, Based upon the last meeting of the Board of Mayor and Aldermen, staff has forecast a series of other scenarios – 10 to be exact – which focus on the two variables of both phasing in the new fees over a period of time and grandfathering existing projects. For all of these scenarios, the assumptions which were made include:

- 1) Phase-in for new projects would be in increments of 3, 4 or 5 years.***
- 2) Grandfathering is assumed over 5, 8, or 10 years.***
- 3) Future development activity assumes the same as the previous five years of audited development activity.***
- 4) As grandfathered projects are built, the proportionate share of impact fees collected would drop and be replaced by new projects.***

New Scenarios

Scenario A: 3 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario B: 3 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario C: 3 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Scenario D: 4 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario E: 4 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario F: 4 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Scenario G: 5 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario H: 5 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario I: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Scenario J (Development Community): 5 Year Phase-In of New Fees with Grandfathering

New Scenarios: Phase-In

To start, staff analyzed what the maximum available revenue collected would be by years of phase-in scenario (3, 4 & 5 years) with no grandfathering:

Total Revenue over 10-years by Phase-in Approach	
3-year Phase In: (Scenarios A-C)	\$ 232,575,136
4-year Phase In: (Scenarios D-F)	\$ 227,765,546
5-year Phase-In: (Scenarios G-J)	\$ 203,790,881

New Scenarios

Revenue differential based upon 3-year phase-ins and 5, 8 & 10 year grandfathering: (Scenarios A-C)

Scenario A: 3 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation

3-Year Phase-In Cumulative Total	\$	232,575,136
Impact of Grandfathering (5 Years)	\$	(21,058,262)
Net Revenue - Scenario A	\$	211,516,874

Scenario B: 3 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation

3-Year Phase-In Cumulative Total	\$	232,575,136
Impact of Grandfathering (8 Years)	\$	(37,317,624)
Net Revenue - Scenario B	\$	195,257,512

Scenario C: 3 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation

3-Year Phase-In Cumulative Total	\$	232,575,136
Impact of Grandfathering (10 Years)	\$	(39,157,309)
Net Revenue - Scenario C	\$	193,417,827

New Scenarios

Revenue differential based upon 4-year phase-ins and 5, 8 & 10 year grandfathering: (Scenarios D-F)

Scenario D: 4 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation

4-Year Phase-In Cumulative Total	\$ 227,765,546
Impact of Grandfathering (5 Years)	\$ (19,514,497)
Net Revenue - Scenario D	\$ 208,251,049

Scenario E: 4 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation

4-Year Phase-In Cumulative Total	\$ 227,765,546
Impact of Grandfathering (8 Years)	\$ (32,856,657)
Net Revenue - Scenario E	\$ 194,908,889

Scenario F: 4 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation

4-Year Phase-In Cumulative Total	\$ 227,765,546
Impact of Grandfathering (10 Years)	\$ (37,345,099)
Net Revenue - Scenario F	\$ 190,420,447

New Scenarios

Revenue differential based upon 5-year phase-ins and 5, 8 & 10 year grandfathering: (Scenarios G-I)

Scenario G: 5 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation

5-Year Phase-In Cumulative Total	\$	203,790,881
Impact of Grandfathering (5 Years)	\$	(11,595,752)
Net Revenue - Scenario G	\$	192,195,129

Scenario H: 5 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation

5-Year Phase-In Cumulative Total	\$	203,790,881
Impact of Grandfathering (8 Years)	\$	(22,625,799)
Net Revenue - Scenario H	\$	181,165,083

Scenario I: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation

5-Year Phase-In Cumulative Total	\$	203,790,881
Impact of Grandfathering (10 Years)	\$	(25,121,070)
Net Revenue - Scenario I	\$	178,669,811

New Scenarios

One additional scenario (J) shows the impact of a proposal made by the development community on September 27, 2024. Although several components are included, for this forecasting, the points included are:

- **Grandfathering (the proposal asked for a Grandfathering based upon Vested dates shown on an attached schedule. For comparative purposes with other scenarios, City Staff has capped that grandfathering at 10 years like all other maximum proposals)**
- **Phase In: 5-year phase in of full fees for new projects as follows: Year 1) 10%, Year 2) 25%, Year 3) 40%, Year 4) 70% and Year 5) 100%.**
- **Indexing: a 5% growth in fees (for indexing purposes) is included, (like in all other Scenarios A-I)**

Other considerations requested regarding the timing of fee calculations, development milestones, and the timing of payments are not reflected in this costing.

New Scenarios

Scenario (J): 5-year phase-in with 10-year Grandfathering*

Scenario J: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation	
5-Year Phase-In Cumulative Total (10%, 25%, 40%, 70%, 100%)	\$ 203,790,881
Impact of Grandfathering (10 Years)	\$ (32,919,036)
Net Revenue - Scenario J	\$ 170,871,846

5-Year Phase-In Cumulative Total (10%, 25%, 40%, 70%, 100%)	\$	203,790,881
Impact of Grandfathering (10 Years)	\$	(32,919,036)
Net Revenue - Scenario J	\$	170,871,846

**Assumes all projects are completed within 10 years, not according to the Vesting schedule as proposed from Development Community memo dated 9/27/2024. This is done for consistency in modeling; should it take longer than 2035 for projects to be completed (as shown in the attached Vesting schedule), cumulative revenue would be less than projected.*

Summary

- Phasing in over 3, 4 or 5 years would result in ***unrealized revenue of up to \$28.8 million*** over the 10-year forecast window when comparing the 3-year phase in (\$232,575,136) to the 5-year phase in (\$203,790,881)

Total Revenue over 10-years by Phase-in Approach	
3-year Phase In: (Scenarios A-C)	\$ 232,575,136
4-year Phase In: (Scenarios D-F)	\$ 227,765,546
5-year Phase-In: (Scenarios G-J)	\$ 203,790,881
Difference (<i>unrealized revenue</i>)	\$ 28,784,255

This summary shown above assumes NO grandfathering.

Summary

- **Grandfathering** over 5, 8 or 10 years results in significantly less revenue dependent upon the scenario.

3-Year Phase-In Cumulative Total	\$ 232,575,136
Net Revenue - Scenario A	\$ 211,516,874
Net Revenue - Scenario B	\$ 195,257,512
Net Revenue - Scenario C	\$ 193,417,827
4-Year Phase-In Cumulative Total	\$ 227,765,546
Net Revenue - Scenario D	\$ 208,251,049
Net Revenue - Scenario E	\$ 194,908,889
Net Revenue - Scenario F	\$ 190,420,447
5-Year Phase-In Cumulative Total	\$ 203,790,881
Net Revenue - Scenario G	\$ 192,195,129
Net Revenue - Scenario H	\$ 181,165,083
Net Revenue - Scenario I	\$ 178,669,811
Net Revenue - Scenario J (Development Community)	\$ 170,871,846

City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Summary

- Taken all together, the maximum revenue forecast is the **3-year phase in with no grandfathering** and the minimum revenue forecast is the **5-year phase-in with a 10-year grandfathering** proposed by the development community (over the 10-year forecast window).

3-year phase in with <u>no</u> grandfathering	\$232,575,136
- <u>5-year phase-in with a 10-year grandfathering*</u>	<u>\$170,871,846</u>
Difference	\$ 61,703,290

*Extrapolated from proposal put forward by Development Community, dated September 27, 2024.



City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Questions

September 30, 2024

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Michael Walters Young, Chief Budget & Performance Officer
Katherine Harelson, Development Services Operations Analyst

RE: Updated Review of Road Impact Fee Model Scenarios

Purpose

The purpose of this item is to review with the Board of Mayor and Aldermen staff's ongoing analysis of the possible financial impacts of revising the Road Impact Fees charged to projects wishing to build in the City of Franklin.

Background

After the last presentation to the Board of Mayor and Aldermen on September 8th, staff went back and re-ran possible scenarios on anticipated Road Impact fee revenue collections and unrealized Road Impact fee revenue from various methods of phasing in and grandfathering existing projects as they pertain to Ordinance 2023-41.

As a reminder, staff started by calculating, project by project, the amount of money collected in Road Impact Fees over the last five audited fiscal years, FY 2019-2023.

Figure 1: Annual Road Impact Fees Collected - FY 2019-2023						
Actual Revenue Collected*	2019	2020	2021	2022	2023	Average
	\$7,659,855	\$12,251,152	\$6,975,153	\$10,641,106	\$4,235,737	\$ 8,352,601

*Actual collections as provided from Annual Comprehensive Financial Reports, City of Franklin, FY 2019-2023

After assessing what was collected, staff evaluated the amount of money that would have been collected had the full implementation of the proposed fees under Ordinance 2023-41 been implemented over the same timeframe. This is shown in Figure 2.

Figure 2: Road Impact Fees Collections with Full Implementation of fees proposed - FY 2019-2023						
Full RIF Implementation	2019	2020	2021	2022	2023	Average
	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$ 21,255,116

It is important to review what actually has been recorded to properly evaluate possibilities of what might occur. Because it is impossible to project development activity – when permits are actually pulled, whether or not a development comes to fruition, the variability of economic winds, changing market desires (e.g. office desirability pre-pandemic vs. post-pandemic) – staff can only base possible projections off of past experience.

As part of conversations with the development community and the Board of Mayor and Alderman, we have provided multiple year phase-in projections below, including a two-year, a three-year, a four-year and a five-year phase in option. The projected unrealized revenue is shown at the far right.

Figure 3: Road Impact Fee Forecasted Collections w/ Phase-In Options							
	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Unrealized Revenue
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (A+B+C+D+E)</u>	<u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Phase-In Plan							
2-Year							
Amount of phase-in	50%	100%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$12,902,516	\$58,061,321	
2-Year Total	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$21,255,116	\$99,824,324	-\$6,451,258
3-Year							
Amount of phase-in	33%	66%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$4,300,839	\$8,601,677	\$12,902,516	\$12,902,516	\$12,902,516	\$51,610,063	
3-Year Total	\$12,653,439	\$16,954,278	\$21,255,116	\$21,255,116	\$21,255,116	\$93,373,066	-\$12,902,516
4-Year							
Amount of phase-in	25%	50%	75%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$3,225,629	\$6,451,258	\$9,676,887	\$12,902,516	\$12,902,516	\$45,158,805	
4-Year Total	\$11,578,230	\$14,803,858	\$18,029,487	\$21,255,116	\$21,255,116	\$86,921,808	-\$19,353,774
5-Year							
Amount of phase-in	20%	40%	60%	80%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$2,580,503	\$5,161,006	\$7,741,509	\$10,322,013	\$12,902,516	\$38,707,547	
5-Year Total	\$10,933,104	\$13,513,607	\$16,094,110	\$18,674,613	\$21,255,116	\$80,470,550	-\$25,805,031

As shown above, phasing the Road Impact Fee over multiple years would result in unrealized revenue for the City (based upon actual activity FY 2019-2023) from a low of \$6.4 million to a high of \$25.8 million dollars over a five-year period.

From last meeting, we have calculated 10 different scenarios (now labeled Scenarios A-J) and attached to the end of this memorandum. There are nine internal scenarios and one external as requested by the development community. Though each are different, the key variables in each are:

- 1) Phase-in for new projects would be in increments of 3, 4 or 5 years.
- 2) Grandfathering is assumed over 5, 8, or 10 years.
- 3) Future development activity assumes the same as the previous five years of audited development activity.
- 4) As grandfathered projects are built, the proportionate share of impact fees collected would drop and be replaced by new projects.

The categories of scenarios are organized by years of phase-in:

Three(3) Year Phase-In

Scenario A: 3 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario B: 3 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario C: 3 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Scenario A: 3 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation	
3-Year Phase-In Cumulative Total	\$ 232,575,136
Impact of Grandfathering (5 Years)	\$ (21,058,262)
Net Revenue - Scenario A	\$ 211,516,874
Scenario B: 3 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation	
3-Year Phase-In Cumulative Total	\$ 232,575,136
Impact of Grandfathering (8 Years)	\$ (37,317,624)
Net Revenue - Scenario B	\$ 195,257,512
Scenario C: 3 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation	
3-Year Phase-In Cumulative Total	\$ 232,575,136
Impact of Grandfathering (10 Years)	\$ (39,157,309)
Net Revenue - Scenario C	\$ 193,417,827

Four (4) Year Phase-In

Scenario D: 4 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario E: 4 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario F: 4 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Scenario D: 4 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation	
4-Year Phase-In Cumulative Total	\$ 227,765,546
Impact of Grandfathering (5 Years)	\$ (19,514,497)
Net Revenue - Scenario D	\$ 208,251,049
Scenario E: 4 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation	
4-Year Phase-In Cumulative Total	\$ 227,765,546
Impact of Grandfathering (8 Years)	\$ (32,856,657)
Net Revenue - Scenario E	\$ 194,908,889
Scenario F: 4 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation	
4-Year Phase-In Cumulative Total	\$ 227,765,546
Impact of Grandfathering (10 Years)	\$ (37,345,099)
Net Revenue - Scenario F	\$ 190,420,447

Five (5) Year Phase-In

Scenario G: 5 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In

Scenario H: 5 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In

Scenario I: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Scenario J: (Development Community): 5 Year Phase-In of New Fees with Grandfathering

Scenario G: 5 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation	
5-Year Phase-In Cumulative Total	\$ 203,790,881
Impact of Grandfathering (5 Years)	\$ (11,595,752)
Net Revenue - Scenario G	\$ 192,195,129
Scenario H: 5 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation	
5-Year Phase-In Cumulative Total	\$ 203,790,881
Impact of Grandfathering (8 Years)	\$ (22,625,799)
Net Revenue - Scenario H	\$ 181,165,083
Scenario I: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation	
5-Year Phase-In Cumulative Total	\$ 203,790,881
Impact of Grandfathering (10 Years)	\$ (25,121,070)
Net Revenue - Scenario I	\$ 178,669,811

One additional scenario (J) shows the impact of a proposal made by the development community on September 27, 2024. Although several components are included, for this forecasting, the points included are:

- Grandfathering (the proposal asked for a Grandfathering based upon Vested dates shown on an attached schedule. For comparative purposes with other scenarios, City Staff has capped that grandfathering at 10 years like all other maximum proposals)
- Phase In: 5-year phase in of full fees for new projects as follows: Year 1) 10%, Year 2) 25%, Year 3) 40%, Year 4) 70% and Year 5) 100%.
- Indexing: a 5% growth in fees (for indexing purposes) is included, (like in all other Scenarios A-I)

Other considerations requested regarding the timing of fee calculations, development milestones, and the timing of payments are not reflected in this costing.

Summary

While ten (10) scenarios are a lot of permutations, the overall impact of these proposals is as follows:

- 1) Should no Grandfathering be applied, the maximum available revenue per year of phase-in (3, 4 or 5 years) would be as follows:

Total Revenue over 10-years by Phase-in Approach	
3-year Phase In: (Scenarios A-C)	\$ 232,575,136
4-year Phase In: (Scenarios D-F)	\$ 227,765,546
5-year Phase-In: (Scenarios G-J)	\$ 203,790,881

As shown above, phasing in over 3, 4 or 5 years would result in unrealized revenue of up to \$28.8 million over the 10-year forecast window when comparing the 3-year phase in (\$232,575,136) to the 5-year phase in (\$203,790,881)

- 2) Grandfathering over 5, 8 or 10 years results in significantly less revenue dependent upon the scenario. The total forecast revenues range between a high of \$211,516,874 for 5 years of grandfathering via a 3-year phase-in to a low of \$170,871,846 as proposed by the development community for 10 years of grandfathering via a 5-year graduated phase-in.

3-Year Phase-In Cumulative Total	\$ 232,575,136
Net Revenue - Scenario A	\$ 211,516,874
Net Revenue - Scenario B	\$ 195,257,512
Net Revenue - Scenario C	\$ 193,417,827
4-Year Phase-In Cumulative Total	\$ 227,765,546
Net Revenue - Scenario D	\$ 208,251,049
Net Revenue - Scenario E	\$ 194,908,889
Net Revenue - Scenario F	\$ 190,420,447
5-Year Phase-In Cumulative Total	\$ 203,790,881
Net Revenue - Scenario G	\$ 192,195,129
Net Revenue - Scenario H	\$ 181,165,083
Net Revenue - Scenario I	\$ 178,669,811
Net Revenue - Scenario J (Development Community)	\$ 170,871,846

- 3) Taken all together, the maximum revenue forecast is the **3-year phase in with no grandfathering** and the minimum revenue forecast is the **5-year phase-in with a 10-year grandfathering proposed by the development community** (over the 10-year forecast window).

3-year phase in with no grandfathering	\$232,575,136
- 5-year phase-in with a 10-year grandfathering*	\$170,871,846
Difference	\$ 61,703,290

Finally, please remember these models are an estimate, based on averages derived from actual activity from FY 2019-2023. They are a best attempt to evaluate what revenues would be unrealized from a delayed implementation of the revised fees.

Attachments

Summary of each option
Scenarios A-K Detail Sheets

Road Impact Fee Phase In/Grandfathering Revenue Scenarios		10/1/2024
Scenario A: 3 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation		
3-Year Phase-In Cumulative Total	\$	232,575,136
Impact of Grandfathering (5 Years)	\$	(21,058,262)
Net Revenue - Scenario A	\$	211,516,874
Scenario B: 3 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation		
3-Year Phase-In Cumulative Total	\$	232,575,136
Impact of Grandfathering (8 Years)	\$	(37,317,624)
Net Revenue - Scenario B	\$	195,257,512
Scenario C: 3 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation		
3-Year Phase-In Cumulative Total	\$	232,575,136
Impact of Grandfathering (10 Years)	\$	(39,157,309)
Net Revenue - Scenario C	\$	193,417,827
Scenario D: 4 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation		
4-Year Phase-In Cumulative Total	\$	227,765,546
Impact of Grandfathering (5 Years)	\$	(19,514,497)
Net Revenue - Scenario D	\$	208,251,049
Scenario E: 4 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation		
4-Year Phase-In Cumulative Total	\$	227,765,546
Impact of Grandfathering (8 Years)	\$	(32,856,657)
Net Revenue - Scenario E	\$	194,908,889
Scenario F: 4 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation		
4-Year Phase-In Cumulative Total	\$	227,765,546
Impact of Grandfathering (10 Years)	\$	(37,345,099)
Net Revenue - Scenario F	\$	190,420,447
Scenario G: 5 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation		
5-Year Phase-In Cumulative Total	\$	203,790,881
Impact of Grandfathering (5 Years)	\$	(11,595,752)
Net Revenue - Scenario G	\$	192,195,129
Scenario H: 5 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation		
5-Year Phase-In Cumulative Total	\$	203,790,881
Impact of Grandfathering (8 Years)	\$	(22,625,799)
Net Revenue - Scenario H	\$	181,165,083
Scenario I: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation		
5-Year Phase-In Cumulative Total	\$	203,790,881
Impact of Grandfathering (10 Years)	\$	(25,121,070)
Net Revenue - Scenario I	\$	178,669,811
Scenario J: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation		
5-Year Phase-In Cumulative Total (10%, 25%, 40%, 70%, 100%)	\$	203,790,881
Impact of Grandfathering (10 Years)	\$	(32,919,036)
Net Revenue - Scenario J	\$	170,871,846

Scenario A: 3 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043	\$ 13,451,947
<i>C</i> Completion Scale	100%	80%	60%	40%	20%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 8,085,317	\$ 6,670,387	\$ 4,891,617	\$ 2,690,389
<i>E</i> 3- Year Phase-In (5% escalator)	\$ 12,653,439	\$ 16,954,278	\$ 21,255,116	\$ 22,317,872	\$ 23,433,766
<i>F</i> Completion Scale	0%	20%	40%	60%	80%
<i>G</i> Total New Projects	\$ -	\$ 3,390,856	\$ 8,502,047	\$ 13,390,723	\$ 18,747,013
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 11,476,173	\$ 15,172,433	\$ 18,282,340	\$ 21,437,402
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 20,664,034	\$ 35,836,467	\$ 54,118,807	\$ 75,556,209

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 13,451,947	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995
<i>B</i> Add 10% escalator	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995	\$ 21,664,495
<i>C</i> Completion Scale	0%	0%	0%	0%	0%
<i>D</i> Total Existing Projects	\$ -	\$ -	\$ -	\$ -	\$ -
<i>E</i> 3- Year Phase-In (5% escalator)	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>F</i> Completion Scale	100%	100%	100%	100%	100%
<i>G</i> Total New Projects	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>H (D+G)</i> Total Existing + New	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>Cumulative Revenue Earned</i>	\$ 100,161,663	\$ 125,997,390	\$ 153,124,903	\$ 181,608,791	\$ 211,516,874

Scenario B: 3 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043	\$ 13,451,947
<i>C</i> Completion Scale	100%	100%	85%	70%	55%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 10,106,647	\$ 9,449,715	\$ 8,560,330	\$ 7,398,571
<i>E</i> 3- Year Phase-In (5% escalator)	\$ 12,653,439	\$ 16,954,278	\$ 21,255,116	\$ 22,317,872	\$ 23,433,766
<i>F</i> Completion Scale	0%	0%	15%	30%	45%
<i>G</i> Total New Projects	\$ -	\$ -	\$ 3,188,267	\$ 6,695,362	\$ 10,545,195
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 10,106,647	\$ 12,637,982	\$ 15,255,691	\$ 17,943,765
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 19,294,507	\$ 31,932,490	\$ 47,188,181	\$ 65,131,946

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 13,451,947	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995
<i>B</i> Add 10% escalator	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995	\$ 21,664,495
<i>C</i> Completion Scale	40%	20%	0%	0%	0%
<i>D</i> Total Existing Projects	\$ 5,918,857	\$ 3,255,371	\$ -	\$ -	\$ -
<i>E</i> 3- Year Phase-In (5% escalator)	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>F</i> Completion Scale	60%	80%	100%	100%	100%
<i>G</i> Total New Projects	\$ 14,763,272	\$ 20,668,581	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>H (D+G)</i> Total Existing + New	\$ 20,682,129	\$ 23,923,952	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>Cumulative Revenue Earned</i>	\$ 85,814,075	\$ 109,738,028	\$ 136,865,541	\$ 165,349,429	\$ 195,257,512

Scenario C: 3 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043	\$ 13,451,947
<i>C</i> Completion Scale	100%	100%	85%	70%	55%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 10,106,647	\$ 9,449,715	\$ 8,560,330	\$ 7,398,571
<i>E</i> 3- Year Phase-In (5% escalator)	\$ 12,653,439	\$ 16,954,278	\$ 21,255,116	\$ 22,317,872	\$ 23,433,766
<i>F</i> Completion Scale	0%	0%	15%	30%	45%
<i>G</i> Total New Projects	\$ -	\$ -	\$ 3,188,267	\$ 6,695,362	\$ 10,545,195
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 10,106,647	\$ 12,637,982	\$ 15,255,691	\$ 17,943,765
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 19,294,507	\$ 31,932,490	\$ 47,188,181	\$ 65,131,946

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 13,451,947	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995
<i>B</i> Add 10% escalator	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995	\$ 21,664,495
<i>C</i> Completion Scale	40%	25%	10%	5%	0%
<i>D</i> Total Existing Projects	\$ 5,918,857	\$ 4,069,214	\$ 1,790,454	\$ 984,750	\$ -
<i>E</i> 3- Year Phase-In (5% escalator)	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>F</i> Completion Scale	60%	75%	90%	95%	100%
<i>G</i> Total New Projects	\$ 14,763,272	\$ 19,376,795	\$ 24,414,762	\$ 27,059,694	\$ 29,908,083
<i>H (D+G)</i> Total Existing + New	\$ 20,682,129	\$ 23,446,009	\$ 26,205,216	\$ 28,044,444	\$ 29,908,083
<i>Cumulative Revenue Earned</i>	\$ 85,814,075	\$ 109,260,084	\$ 135,465,300	\$ 163,509,744	\$ 193,417,827

Scenario D: 4 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 9,647,254	\$ 10,129,616	\$ 10,636,097	\$ 11,167,902
<i>C</i> Completion Scale	100%	80%	60%	40%	20%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 7,717,803	\$ 6,077,770	\$ 4,254,439	\$ 2,233,580
<i>E</i> 4- Year Phase-In (5% escalator)	\$ 11,578,230	\$ 15,544,051	\$ 18,930,962	\$ 22,317,872	\$ 23,433,766
<i>F</i> Completion Scale	0%	20%	40%	60%	80%
<i>G</i> Total New Projects	\$ -	\$ 3,108,810	\$ 7,572,385	\$ 13,390,723	\$ 18,747,013
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 10,826,613	\$ 13,650,155	\$ 17,645,162	\$ 20,980,593
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 20,014,474	\$ 33,664,628	\$ 51,309,791	\$ 72,290,383

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 10,660,270	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625
<i>B</i> Add 10% escalator	\$ 11,726,297	\$ 12,312,612	\$ 12,928,243	\$ 13,574,655	\$ 14,253,387
<i>C</i> Completion Scale	0%	0%	0%	0%	0%
<i>D</i> Total Existing Projects	\$ -	\$ -	\$ -	\$ -	\$ -
<i>E</i> 4- Year Phase-In	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>F</i> Completion Scale	100%	100%	100%	100%	100%
<i>G</i> Total New Projects	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>H (D+G)</i> Total Existing + New	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>Cumulative Revenue Earned</i>	\$ 96,895,837	\$ 122,731,564	\$ 149,859,077	\$ 178,342,966	\$ 208,251,049

