



## Legislation Text

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**DATE:** February 11, 2020

**TO:** Board of Mayor and Aldermen

**FROM:** Eric Stuckey, City Administrator  
Vernon Gerth, Assistant City Administrator - Community/Economic Development  
Jimmy Wiseman, Assistant Director of Engineering  
Michael Walters Young, Budget and Strategic Innovation Manager

**SUBJECT:**

Discussion And Consideration On The City Participating In The Road Impact Fee Development Agreement For The Proposed Southbrooke Development By Contributing Additional Funding For The Purpose Of The Southbrooke Developer Fully Improving The Goose Creek Bypass/Lewisburg Pike Intersection.

**Purpose**

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Contributing Additional Funding For The Purpose Of The Southbrooke Developer Fully Improving The Goose Creek Bypass/Lewisburg Pike Intersection.

**Background**

The Southbrooke Development is proposing 205 residential units south of Goose Creek Bypass on Lewisburg Pike. The traffic impact analysis currently shows a level of service F without any improvements to the intersection. The additional traffic includes the development and background growth. The full buildout of the north, south and eastern legs of the intersection is recommended. The arterial impact fees generated by the Southbrooke PUD will total \$922,202. The estimated cost of the recommended improvements is \$2,974,930.

**Financial Impact**

\$922,202 will be paid by the developer in arterial impact fees. An additional \$2,052,728 is needed for the arterial improvements. The City's Road Impact Fund has a considerable fund balance of \$16,589,763 as of June 30, 2019 and nearly 75% of that balance is attributable to arterial impact fees. In addition, year-to-date collections in arterial impact fees are nearly \$4.7 million through the first six months of the fiscal year compared to a forecast estimate of \$5.8 million.

It should be noted, however, that there are already sizeable reservations against these funds including over in \$14.4 million arterial impact fees planned for use in funding approved FY 2019-2028 CIP Projects, as well as ongoing debt service against this fund ranging around \$3 million annually.

Overall, staff believes there is sufficient fund balance to afford this expense at this time weighing existing cash in hand, performance to date and the fact that the \$14.4 million in arterial impact fees planned for approved CIP projects is not needed all in one year, rather spread out during the 10 year duration of the plan.

Finally, and most importantly, although the Road Impact fund has a sufficient fund balance to cover these additional improvements, it is the BOMA that should decide to participate in this intersection improvement of this magnitude given that it is not a project which has been approved as part of the ten-year Capital Investment Program.

**Recommendation**

Staff recommends allocating funding needed to support improvements at the Lewisburg Pike-Goose Creek intersection.