



Street Maintenance Fee, City of Corpus Christi, Texas

The City of Corpus Christi, located along the Gulf Coast, spans just over 452 square miles and almost 328 are on the water. Its major industries are petrochemical, military, and tourism. The City's more than 316,000 residents enjoy beaches, cultural attractions, music venues, and the nation's largest number of bird species.

Financing Challenges and Indicative Solution

For over a decade, revenue shortages led to increasingly deteriorating streets, with no easy or single solution. Finally, in 2012, the City created the Street Improvement Plan (SIP) to address the current and future condition of city streets.

The SIP has four parts: arterial and collector reconstruction, policy, residential/local reconstruction, and maintenance. Arterial and collector reconstruction is for larger streets that have more traffic and is usually paid for with voter-approved bond dollars. Policy is about improving street design and street cuts, and extending the lifespan of new streets. Residential/local reconstruction addresses local streets, which have lower traffic levels than arterials or collectors and comprise most of the City's street network.

Maintenance is under the Street Preventative Maintenance Program (SPMP). To pay for it, the City established a Street Maintenance Fee (SMF).

Street Maintenance Fee

Implemented in January 2014 with a 10-year sunset, the SMF raises an estimated \$11.4 million annually. It is the main source of funding for the SPMP and pays most of its construction costs.

The SMF is charged on monthly utility bills to City residents and businesses. It applies to all properties with active utility accounts and all properties within the City limit that benefit from street maintenance, regardless of whether they pay utility fees. The only exemptions are government-owned properties, public schools, hospitals, chartered schools, and the Port of Corpus Christi Authority, Housing Authority, and Regional Transportation Authority (though it contributes annually to street maintenance). The State and City are exempt because the fee would be passed on to taxpayers, who would have to pay the street maintenance fee twice—once for their home or business and then again through property taxes. Failure to pay can result in discontinued utility services and a property lien.

Residents who do not own a vehicle or drive must still pay the SMF since they benefit from other services that use the City street system, such as mail delivery. Even properties in certain sections that may not receive City services, including those without a utility account, must pay the SMF. If someone other than the owner occupies the property, the owner may request to make the occupant responsible for the SFM.



The SMF is based on: (1) land use designation (how the property is used, based on the Institute of Transportation Engineers' Trip Generation Manual); (2) trip factor (how many vehicle trips are created by the people using the property compared to car trips created by a single-family house); and (3) living area square footage for non-residential properties and the number of dwelling units for residential ones. The number of dwelling units for residential customers is either one for a single-family residence or is based on records from the City or appraisal district.

The formula used to calculate the SMF is: ERU (Equivalent Residential Unit) x Trip Factor x \$5.38. If a land use code is Single-family Residential, the ERU and Trip Factor are 1 and it pays a SMF of \$5.38 per month. If a property has more than one house, it pays a SMF of \$5.38 per house. If the land use code is Multi-family Residential (apartments, condos, townhomes, mobile homes, manufactured homes, and RV parks), the ERU is 1, the Trip Factor is 0.45, and the SMF is \$2.42 per dwelling unit. Individually metered units pay \$2.42 and master-metered properties pay \$2.42 multiplied by the number of dwelling units in the complex. If a land code is non-residential, the ERU is the square living footage divided by 1,500. The Trip Factor can be found in an index on the City's website.

The City allows residents to appeal certain aspects of their SMF calculation, and a 50 percent low-income discount is available to qualifying residents for a one-year period that can be reappraised annually.

Thanks to the SMP, formerly deteriorating City streets have been restored and are well-maintained, and new streets last far longer. This funding source also keeps up with growth in the City because it increases each time a new property is built.

Sources:

[City of Corpus Christi – Street Maintenance Fee](#)

[City of Corpus Christi – FAQs PDF](#)

[Visit Corpus Christi – Fun Facts](#)

[City of Corpus Christi – Street Improvement Plan](#)