Scenario E: 4 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043	\$ 13,451,947
<i>C</i> Completion Scale	100%	100%	85%	70%	55%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 10,106,647	\$ 9,449,715	\$ 8,560,330	\$ 7,398,571
<i>E</i> 4- Year Phase-In (5% escalator)	\$ 11,578,230	\$ 15,544,051	\$ 18,930,962	\$ 22,317,872	\$ 23,433,766
<i>F</i> Completion Scale	0%	0%	15%	30%	45%
<i>G</i> Total New Projects	\$ -	\$ -	\$ 2,839,644	\$ 6,695,362	\$ 10,545,195
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 10,106,647	\$ 12,289,359	\$ 15,255,691	\$ 17,943,765
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 19,294,507	\$ 31,583,866	\$ 46,839,558	\$ 64,783,323

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 13,451,947	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995
<i>B</i> Add 10% escalator	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995	\$ 21,664,495
<i>C</i> Completion Scale	40%	20%	0%	0%	0%
<i>D</i> Total Existing Projects	\$ 5,918,857	\$ 3,255,371	\$ -	\$ -	\$ -
<i>E</i> 4- Year Phase-In	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>F</i> Completion Scale	60%	80%	100%	100%	100%
<i>G</i> Total New Projects	\$ 14,763,272	\$ 20,668,581	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>H (D+G)</i> Total Existing + New	\$ 20,682,129	\$ 23,923,952	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>Cumulative Revenue Earned</i>	\$ 85,465,452	\$ 109,389,404	\$ 136,516,917	\$ 165,000,806	\$ 194,908,889

Scenario F: 4 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043	\$ 13,451,947
<i>C</i> Completion Scale	100%	100%	85%	70%	55%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 10,106,647	\$ 9,449,715	\$ 8,560,330	\$ 7,398,571
<i>E</i> 4- Year Phase-In (5% escalator)	\$ 11,578,230	\$ 15,544,051	\$ 18,930,962	\$ 22,317,872	\$ 23,433,766
<i>F</i> Completion Scale	0%	0%	15%	30%	45%
<i>G</i> Total New Projects	\$ -	\$ -	\$ 2,839,644	\$ 6,695,362	\$ 10,545,195
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 10,106,647	\$ 12,289,359	\$ 15,255,691	\$ 17,943,765
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 19,294,507	\$ 31,583,866	\$ 46,839,558	\$ 64,783,323

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 10,660,270	\$ 11,726,297	\$ 12,898,927	\$ 14,188,820	\$ 15,607,702
<i>B</i> Add 10% escalator	\$ 11,726,297	\$ 12,898,927	\$ 14,188,820	\$ 15,607,702	\$ 17,168,472
<i>C</i> Completion Scale	40%	25%	10%	5%	0%
<i>D</i> Total Existing Projects	\$ 4,690,519	\$ 3,224,732	\$ 1,418,882	\$ 780,385	\$ -
<i>E</i> 4- Year Phase-In (5% escalator)	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083
<i>F</i> Completion Scale	60%	75%	90%	95%	100%
<i>G</i> Total New Projects	\$ 14,763,272	\$ 19,376,795	\$ 24,414,762	\$ 27,059,694	\$ 29,908,083
<i>H (D+G)</i> Total Existing + New	\$ 19,453,791	\$ 22,601,527	\$ 25,833,644	\$ 27,840,079	\$ 29,908,083
<i>Cumulative Revenue Earned</i>	\$ 84,237,114	\$ 106,838,641	\$ 132,672,285	\$ 160,512,364	\$ 190,420,447

Scenario G: 5 Year Phase-In of New Fees with 5-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043	\$ 13,451,947
<i>C</i> Completion Scale	100%	80%	60%	40%	20%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 8,085,317	\$ 6,670,387	\$ 4,891,617	\$ 2,690,389
<i>E</i> 5- Year Phase-In (5% escalator)	\$ 10,933,104	\$ 13,513,607	\$ 16,094,110	\$ 18,674,613	\$ 21,255,116
<i>F</i> Completion Scale	0%	20%	40%	60%	80%
<i>G</i> Total New Projects	\$ -	\$ 2,702,721	\$ 6,437,644	\$ 11,204,768	\$ 17,004,093
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 10,788,039	\$ 13,108,031	\$ 16,096,385	\$ 19,694,482
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 19,975,899	\$ 33,083,930	\$ 49,180,315	\$ 68,874,798

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 13,451,947	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995
<i>B</i> Add 10% escalator	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995	\$ 21,664,495
<i>C</i> Completion Scale	0%	0%	0%	0%	0%
<i>D</i> Total Existing Projects	\$ -	\$ -	\$ -	\$ -	\$ -
<i>E</i> 5- Year Phase-In (5% escalator)	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513
<i>F</i> Completion Scale	100%	100%	100%	100%	100%
<i>G</i> Total New Projects	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513
<i>H (D+G)</i> Total Existing + New	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513
<i>Cumulative Revenue Earned</i>	\$ 91,192,670	\$ 114,626,435	\$ 139,231,889	\$ 165,067,616	\$ 192,195,129

Scenario H: 5 Year Phase-In of New Fees with 8-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043	\$ 13,451,947
<i>C</i> Completion Scale	100%	100%	85%	70%	55%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 10,106,647	\$ 9,449,715	\$ 8,560,330	\$ 7,398,571
<i>E</i> 5- Year Phase-In (5% escalator)	\$ 10,933,104	\$ 13,513,607	\$ 16,094,110	\$ 18,674,613	\$ 21,255,116
<i>F</i> Completion Scale	0%	0%	15%	30%	45%
<i>G</i> Total New Projects	\$ -	\$ -	\$ 2,414,117	\$ 5,602,384	\$ 9,564,802
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 10,106,647	\$ 11,863,831	\$ 14,162,714	\$ 16,963,373
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 19,294,507	\$ 31,158,339	\$ 45,321,052	\$ 62,284,425

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 13,451,947	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995
<i>B</i> Add 10% escalator	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995	\$ 21,664,495
<i>C</i> Completion Scale	40%	20%	0%	0%	0%
<i>D</i> Total Existing Projects	\$ 5,918,857	\$ 3,255,371	\$ -	\$ -	\$ -
<i>E</i> 5- Year Phase-In (5% escalator)	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513
<i>F</i> Completion Scale	60%	80%	100%	100%	100%
<i>G</i> Total New Projects	\$ 13,390,723	\$ 18,747,013	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513
<i>H (D+G)</i> Total Existing + New	\$ 19,309,580	\$ 22,002,384	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513
<i>Cumulative Revenue Earned</i>	\$ 81,594,005	\$ 103,596,389	\$ 128,201,843	\$ 154,037,570	\$ 181,165,083

Scenario I: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043
<i>B</i> Add 10% escalator	\$ 9,187,861	\$ 10,106,647	\$ 11,117,311	\$ 12,229,043	\$ 13,451,947
<i>C</i> Completion Scale	100%	100%	85%	70%	55%
<i>D</i> Total Existing Projects	\$ 9,187,861	\$ 10,106,647	\$ 9,449,715	\$ 8,560,330	\$ 7,398,571
<i>E</i> 5- Year Phase-In (5% escalator)	\$ 10,933,104	\$ 13,513,607	\$ 16,094,110	\$ 18,674,613	\$ 21,255,116
<i>F</i> Completion Scale	0%	0%	15%	30%	45%
<i>G</i> Total New Projects	\$ -	\$ -	\$ 2,414,117	\$ 5,602,384	\$ 9,564,802
<i>H (D+G)</i> Total Existing + New	\$ 9,187,861	\$ 10,106,647	\$ 11,863,831	\$ 14,162,714	\$ 16,963,373
<i>Cumulative Revenue Earned</i>	\$ 9,187,861	\$ 19,294,507	\$ 31,158,339	\$ 45,321,052	\$ 62,284,425

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 12,229,043	\$ 13,451,947	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541
<i>B</i> Add 10% escalator	\$ 13,451,947	\$ 14,797,141	\$ 16,276,856	\$ 17,904,541	\$ 19,694,995
<i>C</i> Completion Scale	40%	25%	10%	5%	0%
<i>D</i> Total Existing Projects	\$ 5,380,779	\$ 3,699,285	\$ 1,627,686	\$ 895,227	\$ -
<i>E</i> 5- Year Phase-In (5% escalator)	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727	\$ 27,127,513
<i>F</i> Completion Scale	60%	75%	90%	95%	100%
<i>G</i> Total New Projects	\$ 13,390,723	\$ 17,575,324	\$ 22,144,909	\$ 24,543,940	\$ 27,127,513
<i>H (D+G)</i> Total Existing + New	\$ 18,771,502	\$ 21,274,610	\$ 23,772,594	\$ 25,439,167	\$ 27,127,513
<i>Cumulative Revenue Earned</i>	\$ 81,055,927	\$ 102,330,537	\$ 126,103,131	\$ 151,542,298	\$ 178,669,811

Scenario J: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Full Phased-In Implementation

<i>from Development Community</i>	Single-Phase Projects & Multi Phase Projects				
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<i>A</i> Existing Average	\$ 8,352,601	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638
<i>B</i> Add 5% escalator	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638	\$ 10,660,270
<i>C</i> Completion Scale	100%	100%	85%	70%	55%
<i>D</i> Total Existing Projects	\$ 8,770,231	\$ 9,208,742	\$ 8,218,802	\$ 7,106,847	\$ 5,863,149
<i>NAIOP Phase In</i>	10%	25%	40%	70%	100%
<i>E</i> 5- Year Phase-In (Phased)	\$ 9,642,852	\$ 11,578,230	\$ 13,513,607	\$ 17,384,362	\$ 21,255,116
<i>F</i> Completion Scale	0%	0%	15%	30%	45%
<i>G</i> Total New Projects	\$ -	\$ -	\$ 2,027,041	\$ 5,215,309	\$ 9,564,802
<i>H (D+G)</i> Total Existing + New	\$ 8,770,231	\$ 9,208,742	\$ 10,245,843	\$ 12,322,155	\$ 15,427,951
<i>Cumulative Revenue Earned*</i>	\$ 8,770,231	\$ 17,978,973	\$ 28,224,816	\$ 40,546,972	\$ 55,974,922

	Single-Phase Projects & Multi Phase Projects				
	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
<i>A</i> Existing Average	\$ 10,660,270	\$ 11,726,297	\$ 12,898,927	\$ 14,188,820	\$ 15,607,702
<i>B</i> Add 10% escalator	\$ 11,726,297	\$ 12,898,927	\$ 14,188,820	\$ 15,607,702	\$ 17,168,472
<i>C</i> Completion Scale	40%	25%	10%	5%	0%
<i>D</i> Total Existing Projects	\$ 4,690,519	\$ 3,224,732	\$ 1,418,882	\$ 780,385	\$ -
<i>E</i> 5- Year Phase-In (5% escalator)	\$ 22,317,871	\$ 23,433,765	\$ 24,605,453	\$ 25,835,726	\$ 27,127,512
<i>F</i> Completion Scale	60%	75%	90%	95%	100%
<i>G</i> Total New Projects	\$ 13,390,723	\$ 17,575,324	\$ 22,144,908	\$ 24,543,940	\$ 27,127,512
<i>H (D+G)</i> Total Existing + New	\$ 18,081,242	\$ 20,800,055	\$ 23,563,790	\$ 25,324,325	\$ 27,127,512
<i>Cumulative Revenue Earned*</i>	\$ 74,056,164	\$ 94,856,219	\$ 118,420,009	\$ 143,744,334	\$ 170,871,846

*Assumes all projects are completed within 10 years, not according to the Vesting schedule as proposed from Development Community memo dated 9/27/2024. This is done for consistency in modeling; should it take longer than 2035 for projects to be completed (as shown in the attached Vesting schedule), cumulative revenue would be less than projected.

Revised Proposal to City of Franklin & Board of Mayor and Alderman

The Development Community of Franklin Tennessee sincerely appreciates BOMA's receptiveness to our advocacy on this road impact fee issue. Roadway impact fees pose a substantial financial consequence to the development community, and we respect the thoughtfulness and consideration that city staff has given to this subject.

We understand that increases in impact fees are required to support the continued growth of Franklin, however we are grateful for all efforts by BOMA and City staff to arrive at an equitable solution for both the City and the Development Community.

In fairness to all stakeholders (City of Franklin, landowners, and developers), we are proposing the terms below:

1. Grandfathering – We propose a “Grandfathering” of current impact fees for any project that has either 1) an approved Development Plan AND an approved site plan within that PUD or 2) base zoning and infrastructure work completed or in progress pursuant to approved grading permits. This would apply to both single-phase projects and multi-phase projects. For multi-phase projects, the “Grandfathering” would apply to the entire entitled project and not just the portion or phase that may have started site work since its PUD Development Plan or grading permit. This “grandfathering” would follow the Vesting Periods as outlined by the City of Franklin in the Table- “Approved Projects 2024.pdf” (see attached) for PUDs or within five (5) years from 1/1/ 2025 for base zoned projects with infrastructure completed or in-progress. A 5% index increase will be added to this grandfathered fee annually. Additionally, modifications to grandfathered development projects will not be subject to the the new fee structure unless the changes require BOMA approval per Section 20.8.16.A of the Zoning Ordinance, AND the proposed modifications result in a new traffic study showing additional trips generated. In this scenario, only the incremental increase in trips will be subject to the new fee structure.
2. Phase In- We propose a 5 year phase of the new fee at the following or similar structure:
 - Year 1 – 10%
 - Year 2 – 15%
 - Year 3 – 15%
 - Year 4 – 30%
 - Year 5 – 30%
3. Looking forward, with the hope of avoiding “grandfathering” discussions in the future we propose adopting the below standards for timing of implementing fee increases:
 - a. Timing of Fee Calculation and Assessment – Fees would be determined and distributed to the applicant at the time of staff responses to initial FMPC

submittal. “Draft” fees would be determined at Pre-App, but “Final” fees would be tied to the FMPC cycle and initial staff response.

- b. Development Milestones – New projects would be vested per state law and the impact fee schedule would be listed on the cover page of the site plan and approved at FMPC and One Stop. The fee amount would be assessed for the life of the project at the time of site plan approval and would remain at that amount unless site work does not begin within three years.
- c. Pricing Index – After the 5 year phase in of the new fees, road impact fees would increase annually based on a construction index similar to the published TDOT Bituminous Index.
- d. Timing of Fee Payment – All impact fees (roadway, water/sewer, parkland, etc.) should be paid at the time of CO, when the impact actually hits the infrastructure system, or other time as identified below:
 - i. Single Family Residential – Due at Closing
 - ii. Multifamily Residential – Due at the issuance of Certificate of Occupancy.
 - iii. Commercial Office or Retail – Due at the issuance of Certificate of Occupancy for the “tenant”. Unless the office or retail building is a build to suit project, the developer will be pulling a permit for the shell, and the subsequent tenants (office or retail users) will then be pulling their individual build out permits for their space. The impact fees should be due at the time of CO for the individual user. This will in effect also spread out the payment of fees and more coincide with the lease up schedule of a project and the actual use of the purchased road capacity.

We look forward to working with staff on the details of this proposal.

Sincerely,

The Development Community of Franklin, Tennessee

NAIOP Nashville, The Commercial Real Estate Development Association

Home Builders Association of Middle Tennessee

Table 1

Residential Projects & Vesting Expiration Dates						
Project Name	Year Approved	Residential Units	Non-Res SF	Vesting Milestone Expiration Date	Status	Total Vesting Period
Berry Farms Reams-Fleming	2006	400	1,100,000	N/A	None	
Ovation	2014	950	480,000	N/A	None	
BOMA Approval						
West Franklin Park PUD	2021	555	320,116	Sep-24	Need to begin site prep	Sept 2036
Gateway Village PUD	2021	60		Oct-24	Need to begin site prep	Oct 2036
Haven at Cool Springs PUD	2021	297	8,595	Dec-24	Need to begin site prep	Dec 2031
Hillhaven PUD	2022	43	0	Jan-25	Need to begin site prep	Jan 2032
Shawnee PUD	2022	26	0	Feb-25	Need to begin site prep	Feb 2032
Legends View PUD	2022	18	3,903	Mar-25	Need to begin site prep	Mar 2032
Avalon Square PUD	2019	614	450,000	Mar-25	Need to begin site prep	March 2034
East Works PUD	2020	1624	995,084	Jul-25	Need to begin site prep	July 2035
555 Franklin Rd PUD	2023	201	110,273	Oct-25	Need to begin site prep	Oct 2032
Novara PUD	2023	77	0	Feb-26	Need to begin site prep	Feb 2038
Madison PUD	2020	72	0	Mar-26	Need to begin site prep	March 2030
Aureum PUD	2019	480	850,000	Jun-26	Need to begin vertical construction	June 2034
Southvale PUD	2021	512	0	Jun-26	Need to begin vertical construction	June 2036
Middle Eight PUD	2023	275	3,000	Aug-26	Need to begin site prep	Aug 2033
Hamilton PUD	2021	58	0	Oct-26	Need to begin vertical construction	Oct 2031
Poplar Farms PUD	2021	546	0	Nov-26	Need to begin vertical construction	Nov 2036
Carothers Glen PUD	2020	45	0	Dec-26	Need to begin vertical construction	Dec 2029
Colletta Park PUD	2017	199	0	Dec-26	Need to begin vertical construction	Dec 2032
Historic Magnolia Hall PUD	2021	10	0	Dec-26	Need to begin vertical construction	Dec 2031
Hard Bargain II PUD	2023	2	0	Dec-26	Need to begin site prep	Dec 2033
Tuckaway PUD	2021	0	120,000	Mar-27	Need to begin site prep	March 2031
Cottages at 509 Hill Drive PUD	2022	4	0	Aug-27	Need to begin vertical construction	Aug 2032
Wood Duck Ct PUD	2019	237	0	Sep-27	Need to begin vertical construction	Sept 2029
Optima Franklin PUD	2023	348	203,968	Jan-28	Need to begin vertical construction	Jan 2038
611 Mt Hope St PUD	2023	2	0		Began vertical construction	Sep 2033
Fields at Reese Farm PUD	2019	132	0		Began vertical construction	Feb 2034
Huffines Ridge	2019		693,297		Began vertical construction	April 2034
McEwen Place Town Center PUD	2020		338,000		Began vertical construction	Aug 2035
Vintage at Watson Glen PUD	2020		17,320		Began vertical construction	Sept 2035
FMPC Only Approval						
Woodwick Stone	2022	6	0	Mar-25	Need to begin site prep	March 2032
Eastview	2023	2	0	Apr-26	Need to begin site prep	Apr 2033
Tavistock / Laguna	2021	7	0	Aug-26	Need to begin vertical construction	Aug 2031
Silagi Subdivision	2023	32	0	Dec-26	Need to begin site prep	Dec 2033
Franklin Ridge	2024	34	0	Jun-27	Need to begin site prep	June 2034
Poteat Place	2023	7	0	Apr 2028 (North) & Aug 2026	Need to begin vertical construction	Apr & Aug 2033
TOTAL VESTED		7,875	5,693,556			

As of July 2024

Table 2

Residential Projects Under Construction						
Project Name	Year Approved	Units Constructed	Units Approved	Units Remaining	Percent Complete	Vesting Deadline
Waters Edge	2013	385	395	10	97%	N/A
Simmons Ridge Rev 4	2017	390	408	18	96%	2032
Avalon	2002	416	445	29	93%	N/A
Lockwood Glen Rev 5	2008	586	638	52	92%	2031
The Standard at Cool Springs	2016	328	359	31	91%	2026
Riverbluff Rev 3	2018	70	81	11	86%	2033
Preserve at Echo Estates	2013	37	43	6	86%	N/A
Stream Valley Rev 1	2017	696	824	128	84%	N/A
Fountains of Franklin (Silver Grace)	2009	87	123	36	71%	N/A
Westhaven Rev 5	2020	2,467	3,444	977	72%	2035
Bushnell Farms	2017	13	20	7	65%	2027
Berry Farms Town Center Rev 1	2021	671	1,052	381	64%	2036
McEwen Town Center Rev 3	2020	711	1,191	480	60%	2035
Meadows and Villages of Southbrooke	2020	94	205	111	46%	2035
Cherokee Place PUD	2021	3	100	97	3%	2030
TOTALS		6,954	9,328	2,374	75%	

All projects listed have at least one completed residential unit.

September 10, 2024

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Michael Walters Young, Chief Budget & Performance Officer
Katherine Harelson, Development Services Operations Analyst

RE: Review of Road Impact Fee Model Scenarios

Purpose

The purpose of this item is to review with the Board of Mayor and Aldermen staff's ongoing analysis of the possible financial impacts of revising the Road Impact Fees charged to projects wishing to build in the City of Franklin.

Background

City staff periodically evaluates City policies regarding all of its development related impact fees. As part of such evaluation, in 2023, staff secured the services of two outside expert(s) to update and determine road impact fees that are reasonable and prudent. The primary goal of such an endeavor is to ensure the City's infrastructure adequately supports the growing needs of our community and that development contributes appropriately to the funding of infrastructure needs driven by growth.

Beginning in April 2024, staff presented to the Board of Mayor and Aldermen a revision of the existing Road Impact Fees authorized under Ordinance 1988-13. Over the ensuing five months, a series of discussions, meetings and questions have been had and raised between elected officials, professional staff, and partners in the development community. This memorandum attempts to summarize and quantify the proposals and modifications proposed to date.

Financial Impact

To evaluate the financial impacts of modifying the Road Impact Fees as proposed under Ordinance 2023-41, the Office of Budget & Performance first evaluated, permit by permit, project by project, the amount of money collected in Road Impact Fees over the last five audited fiscal years, FY 2019-2023.

Figure 1: Annual Road Impact Fees Collected - FY 2019-2023						
Actual Revenue Collected*	2019	2020	2021	2022	2023	Average
	\$7,659,855	\$12,251,152	\$6,975,153	\$10,641,106	\$4,235,737	\$ 8,352,601

*Actual collections as provided from Annual Comprehensive Financial Reports, City of Franklin, FY 2019-2023

After assessing what was collected, staff evaluated the amount of money that would have been collected had the full implementation of the proposed fees under Ordinance 2023-41 been implemented over the same timeframe. This is shown in Figure 2.

Figure 2: Road Impact Fees Collections with Full Implementation of fees proposed - FY 2019-2023

	2019	2020	2021	2022	2023	Average
Full RIF Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$ 21,255,116

It is important to review what actually has been recorded to properly evaluate possibilities of what might occur. Because it is impossible to project development activity – when permits are actually pulled, whether or not a development comes to fruition, the variability of economic winds, changing market desires (e.g. office desirability pre-pandemic vs. post-pandemic) – staff can only base possible projections off of past experience.

To that end, once the dialogue of Ordinance 2023-41 began, both elected officials and partners in the development community asked to consider phasing the fees over a multi-year timeframe. Given the large increase in the fees year over year, staff has proposed either a two-year or a three-year phase-in of the fees to assist the development community in accommodating the difference. As part of conversations with the development community and the Board of Mayor and Alderman, we have provided multiple year phase-in projections below, including a two-year, a three-year, a four-year and a five-year phase in option. The projected unrealized revenue is shown at the far right.

Figure 3: Road Impact Fee Forecasted Collections w/ Phase-In Options

	<u>Year 1</u> <u>A</u>	<u>Year 2</u> <u>B</u>	<u>Year 3</u> <u>C</u>	<u>Year 4</u> <u>D</u>	<u>Year 5</u> <u>E</u>	<u>Total</u> <u>F (A+B+C+D+E)</u>	<u>Unrealized Revenue</u> <u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Phase-In Plan							
2-Year							
Amount of phase-in	50%	100%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$12,902,516	\$58,061,321	
2-Year Total	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$21,255,116	\$99,824,324	-\$6,451,258
3-Year							
Amount of phase-in	33%	66%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$4,300,839	\$8,601,677	\$12,902,516	\$12,902,516	\$12,902,516	\$51,610,063	
3-Year Total	\$12,653,439	\$16,954,278	\$21,255,116	\$21,255,116	\$21,255,116	\$93,373,066	-\$12,902,516
4-Year							
Amount of phase-in	25%	50%	75%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$3,225,629	\$6,451,258	\$9,676,887	\$12,902,516	\$12,902,516	\$45,158,805	
4-Year Total	\$11,578,230	\$14,803,858	\$18,029,487	\$21,255,116	\$21,255,116	\$86,921,808	-\$19,353,774
5-Year							
Amount of phase-in	20%	40%	60%	80%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$2,580,503	\$5,161,006	\$7,741,509	\$10,322,013	\$12,902,516	\$38,707,547	
5-Year Total	\$10,933,104	\$13,513,607	\$16,094,110	\$18,674,613	\$21,255,116	\$80,470,550	-\$25,805,031

An alternative phasing proposal would spread the implementation over 3 years – 25% in year one, 25% in year two and 50% in year three. This is shown below.

Figure 4: Alternative Phase-in Option							
	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Unrealized Revenue
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (A+B+C+D+E)</u>	<u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Alternate 3-Year Plan							
Amount of phase-in	25%	50%	100%	100%	100%		
Existing Average	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 41,763,003	
Phase In	\$ 3,225,629	\$ 6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$ 48,384,434	
Alternate 3-Year Plan	\$11,578,230	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$ 90,147,437	\$ (16,128,145)

As shown above, phasing the Road Impact Fee over multiple years would result in unrealized revenue for the City (based upon actual activity FY 2019-2023) from a low of \$6.4 million to a high of \$25.8 million dollars over a five-year period.

