

## **Storm Drainage & Flood Risk Mitigation Utility Commercial Rate Structure**

The monthly commercial fee is based on the following formula:

Monthly Fee = Monthly Base Rate x Impervious Cover (sq. ft.) x Adjustment Factor

Monthly Base Rate = \$0.0021 per sq. ft. of impervious cover

Adjustment Factor = The adjustment factor is unique to each commercial property and is based on the percent of impervious cover. It is calculated using the following formula:  $(1.5425 \times \% \text{ of impervious cover}) + 0.5064$

The commercial rate is based on the concept of “adjusting” the charge upwards or downwards based on the lot size, total square feet of impervious cover and the percent impervious cover on the lot. The commercial calculation uses the residential rate of \$5.00, dividing it by Kyle’s average residential structure square footage which is 2382 sq. ft.; giving the base rate of \$0.0021. The calculation also uses Kyle’s average percent impervious cover for residential property which is 32% impervious cover.

Using the commercial calculation, a large business in Kyle that has a lot size of 706,424 sq. ft., covering 538,006 sq. ft. of the lot with a building and parking lot (76.16% impervious cover) will be paying \$1,899.39 per month. Using the same business noted above, two nearby cities would be charging that same business \$2,186.85 and \$3,680.22 based on their respective commercial drainage rates.

A smaller business in Kyle that has a lot size of 54,112 sq. ft., covering 29,520 sq. ft. of the lot with a building and parking lot (54.55% impervious cover) will be paying \$83.56 per month. This same business, in nearby cities, would be paying \$118.95 and \$152.73.

The calculation takes into account the lot size, the total square feet of impervious cover and the percent impervious cover on a property. This allows the city to charge commercial customers based on the lot’s overall stormwater runoff contribution to the drainage system.