Continued conversations between staff and development professionals have resulted in alternative suggestions for implementation, including variations of “grandfathering” existing entitled projects over a period of time. These continued conversations have yielded proposal from the development community that was shared at the August 27th Board work session:

- For all new development implement the full proposed fees, but for all entitled projects “on the books” single-phase developments have up to five years to complete their projects under existing fees (with a 5% escalator annually) and multi-phase developments have up to 15 years to complete their projects under existing fees (again with a 5% escalator annually).

Two alternative versions of the “grandfathering” approach have also emerged from discussion and would include a 10-year window with a 10% annual escalator and a 5% annual escalator for projects entitled before January 1, 2025:

- For all new development implement the full proposed fees, but for all projects “on the books” all developments (regardless of the type or phase of development) have up to ten years to complete their projects under existing fees (one with a 10% escalator annually and one with a 5% escalator annually).

To evaluate these proposals, staff has assumed a completion scale for existing projects on both the 15-year and 10-year schedules. The projected results are shown below.

Figure 5: 5-year/15-year Implementation of New Fees vs. Full Implementation

	Single-Phase Projects & Multi Phase Projects				
	Year 1	Year 2	Year 3	Year 4	Year 5
A Existing Average	\$ 8,352,601	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638
B Add 5% escalator	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638	\$ 10,660,270
C Completion Scale	100%	100%	90%	80%	70%
D Total Existing Projects	\$ 8,770,231	\$ 9,208,742	\$ 8,702,261	\$ 8,122,111	\$ 7,462,189
E Full Implementation	\$ 21,255,116	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727
F Completion Scale	0%	0%	10%	20%	30%
G Total New Projects	\$ -	\$ -	\$ 2,343,377	\$ 4,921,091	\$ 7,750,718
H (D+G) Total Existing + New	\$ 8,770,231	\$ 9,208,742	\$ 11,045,638	\$ 13,043,201	\$ 15,212,907
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (12,484,886)	\$ (13,109,130)	\$ (12,388,128)	\$ (11,562,253)	\$ (10,622,820)
J Cumulative Difference	\$ (12,484,886)	\$ (25,594,016)	\$ (37,982,143)	\$ (49,544,396)	\$ (60,167,215)

	Multi-Phase Projects Only				
	Year 6	Year 7	Year 8	Year 9	Year 10
A Existing Average	\$ 10,660,270	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625
B Add 5% escalator	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625	\$ 13,605,506
C Completion Scale	60%	50%	40%	30%	20%
D Total Existing Projects	\$ 6,715,970	\$ 5,876,474	\$ 4,936,238	\$ 3,887,287	\$ 2,721,101
E Full Implementation	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083	\$ 31,403,487	\$ 32,973,662
F Completion Scale	40%	50%	60%	70%	80%
G Total New Projects	\$ 10,851,005	\$ 14,241,944	\$ 17,944,850	\$ 21,982,441	\$ 26,378,929
H (D+G) Total Existing + New	\$ 17,566,975	\$ 20,118,418	\$ 22,881,088	\$ 25,869,729	\$ 29,100,031
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (9,560,538)	\$ (8,365,470)	\$ (7,026,995)	\$ (5,533,759)	\$ (3,873,631)
J Cumulative Difference	\$ (69,727,753)	\$ (78,093,224)	\$ (85,120,219)	\$ (90,653,977)	\$ (94,527,608)

	Multi-Phase Projects Only				
	Year 11	Year 12	Year 13	Year 14	Year 15
A Existing Average	\$ 13,605,506	\$ 14,285,782	\$ 15,000,071	\$ 15,750,074	\$ 16,537,578
B Add 5% escalator	\$ 14,285,782	\$ 15,000,071	\$ 15,750,074	\$ 16,537,578	\$ 17,364,457
C Completion Scale	15%	10%	5%	3%	0%
D Total Existing Projects	\$ 2,142,867	\$ 1,500,007	\$ 787,504	\$ 496,127	\$ -
E Full Implementation	\$ 34,622,345	\$ 36,353,462	\$ 38,171,135	\$ 40,079,692	\$ 42,083,676
F Completion Scale	85%	90%	95%	97%	100%
G Total New Projects	\$ 29,428,993	\$ 32,718,116	\$ 36,262,578	\$ 38,877,301	\$ 42,083,676
H (D+G) Total Existing + New	\$ 31,571,860	\$ 34,218,123	\$ 37,050,082	\$ 39,373,428	\$ 42,083,676
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (3,050,484)	\$ (2,135,339)	\$ (1,121,053)	\$ (706,263)	\$ -
J Cumulative Difference	\$ (97,578,093)	\$ (99,713,432)	\$ (100,834,485)	\$ (101,540,748)	\$ (101,540,748)

Figure 6: 10-year Implementation of New Fees vs. Full Implementation (10% Escalator)

	Single-Phase Projects & Multi Phase Projects				
	Year 1	Year 2	Year 3	Year 4	Year 5
A Existing Average	\$ 8,352,601	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638
B Add 10% escalator	\$ 9,187,861	\$ 9,647,254	\$ 10,129,616	\$ 10,636,097	\$ 11,167,902
C Completion Scale	100%	100%	85%	70%	55%
D Total Existing Projects	\$ 9,187,861	\$ 9,647,254	\$ 8,610,174	\$ 7,445,268	\$ 6,142,346
E Full Implementation	\$ 21,255,116	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727
F Completion Scale	0%	0%	15%	30%	45%
G Total New Projects	\$ -	\$ -	\$ 3,515,065	\$ 7,381,636	\$ 11,626,077
H (D+G) Total Existing + New	\$ 9,187,861	\$ 9,647,254	\$ 12,125,239	\$ 14,826,904	\$ 17,768,423
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (12,067,256)	\$ (12,670,618)	\$ (11,308,527)	\$ (9,778,550)	\$ (8,067,304)
J Cumulative Difference	\$ (12,067,256)	\$ (24,737,874)	\$ (36,046,401)	\$ (45,824,951)	\$ (53,892,254)

	Single-Phase Projects & Multi Phase Projects				
	Year 6	Year 7	Year 8	Year 9	Year 10
A Existing Average	\$ 10,660,270	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625
B Add 10% escalator	\$ 11,726,297	\$ 12,312,612	\$ 12,928,243	\$ 13,574,655	\$ 14,253,387
C Completion Scale	40%	25%	10%	5%	0%
D Total Existing Projects	\$ 4,690,519	\$ 3,078,153	\$ 1,292,824	\$ 678,733	\$ -
E Full Implementation	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083	\$ 31,403,487	\$ 32,973,662
F Completion Scale	60%	75%	90%	95%	100%
G Total New Projects	\$ 16,276,508	\$ 21,362,916	\$ 26,917,275	\$ 29,833,313	\$ 32,973,662
H (D+G) Total Existing + New	\$ 20,967,027	\$ 24,441,069	\$ 28,210,099	\$ 30,512,046	\$ 32,973,662
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (6,160,486)	\$ (4,042,819)	\$ (1,697,984)	\$ (891,442)	\$ -
J Cumulative Difference	\$ (60,052,741)	\$ (64,095,560)	\$ (65,793,544)	\$ (66,684,985)	\$ (66,684,985)

Figure 7: 10-year Implementation of New Fees vs. Full Implementation (5% Escalator)

	Single-Phase Projects & Multi Phase Projects				
	Year 1	Year 2	Year 3	Year 4	Year 5
A Existing Average	\$ 8,352,601	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638
B Add 5% escalator	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638	\$ 10,660,270
C Completion Scale	100%	100%	85%	70%	55%
D Total Existing Projects	\$ 8,770,231	\$ 9,208,742	\$ 8,218,802	\$ 7,106,847	\$ 5,863,149
E Full Implementation	\$ 21,255,116	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727
F Completion Scale	0%	0%	15%	30%	45%
G Total New Projects	\$ -	\$ -	\$ 3,515,065	\$ 7,381,636	\$ 11,626,077
H (D+G) Total Existing + New	\$ 8,770,231	\$ 9,208,742	\$ 11,733,867	\$ 14,488,483	\$ 17,489,226
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (12,484,886)	\$ (13,109,130)	\$ (11,699,898)	\$ (10,116,971)	\$ (8,346,501)
J Cumulative Difference	\$ (12,484,886)	\$ (25,594,016)	\$ (37,293,914)	\$ (47,410,885)	\$ (55,757,386)

	Single-Phase Projects & Multi Phase Projects				
	Year 6	Year 7	Year 8	Year 9	Year 10
A Existing Average	\$ 10,660,270	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625
B Add 5% escalator	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625	\$ 13,605,506
C Completion Scale	40%	25%	10%	5%	0%
D Total Existing Projects	\$ 4,477,313	\$ 2,938,237	\$ 1,234,060	\$ 647,881	\$ -
E Full Implementation	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083	\$ 31,403,487	\$ 32,973,662
F Completion Scale	60%	75%	90%	95%	100%
G Total New Projects	\$ 16,276,508	\$ 21,362,916	\$ 26,917,275	\$ 29,833,313	\$ 32,973,662
H (D+G) Total Existing + New	\$ 20,753,821	\$ 24,301,153	\$ 28,151,334	\$ 30,481,194	\$ 32,973,662
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (6,373,692)	\$ (4,182,735)	\$ (1,756,749)	\$ (922,293)	\$ -
J Cumulative Difference	\$ (62,131,078)	\$ (66,313,813)	\$ (68,070,562)	\$ (68,992,855)	\$ (68,992,855)

The findings of staff's initial costing of these proposals are that the extension of existing fees with an escalator in lieu of the full implementation of proposed Road Impact fees would result in unrealized revenue of between \$53.8 million and \$60.1 million over the same five-year period compared to the phase-in scenarios presented in Figures 3 and 4, and between \$66.6 million over 10 years to \$101 million over 15 years, respectively.

MEMORANDUM

These models are an estimate, based on averages derived from actual activity from FY 2019-2023. They are a best attempt to evaluate what revenues would be unrealized from a delayed implementation of the revised fees.



City of Franklin, Tennessee

Road Impact Fee Proposals Financial Review

**Board of Mayor and Aldermen
September 10, 2024**

Outline

- Overview
- Full Implementation
- Phase-In Options
- Proposals for Exemptions for Existing Projects
- Summary

Overview: Purpose

The Road Impact Fund is the special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects.

Overview

For the first 25+ years of the fund, the fees collected were for arterial roadways only. Beginning in 2016, fees for collector roadways were added by quadrant.

The arterial fee is approximately 83% and the collector fee is approximately 17% of the total fee. This is based on the Vehicle-Miles of Travel on Arterials vs. Collectors.

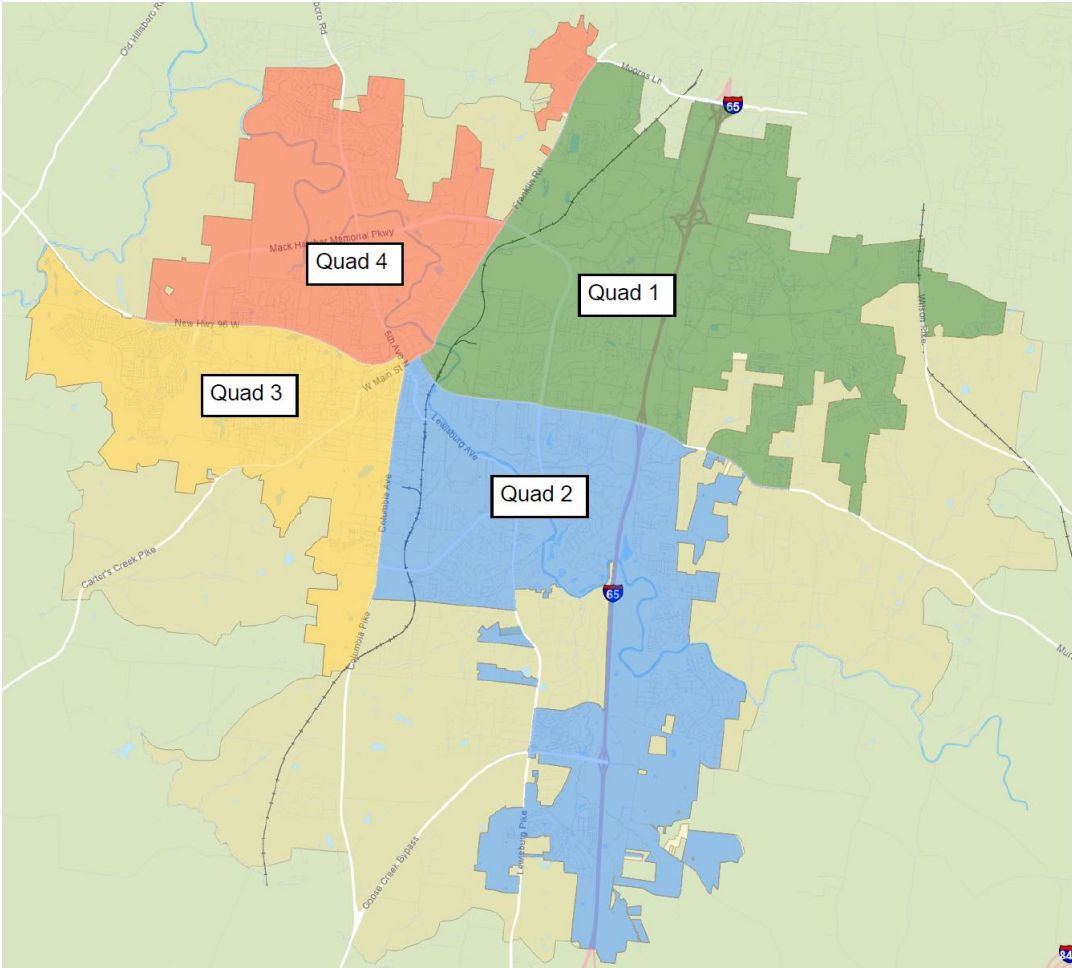


City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Overview

Collector Impact Fee Map



Overview

- To evaluate the financial impacts of modifying the Road Impact Fees as proposed under Ordinance 2023-41, the Office of Budget & Performance first evaluated, permit by permit, project by project, the amount of money collected in Road Impact Fees over the last 5 audited fiscal years, FY 2019-2023.

Figure 1: Annual Road Impact Fees Collected - FY 2019-2023						
Actual Revenue Collected*	2019	2020	2021	2022	2023	Average
	\$7,659,855	\$12,251,152	\$6,975,153	\$10,641,106	\$4,235,737	\$ 8,352,601

**Actual collections as provided from Annual Comprehensive Financial Reports, City of Franklin, FY 2019-2023*

The average amount collected per year over the last five (5) audited years was \$8,352,601.

Full Implementation

- After assessing what was collected, staff evaluated what the amount of money that would have been collected had the full implementation of the proposed fees under Ordinance 2023-41 been implemented over the same timeframe. This is shown in Figure 2.

Figure 2: Road Impact Fees Collections with Full Implementation of fees proposed - FY 2019-2023						
Full RIF Implementation	2019	2020	2021	2022	2023	Average
	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$ 21,255,116

The average amount collected per year over the last five (5) audited years was \$21,255,116.

Full Implementation

- To forecast further, staff has assumed that the ***next five years of activity would be the same as to the previous five years of audited development activity***. Because it is impossible to project development activity – when permits are actually pulled, whether or not development comes to fruition, the variability of economic winds, changing market desires (e.g. office desirability pre-pandemic vs. post-pandemic) – staff can only base possible projections off of past experience.

Phase-In Options

- Given the large increase in the fees year over year, staff has proposed a two-year or three-year phase-in of the fees to assist the development community in accommodating the difference. As part of conversations with the development community and the Board of Mayor and Alderman, we have provided multiple year phase-in projections below, including a ***two-year, a three-year, a four-year and a five-year*** phase in option.

City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Phase-In Options

Figure 3: Road Impact Fee Forecasted Collections w/ Phase-In Options

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>	<u>Unrealized Revenue</u>
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (A+B+C+D+E)</u>	<u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Phase-In Plan							
2-Year							
Amount of phase-in	50%	100%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$12,902,516	\$58,061,321	
2-Year Total	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$21,255,116	\$99,824,324	-\$6,451,258
3-Year							
Amount of phase-in	33%	66%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$4,300,839	\$8,601,677	\$12,902,516	\$12,902,516	\$12,902,516	\$51,610,063	
3-Year Total	\$12,653,439	\$16,954,278	\$21,255,116	\$21,255,116	\$21,255,116	\$93,373,066	-\$12,902,516
4-Year							
Amount of phase-in	25%	50%	75%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$3,225,629	\$6,451,258	\$9,676,887	\$12,902,516	\$12,902,516	\$45,158,805	
4-Year Total	\$11,578,230	\$14,803,858	\$18,029,487	\$21,255,116	\$21,255,116	\$86,921,808	-\$19,353,774
5-Year							
Amount of phase-in	20%	40%	60%	80%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$2,580,503	\$5,161,006	\$7,741,509	\$10,322,013	\$12,902,516	\$38,707,547	
5-Year Total	\$10,933,104	\$13,513,607	\$16,094,110	\$18,674,613	\$21,255,116	\$80,470,550	-\$25,805,031

Phase-In Options

- Phasing-in the Road Impact Fee over multiple years would result in unrealized revenue for the City (based upon actual activity FY 2019-2023) from a low of \$6.4 million to a high of \$25.8 million dollars over a five-year period.
- An alternative phase-in is also included: spread the implementation over 3 year – 25% in year one, 25% in year two and 50% in year three. This is shown below. This would result in unrealized revenue of over \$16.1 million.

Figure 4: Alternative Phase-in Option							
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>	<u>Unrealized Revenue</u>
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (A+B+C+D+E)</u>	<u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Alternate 3-Year Plan							
Amount of phase-in	25%	50%	100%	100%	100%		
Existing Average	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 41,763,003	
Phase In	\$ 3,225,629	\$ 6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$ 48,384,434	
Alternate 3-Year Plan	\$11,578,230	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$ 90,147,437	\$ (16,128,145)

Proposals for Exemptions for Existing Projects

- Continued conversations between staff and development professionals have resulted in alternative suggestions for implementation, including variations of “grandfathering” existing entitled projects over a period of time. These continued conversations have yielded proposal from the development community that was shared at the August 27th Board work session:

- For all new development implement the full proposed fees, but for all entitled projects “on the books” ***single-phase developments have up to five years to complete their projects under existing fees*** (with a 5% escalator annually) and ***multi-phase developments have up to 15 years to complete their projects under existing fees*** (again with a 5% escalator annually).

Proposals for Exemptions for Existing Projects

- Two alternative version(s) of the “grandfathering” approach has also emerged from discussion and would include at 10-year window for projects entitled before January 1, 2025:

- For all new development implement the full proposed fees, but for all projects “on the books” ***all developments (regardless of the type or phase of development) have up to ten years to complete their projects under existing fees*** (one with a 10% annual escalator and one with a 5% annual escalator).

Proposals for Exemptions for Existing Projects

- For all of these scenarios, staff maintained a comparison of the fees collected to full implementation of the fees as a baseline point of reference.
- In addition, all of these scenarios assume a ratio of existing projects to new projects for each year from 1-15 for the first scenario and 1-10 for the second and third scenarios. (So the first two years of each scenario assume 100% of existing projects and 0% new, then 90/10, 80/20, etc...until the end of each scenario assumes 0% existing and 100% new projects.)

Proposals for Exemptions for Existing Projects

- Scenario 1: Figure 5: 5-year (Single-Phase)/15-year (Multi-Phase) Implementation of Existing Fees vs. Full Implementation

Unrealized revenue over 15 years Full Implementation vs.
Existing Fees (with 5% escalator): **\$101.5 Million**

- Scenario 2: Figure 6: 10-year Implementation of New Fees vs. Full Implementation

Unrealized revenue over 10 years Full Implementation vs.
Existing Fees (with 10% escalator): **\$66.7 Million**

Proposals for Exemptions for Existing Projects

- Scenario 3: 10-year Implementation of New Fees vs. Full Implementation

Unrealized revenue over 10 years Full Implementation vs.
Existing Fees (with 5% escalator): **\$68.9 Million**

Summary

- Phasing in the Full Implementation of fees over 2-5 years would result in unrealized revenue of between ***\$6.4 million to a high of \$25.8 million dollars over a five-year period.***
- Exemptions for Existing Projects would result in unrealized revenue of between ***\$66.7 million (over 10 years)*** and ***\$101.5 million (over 15 years).***



City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Questions

September 5, 2024

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Michael Walters Young, Chief Budget & Performance Officer
Katherine Harelson, Development Services Operations Analyst

RE: Review of Road Impact Fee Model Scenarios

Purpose

The purpose of this item is to review with the Board of Mayor and Aldermen staff's ongoing analysis of the possible financial impacts of revising the Road Impact Fees charged to projects wishing to build in the City of Franklin.

Background

City staff periodically evaluates City policies regarding all of its development related impact fees. As part of such evaluation, in 2023, staff secured the services of two outside expert(s) to update and determine road impact fees that are reasonable and prudent. The primary goal of such an endeavor is to ensure the City's infrastructure adequately supports the growing needs of our community and that development contributes appropriately to the funding of infrastructure needs driven by growth.

Beginning in April 2024, staff presented to the Board of Mayor and Aldermen a revision of the existing Road Impact Fees authorized under Ordinance 1988-13. Over the ensuing five months, a series of discussions, meetings and questions have been had and raised between elected officials, professional staff, and partners in the development community. This memorandum attempts to summarize and quantify the proposals and modifications proposed to date.

Financial Impact

To evaluate the financial impacts of modifying the Road Impact Fees as proposed under Ordinance 2023-41, the Office of Budget & Performance first evaluated, permit by permit, project by project, the amount of money collected in Road Impact Fees over the last five audited fiscal years, FY 2019-2023.

Figure 1: Annual Road Impact Fees Collected - FY 2019-2023						
Actual Revenue Collected*	2019	2020	2021	2022	2023	Average
	\$7,659,855	\$12,251,152	\$6,975,153	\$10,641,106	\$4,235,737	\$ 8,352,601

*Actual collections as provided from Annual Comprehensive Financial Reports, City of Franklin, FY 2019-2023

After assessing what was collected, staff evaluated the amount of money that would have been collected had the full implementation of the proposed fees under Ordinance 2023-41 been implemented over the same timeframe. This is shown in Figure 2.

Figure 2: Road Impact Fees Collections with Full Implementation of fees proposed - FY 2019-2023

	2019	2020	2021	2022	2023	Average
Full RIF Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$ 21,255,116

It is important to review what actually has been recorded to properly evaluate possibilities of what might occur. Because it is impossible to project development activity – when permits are actually pulled, whether or not a development comes to fruition, the variability of economic winds, changing market desires (e.g. office desirability pre-pandemic vs. post-pandemic) – staff can only base possible projections off of past experience.

To that end, once the dialogue of Ordinance 2023-41 began, both elected officials and partners in the development community asked to consider phasing the fees over a multi-year timeframe. Given the large increase in the fees year over year, staff has proposed either a two-year or a three-year phase-in of the fees to assist the development community in accommodating the difference. As part of conversations with the development community and the Board of Mayor and Alderman, we have provided multiple year phase-in projections below, including a two-year, a three-year, a four-year and a five-year phase in option. The projected unrealized revenue is shown at the far right.

Figure 3: Road Impact Fee Forecasted Collections w/ Phase-In Options

	<u>Year 1</u> <u>A</u>	<u>Year 2</u> <u>B</u>	<u>Year 3</u> <u>C</u>	<u>Year 4</u> <u>D</u>	<u>Year 5</u> <u>E</u>	<u>Total</u> <u>F (A+B+C+D+E)</u>	<u>Unrealized Revenue</u> <u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Phase-In Plan							
2-Year							
Amount of phase-in	50%	100%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$12,902,516	\$58,061,321	
2-Year Total	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$21,255,116	\$99,824,324	-\$6,451,258
3-Year							
Amount of phase-in	33%	66%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$4,300,839	\$8,601,677	\$12,902,516	\$12,902,516	\$12,902,516	\$51,610,063	
3-Year Total	\$12,653,439	\$16,954,278	\$21,255,116	\$21,255,116	\$21,255,116	\$93,373,066	-\$12,902,516
4-Year							
Amount of phase-in	25%	50%	75%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$3,225,629	\$6,451,258	\$9,676,887	\$12,902,516	\$12,902,516	\$45,158,805	
4-Year Total	\$11,578,230	\$14,803,858	\$18,029,487	\$21,255,116	\$21,255,116	\$86,921,808	-\$19,353,774
5-Year							
Amount of phase-in	20%	40%	60%	80%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$2,580,503	\$5,161,006	\$7,741,509	\$10,322,013	\$12,902,516	\$38,707,547	
5-Year Total	\$10,933,104	\$13,513,607	\$16,094,110	\$18,674,613	\$21,255,116	\$80,470,550	-\$25,805,031

An alternative phasing proposal would spread the implementation over 3 years – 25% in year one, 25% in year two and 50% in year three. This is shown below.

Figure 4: Alternative Phase-in Option							
	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Unrealized Revenue
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (A+B+C+D+E)</u>	<u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Alternate 3-Year Plan							
Amount of phase-in	25%	50%	100%	100%	100%		
Existing Average	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 41,763,003	
Phase In	\$ 3,225,629	\$ 6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$ 48,384,434	
Alternate 3-Year Plan	\$11,578,230	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$ 90,147,437	\$ (16,128,145)

As shown above, phasing the Road Impact Fee over multiple years would result in unrealized revenue for the City (based upon actual activity FY 2019-2023) from a low of \$6.4 million to a high of \$25.8 million dollars over a five-year period.

Continued conversations between staff and development professionals have resulted in alternative suggestions for implementation, including variations of “grandfathering” existing entitled projects over a period of time. These continued conversations have yielded proposal from the development community that was shared at the August 27th Board work session:

- For all new development implement the full proposed fees, but for all entitled projects “on the books” single-phase developments have up to five years to complete their projects under existing fees (with a 5% escalator annually) and multi-phase developments have up to 15 years to complete their projects under existing fees (again with a 5% escalator annually).

An alternative version of the “grandfathering” approach has also emerged from discussion and would include a 10-year window with a 10% annual escalator for projects entitled before January 1, 2025:

- For all new development implement the full proposed fees, but for all projects “on the books” all developments (regardless of the type or phase of development) have up to ten years to complete their projects under existing fees (with a 10% escalator annually).

To evaluate these proposals, staff has assumed a completion scale for existing projects on both the 15-year and 10-year schedules. The projected results are shown below.

Figure 5: 5-year/15-year Implementation of New Fees vs. Full Implementation

	Single-Phase Projects & Multi Phase Projects				
	Year 1	Year 2	Year 3	Year 4	Year 5
A Existing Average	\$ 8,352,601	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638
B Add 5% escalator	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638	\$ 10,660,270
C Completion Scale	100%	100%	90%	80%	70%
D Total Existing Projects	\$ 8,770,231	\$ 9,208,742	\$ 8,702,261	\$ 8,122,111	\$ 7,462,189
E Full Implementation	\$ 21,255,116	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727
F Completion Scale	0%	0%	10%	20%	30%
G Total New Projects	\$ -	\$ -	\$ 2,343,377	\$ 4,921,091	\$ 7,750,718
H (D+G) Total Existing + New	\$ 8,770,231	\$ 9,208,742	\$ 11,045,638	\$ 13,043,201	\$ 15,212,907
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (12,484,886)	\$ (13,109,130)	\$ (12,388,128)	\$ (11,562,253)	\$ (10,622,820)
J Cumulative Difference	\$ (12,484,886)	\$ (25,594,016)	\$ (37,982,143)	\$ (49,544,396)	\$ (60,167,215)

	Multi-Phase Projects Only				
	Year 6	Year 7	Year 8	Year 9	Year 10
A Existing Average	\$ 10,660,270	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625
B Add 5% escalator	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625	\$ 13,605,506
C Completion Scale	60%	50%	40%	30%	20%
D Total Existing Projects	\$ 6,715,970	\$ 5,876,474	\$ 4,936,238	\$ 3,887,287	\$ 2,721,101
E Full Implementation	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083	\$ 31,403,487	\$ 32,973,662
F Completion Scale	40%	50%	60%	70%	80%
G Total New Projects	\$ 10,851,005	\$ 14,241,944	\$ 17,944,850	\$ 21,982,441	\$ 26,378,929
H (D+G) Total Existing + New	\$ 17,566,975	\$ 20,118,418	\$ 22,881,088	\$ 25,869,729	\$ 29,100,031
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (9,560,538)	\$ (8,365,470)	\$ (7,026,995)	\$ (5,533,759)	\$ (3,873,631)
J Cumulative Difference	\$ (69,727,753)	\$ (78,093,224)	\$ (85,120,219)	\$ (90,653,977)	\$ (94,527,608)

	Multi-Phase Projects Only				
	Year 11	Year 12	Year 13	Year 14	Year 15
A Existing Average	\$ 13,605,506	\$ 14,285,782	\$ 15,000,071	\$ 15,750,074	\$ 16,537,578
B Add 5% escalator	\$ 14,285,782	\$ 15,000,071	\$ 15,750,074	\$ 16,537,578	\$ 17,364,457
C Completion Scale	15%	10%	5%	3%	0%
D Total Existing Projects	\$ 2,142,867	\$ 1,500,007	\$ 787,504	\$ 496,127	\$ -
E Full Implementation	\$ 34,622,345	\$ 36,353,462	\$ 38,171,135	\$ 40,079,692	\$ 42,083,676
F Completion Scale	85%	90%	95%	97%	100%
G Total New Projects	\$ 29,428,993	\$ 32,718,116	\$ 36,262,578	\$ 38,877,301	\$ 42,083,676
H (D+G) Total Existing + New	\$ 31,571,860	\$ 34,218,123	\$ 37,050,082	\$ 39,373,428	\$ 42,083,676
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (3,050,484)	\$ (2,135,339)	\$ (1,121,053)	\$ (706,263)	\$ -
J Cumulative Difference	\$ (97,578,093)	\$ (99,713,432)	\$ (100,834,485)	\$ (101,540,748)	\$ (101,540,748)

Figure 6: 10-year Implementation of New Fees vs. Full Implementation

	Single-Phase Projects & Multi Phase Projects				
	Year 1	Year 2	Year 3	Year 4	Year 5
A Existing Average	\$ 8,352,601	\$ 8,770,231	\$ 9,208,742	\$ 9,669,179	\$ 10,152,638
B Add 5% escalator	\$ 9,187,861	\$ 9,647,254	\$ 10,129,616	\$ 10,636,097	\$ 11,167,902
C Completion Scale	100%	100%	85%	70%	55%
D Total Existing Projects	\$ 9,187,861	\$ 9,647,254	\$ 8,610,174	\$ 7,445,268	\$ 6,142,346
E Full Implementation	\$ 21,255,116	\$ 22,317,872	\$ 23,433,766	\$ 24,605,454	\$ 25,835,727
F Completion Scale	0%	0%	15%	30%	45%
G Total New Projects	\$ -	\$ -	\$ 3,515,065	\$ 7,381,636	\$ 11,626,077
H (D+G) Total Existing + New	\$ 9,187,861	\$ 9,647,254	\$ 12,125,239	\$ 14,826,904	\$ 17,768,423
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (12,067,256)	\$ (12,670,618)	\$ (11,308,527)	\$ (9,778,550)	\$ (8,067,304)
J Cumulative Difference	\$ (12,067,256)	\$ (24,737,874)	\$ (36,046,401)	\$ (45,824,951)	\$ (53,892,254)

	Single-Phase Projects & Multi Phase Projects				
	Year 6	Year 7	Year 8	Year 9	Year 10
A Existing Average	\$ 10,660,270	\$ 11,193,284	\$ 11,752,948	\$ 12,340,595	\$ 12,957,625
B Add 5% escalator	\$ 11,726,297	\$ 12,312,612	\$ 12,928,243	\$ 13,574,655	\$ 14,253,387
C Completion Scale	40%	25%	10%	5%	0%
D Total Existing Projects	\$ 4,690,519	\$ 3,078,153	\$ 1,292,824	\$ 678,733	\$ -
E Full Implementation	\$ 27,127,513	\$ 28,483,889	\$ 29,908,083	\$ 31,403,487	\$ 32,973,662
F Completion Scale	60%	75%	90%	95%	100%
G Total New Projects	\$ 16,276,508	\$ 21,362,916	\$ 26,917,275	\$ 29,833,313	\$ 32,973,662
H (D+G) Total Existing + New	\$ 20,967,027	\$ 24,441,069	\$ 28,210,099	\$ 30,512,046	\$ 32,973,662
I (E-H) Difference - Full Implementation vs. Allowance for existing projects	\$ (6,160,486)	\$ (4,042,819)	\$ (1,697,984)	\$ (891,442)	\$ -
J Cumulative Difference	\$ (60,052,741)	\$ (64,095,560)	\$ (65,793,544)	\$ (66,684,985)	\$ (66,684,985)

The findings of staff's initial costing of these proposals are that the extension of existing fees with an escalator in lieu of the full implementation of proposed Road Impact fees would result in unrealized revenue of between \$53.8 million and \$60.1 million over the same five-year period compared to the phase-in scenarios presented in Figures 3 and 4, and between \$66.6 million over 10 years to \$101 million over 15 years, respectively.

These models are an estimate, based on averages derived from actual activity from FY 2019-2023. They are a best attempt to evaluate what revenues would be unrealized from a delayed implementation of the revised fees.



City of Franklin, Tennessee

Road Impact Fee Proposals Financial Review

**Board of Mayor and Aldermen
September 10, 2024**

Outline

- Overview
- Full Implementation
- Phase-In Options
- Proposals for Exemptions for Existing Projects
- Summary



City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Overview

- To evaluate the financial impacts of modifying the Road Impact Fees as proposed under Ordinance 2023-41, the Office of Budget & Performance first evaluated, permit by permit, project by project, the amount of money collected in Road Impact Fees over the last 5 audited fiscal years, FY 2019-2023.

Figure 1: Annual Road Impact Fees Collected - FY 2019-2023						
Actual Revenue Collected*	2019	2020	2021	2022	2023	Average
	\$7,659,855	\$12,251,152	\$6,975,153	\$10,641,106	\$4,235,737	\$ 8,352,601

**Actual collections as provided from Annual Comprehensive Financial Reports, City of Franklin, FY 2019-2023*

The average amount collected per year over the last five (5) audited years was \$8,352,601.

Full Implementation

- After assessing what was collected, staff evaluated what the amount of money that would have been collected had the full implementation of the proposed fees under Ordinance 2023-41 been implemented over the same timeframe. This is shown in Figure 2.

Figure 2: Road Impact Fees Collections with Full Implementation of fees proposed - FY 2019-2023						
Full RIF Implementation	2019	2020	2021	2022	2023	Average
	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$ 21,255,116

The average amount collected per year over the last five (5) audited years was \$21,255,116.

Full Implementation

- To forecast further, staff has assumed that the ***next five years of activity would be the same as to the previous five years of audited development activity***. Because it is impossible to project development activity – when permits are actually pulled, whether or not development comes to fruition, the variability of economic winds, changing market desires (e.g. office desirability pre-pandemic vs. post-pandemic) – staff can only base possible projections off of past experience.

Phase-In Options

- Given the large increase in the fees year over year, staff has proposed a two-year or three-year phase-in of the fees to assist the development community in accommodating the difference. As part of conversations with the development community and the Board of Mayor and Alderman, we have provided multiple year phase-in projections below, including a ***two-year, a three-year, a four-year and a five-year*** phase in option.



City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Phase-In Options

Figure 3: Road Impact Fee Forecasted Collections w/ Phase-In Options

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>	<u>Unrealized Revenue</u>
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (A+B+C+D+E)</u>	<u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Phase-In Plan							
2-Year							
Amount of phase-in	50%	100%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$12,902,516	\$58,061,321	
2-Year Total	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$21,255,116	\$99,824,324	-\$6,451,258
3-Year							
Amount of phase-in	33%	66%	100%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$4,300,839	\$8,601,677	\$12,902,516	\$12,902,516	\$12,902,516	\$51,610,063	
3-Year Total	\$12,653,439	\$16,954,278	\$21,255,116	\$21,255,116	\$21,255,116	\$93,373,066	-\$12,902,516
4-Year							
Amount of phase-in	25%	50%	75%	100%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$3,225,629	\$6,451,258	\$9,676,887	\$12,902,516	\$12,902,516	\$45,158,805	
4-Year Total	\$11,578,230	\$14,803,858	\$18,029,487	\$21,255,116	\$21,255,116	\$86,921,808	-\$19,353,774
5-Year							
Amount of phase-in	20%	40%	60%	80%	100%		
Existing Average	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$8,352,601	\$41,763,003	
Phase In	\$2,580,503	\$5,161,006	\$7,741,509	\$10,322,013	\$12,902,516	\$38,707,547	
5-Year Total	\$10,933,104	\$13,513,607	\$16,094,110	\$18,674,613	\$21,255,116	\$80,470,550	-\$25,805,031



City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Phase-In Options

- Phasing-in the Road Impact Fee over multiple years would result in unrealized revenue for the City (based upon actual activity FY 2019-2023) from a low of \$6.4 million to a high of \$25.8 million dollars over a five-year period.
- An alternative phase-in is also included: spread the implementation over 3 year – 25% in year one, 25% in year two and 50% in year three. This is shown below. This would result in unrealized revenue of over \$16.1 million.

Figure 4: Alternative Phase-in Option							
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>	<u>Unrealized Revenue</u>
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (A+B+C+D+E)</u>	<u>G (F - Phase-In Total)</u>
Full Implementation	\$24,499,167	\$19,191,952	\$26,628,181	\$19,191,952	\$16,764,329	\$106,275,581	
Alternate 3-Year Plan							
Amount of phase-in	25%	50%	100%	100%	100%		
Existing Average	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 8,352,601	\$ 41,763,003	
Phase In	\$ 3,225,629	\$ 6,451,258	\$12,902,516	\$12,902,516	\$12,902,516	\$ 48,384,434	
Alternate 3-Year Plan	\$11,578,230	\$14,803,858	\$21,255,116	\$21,255,116	\$21,255,116	\$ 90,147,437	\$ (16,128,145)

Proposals for Exemptions for Existing Projects

- Continued conversations between staff and development professionals have resulted in alternative suggestions for implementation, including variations of “grandfathering” existing entitled projects over a period of time. These continued conversations have yielded proposal from the development community that was shared at the August 27th Board work session:

- For all new development implement the full proposed fees, but for all entitled projects “on the books” ***single-phase developments have up to five years to complete their projects under existing fees*** (with a 5% escalator annually) and ***multi-phase developments have up to 15 years to complete their projects under existing fees*** (again with a 5% escalator annually).

Proposals for Exemptions for Existing Projects

- An alternative version of the “grandfathering” approach has also emerged from discussion and would include a 10-year window for projects entitled before January 1, 2025:

- For all new development implement the full proposed fees, but for all projects “on the books” ***all developments (regardless of the type or phase of development) have up to ten years to complete their projects under existing fees*** (with a 10% annual escalator).

Proposals for Exemptions for Existing Projects

- For both of these scenarios, staff maintained a comparison of the fees collected to full implementation of the fees as a baseline point of reference.
- In addition, both of these scenarios assume a ratio of existing projects to new projects for each year from 1-15 for the first scenario and 1-10 for the second scenario. (So the first two years of each scenario assume 100% of existing projects and 0% new, then 90/10, 80/20, etc...until the end of each scenario assumes 0% existing and 100% new projects.)

Proposals for Exemptions for Existing Projects

- Scenario 1: Figure 5: 5-year (Single-Phase)/15-year (Multi-Phase) Implementation of Existing Fees vs. Full Implementation

Unrealized revenue over 15 years Full Implementation vs.
Existing Fees (with 5% escalator): **\$101.5 Million**

- Scenario 2: Figure 6: 10-year Implementation of New Fees vs. Full Implementation

Unrealized revenue over 10 years Full Implementation vs.
Existing Fees (with 10% escalator): **\$66.7 Million**

Summary

- Phasing in the Full Implementation of fees over 2-5 years would result in unrealized revenue of between ***\$6.4 million to a high of \$25.8 million dollars over a five-year period.***
- Exemptions for Existing Projects would result in unrealized revenue of between ***\$66.7 million (over 10 years)*** and ***\$101.5 million (over 15 years).***



City of Franklin, Tennessee

Road Impact Fee Proposals – Financial Review

Questions



City of Franklin

Road Impact Fee Study Update

Technical Memorandum
January 5, 2024

Prepared for:

City of Franklin
109 3rd Avenue South
Franklin, Tennessee 37064
ph (615) 791-3218

Prepared by:

Benesch
1000 N. Ashley Dr., #400
Tampa, Florida 33602
ph (813) 224-8862
E-mail: nkamp@benesch.com

City of Franklin

Road Impact Fee Study Update

Table of Contents

Introduction	1
Demand Component.....	1
Cost Component	4
Credit Component.....	6
Road Impact Fee Calculation.....	8

Appendices:

Appendix A: Single Family Tiering Analysis

Road Impact Fee Study Update

Introduction

To address transportation infrastructure costs associated with new growth, the City of Franklin implemented a roadway impact fee and is currently in the process of updating the impact fee technical study. The draft technical report summarizing results of this study was published by Duncan Associates in June 2023¹. As part of the update study, the City of Franklin retained Benesch to review the Duncan study approach and key impact fee variables. The review concluded that the overall approach of the study complied with impact fee legal requirements and included certain adjustments to the demand, cost, and credit data. This technical memorandum presents the results of this review and resulting road impact fee rates.

Demand Component

As part of this update and based on the request from the City, the Single Family Detached land use was tiered by square footage and a Single Family Attached land use (also tiered) was added to the road impact fee study. Additional details for the tiering analysis are included in Appendix A. The remaining elements of the demand component are from the Duncan study and were not reviewed in detail. Table 1 presents the demand variables used for each land use included in the City's impact fee schedule.

¹ *City of Franklin Road Impact Fee Study, June 2023, Duncan Associates*

Table 1: Travel Demand by Land Use

ITE Code	Land Use Type	Unit	Daily Trips/ Unit ⁽¹⁾	% Primary Trips	Arterials		Collectors	
					Trip Length	Daily VMT	Trip Length	Daily VMT
210	Single Family Det <1,500 sf	du	4.18	100%	3.41	14.25	0.70	2.93
210	Single Family Det 1,500-2,999 sf	du	4.79	100%	3.41	16.33	0.70	3.35
210	Single Family Det 3,000 sf or more	du	5.35	100%	3.41	18.24	0.70	3.75
215	Single Family Att <1,500 sf	du	3.42	100%	3.41	11.66	0.70	2.39
215	Single Family Att 1,500-2,999 sf	du	3.92	100%	3.41	13.37	0.70	2.74
215	Single Family Att 3,000 sf or more	du	4.37	100%	3.41	14.90	0.70	3.06
220	Multi-Family	du	3.37	100%	3.41	11.49	0.70	2.36
240	Mobile Home Park	site	3.56	100%	3.41	12.14	0.70	2.49
253	Congregate Care Facility	du	1.10	100%	3.71	4.08	0.76	0.84
310/320	Hotel/Motel	room	2.83	100%	2.63	7.44	0.54	1.53
Retail/Commercial								
820	Shopping Center/Gen. Retail	1,000 sf	18.50	43%	2.76	21.96	0.57	4.53
930	Restaurant, Sit-Down	1,000 sf	53.60	38%	2.76	56.22	0.57	11.61
934	Restaurant, Fast Food	1,000 sf	233.74	30%	0.92	64.51	0.19	13.32
Office/Institutional								
710	Office, General	1,000 sf	5.42	75%	3.67	14.92	0.76	3.09
610	Hospital	1,000 sf	5.38	75%	3.71	14.97	0.76	3.07
620	Nursing Home	1,000 sf	3.37	75%	3.71	9.38	0.76	1.92
560	Church	1,000 sf	3.80	75%	2.49	7.10	0.51	1.45
520/522/525	Elem/Sec. School	1,000 sf	9.94	24%	2.49	5.94	0.51	1.22
Industrial								
140	Manufacturing	1,000 sf	2.37	95%	3.67	8.26	0.76	1.71
130	Industrial Park	1,000 sf	1.68	95%	3.67	5.86	0.76	1.21
770	Business Park	1,000 sf	6.22	95%	3.67	21.69	0.76	4.49
150	Warehouse	1,000 sf	0.85	95%	3.67	2.96	0.76	0.61
151	Mini-Warehouse	1,000 sf	0.72	95%	3.67	2.51	0.76	0.52

Source: *City of Franklin Road Impact Fee Study, June 2023*, Duncan Associates

1) Source: Appendix A, Table A-5 for Single Family Detached and Table A-10 for Single Family Attached

Cost Component

The cost component measures the cost of providing transportation infrastructure in the City of Franklin. Local governments provide additional roadway capacity through a combination of improvements, such as new roads, lane additions, intersection improvements, etc. Impact fees should reflect this cost as accurately as possible. As shown in Table 2, historical and future improvements in the City of Franklin have, or will include, a combination of new roads, lane additions and intersection improvements and costs vary by type of improvement.

Benesch reviewed cost per capacity figures by type of projects, timing of projects (historical vs. future estimates) and used a weighted average of these projects to estimate the cost of providing additional transportation capacity.

To supplement this analysis, Benesch conducted a review of cost estimates provided by the City. Benesch estimates for these projects were in line with the City's estimates.

Finally, the City staff confirmed that this combination of projects represent "typical" projects that the City builds. In other words, the sample projects do not include outlier projects that are unlikely to occur frequently and have higher costs due to conditions specific to the improvement or the location of the improvement.

Table 2: Cost per Vehicle-Mile of Capacity

Project Name	Miles	Project/Rd Class	Capacity		New VMC	Total Eligible Cost	Cost/VMC
			Exist	Imprvd			
Carothers Parkway (S. Carothers Rd - Long Ln.)	2.73	Arterial / New 2 Ln Roadway	0	16,800	45,864	\$17,627,425	\$384
Hillsboro Rd. (Independence Square - Hillsboro Rd.)	0.83	Arterial / Widen From 2 Ln. to 3 Ln.	16,800	21,000	3,486	\$12,624,371	\$3,621
Mack Hatcher Pkwy (NW)	2.63	Expressway / New 2 Lane Roadway	0	24,100	63,383	\$61,068,723	\$963
Franklin Rd. (Harpeth River - Industrial Court)	0.61	Arterial / Widen From 2 Ln. to 3 Ln.	16,800	21,000	2,562	\$11,806,135	\$4,608
Jordan Road (Aspen Grove Dr. - Mallory Ln.)	0.26	Collector / From 2 to 3 Lanes	7,300	9,100	468	\$4,469,402	\$9,550
Columbia Ave (Mack Hatcher - Downs Blvd.)	1.22	Arterial / Widen From 3 to 5 Lanes	21,000	47,400	32,208	\$26,177,688	\$813
Long Ln. and Old Peytonsville Rd. Connector	1.33	Collector / New 2 Lane Collector	0	7,300	9,709	\$33,300,237	\$3,430
Mallory and Liberty Pike Intersection Project	0.65	Arterial / Widen from 4/3 Lns to 4 Lns	28,128	37,900	6,352	\$15,917,660	\$2,506
McEwen Drive Phase IV	1.36	Arterial / Widen From 2 Ln. to 4 Ln.	16,800	37,900	28,696	\$33,068,461	\$1,152
McEwen Drive Phase V (Wilson Pike to COF Limits)	1.01	Arterial / New 2 Ln Roadway	0	16,800	16,968	\$18,935,930	\$1,116
Carlisle Ln (SR96W-Mack Hatcher Pkwy)	0.82	Collector / Widen From 2 Ln. to 3 Ln.	7,300	9,100	1,476	\$12,504,000	\$8,472
Peytonsville Rd & Pratt Ln Int Improvements	0.40	Collector / Widen From 2 Ln. to 3 Ln.	7,300	9,100	720	\$10,972,866	\$15,240
Church St (Columbia to 1st Ave S)	0.42	Collector / Widen From 2 Ln. to 2 Ln.	7,300	9,100	756	\$8,476,400	\$11,212
Goose Creek Bypass Extension (Peytonsville Rd. to Long Ln.)	1.15	Arterial / New 4 Ln.	0	37,900	43,585	\$23,570,000	\$541
Carothers Parkway Ext. (Long Ln. to Future Goose Creek Bypass)	0.33	Arterial / New 4 Ln.	0	37,900	12,507	\$8,311,000	\$665
Aspen Grove Dr & Seaboard Ln Intersection Improvements	0.12	Collector / New 2 Ln. Collector	0	7,300	876	\$3,274,000	\$3,737
Carothers Pkwy (Falcon Creek Sub-SR96)	1.04	Arterial / Widen from 2 Ln. to 4 Ln.	16,800	37,900	21,944	\$24,209,164	\$1,103
Lewisburg Pike (Mack Hatcher Pkwy - Donaldson Creek)	0.79	Arterial / Widen from 2 Ln. to 4 Ln.	16,800	37,900	16,669	\$17,147,000	\$1,029
N Royal Oaks Blvd (Alexander Plz-Liberty)	0.61	Arterial / Widen from 3 Ln. to 4 Ln.	21,000	37,900	10,309	\$12,726,000	\$1,234
Carothers Pkwy (Long Ln - Falcon Creek Subd)	2.74	Arterial / Widen from 2 Ln. to 4 Ln.	16,800	37,900	57,814	\$15,250,000	\$264
Boyd Mill Ave (Downs Blvd - SR96W)	0.84	Collector / Widen From 2 Ln. to 3 Ln.	7,300	9,100	1,512	\$10,119,000	\$6,692
Clovercroft Rd (SR96 - Oxford Glen Dr)	1.40	Collector / Widen From 2 Ln. to 5 Ln.	7,300	18,100	15,120	\$20,790,000	\$1,375
West Main St (Natchez St to Downs Blvd)	0.71	Arterial / Widen from 2 Ln. to 3 Ln.	16,800	21,000	2,982	\$15,251,000	\$5,114
Columbia Ave (Downs Blvd to Fowlkes St)	0.72	Arterial / Widen from 2 Ln. to 3 Ln.	16,800	21,000	3,024	\$15,015,260	\$4,965
Mack Hatcher SE Widening	3.14	Arterial / Widen from 2 Ln. to 4 Ln.	16,800	37,900	66,254	\$51,040,000	\$770
Total	28.35				465,244	\$483,651,722	\$1,040

Source: City of Franklin and the *City of Franklin Road Impact Fee Study, June 2023*, Duncan Associates

Credit Component

In addition to the State and Federal revenue credits included in the Duncan study, a credit for outstanding road debt service payments was also included in this update. As shown in Table 3, only the non-impact fee portion of the debt service is eligible for the road impact fee credit calculation, which was calculated at approximately \$1.70 million per year.

Table 4 summarizes the State and Federal funding and debt service credit for the City of Franklin road impact fee calculations.

Table 3: Outstanding Road Debt Issues

Purpose	Principal	Interest	Total	Impact Fee Portion	Gen. Fund Portion	Years Remaining	Annual Non-IF
Bonds 2012 - \$22.5 million (various - Refunding)	\$4,335,000	\$280,810	\$4,615,810	\$4,615,810	\$0	4	-
Bonds 2017	\$10,539,175	\$4,189,635	\$14,728,810	\$0	\$14,728,810	14	\$1,052,058
Bonds 2019A - Refunding	\$7,299,040	\$3,100,955	\$10,399,995	\$0	\$10,399,995	16	\$650,000
Bonds 2019B - Refunding	\$5,880,270	\$1,232,020	\$7,112,290	\$7,112,290	\$0	6	-
Bonds 2019C - Refunding	\$12,104,400	\$3,507,315	\$15,611,715	\$15,611,715	\$0	9	-
Bonds 2019D - Taxable Refunding Bonds	\$834,200	\$51,907	\$886,107	\$886,107	\$0	4	-
Total	\$40,992,085	\$12,362,642	\$53,354,727				\$1,702,058

Source: City of Franklin

Table 4: State/Federal/Debt Funding Credit

Item	Arterials	Collectors	All Major Roads
Total State/Federal Capacity Funding, 2016-2028	\$125,801,585	\$0	\$125,801,585
÷ Years	13	13	13
Annual State/Federal Capacity Funding	\$9,677,045	\$0	\$9,677,045
Total Annual Debt Service	\$1,702,058	\$1,702,058	\$1,702,058
Total Annual State/Federal/Debt Funding	\$11,379,103	\$1,702,058	\$11,379,103
÷ Daily Vehicle-Miles of Travel (VMT)	1,029,084	212,310	1,241,394
Average Annual Funding per VMT	\$11.06	\$8.02	\$9.17
× Net Present Value Factor (20 Years)	14.47	14.47	14.47
State/Federal/Debt Funding Credit per VMT	\$160	\$116	\$133

Source: Table 3 for Total Annual Debt Service. All other variables are from the *City of Franklin Road Impact Fee Study, June 2023*, Duncan Associates

Road Impact Fee Calculation

Table 5 summarizes the updated cost and credit variables previously presented and the resulting net cost per daily VMT for each road classification.

Table 5: Net Cost per Vehicle-Mile of Travel

Item	Arterials	Collectors	All Major Roads
Average Cost per VMT	\$1,040	\$1,040	\$1,040
- State/Federal Funding Credit per VMT	-\$160	-\$116	-\$133
Net Cost per Daily VMT	\$880	\$924	\$907

Source: Table 2 and Table 4

Table 6 calculates road impact fee rates for the City of Franklin using the demand, cost, and credit data presented in this technical memorandum.

Table 6: Updated Net Cost Schedule

Land Use Type	Dev't Unit	VMT/Unit		Net Cost/VMT		Net Cost/Unit		Total
		Arterial	Collect.	Arterial	Collect.	Arterial	Collect.	
Single Family Det <1,500 sf	Dwelling	14.25	2.93	\$880	\$924	\$12,543	\$2,704	\$15,247
Single Family Det 1,500-2,999 sf	Dwelling	16.33	3.35	\$880	\$924	\$14,374	\$3,098	\$17,472
Single Family Det 3,000 sf or more	Dwelling	18.24	3.75	\$880	\$924	\$16,054	\$3,460	\$19,514
Single Family Att <1,500 sf	Dwelling	11.66	2.39	\$880	\$924	\$10,263	\$2,212	\$12,475
Single Family Att 1,500-2,999 sf	Dwelling	13.37	2.74	\$880	\$924	\$11,763	\$2,535	\$14,298
Single Family Att 3,000 sf or more	Dwelling	14.90	3.06	\$880	\$924	\$13,113	\$2,827	\$15,940
Multi-Family	Dwelling	11.49	2.36	\$880	\$924	\$10,111	\$2,181	\$12,292
Mobile Home Park	Site	12.14	2.49	\$880	\$924	\$10,683	\$2,301	\$12,984
Congregate Care Facility	Dwelling	4.08	0.84	\$880	\$924	\$3,590	\$776	\$4,366
Hotel/Motel	Room	7.44	1.53	\$880	\$924	\$6,547	\$1,414	\$7,961
Retail/Commercial								
Shopping Ctr/Gen. Retail	1,000 sq ft	21.96	4.53	\$880	\$924	\$19,325	\$4,186	\$23,511
Restaurant, Quality	1,000 sq ft	56.22	11.61	\$880	\$924	\$49,474	\$10,728	\$60,202
Restaurant, Fast Food	1,000 sq ft	64.51	13.32	\$880	\$924	\$56,769	\$12,308	\$69,077
Office/Institutional								
Office/General	1,000 sq ft	14.92	3.09	\$880	\$924	\$13,130	\$2,855	\$15,985
Hospital	1,000 sq ft	14.97	3.07	\$880	\$924	\$13,174	\$2,837	\$16,011
Nursing Home	1,000 sq ft	9.38	1.92	\$880	\$924	\$8,254	\$1,774	\$10,028
Church	1,000 sq ft	7.10	1.45	\$880	\$924	\$6,248	\$1,340	\$7,588
Elementary/Sec. School	1,000 sq ft	5.94	1.22	\$880	\$924	\$5,227	\$1,127	\$6,354
Industrial								
Manufacturing	1,000 sq ft	8.26	1.71	\$880	\$924	\$7,269	\$1,580	\$8,849
Industrial Park	1,000 sq ft	5.86	1.21	\$880	\$924	\$5,157	\$1,118	\$6,275
Business Park	1,000 sq ft	21.69	4.49	\$880	\$924	\$19,087	\$4,149	\$23,236
Warehouse	1,000 sq ft	2.96	0.61	\$880	\$924	\$2,605	\$564	\$3,169
Mini-Warehouse	1,000 sq ft	2.51	0.52	\$880	\$924	\$2,209	\$480	\$2,689

Source: Table 1 for VMT/Unit and Table 5 for Net Cost per VMT

Appendix A

Single Family Tiering Analysis

Single Family Residential Trip Generation Rate Tiering

As part of this study, the single family residential land use was separated in “single family detached” and “single family attached” land use and trip generation rate tiering was included to ensure equity by the size of a home. To facilitate this, an analysis was completed on the comparative relationship between housing size and household travel behavior. This analysis utilized data from the 2017 National Household Travel Survey (NHTS) and the 2021 American Housing Survey (AHS) to examine overall trip-making characteristics of households in the United States.

Single Family Detached

Table A-1 presents travel variables being utilized in the calculated road impact fee schedule for the single family (detached) land use. The 2017 NHTS database was used to assess average annual household vehicle miles of travel (VMT) for various annual household income levels. In addition, the 2021 AHS database was used to compare median annual family/household incomes with housing unit size. It is important to recognize that the use of the income variable in each of these databases is simply to provide a convenient linking mechanism between household VMT from the NHTS and housing unit size from the AHS.

Table A-1			
Calculated Single Family Detached Trip Characteristics			
Calculated Values Excluding Tiering	Trip Rate	Assessable Trip Length	Daily VMT
Single Family (Detached)	9.42	3.41	32.12

Source: *City of Franklin Road Impact Fee Study, June 2023*, Duncan Associates

The results of the NHTS and AHS analyses are included in Tables A-2 and A-3. First, the data shown in Table A-2 indicates that the average income in the U.S. for families/households living in housing units smaller than 1,500 square feet in size (\$51,697) is lower than the overall average income for the U.S. (\$66,289). In Table A-3, annual average household VMT was calculated from the NHTS database for several different income levels and ranges related to the resulting AHS income data in Table A-2.

Table A-2
Annual Income by Housing Size

2021 AHS Average Income Data by Housing Size	Annual Income ⁽¹⁾
Less than 1,500 sf	\$51,697
1,500 to 2,499 sf	\$74,416
1,500 to 2,999 sf	\$76,628
3,000 sf or more	\$93,260
Average of All Houses	\$66,289

Source: American Housing Survey for the United States in 2021

1) Weighted average of annual income for each tier

Table A-3
NHTS VMT Annual VMT by Income Category

2017 NHTS Travel Data by Annual HH Income	Annual VMT/HH	Days	Daily VMT	Ratio to Mean	Normalized to 1.054
Total (All Homes)	19,167	365	52.51	1.000	-
Average of \$51,697	17,934	365	49.13	0.936	0.888
Average of \$74,416	20,191	365	55.32	1.054	1.000
Average of \$76,628	20,546	365	56.29	1.072	1.017
Average of \$93,260	22,926	365	62.81	1.196	1.135

Source: 2017 National Household Travel Survey Database, Federal Highway Administration

To calculate a corresponding trip rate for the new tiers it was necessary to rely on comparative ratios. As an example, consider the \$51,697 annual income category. First, it was determined that the average annual household VMT for this income level is 17,934 miles. This figure was then compared to the overall average annual VMT per household in the U.S. and normalized to the average of the \$74,416 (20,191 miles) category to derive a ratio of 0.888. It should be noted that the \$74,416 (1,500 square feet to 2,499 square feet) category is not an impact fee tier, but rather the estimated average homes size that corresponds with the trip rate data shown in Table A-1.

Next, the normalized ratio was applied to the daily VMT for the average single family detached housing unit size (less than 1,500 square feet) to generate a daily VMT of 28.52 for the tier, as shown in Table A-4. This daily VMT figure was then divided by the proposed assessable trip length of 3.41 miles to obtain a trip generation rate of 8.36 trips per day.

Table A-4
Trip Generation Rate by Single Family Detached Land Use Tier

Estimation of Trip Rate by Tier	Trip Rate ⁽¹⁾	Assessable Trip Length ⁽²⁾	Daily VMT ⁽³⁾	Ratio to Mean ⁽⁴⁾
Single Family (Detached)				
Less than 1,500 sf	8.36	3.41	28.52	0.888
1,500 to 2,499 sf	9.42	3.41	32.12	1.000
1,500 to 2,999 sf	9.58	3.41	32.67	1.017
3,000 sf or more	10.69	3.41	36.46	1.135

1) Daily VMT (Item 3) divided by assessable trip length (Item 2) for each tier

2) Source: Table A-1

3) Ratio to the mean (Item 4) multiplied by the total daily VMT for the 1,500 to 2,499 sq tier

4) Source: Table A-3

Table A-5 illustrates the impact that the trip generation rate tiers have on the City's calculated roadway impact fee rates for the single family (detached) land use.

Table A-5
Net Impact Fee by Single Family Detached Land Use Tier

Impact of Tiering on Fee Schedule	Trip Rate ⁽¹⁾	Trip Rate Adjusted ⁽²⁾	Assessable Trip Length ⁽³⁾	Daily VMT ⁽⁴⁾	Net Fee ⁽⁵⁾
Single Family (Detached)					
Less than 1,500 sf	8.36	4.18	3.41	14.25	\$15,247
1,500 to 2,999 sf	9.58	4.79	3.41	16.33	\$17,472
3,000 sf or more	10.69	5.35	3.41	18.24	\$19,514

1) Source: Table A-4 Item 1)

2) Trip rate (Item 1) divided by two to reflect that every trip has an origin and destination

3) Source: Table A-1

4) Trip rate adjusted (Item 2) multiplied by the assessable trip length (Item 3)

5) Source: Table 6

Single Family Attached

Tables A-6 through A-10 present a similar tiering analysis for the single family attached land use.

Table A-6
Calculated Single Family Attached Trip Characteristics

Calculated Values Excluding Tiering	Trip Rate	Assessable Trip Length	Daily VMT
Single Family (Attached)	7.20	3.41	24.55

Source: Institute of Transportation Engineers (ITE) 11th Edition Handbook and the *City of Franklin Road Impact Fee Study, June 2023*, Duncan Associates

Table A-7
Annual Income by Housing Size

2021 AHS Average Income Data by Housing Size	Annual Income ⁽¹⁾
Less than 1,500 sf	\$51,697
1,000 to 1,999 sf	\$63,985
1,500 to 2,999 sf	\$76,628
3,000 sf or more	\$93,260
Average of All Houses	\$66,289

Source: American Housing Survey for the United States in 2021

1) Weighted average of annual income for each tier

Table A-8
NHTS VMT Annual VMT by Income Category

2017 NHTS Travel Data by Annual HH Income	Annual VMT/HH	Days	Daily VMT	Ratio to Mean	Normalized to 0.985
Total (All Homes)	19,167	365	52.51	1.000	-
Average of \$51,697	17,934	365	49.13	0.936	0.950
Average of \$63,985	18,877	365	51.72	0.985	1.000
Average of \$76,628	20,546	365	56.29	1.072	1.088
Average of \$93,260	22,926	365	62.81	1.196	1.214

Source: 2017 National Household Travel Survey Database, Federal Highway Administration

Table A-9
Trip Generation Rate by Single Family Attached Land Use Tier

Estimation of Trip Rate by Tier	Trip Rate ⁽¹⁾	Assessable Trip Length ⁽²⁾	Daily VMT ⁽³⁾	Ratio to Mean ⁽⁴⁾
Single Family (Attached)				
Less than 1,500 sf	6.84	3.41	23.32	0.950
1,000 to 1,999 sf	7.20	3.41	24.55	1.000
1,500 to 2,999 sf	7.83	3.41	26.71	1.088
3,000 sf or more	8.74	3.41	29.80	1.214

1) Daily VMT (Item 3) divided by assessable trip length (Item 2) for each tier

2) Source: Table A-6

3) Ratio to the mean (Item 4) multiplied by the total daily VMT for the 1,000 to 1,999 sq tier

4) Source: Table A-8

Table A-10

Net Impact Fee by Single Family Attached Land Use Tier

Impact of Tiering on Fee Schedule	Trip Rate⁽¹⁾	Trip Rate Adjusted⁽²⁾	Assessable Trip Length⁽³⁾	Daily VMT⁽⁴⁾	Net Fee⁽⁵⁾
<i>Single Family (Attached)</i>					
Less than 1,500 sf	6.84	3.42	3.41	11.66	\$12,475
1,500 to 2,999 sf	7.83	3.92	3.41	13.37	\$14,298
3,000 sf or more	8.74	4.37	3.41	14.90	\$15,940

1) Source: Table A-9, Item 1

2) Trip rate (Item 1) divided by two to reflect that every trip has an origin and destination

3) Source: Table A-6

4) Trip rate adjusted (Item 2) multiplied by the assessable trip length (Item 3)

5) Source: Table 6



Road Impact Fee Discussion

Board of Mayor & Aldermen Work Session

February 13, 2024



Public Engagement

- 07/11/2023 – BOMA Work Session Presentation
- 08/02/2023 – Design Professionals Group
- 08/23/2023 – Commercial Real Estate Development Association (NAIOP)
- 09/13/2023 – Development Services Advisory Commission
- 09/14/2023 – Housing Commission Meeting
- 11/28/2023 – BOMA Work Session Presentation
- 01/23/2024 – BOMA Work Session Presentation



Proposed Changes

- Adjust impact fee annually based on the U.S. Department of Transportation Federal Highway Administration National Highway Construction Cost Index (NHCCI).
- Incorporate different size single family detached and attached land use types.

Next Steps



January – February 2024

- Staff to present final Road Impact Fee Ordinance for BOMA review and approval.

Proposed Implementation For Discussion

July 1, 2024

- 1st Increase of Road Impact Fees.

July 1, 2025

- Implementation of 100% of the 2023 Impact Fee.

January 1, 2026

- Adjust fee based on the National Highway Construction Cost Index.

Implementation of RIF



Implementation of Road Impact Fees

Land Use Type	Unit	Current Fees			Fee Effective July 1, 2024			Fee Effective July 1, 2025		
		Arterial	Collector	Total	Arterial	Collector	Total	Arterial	Collector	Total
Single-Family Detached	Dwelling	\$ 4,911	\$ 3,340	\$ 8,251	N/A	N/A	N/A	N/A	N/A	N/A
Single-Family Det <1,500 sf	Dwelling	N/A	N/A	N/A	\$ 9,665	\$ 2,084	\$ 11,749	\$ 12,543	\$ 2,704	\$ 15,247
Single-Family Det 1,500-2,999 sf	Dwelling	N/A	N/A	N/A	\$ 10,581	\$ 2,281	\$ 12,862	\$ 14,374	\$ 3,098	\$ 17,472
Single-Family Det 3,000 sf or more	Dwelling	N/A	N/A	N/A	\$ 11,421	\$ 2,461	\$ 13,883	\$ 16,054	\$ 3,460	\$ 19,514
Single-Family Att <1,500 sf	Dwelling	N/A	N/A	N/A	\$ 8,525	\$ 1,838	\$ 10,363	\$ 10,263	\$ 2,212	\$ 12,475
Single-Family Att 1,500-2,999 sf	Dwelling	N/A	N/A	N/A	\$ 9,276	\$ 1,999	\$ 11,275	\$ 11,763	\$ 2,535	\$ 14,298
Single-Family Att 3,000 sf or more	Dwelling	N/A	N/A	N/A	\$ 9,950	\$ 2,145	\$ 12,096	\$ 13,113	\$ 2,827	\$ 15,940
Multi-Family	Dwelling	\$ 3,112	\$ 2,121	\$ 5,233	\$ 7,208	\$ 1,555	\$ 8,763	\$ 10,111	\$ 2,181	\$ 12,292
Mobil Home Park	Site	\$ 2,338	\$ 1,592	\$ 3,930	\$ 6,958	\$ 1,499	\$ 8,457	\$ 10,683	\$ 2,301	\$ 12,984
Congregate Care Facility	Dwelling	\$ 1,093	\$ 743	\$ 1,836	\$ 2,550	\$ 551	\$ 3,101	\$ 3,590	\$ 776	\$ 4,366
Hotel/Motel	Room	\$ 2,567	\$ 1,750	\$ 4,317	\$ 5,049	\$ 1,090	\$ 6,139	\$ 6,547	\$ 1,414	\$ 7,961
Retail/Commercial										
Shopping Center/Gen. Retail	1,000 ft ²	\$ 6,484	\$ 4,394	\$ 10,878	\$ 14,133	\$ 3,061	\$ 17,195	\$ 19,325	\$ 4,186	\$ 23,511
Restaurant, Quality	1,000 ft ²	\$ 12,069	\$ 8,186	\$ 20,255	\$ 33,060	\$ 7,169	\$ 40,229	\$ 49,474	\$ 10,728	\$ 60,202
Restaurant, Fast Food	1,000 ft ²	\$ 17,442	\$ 11,862	\$ 29,304	\$ 40,426	\$ 8,765	\$ 49,191	\$ 56,769	\$ 12,308	\$ 69,077
Office/Institutional										
Office, General	1,000 ft ²	\$ 4,632	\$ 3,170	\$ 7,802	\$ 9,769	\$ 2,124	\$ 11,894	\$ 13,130	\$ 2,855	\$ 15,985
Hospital	1,000 ft ²	\$ 5,359	\$ 3,653	\$ 9,012	\$ 10,295	\$ 2,217	\$ 12,512	\$ 13,174	\$ 2,837	\$ 16,011
Nursing Home	1,000 ft ²	\$ 3,082	\$ 2,099	\$ 5,181	\$ 6,259	\$ 1,345	\$ 7,605	\$ 8,254	\$ 1,774	\$ 10,028
Church	1,000 ft ²	\$ 3,258	\$ 2,218	\$ 5,476	\$ 5,378	\$ 1,154	\$ 6,532	\$ 6,248	\$ 1,340	\$ 7,588
Elementary/Sec. School	1,000 ft ²	\$ 1,606	\$ 1,091	\$ 2,697	\$ 3,723	\$ 803	\$ 4,526	\$ 5,227	\$ 1,127	\$ 6,354
Industrial										
Manufacturing	1,000 ft ²	\$ 2,030	\$ 1,389	\$ 3,419	\$ 5,039	\$ 1,095	\$ 6,134	\$ 7,269	\$ 1,580	\$ 8,849
Industrial Park	1,000 ft ²	\$ 3,636	\$ 2,484	\$ 6,120	\$ 5,093	\$ 1,104	\$ 6,198	\$ 5,157	\$ 1,118	\$ 6,275
Business Park	1,000 ft ²	\$ 6,613	\$ 4,519	\$ 11,132	\$ 14,116	\$ 3,068	\$ 17,184	\$ 19,087	\$ 4,149	\$ 23,236
Warehouse	1,000 ft ²	\$ 1,893	\$ 1,294	\$ 3,187	\$ 2,605	\$ 564	\$ 3,169	\$ 2,605	\$ 564	\$ 3,169
Mini-Warehouse	1,000 ft ²	\$ 885	\$ 602	\$ 1,487	\$ 1,715	\$ 373	\$ 2,088	\$ 2,209	\$ 480	\$ 2,689

Starting January 1, 2026, the City Administrator, Assistant City Administrator and City Engineer shall adjust the road impact fee annually. The adjustment shall be based on the percent change published by the National Highway Construction Cost Index (NHCCI) as published by the U.S. Department of Transportation Federal Highway Administration. The NHCCI was 2.860 for the first quarter of 2023 when this report was completed.



City of Franklin, Tennessee

Road Impact Fee Answers to Questions & Spending Plans

August 21, 2024



City of Franklin, Tennessee

Road Impact Fee Answers to Questions & Spending Plans

Purpose

The Road Impact Fund is the special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects.

City of Franklin, Tennessee

Road Impact Fee Answers to Questions & Spending Plans

How much money has been raised?

Since its inception (Ord. 88-13), \$115,361,786* has been raised from Road Impact Fees through June 30, 2024.

****Includes unaudited FY 2024 collections***

How much money has been spent?

Since its inception (Ord. 88-13), \$91,185,749* has been raised from Road Impact Fees through June 30, 2024.

****Includes unaudited FY 2024 expenditures***

What are the major categories of expenditure?

Of the \$91,185,749* spent through June 30, 2024, expenditures can be broken into three main categories:

1) Offset Agreement repayments**	\$ 8,284,653
2) Project Funding – Direct Cash/Transfer to Capital Projects Fund	\$26,293,864
3) Project Funding – Servicing of Debt	\$56,607,232
	\$91,185,749

**Includes unaudited FY 2024 expenditures*

***Accounted for separately starting FY 2016.*



City of Franklin, Tennessee

Road Impact Fee Answers to Questions & Spending Plans

What major projects have been funded through Road Impact Fees?

Since 2010, with the creation of the City's Debt Service Fund, an annual amount has been transferred to service debt issued prior to 2010 for various road projects. The major projects which were partially/majority funded by those bonds included (but are not necessarily limited to: Baker's Bridge, Carothers Parkway, Hillsboro Phase 1 (widening), Mack Hatcher Parkway (design), McEwen Phase(s) 2 & 3, Royal Oaks and South Carothers. As of June 30, 2024, \$22,051,931 of debt service remains until FY 2033.

How much of the CIP is funded through Road Impact Fees?

Total Expenses:
\$482,413,781

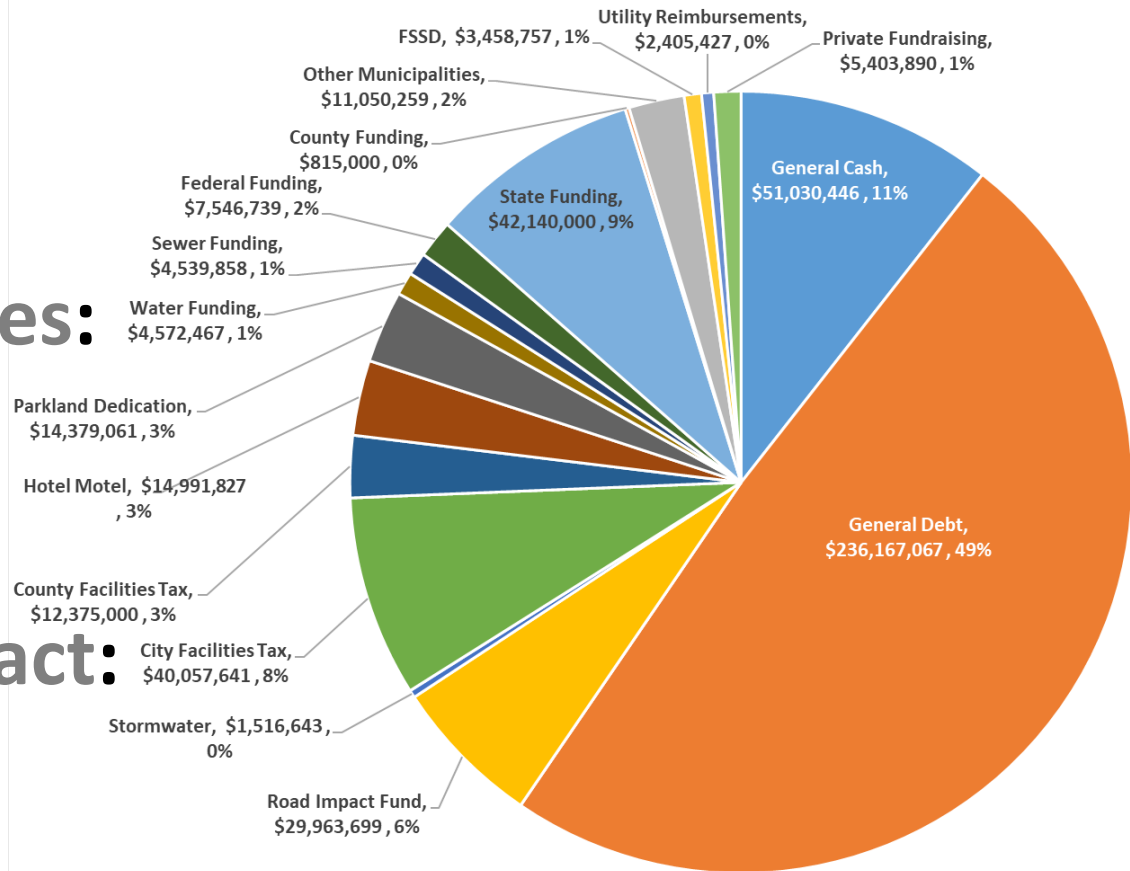
Total Impact Fees:

(Road Impact, Parkland,
City Facilities,
County Facilities)

\$96,775,401

Total Road Impact:

\$26,963,699



How much of the CIP is funded through all Impact Fees?

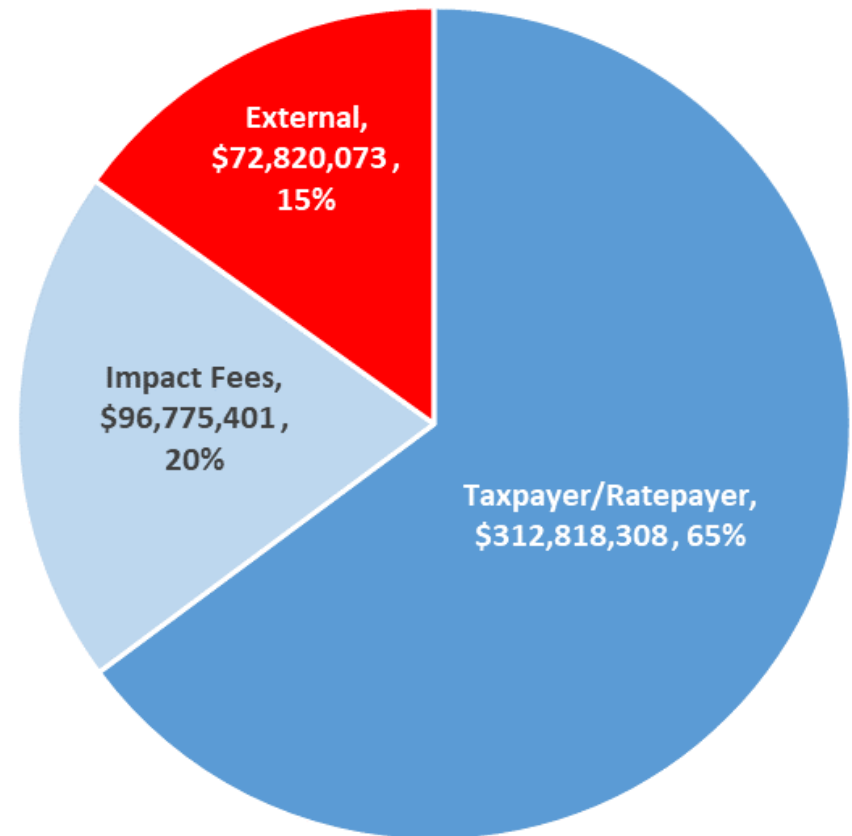
Total Expenses:
\$482,413,781

Total Impact Fees:

(Road Impact, Parkland,
City Facilities,
County Facilities)

\$96,775,401

Total Road Impact:
\$26,963,699



How much of the CIP is funded through all Impact Fees?

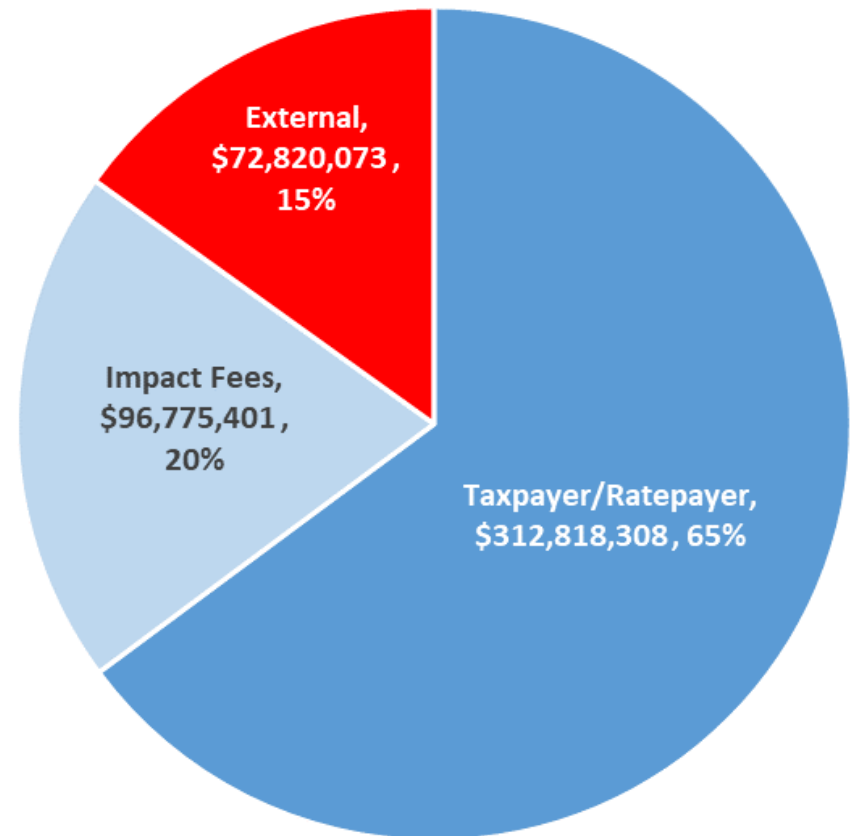
Total Expenses:
\$482,413,781

Total Impact Fees:

(Road Impact, Parkland,
City Facilities,
County Facilities)

\$96,775,401

Total Road Impact:
\$26,963,699



City of Franklin, Tennessee

Road Impact Fee Answers to Questions & Spending Plans

What projects are funded in the CIP?

Project	Status	Type	Total Budget	Pre-2024 Prior Funding	2024-2033 Planned Funding	Total Funding	% of total funded by Road Impact
McEwen Drive Interchange Modifications	Completed	Arterial	\$ 807,792	\$ 1,000,000		\$ 1,000,000	123.8%
East McEwen Drive - Phase 4	Under Construction	Arterial	\$ 47,000,706		\$ 483,807	\$ 3,483,807	7.4%
Jordan Road (Aspen Grove Dr-Mallory Ln)	ROW/Bidding	Collector Area 2	\$ 3,541,764		\$ 1,241,764	\$ 1,541,764	43.5%
Long Ln and Old Peytonsville Rd Connector	Design-Committed	Collector Area 2	\$ 28,200,000	\$ 3,755,213		\$ 3,755,213	13.3%
E McEwen Dr. Ext. (Wilson Pike to City Limits)	Design-Committed	Arterial	\$ 19,800,687		\$ 3,500,000	\$ 3,500,000	17.7%
Mallory/N Royal Oaks & Liberty Int. Imp.	Design - Uncommitted	Arterial	\$ 21,723,895			\$ 475,000	2.2%
Church Street*	Design - Uncommitted	Collector Areas 1 & 2	\$ 16,532,450		\$ 12,607,915	\$ 12,607,915	76.3%
Peytonsville Rd & Pratt Ln Int. Improvements	Design - Uncommitted	Arterial	\$ 14,100,000		\$ 3,600,000	\$ 3,600,000	25.5%
Total Road Impact Fee Funding - 2024-2033 CIP			\$ 151,707,294	\$ 4,755,213	\$ 21,433,486	\$ 29,963,699	19.8%

*Use of Road Impact Financing under review



City of Franklin, Tennessee

Road Impact Fee Answers to Questions & Spending Plans

Questions

Proposal to City of Franklin & Board of Mayor and Alderman

08/19/2024

The Development Community of Franklin Tennessee appreciates your willingness to allow for more discussion and input regarding the proposed roadway impact fees. As you know, the proposed roadway impact fees pose a substantial financial consequence to the development community, and we respect the thoughtfulness and consideration that city staff has given to this subject.

While we understand that increases in impact fees are required to support the continued growth of Franklin, we would like to propose a fair and equitable structure to both the Development Community and the City of Franklin.

In fairness to all stakeholders (City of Franklin, landowners, and developers), we are proposing the terms below:

1. Grandfathering – We propose a “Grandfathering” of current impact fees for any project that has approved Development Plans AND has an approved site plan within that PUD. This would apply to both single-phase projects and multi-phase projects. For multi-phase projects, the “Grandfathering” would apply to the entire entitled project, and not just the portion or phase that may have started site work since the PUD Development Plan Approval would be vested. This format would follow all state vesting statutes. Additionally, modifications to approved development plans will not be treated as new projects unless the traffic study for the modified development plan indicates an increase in VMT over the traffic study for the initial development plan approval, and only the increase in VMT will be subject to the impact fees in place at the time of the modification.
2. New Projects – For all new projects that do not have approved Development Plans or have not begun construction, we propose that the four conditions outlined below shall apply:
 - a. Timing of Fee Calculation and Assessment – Fees would be determined and distributed to the applicant at the time of staff responses to initial FMPC submittal. “Draft” fees would be determined at Pre-App, but “Final” fees would be tied to the FMPC cycle and initial staff response.
 - b. Vesting – New projects would be vested per state law and the impact fee schedule would be listed on the cover page of the site plan and approved at FMPC and One Stop. The fee amount would be vested for the life of the project per the vesting legislation and tied to the site plan submittal. The fee at the time of site plan approval would not increase during the construction cycle of the project.
 - c. Pricing Index – Road impact fees would increase annually based on a construction index similar to the published TDOT Bituminous Index.

- d. Timing of Fee Payment – All impact fees (roadway, water/sewer, parkland, etc.) should be paid at the time of CO, when the impact actually hits the infrastructure system, or other time as identified below:
 - i. Single Family Residential – Due at the issuance of Certificate of Occupancy.
 - ii. Multifamily Residential – Due at the issuance of Certificate of Occupancy.
 - iii. Commercial Office or Retail – Due at the issuance of Certificate of Occupancy for the “tenant”. Unless the office or retail building is a build to suit project, the developer will be pulling a permit for the shell, and the subsequent tenants (office or retail users) will then be pulling their individual build out permits for their space. The impact fees should be due at the time of CO for the individual user. This will in effect also spread out the payment of fees and more coincide with the lease up schedule of a project.

We look forward to working with staff on the details of this proposal.

Sincerely,

The Development Community of Franklin, Tennessee

NAIOP Nashville, The Commercial Real Estate Development Association

Home Builders Association of Middle Tennessee

Proposal to City of Franklin & Board of Mayor and Alderman

08/23/2024

The Development Community of Franklin Tennessee appreciates your willingness to allow for more discussion and input regarding the proposed roadway impact fees. As you know, the proposed roadway impact fees pose a substantial financial consequence to the development community, and we respect the thoughtfulness and consideration that city staff has given to this subject.

While we understand that increases in impact fees are required to support the continued growth of Franklin, we would like to propose a fair and equitable structure to both the Development Community and the City of Franklin.

In fairness to all stakeholders (City of Franklin, landowners, and developers), we are proposing the terms below:

1. Grandfathering – We propose a “Grandfathering” of current impact fees for any project that has approved Development Plans AND has an approved site plan within that PUD. This would apply to both single-phase projects and multi-phase projects. For multi-phase projects, the “Grandfathering” would apply to the entire entitled project, and not just the portion or phase that may have started site work since the PUD Development Plan Approval would be grandfathered. For single-phase projects the grandfathered fee would expire after 5 years, for multiphase projects, this fee would expire at 15 years. Additionally, modifications to grandfathered development plans will not be treated as new projects unless the traffic study for the modified development plan indicates an increase in VMT over the traffic study for the initial development plan approval, and only the increase in VMT will be subject to the impact fees in place at the time of the modification.
2. New Projects – For all new projects that do not have approved Development Plans or have not begun construction, we propose that the four conditions outlined below shall apply as:
 - a. Timing of Fee Calculation and Assessment – Fees would be determined and distributed to the applicant at the time of staff responses to initial FMPC submittal. “Draft” fees would be determined at Pre-App, but “Final” fees would be tied to the FMPC cycle and initial staff response.
 - b. Development Milestones – New projects would be vested per state law and the impact fee schedule would be listed on the cover page of the site plan and approved at FMPC and One Stop. The fee amount would be assessed for the life of the project at the time of site plan approval and would remain at that amount unless site work does not begin within three years.

- c. Pricing Index – Road impact fees would increase annually based on a construction index similar to the published TDOT Bituminous Index.
- d. Timing of Fee Payment – All impact fees (roadway, water/sewer, parkland, etc.) should be paid at the time of CO, when the impact actually hits the infrastructure system, or other time as identified below:
 - i. Single Family Residential – Due at Closing
 - ii. Multifamily Residential – Due at the issuance of Certificate of Occupancy.
 - iii. Commercial Office or Retail – Due at the issuance of Certificate of Occupancy for the “tenant”. Unless the office or retail building is a build to suit project, the developer will be pulling a permit for the shell, and the subsequent tenants (office or retail users) will then be pulling their individual build out permits for their space. The impact fees should be due at the time of CO for the individual user. This will in effect also spread out the payment of fees and more coincide with the lease up schedule of a project.

We look forward to working with staff on the details of this proposal.

Sincerely,

The Development Community of Franklin, Tennessee

NAIOP Nashville, The Commercial Real Estate Development Association

Home Builders Association of Middle Tennessee

An abstract graphic on the left side of the page consists of several 3D rectangular blocks of various colors including red, orange, teal, and light blue. These blocks are arranged in a staggered, overlapping fashion, creating a sense of depth and architectural structure.

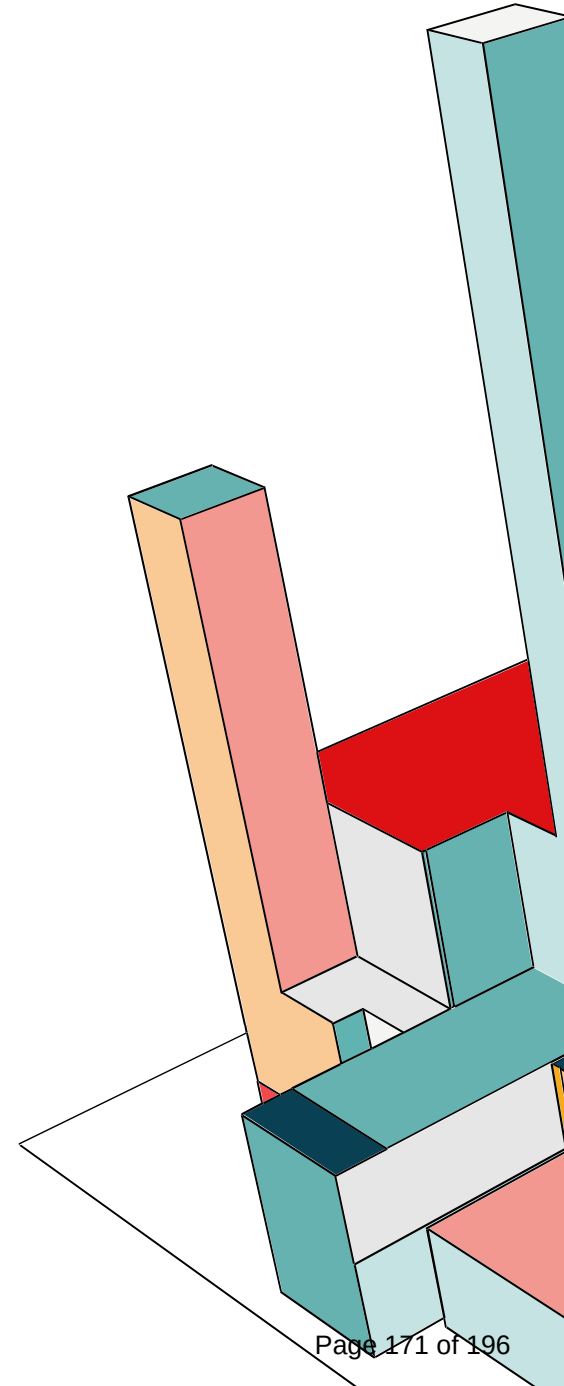
CITY OF FRANKLIN

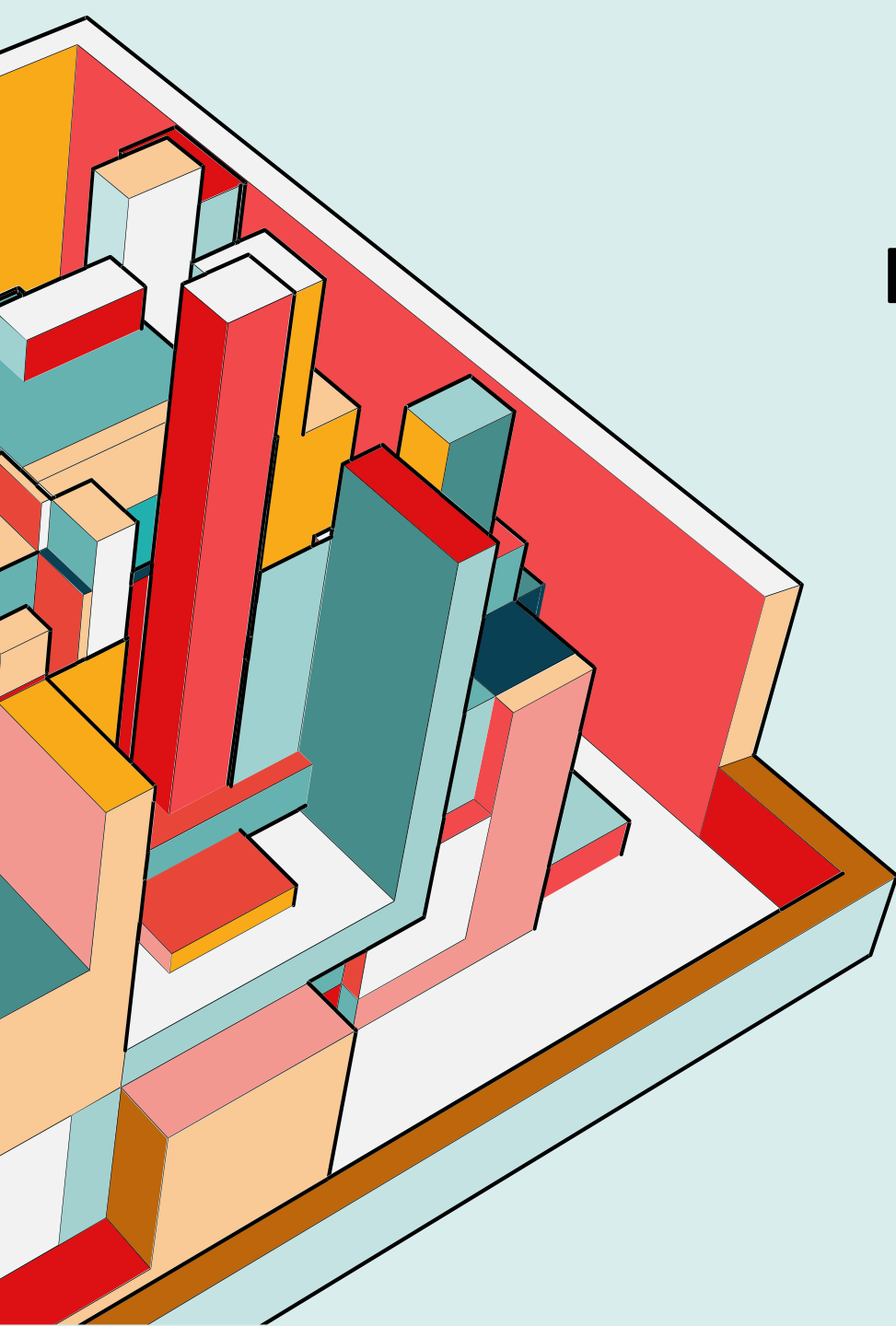
ROAD IMPACT FEES

**A REVIEW OF DISCUSSIONS WITH
DEVELOPMENT PROFESSIONALS**

TOPICS OF DISCUSSION – THREE BUCKETS

- Projects Entitled on or after January 1, 2025
- Projects Entitled prior to January 1, 2025
- Timing of collecting Road Impact Fees, etc.
- Questions and Guidance





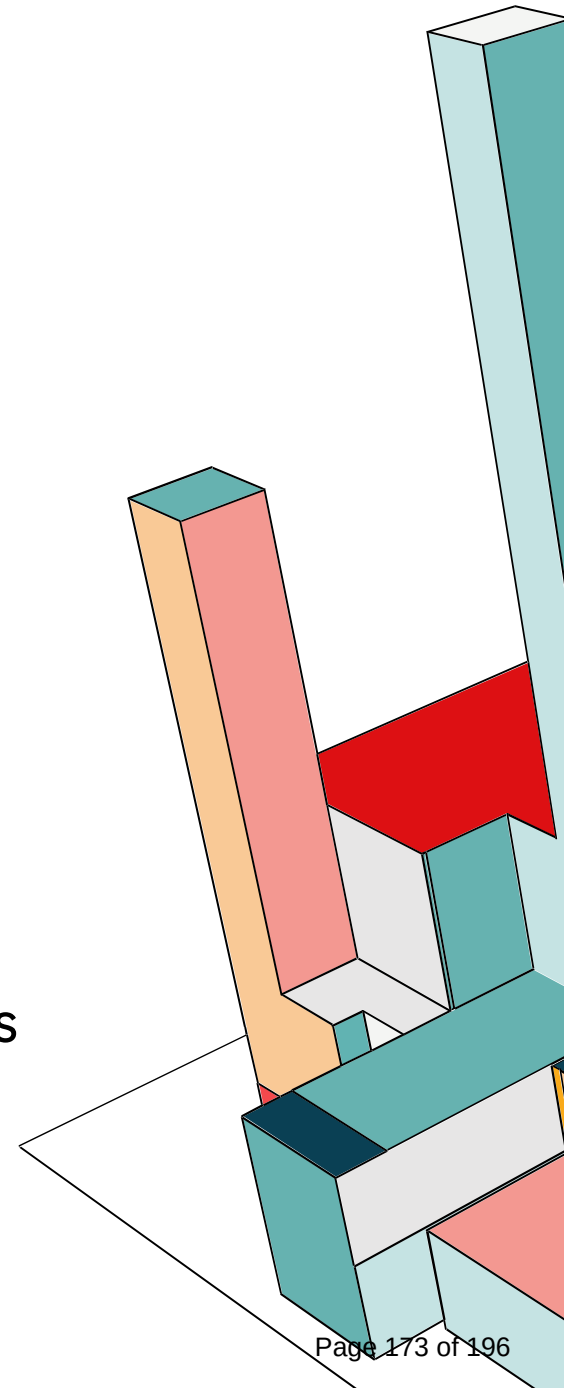
PROJECTS ENTITLED ON OR AFTER JANUARY 1, 2025

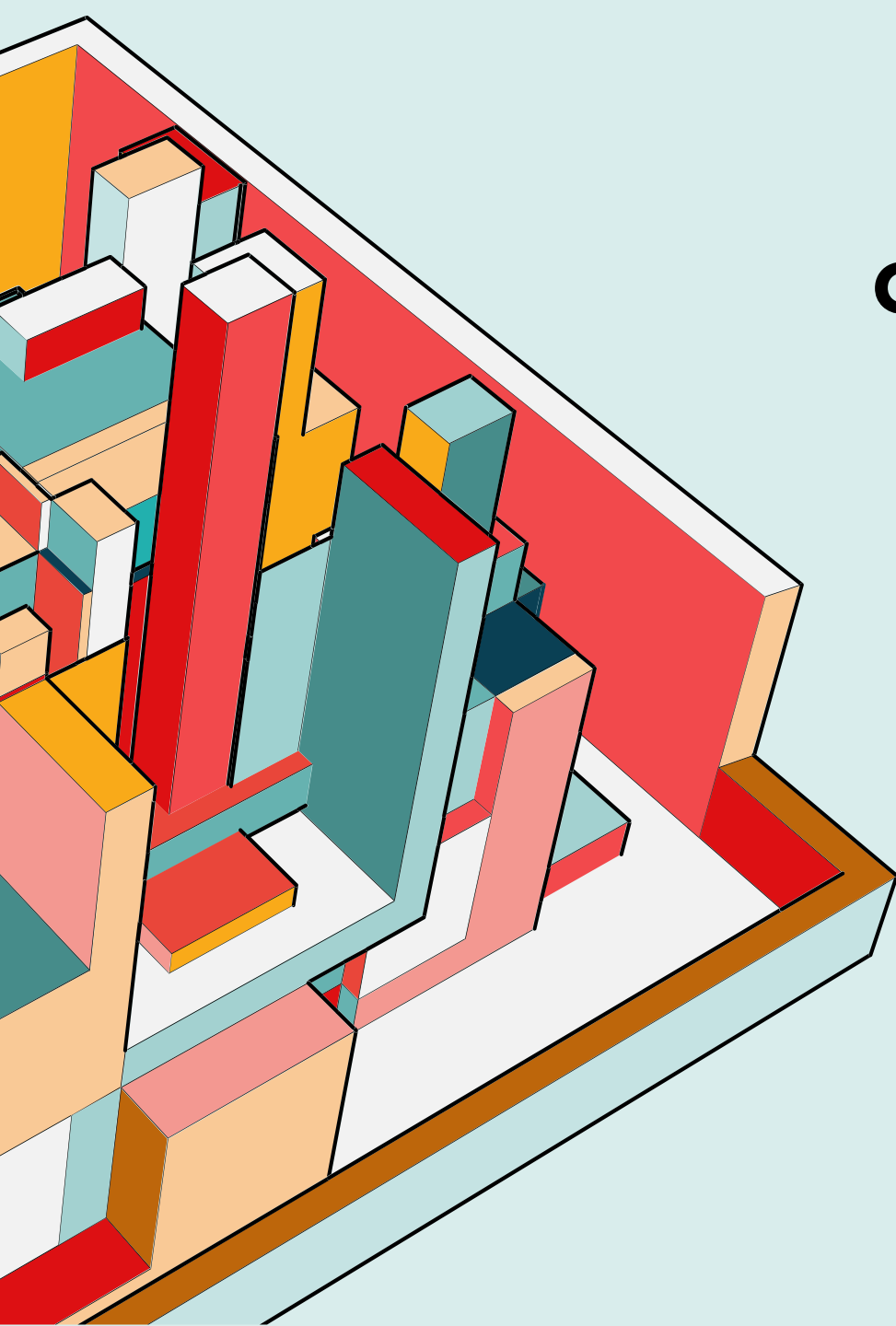
Ordinance 2023-41 - September 10, 2024, BOMA Meeting

- 2-year and 3-year options
- Predictability - Commit to publishing a 5-year Road Impact Fee Schedule and publishing it for subsequent years thereafter.
- Indexed annually based on the National Highway Construction Index (5% maximum in any one year).
- After 5 years the BOMA may re-adjust fees based upon a third-party analysis to keep fees current.

PROJECTS ENTITLED PRIOR TO JANUARY 1, 2025

- “Grandfathered” - Are projects entitled prior to January 1, 2025.
- Predictability - Commit to publishing a 15-year Road Impact Fee Schedule based on current fee schedule increased 5% annually.
- Beginning January 1, 2025, single-phased “Grandfathered” Projects have up to 5-years to obtain a building permit under this fee schedule.
- Beginning January 1, 2025, multi-phased “Grandfathered” Projects have up to 15-years to obtain a permit under this fee schedule.





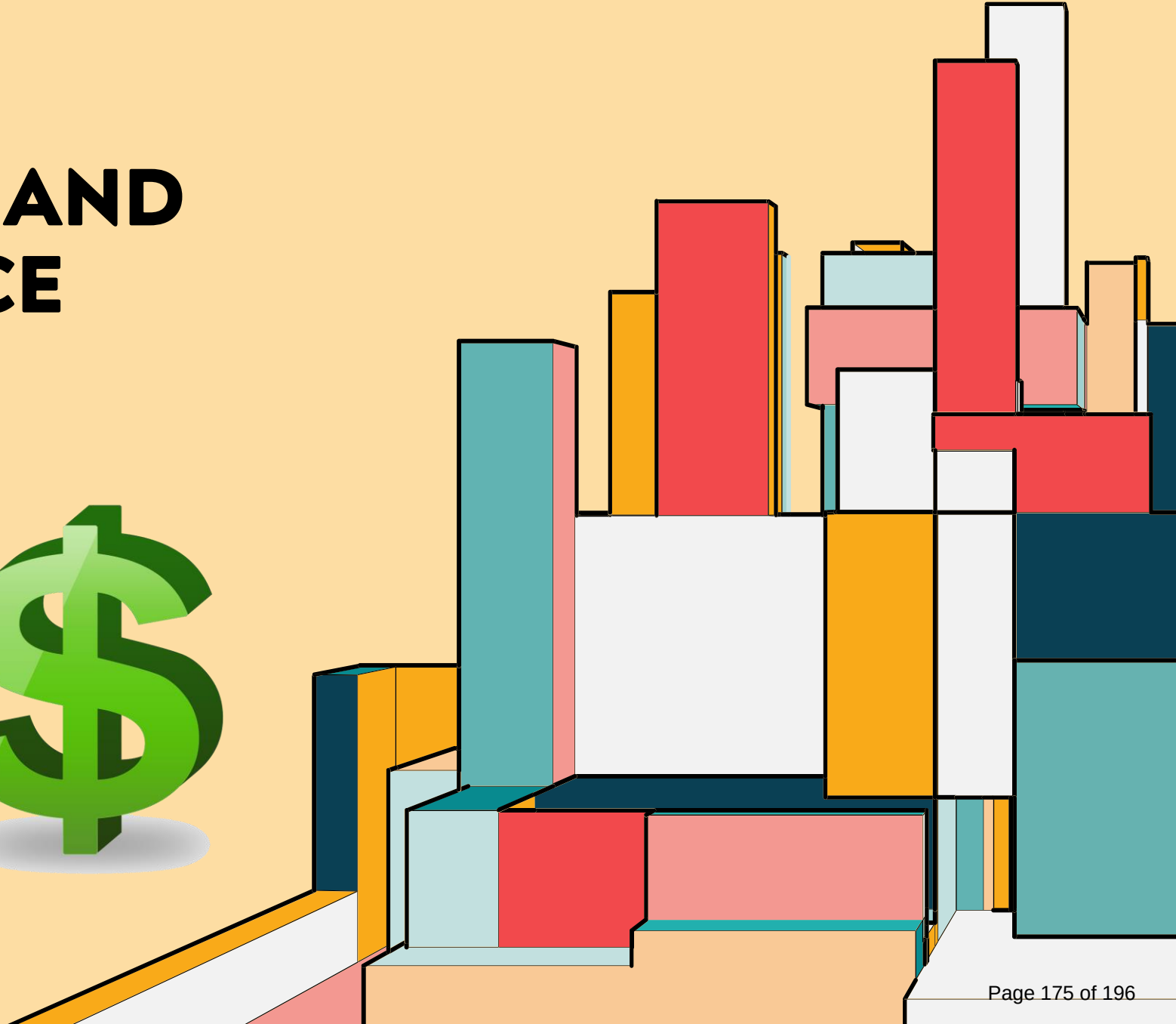
TIMING OF ASSESSING AND COLLECTING ROAD IMPACT FEES, ETC.

- For larger multi-family and commercial projects Road Impact Fees will be assessed at the time a building permit is issued.
- 25% of the road impact fee will be collected when the building permit is issued. The remaining 75% will be collected prior to requests for final inspections.

Ongoing...

- The city will work to align all development impact fees similarly with this model and discussing related items requested in the NAIOP correspondence dated August 23, 2204.

QUESTIONS AND GUIDANCE





City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-0719

DATE: August 29, 2024
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Paul Holzen, Director of Engineering
Adam Moser, Traffic Engineer

SUBJECT:

*Consideration Of Ordinance 2024-28, An Ordinance To Establish A No-Parking-Anytime Zone Along The Southerly Extents And Around The Cul-De-Sac Of Bizerte Court

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Ordinance 2024-28, An Ordinance To Establish A No-Parking-Anytime Zone Along The Southerly Extents And Around The Cul-De-Sac Of Bizerte Court.

BACKGROUND/STAFF COMMENTS:

The Homeowners Association for the Bizerte Court homes (4 homes) requested that a No-Parking-Anytime zone be created on the south side of Bizerte Court, a 22' wide street leading to the cul-de-sac. The No-Parking-Anytime zone includes the extents of the cul-de-sac itself, per City of Franklin Street Standards. The homeowners are having issues with vehicles parking on both sides of the narrow street making it difficult for passenger vehicles and emergency vehicles to access their properties located around the cul-de-sac.

FINANCIAL IMPACT:

The cost of adding these signs and posts is included in the current annual Street Department operating budget.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Ordinance 2024-28.

ORDINANCE NO. 2024-28

AN ORDINANCE TO ESTABLISH A NO-PARKING-ANYTIME ZONE ALONG THE SOUTHERLY EXTENTS AND AROUND THE CUL-DE-SAC OF BIZERTE COURT

WHEREAS, in order to promote the health, safety, human rights, prosperity, and general welfare of the people of Franklin, Tennessee, the Board of Mayor and Aldermen is authorized to prescribe regulations and standards within the City; and

WHEREAS, the Property Owners in the Bizerte Court cul-de-sac desire to improve the safety and security of travel on Bizerte Court, and

WHEREAS, the narrow roadway connecting to the cul-de-sac makes it difficult for passenger vehicles and emergency vehicles to enter and exit the properties when vehicles are parked along both sides of Bizerte Court, and

WHEREAS, the property owners, by majority petition, requests a NO PARKING ANYTIME zone within the cul-de-sac and along the southerly extents of Bizerte Court adjacent to their property, and

WHEREAS, the board of Mayor and Aldermen find that this action be in the best interest of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, TENNESSEE, AS FOLLOWS:

SECTION I: That a NO PARKING ANYTIME zone be created for the southerly extents of the roadway and cul-de-sac on Bizerte Court.

SECTION II: Said NO PARKING ANYTIME zone is created in order to prohibit vehicles from parking in such a manner as to create traffic hazard or obstruct vehicle flow, and is more specifically described as follows:

1. From the southeastern corner of the intersection of Bizerte Court with 11th Ave South heading northeasterly along the southern limits of Bizerte Court, around the cul-de-sac running north and west counter-clockwise around the cul-de-sac to the southeast property corner of 218 11th Avenue South, as shown in Exhibit A.

SECTION III: That the Streets Department Director or his designee shall obtain and install all necessary signs to carry out the intention of this Ordinance.

SECTION IV: That the penalty for failure to obey the provisions of this Ordinance shall be as indicated in the Franklin Municipal Code and/or the Tennessee Code Annotated.

SECTION V: BE IT FINALLY ORDAINED by the Board of Mayor and Aldermen of the City of Franklin, Tennessee, that this Ordinance shall take effect from and after its passage on second and final reading, the health, safety and welfare of the citizens of Franklin requiring it.

ATTEST:

CITY OF FRANKLIN, TENNESSEE

By: _____
Angie Skarp
City Recorder

By: _____
Dr. Ken Moore
Mayor

Approved as to form:

By: _____
William E. Squires
Assistant City Attorney

Passed First Reading: _____

Passed Second Reading: _____

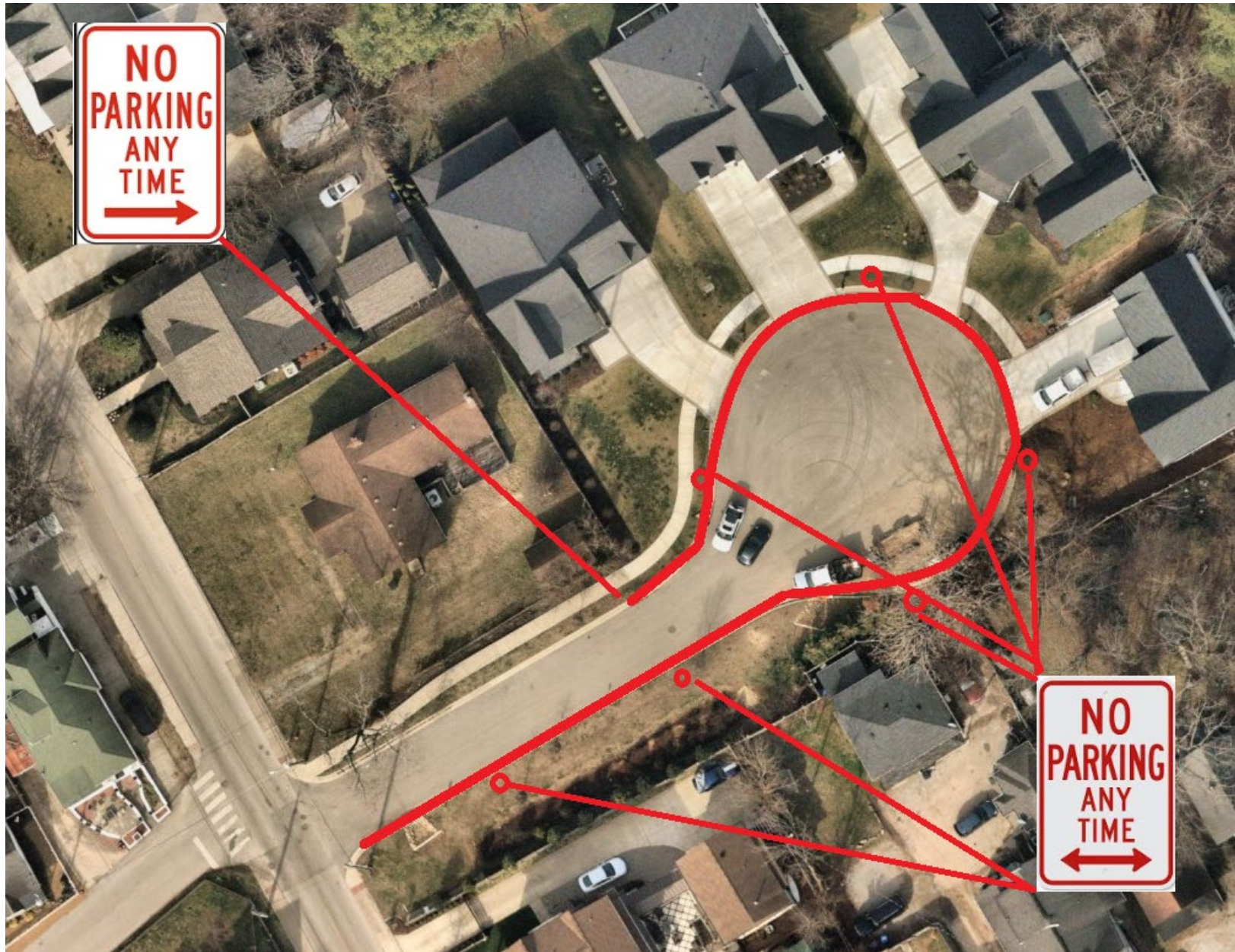


Figure 1 EXHIBIT A

STOP SIGN PETITION FORM For Request for No Parking Signs

Reason for requesting stop signs:

To allow for unimpeded emergency vehicle access to Bizerte Ct and to curtail
overnight parking and unreasonable noise in front of residences while allowing public
parking from about 15 ft from property line of Resident 1 yard to 11th Avenue South.

#	Printed Name	Address	Signature
1.	Greg Vacchiano	101 Bizerte Ct.	<i>Greg Vacchiano</i>
2.			
3.	<i>Steve Atkinson</i>	<i>107 Bizerte Court</i>	<i>Steve Atkinson</i>
4.			
5.	<i>Marty O'Neill</i>	<i>119 Bizerte Ct.</i>	<i>Marty O'Neill</i>
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			
27.			
28.			
29.			
30.			

From: [Greg Vacchiano](#)
To: [Adam Moser](#)
Subject: Re: Submission Request for No Parking Signs: Bizerte Ct (Eleventh Avenue HOA)
Date: Friday, August 2, 2024 10:49:40 AM

ATTENTION COF staff: This email originated from outside the City of Franklin. Please use discretion when clicking on attachments & links from unknown senders or suspicious emails.

Good conversation Adam and thanks for the call. One minor update. Let's leave the existing No Parking Sign in front of our house (101 Bizerte Ct.) for coverage and add the other No Parking Sign on the same side with the arrow back towards the residences as originally planned.

Please confirm with an email that we're good to go with this mod.

Thanks,
Greg Vacchiano
214-476-1012

On Friday, August 2, 2024 at 09:57:39 AM EDT, Adam Moser <adam.moser@franklintn.gov> wrote:

Received. Thank you.

So as I understand your request, parking would be allowed for about 75-100' on the north side of Bizerte Ct (from 11th Ave northeasterly 100'), and fully restricted on the south side of Bizerte Ct, correct?

While we appreciate the signing you are suggesting, appropriate signing will be installed as necessary and per standard guidelines. This will likely result in 'no parking anytime' signs with double arrows on the south side (2 signs would be required per standard) and the sign you are referencing on the north side with one arrow pointing to the east for a total of three new signs.

We will draft the ordinance and take it forward per your agreement to the above.

From: Greg Vacchiano <gregvacchiano@yahoo.com>
Sent: Thursday, August 1, 2024 7:28 PM
To: Adam Moser <adam.moser@franklintn.gov>
Cc: Jon Harris <jonharris@pmiwhiskeytrail.com>; Marty O'Neill <martyoneill@comcast.net>
Subject: Submission Request for No Parking Signs: Bizerte Ct (Eleventh Avenue HOA)

ATTENTION COF staff: This email originated from outside the City of Franklin. Please use discretion when clicking on attachments & links from unknown senders or suspicious emails.

Hi Adam,

Thank you for your voicemail yesterday and clarification regarding the minimum number of No Parking Signs permitted by the Fire Dept. in our Court.

On behalf of the Eleventh Avenue HOA and its neighbors, this letter along with the required City documentation enclosed; marked-up plat plan and petition form is to formally request two additional "No Parking Signs" on the Bizerte Ct straightaway (No Parking Anytime & No Parking this Side of Street). My understanding is this parking restriction request will need to go through the City ordinance process for review and approval which typically can take a few months. I have included a picture and video that supports the expedited need for these signs; to allow for unimpeded emergency vehicle access as well as curtail overnight parking and unreasonable noise in front of residences,

Let me know if any questions and please keep me apprised of the approval progress and when the installation of these signs will potentially be slated.

Thanks,
Greg Vacchiano, President, Eleventh Avenue HOA
Mobile: 214-476-1012



City of Franklin

109 3rd Ave S.
Franklin, TN 37064
(615) 791-3217

File #: 21-0664

DATE: August 19, 2024
TO: Board of Mayor and Aldermen
FROM: Paul Holzen, Director of Engineering
Jonathan Marston, Asst. Director of Engineering
David Hodnett, Staff Engineer

SUBJECT:

Consideration Of Change Order 3 To COF Contract No. 2022-0114, With Dement Construction Co, LLC For Harlinsdale Farm Multi-Use Path And Pedestrian Bridge (COF Project No. 2017-018 / TDOT PIN 126630.00) For A Cost Increase Of \$67,688.70

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Change Order No. 3 To COF Contract No. 2022-0114, Harlinsdale Farm Multi Use Path & Bridge.

BACKGROUND/STAFF COMMENTS:

On February 28, 2023, the City of Franklin Board of Mayor and Alderman (BOMA) awarded, via Resolution 2022-69, the construction contract (COF Contract No. 2022-0114) for the "Harlinsdale Farm Multi-use Path and Pedestrian Bridge" project (TDOT PIN 126630.00) to Dement in the bid amount of \$3,563,898.03. The purpose of changing orders 1 and 2 was to add additional quantities to the project. Change Order 1 included the addition of a turbidity curtain and seed w/ mulch. Change Order 2 included additional work to add color to the proposed concrete. Change Order 3 is the final change order with the explanations for overrun/underrun of quantities for all items in the contract.

FINANCIAL IMPACT:

The original contract amount for COF Contract No. 2022-0114 was \$3,563,898.03. The additional cost of Change Order No. 1 was \$9,909.00 and Change Order No. 2 was \$40,090.05. The additional cost of Change Order No. 3 is \$67,688.70. This creates a new total contract ceiling of \$3,681,585.77.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Change Order No. 3 To COF Contract No. 2022-0114.

**Supplemental Agreement and/or Request for Construction Change
Change Order Request #3 - Final**

Project Title/Termini:	<u>Harlinsdale Farm Multi-Use Path and Pedestrian Bridge</u>		
Owner:	<u>City of Franklin</u>	PIN:	<u>126630.00</u>
Address:	<u>109 3rd Avenue South</u>	State Project No.:	<u>94LPLM-F3-104</u>
	<u>Franklin, TN 37064</u>	Federal Project No.:	<u>TAP-9305(32)</u>
		Contract No.:	<u>2022-0114</u>
County:	<u>Williamson</u>		

Whereas, we Dement Construction Company, LLC with Travelers Casualty & Surety Company of America, as a Surety, entered into a contract with the City of Franklin, on February 2, 2023, for the construction by said Contractor of the above designated contract; and Whereas, certain items of construction encountered, are not covered by the original contract, we desire to submit the following additional items of construction to be performed by the Contractor and paid by the Owner at the price(s) scheduled therefore below:

The purpose of this Change Order is to:

Final Change Order for Close Out

As a result of this Change Order, contract time shall:

☒ Not Change, ☐ Increase by ____ days, ☐ Decrease by ____ days

Original Construction Completion Time: 450 days (Date: 05/18/2024)

Original Contract Amount (A):	<u>\$3,563,898.03</u>
Previously Approved Change Orders (B):	<u>\$49,999.05</u>
Pending Change Orders (Awaiting Approval) (C):	<u>\$0</u>
Current Change Order Request (D):	<u>\$67,688.70</u>
Proposed Total Change Order Amount (B)+(C)+(D):	<u>\$117,687.75</u>
New Proposed Contract Amount (A)+(B)+(C)+(D):	<u>\$3,681,585.78</u>

Contract Completion Time with Change Orders: 450 days (Date: 05/18/2024)

**Supplemental Agreement and/or Request for Construction Change
Change Order Request # 3 - Final**

Unit prices listed below include labor, materials, profit, overhead, and incidentals necessary to complete this work. A separate attached spreadsheet with the same information may be used in lieu of the table below.

[illegible]

Now, Therefore, We, Dement Construction Company, LLC Contractors, and Travelers Casualty & Surety Company of America, Surety, hereby agree to the Supplemental Agreement consisting of the above mentioned items and prices, and agree that this Supplemental Agreement is hereby made a part of the original contract and will be performed by this Contractor in accordance with specifications thereof, and that the original contract remain in full force and effect, except insofar as specifically modified by this Supplemental Agreement.

Recommended for Approval

Van Buer, Jacob

Digitally signed by Van Buer, Jacob
DN: cn=Jacob, ou=Research, o=Microsoft
Date: 2024.08.12 13:24:58-0500

Engineer/CEI (Signature)

APPROVED

By Simchah Edwards at 1:35 pm, Aug 12, 2024

Date _____

Approved for Eligibility

By:

Local Programs (Signature)

Date _____

Approved

By: _____

Contractor (Signature)

Date _____

08/19/2024

By:

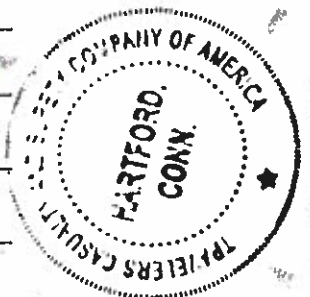
Surety (Signature) Suzanna Helena Young, Attorney-in-Fact

Date _____

By:

Owner (Signature)

Date _____



Item No.	Description	Unit	Current/ Pending Quantities	Revised Quantities	QTY Over + QTY Under -	Contract Price	Net Amount Due Change	Over/Under Reasoning
104-03.30	ADDITIONAL WORK (ADD COLOR TO CERTAIN CONCRETE)	CY	385	546.86	161.86	\$104.13	\$16,854.48	Quantity was underbid
105-01	CONSTRUCTION STAKES, LINES AND GRADES	LS	1	1	0	\$75,000.00	\$0.00	N/A
109-01.01	PAYMENT ADJUSTMENT FOR FUEL	DOL		15065.95	15065.95	-\$1.00	-\$15,065.95	N/A
201-01	CLEARING AND GRUBBING	LS	1	1	0	\$131,000.00	\$0.00	N/A
202-01.50	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	EACH	2	1	-1	\$2,225.00	-\$2,225.00	Quantity was overbid
203-01	ROAD & DRAINAGE EXCAVATION (UNCLASSIFIED)	C.Y.	22058	28789.01	6741.01	\$18.89	\$127,337.68	Quantity was under-estimated
203-04	PLACING AND SPREADING TOPSOIL	C.Y.	1351	3024.78	1673.78	\$15.00	\$25,106.70	Quantity was under-estimated
203-50	CONSTRUCTION OF HAUL ROAD	LS	1	1	0	\$250,000.00	\$0.00	N/A
204-02.01	DRY EXCAVATION (BRIDGES)	C.Y.	2296	1655.33	-640.67	\$5.00	-\$3,203.35	Quantity was over-estimated
204-04.01	ROCK EXCAVATION (BRIDGES)	C.Y.	8	0	-8	\$100.00	-\$800.00	Quantity was over-estimated
204-05.01	CORE DRILLING AND SAMPLING	L.F.	54	86	32	\$200.00	\$6,400.00	Quantity was under-estimated
209-02.07	18" TEMPORARY SLOPE DRAIN	L.F.	55	0	-55	\$35.00	-\$1,925.00	Item was not used
209-05	SEDIMENT REMOVAL	C.Y.	255	224.47	-30.53	\$25.00	-\$763.25	Quantity was over-estimated
209-08.02	TEMPORARY SILT FENCE (WITH BACKING)	L.F.	5940	4635	-1305	\$5.25	-\$6,851.25	Quantity was over-estimated
209-08.07	ROCK CHECK DAM	EACH	25	13	-12	\$500.00	-\$6,000.00	Quantity was over-estimated
209-08.06	ENHANCED ROCK CHECK DAM	EACH	27	0	-27	\$650.00	-\$17,550.00	EPSC measure was not needed onsite
209-09.03	SEDIMENT FILTER BAG (15X15)	EACH	3	0	-3	\$150.00	-\$450.00	EPSC measure was not needed onsite
209-13.04	TURBIDITY CURTAIN	L.F.	100	100	0	\$33.57	\$0.00	N/A
209-40.33	CATCH BASIN PROTECTION (TYPE D)	EACH	3	0	-3	\$250.00	-\$750.00	EPSC measure was not needed onsite
303-01	MINERAL AGGREGATE, TYPE A BASE, GRADING D	TON	1855	2493.59	638.59	\$23.39	\$14,938.62	Quantity was under-estimated
303-01.02	GRANULAR BACKFILL (BRIDGES)	TON	841	889.31	48.31	\$65.00	\$3,140.15	Quantity was under-estimated
303-10.01	MINERAL AGGREGATE (SIZE 57)	TON	40	44.7	4.7	\$50.00	\$235.00	Quantity was under-estimated
307-01.08	ASPHALT CONCRETE MIX (PG64-22) (BPM-HM) GRADING B-M2	TON	235	263.67	28.67	\$179.34	\$5,141.88	Quantity was under-estimated
402-01	BITUMINOUS MATERIAL FOR PRIME COAT (PC)	TON	2	2	0	\$1,703.00	\$0.00	N/A
402-02	AGGREGATE FOR COVER MATERIAL	TON	7	7	0	\$88.14	\$0.00	N/A
403-02.01	TRACKLESS TACK COAT	TON	1	1	0	\$1,465.00	\$0.00	N/A
411-01.11	ACS MIX(PG64-22) GRADING E ROADWAY	TON	111	112.35	1.35	\$214.00	\$288.90	Quantity was under-estimated
411-01.11A	ACS MIX(PG64-22) GRADING E ROADWAY (WEST TN MIX)	TON	100	0	-100	\$224.75	-\$22,475.00	Maintenance item - road into park was not damaged
415-01.02	COLD PLANING BITUMINOUS PAVEMENT	SY	1550	0	-1550	\$11.81	-\$18,305.50	Maintenance item - road into park was not damaged
604-02.03	EPOXY COATED REINFORCING STEEL	LB.	41846	41555.78	-290.22	\$1.66	-\$481.77	Quantity was over-estimated
604-03.01	CLASS A CONCRETE (BRIDGES)	C.Y.	192	183.77	-8.23	\$1,260.00	-\$10,287.50	Quantity was over-estimated
604-03.02	STEEL BAR REINFORCEMENT (BRIDGES)	LB.	22634	21096.53	-1737.47	\$1.53	-\$2,658.33	Quantity was over-estimated
604-03.09	CLASS D CONCRETE (BRIDGE DECK)	C.Y.	110	110.97	0.97	\$1,950.00	\$1,891.50	Quantity was under-estimated
604-04.01	APPLIED TEXTURE FINISH (NEW STRUCTURES)	S.Y.	1160	1301.02	141.02	\$15.00	\$2,115.30	High-flow bypass slab bridge was not considered in calculations
604-04.10	GRAFFITI PROTECTION SYSTEM	S.Y.	1160	1250.65	90.65	\$20.00	\$1,813.00	High-flow bypass slab bridge was not considered in calculations
606-02.03	STEEL PILES (10 INCH)	L.F.	133	137.01	4.01	\$80.00	\$320.80	Quantity was under-estimated
608-02.06	PILE TIPS (STEEL PILES, 10 INCH)	EACH	10	10	0	\$300.00	\$0.00	N/A
607-03.02	18" CONCRETE PIPE CULVERT (CLASS III)	L.F.	34	40	6	\$150.00	\$900.00	Quantity was under-estimated
607-05.02	24" CONCRETE PIPE CULVERT (CLASS III)	L.F.	34	0	-34	\$160.00	-\$5,440.00	Quantity was over-estimated
607-07.02	36" CONCRETE PIPE CULVERT (CLASS III)	L.F.	200	160	-40	\$130.00	-\$5,200.00	Quantity was over-estimated
610-10.45	DECK DRAINS (SCUPPER/PARAPET DRAIN)	EACH	12	14	2	\$217.00	\$434.00	High-flow bypass slab bridge was not considered in calculations
611-01.02	MANHOLES, > 4' - 8' DEPTH	EACH	3	1	-2	\$7,500.00	-\$15,000.00	Quantity was over-estimated
611-01.21	REWORK MANHOLE	EACH	1	1	0	\$3,000.00	\$0.00	N/A
611-07.01	CLASS A CONCRETE (PIPE ENDWALLS)	C.Y.	10	6.88	-3.11	\$1,400.00	-\$4,354.00	Quantity was over-estimated
611-07.02	STEEL BAR REINFORCEMENT (PIPE ENDWALLS)	LB.	422	208	-214	\$2.00	-\$428.00	Quantity was over-estimated
615-01.10	PRESTRESSED CONCRETE BULB TEE BEAM (6" WEB)(BT-54)	L.F.	429	428	-1	\$600.00	-\$600.00	Quantity was over-estimated
620-03.12	CONCRETE PARAPET (PEDESTRIAN RAIL)	L.F.	500	500	0	\$350.00	\$0.00	N/A
625-02.01	DRILLED SHAFT-SOIL (4'-0")	V.F.	24	22.93	-1.07	\$700.00	-\$749.00	Quantity was overbid
625-02.13	DRILLED SHAFT-ROCK (3'-6")	V.F.	34	36.51	2.51	\$1,500.00	\$3,765.00	Quantity was under-estimated
625-02.25	DRILLED SHAFT CASING-PERMANENT (4'-0") INSIDE DIA. STEEL)	V.F.	24	50.5	26.5	\$1,000.00	\$26,500.00	Field conditions required deeper drilled shafts
625-02.40	DRILLED SHAFT CONCRETE	C.Y.	24	26.11	2.11	\$1,000.00	\$2,110.00	Field conditions required deeper drilled shafts
625-02.44	DRILLED SHAFT REINFORCING STEEL	LB.	7437	8987	1550	\$1.65	\$2,557.50	Field conditions required deeper drilled shafts
701-01.01	CONCRETE SIDEWALK (4")	S.F.	22433	22798.42	365.42	\$11.35	\$4,147.52	Quantity was under-estimated

701-01.02	CONCRETE SIDEWALK (8")	S.F.	14,449	8,219.4	-8,229.6	\$18.45	-\$114,936.12	Design change eliminated portion of total quantity
701-02.03	CONCRETE CURB RAMP (8" THICKNESS)	S.F.	196	244.72	48.72	\$41.25	\$2,009.70	Quantity was under-estimated
707-08.11	HIGH VISIBILITY CONSTRUCTION FENCE	L.F.	8,086	1845	-8241	\$2.00	-\$12,482.00	Quantity was over-estimated
709-05.05	MACHINED RIP RAP (CLASS A-3)	TON	80	231.17	151.17	\$50.00	\$7,558.50	Quantity was under-estimated
709-05.06	MACHINED RIP RAP (CLASS A-1)	TON	79	133.66	54.66	\$50.00	\$2,733.00	Quantity was under-estimated
709-05.08	MACHINED RIP RAP (CLASS B)	TON	676	2080.11	1404.11	\$50.00	\$70,205.50	Quantity was under-estimated
710-06.01	6" PERFORATED PIPE WITH VERTICAL DRAIN SYSTEM	L.F.	220	41	-179	\$75.00	-\$13,425.00	Quantity was over-estimated
710-09.02	6" PIPE UNDERDRAIN	L.F.	80	65	-15	\$12.00	-\$180.00	Quantity was over-estimated
712-01	TRAFFIC CONTROL	L.S.	1	1	0	\$101,500.00	\$0.00	N/A
712-06	SIGNS (CONSTRUCTION)	S.F.	14	22	8	\$8.25	\$66.00	Additional traffic control signs were needed
712-07.02	TEMPORARY BARRICADE (TYPE II)	L.F.	84	90	6	\$20.00	\$120.00	Additional traffic control signs were needed
713-16.20	SIGNS (TRAIL MILE MARKERS)	EACH	1	0	-1	\$300.00	-\$300.00	City of Franklin is installing this sign
713-16.21	SIGNS (TRAIL SIGNAGE)	EACH	1	0	-1	\$300.00	-\$300.00	City of Franklin is installing this sign
713-16.22	SIGNS (BRIDGE LETTERS)	EACH	24	24	0	\$525.35	\$0.00	N/A
713-16.23	SIGNS (HARLINDALE PARK 86.0)	EACH	1	1	0	\$300.00	\$0.00	N/A
714-01.01	STRUCTURAL LIGHTING	LS	1	1	0	\$48,640.00	\$0.00	N/A
714-03.03	DIRECT BURIAL CONDUIT (1" PVC, SCH 40)	L.F.	273	273	0	\$18.00	\$0.00	N/A
714-03.04	DIRECT BURIAL CONDUIT (3/4" PVC, SCH 40)	L.F.	232	232	0	\$16.00	\$0.00	N/A
714-05.05	PULL BOXES (LARGE)	EACH	3	3	0	\$3,216.00	\$0.00	N/A
717-01	MOBILIZATION	L.S.	1	1	0	\$167,800.00	\$0.00	N/A
725-20.52	CABLE (1/16 #12 AWG.)	L.F.	2560	2560	0	\$2.00	\$0.00	N/A
725-20.53	CABLE (1/16 #10 AWG.)	L.F.	1580	1580	0	\$3.00	\$0.00	N/A
730-05.01	ELECTRICAL SERVICE CONNECTION	EACH	1	1	0	\$5,600.00	\$0.00	N/A
740-10.03	GEOTEXTILE (TYPE III) (EROSION CONTROL)	S.Y.	894	2752.25	1858.25	\$4.00	\$7,433.00	Quantity was under-estimated
740-11.05	TEMPORARY SEDIMENT TUBE (24 INCH)	L.F.	2200	2040	-160	\$4.50	-\$720.00	Quantity was over-estimated
795-51.01	BOLLARD	EACH	6	6	0	\$100.00	\$0.00	N/A
798-07.02	PEDESTAL CABINET	EACH	1	1	0	\$8,200.00	\$0.00	N/A
801-01	SEEDING (WITH MULCH)	UNIT	130	255.85	125.85	\$50.40	\$6,342.84	High-flow bypass was mainly seeded instead of sodded
801-01.07	TEMPORARY SEEDING (WITH MULCH)	UNIT	200	220	20	\$37.00	\$740.00	Quantity was under-estimated
801-03	WATER (SEEDING & SODDING)	M.G.	159	43.5	-125.5	\$110.00	-\$13,805.00	Rains eliminated portion of total quantity
802-01.10	TREES (PISTACIA CHINENSIS) (3" CAL.) (B&B)	EACH	2	2	0	\$825.00	\$0.00	N/A
802-07.01	FLOWER (GOREOPSIS LANCEOLATA 'EARLY SUNRISE')	EACH	93	86	-7	\$12.00	-\$84.00	Quantity was over-estimated
802-07.02	FLOWER (GAILLARDIA X GRANDIFLORA)	EACH	93	119	26	\$12.00	\$312.00	Additional quantity installed due to availability
802-07.03	FLOWER (GERANIUM X 'BROOKSIDE')	EACH	42	0	-42	\$17.00	-\$714.00	Unavailable from supplier
802-07.04	FLOWER (LEUCANTHEMUM X SUPERBUM 'BECKY')	EACH	42	159	117	\$12.00	\$1,404.00	Additional quantity installed due to availability
802-07.05	FLOWER (RUDBECKIA HIRTA 'CHEROKEE SUNSET')	EACH	93	0	-93	\$16.00	-\$1,488.00	Unavailable from supplier
803-01	SODDING (NEW SOD)	S.Y.	15207	19200	3993	\$4.95	\$19,765.35	Quantity was overrun due to CoF request
806-02.03	PROJECT MOWING	CYCL	2	3	1	\$3,000.00	\$3,000.00	Quantity was overrun due to CoF request

KEY:	Overs
	Unders



**Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company**

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **SUZANNE HELENA YOUNG** of **FRANKLIN**, **Tennessee**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st** day of **April**, **2021**.



State of Connecticut

City of Hartford ss.

By: 
Robert L. Raney, Senior Vice President

On this the **21st** day of **April**, **2021**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June**, **2026**




Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 19th day of August, 2024.




Kevin E. Hughes, Assistant Secretary

**To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.**



File #: 21-0680

DATE: August 21, 2024
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Paul Holzen, Director of Engineering
Jimmy Wiseman, Asst. Director of Engineering

SUBJECT:

Consideration Of COF Contract No. 2024-0289, With Truland, LLC (The Middle Eight PUD Subdivision) For A Development Agreement For An Amount Not To Exceed \$375,000

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning COF Contract No. 2024-0289.

BACKGROUND/STAFF COMMENTS:

The approved Development Plan for The Middle Eight PUD Subdivision has a condition of approval that states the following:

The applicant has agreed and shall incorporate the pending Liberty Pike streetscape design into their site plan and post sureties up to \$1.5 million for the cost of the improvements. No site plan will be approved until the Liberty Pike Streetscape design has been finalized and approved.

During the site plan review process, the applicant committed to installing a significant amount of the Liberty Pike streetscape design. The remaining item that shall be installed at a future date is a potential signal at Daniels Drive. The signal shall be installed once it meets the appropriate warrants.

The City agrees to use the funds provided by the developer exclusively for the purposes outlined in Section 1 of the agreement (Payment for Future Improvements).

FINANCIAL IMPACT:

Developer shall pay the total sum of three hundred seventy five thousand dollars (\$375,000.00) to the City of Franklin prior to the issuance of a grading permit for the Development site plan.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve COF Contract No. 2024-0289.

**DEVELOPMENT AGREEMENT
COF CONTRACT NO. 2024-0289**

This agreement ("Agreement") is entered into between THE CITY OF FRANKLIN, TENNESSEE ("City") and TRULAND, LLC, ("Developer"), on this the _____ day of _____, 20____.

WHEREAS, the Developer has previously submitted to the Franklin Municipal Planning Commission **The Middle Eight PUD Subdivision, Development Plan COF Project #8154** for approval (the "Development Project"); and

WHEREAS, the City has required the Developer to contribute funds for the future Liberty Pike Streetscape Improvements (the "Improvements") as a requirement of the Development Project and as shown on Exhibit A; and

NOW THEREFORE, the City and the Developer, their successors and assigns, do hereby agree as follows:

1. PAYMENT FOR FUTURE IMPROVEMENTS. Developer agrees to contribute the sum of **THREE HUNDRED SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$375,000.00)** to the City of Franklin for the purpose of funding specific future improvements outlined below.

- a) **Use of Funding:** The use of the funding of improvements for half of the Improvements shall be determined by the City's traffic engineer or designee, in their sole discretion, at the time the signal is warranted by the Manual On Uniform Traffic Control Devices.

2. PAYMENT. Developer shall pay the total sum of THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS AND 00/100 Dollars (\$375,000.00) to the City of Franklin prior to the issuance of a grading permit for the Development site plan.

3. TERM. This Agreement shall become effective on the date it is fully executed and shall continue until the parties have fully fulfilled their obligations provided hereunder or until the Agreement is terminated as provided herein. Understanding the large financial investment each party is making, this Agreement shall only be terminated for convenience upon written agreement of the parties.

4. USE OF FUNDS. The City agrees to use the funds provided by Developer exclusively for the purposes outlined in Section 1 (Payment for Future Improvements).

5. COMPLETION OF IMPROVEMENTS. The Improvements shall be completed within a reasonable time frame, taking into consideration factors such as the redevelopment of The Factory Development, weather, availability of materials, and scheduling of contractors. The City reserves the right to use the funds to install the improvements or transfer the funds to the developer of The Factory Development to install the improvements.

6. INDEMNIFICATION.

- a) To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Developer under this Agreement or otherwise, Developer shall indemnify and hold harmless the City, and the officers, directors, members, partners, employees, agents, consultants and subcontractors, from losses, damages, costs, and judgments (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising from third-party claims or actions relating to or resulting from the performance of furnishing of the Improvements,

provided that any such claim, action, loss, cost, judgment or damage is attributable to bodily injury, sickness, disease, or death, or to damage to or destruction of tangible property (other than the improvements itself), including the loss of use resulting therefrom, but only to the extent caused by the negligent act or omission of Developer, and any contractor and any subcontractor, and any supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Improvements, or anyone for whose acts any of them may be liable.

- b) In any and all claims against City, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, by any employee (or the survivor or personal representative of such employee) of Developer, and contractor, any subcontractor, any supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Improvements, or anyone for whose acts any of them may be liable, the indemnification obligation under the paragraph above will not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Developer, or any contractor or any such subcontractor, supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.

7. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict of laws principles.

8. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between Developer and the City with respect to the subject matter hereof and supersedes all prior negotiations, understandings, and agreements, whether written or oral. This Agreement may be amended only by written instrument signed by all parties.

9. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10. MISCELLANEOUS.

- a) **Binding.** This Agreement shall be binding upon the parties and shall take effect from and after its ratification and signing by all parties after obtaining appropriate approval pursuant to the requirements of applicable law.
- b) **Severability.** The parties agree that if any part, term, or provision of this Agreement is determined to be illegal or in conflict with any law of the State of Tennessee by any court with jurisdiction, the validity of the remaining portions or provisions shall not be affected. The rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.
- c) **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, the individual parties shall, in addition to such other remedies as may be available to them in equity, have the right to enforce their respective rights hereunder by an action for injunctive relief and/or specific performance to the extent permitted by law.
- d) **Cooperation.** The parties agree to cooperate fully in order to successfully execute the terms and conditions of this Agreement, including obtaining all regulatory and governmental approvals required to carry out the terms of this Agreement, recognizing that the intent of each party to the other is to serve the individual interests of each party while respecting the conditions and obligations of this Agreement.
- e) **Assignment.** The rights and obligations of this Agreement are not assignable without prior written consent of the City.

- f) Law/Venue. This Agreement shall be exclusively governed by the laws of the State of Tennessee. In the event that any section and/or term of this Agreement, or any exhibits hereto, becomes subject to litigation, the venue for such action will be exclusively maintained in a court of competent jurisdiction sitting in Williamson County, Tennessee.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed by an authorized person effective as of the date and year written below.

Approved by the Franklin Board of Mayor and Aldermen on _____, 2024.

WITNESS our hands on the dates as indicated.

DEVELOPER

TRULAND, LLC

By: _____

Print Name: _____

Title: _____

STATE OF TENNESSEE)
)
COUNTY OF _____)

Before me, _____, a Notary Public of said County and State, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged _____ self to be _____ (or other officer authorized to execute the instrument) of _____, the within named bargainor, a _____, and that _____ as such _____ executed the foregoing instrument for the purposes therein contained.

Witness my hand and seal on this _____ day of _____, 20____.

Notary Public
My Commission Expires: _____

CITY

CITY OF FRANKLIN, TENNESSEE, a municipality

By: _____

DR. KEN MOORE

Mayor

Date: _____

By: _____

ANGIE SKARP

City Recorder

Date: _____

STATE OF TENNESSEE)

)

COUNTY OF WILLIAMSON)

Before me, the undersigned Notary Public of said County and State, personally appeared **DR. KEN MOORE and ANGIE SKARP**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged themselves to be the Mayor and City Recorder, respectively, of the City of Franklin, Tennessee, the within named bargainor, a municipality, and that as such Mayor and City Administrator executed the foregoing instrument for the purposes therein contained, by signing the name of the municipality by themselves as Mayor and City Recorder.

Witness my hand and seal this ____ day of _____, 20____.

Notary Public

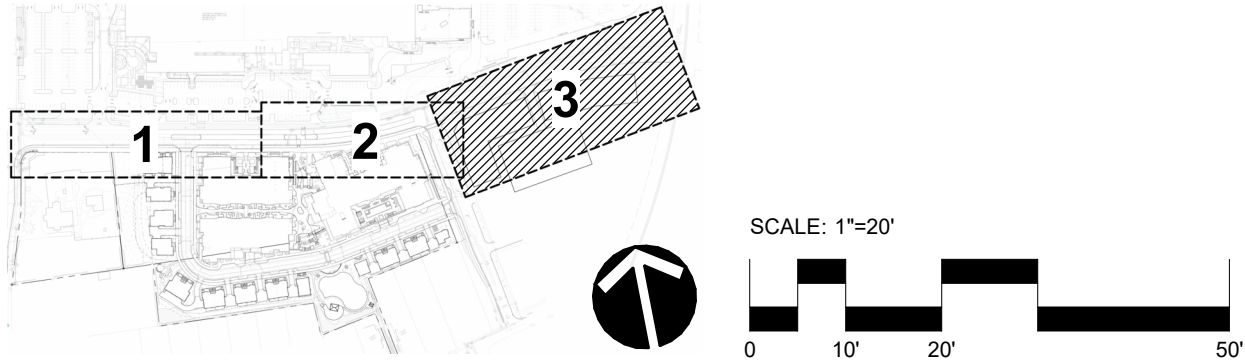
My Commission Expires: _____

Approved as to form by:

J. Blake Harper, Staff Attorney

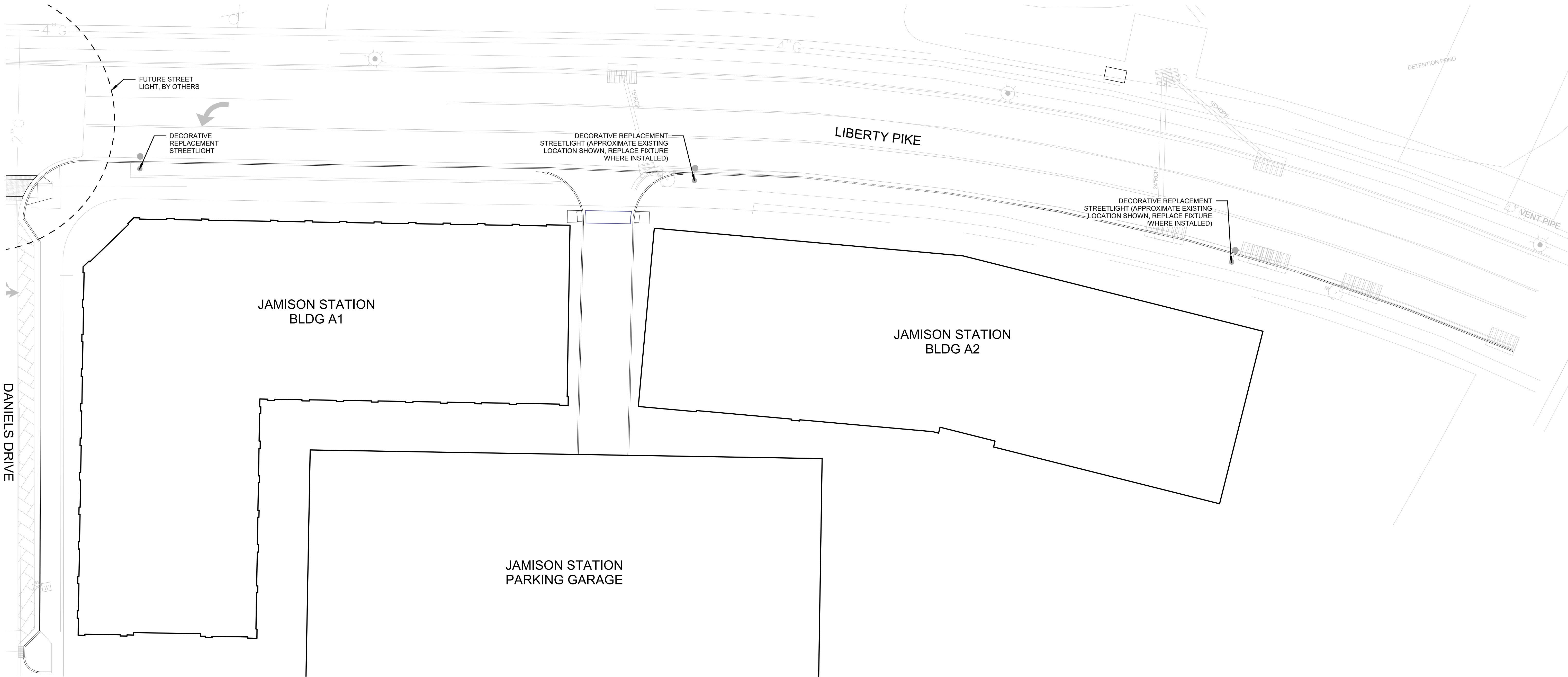


KEY MAP



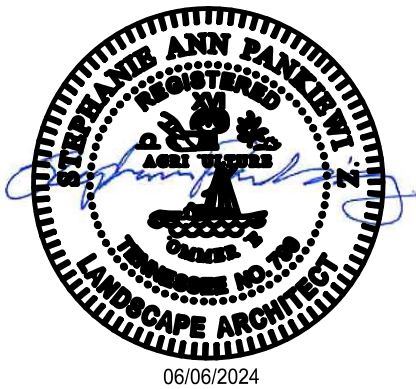
Historical interpretative signs	\$	80,000
Decorative trash receptacles and bike racks **	\$	30,000
Future street light at Liberty Pike/Daniels Drive * (50%, built by others)	\$	400,000
Design costs for enhanced streetscape features	\$	100,000
Subtotal of Soft Costs and Furnishings to be provided by 228 Franklin LLC		\$ 610,000

* Concept design approved by City of Franklin. Cost shown is 50% of total cost, as estimated by Hardaway Construction and Stansell Electric Company 6/4/24.
** Allowance shown provides for decorative features and fixtures aligned with the intent of the future Factory District.



3 LIBERTY PIKE ENLARGEMENT
EX2 1" = 20'-0"

SURVEY INFO
PROVIDED BY: S&ME & CHASTAIN SKILLMAN
DATUM: TENNESSEE STATE PLANE (NAD83 & NAVD 88)



SITE PLAN PUD SUBDIVISION
THE MIDDLE EIGHT
209 OLD LIBERTY PIKE
FRANKLIN PROJECT # 8438
FRANKLIN, WILLIAMSON COUNTY, TN

NO.	DATE	DESCRIPTION	BY
1	08/22/2023	COF PRE APP SUBMITTAL	JYB
2	11/17/2023	COF PRE APP SUBMITTAL #2	JYB
3	12/22/2023	SCHEMATIC DESIGN SET	JYB
4	03/17/2024	COF INITIAL SUBMITTAL	JYB
DESIGNED BY:			YB
DRAWN BY:			JM
CHECKED BY:			BD
DATE:			12/22/23
FILE PROJECT # 1060-15 COF PROJECT # 8438			

LIBERTY PIKE
STREETSCAPE
IMPROVEMENTS

L-6.5