

2013 Impact Fee Update Land Use Assumptions City of McKinney Planning



McKinney City Council
June 18, 2013



The 2013 Impact Fee Update

- State Law Chapter 395 requires that the Impact Fee Ordinance be reviewed and updated at least every five years
- There are 3 parts to updating the impact fees:
 1. Update the Land Use Assumptions
 2. Update the Capital Improvements Plans
 3. Fee Setting / Adopting the Ordinance
- The determination of impact fees charged is ultimately decided by the City Council

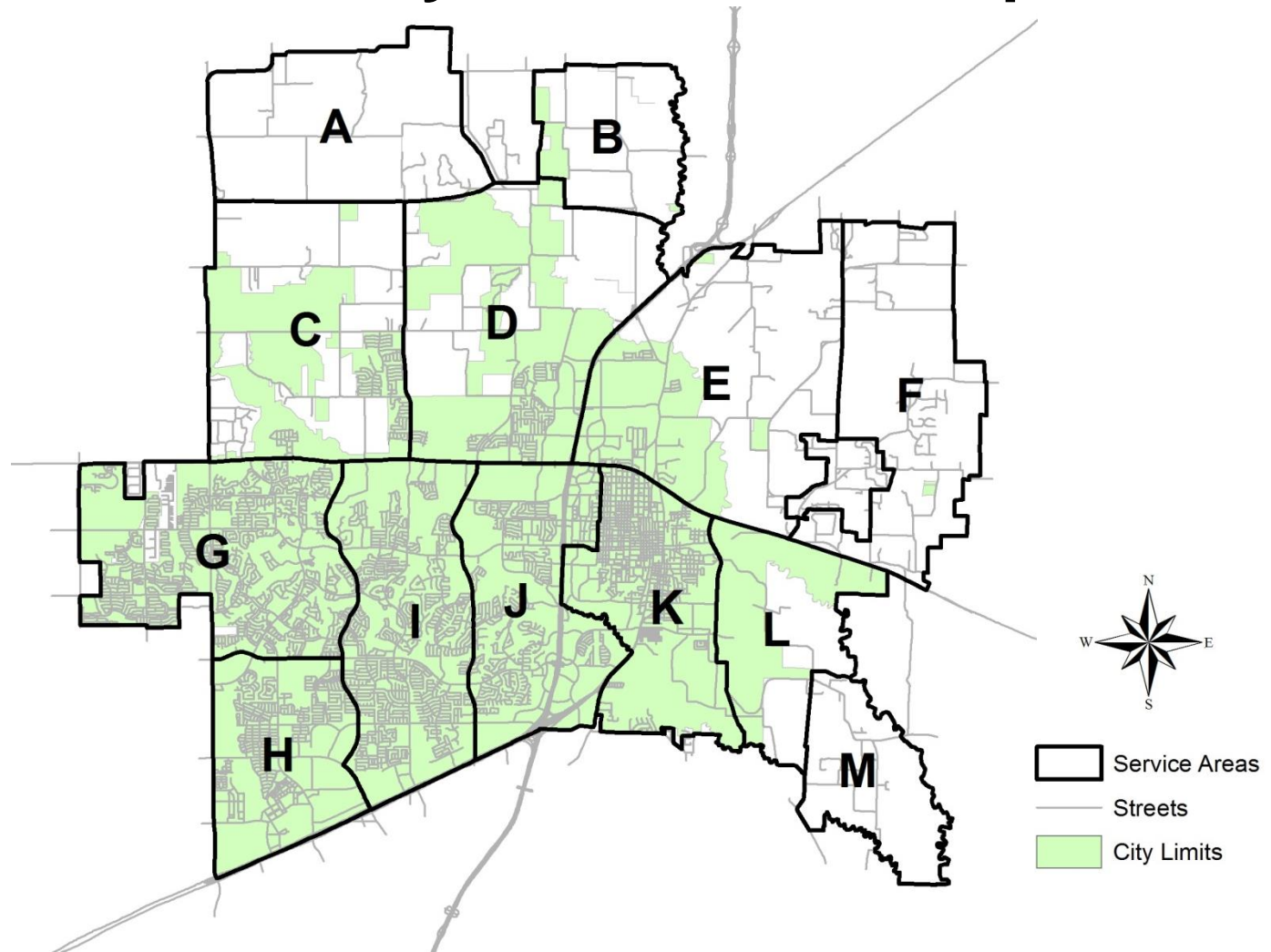
What are Land Use Assumptions?

- Land Use Assumptions Report (LUA)
Projects growth in McKinney over a ten-year period by Service Area
 - Residential Units
 - Non-residential square feet
- These projections help determine the amount of capital improvements needed over a 10 year planning horizon.

Land Use Assumptions

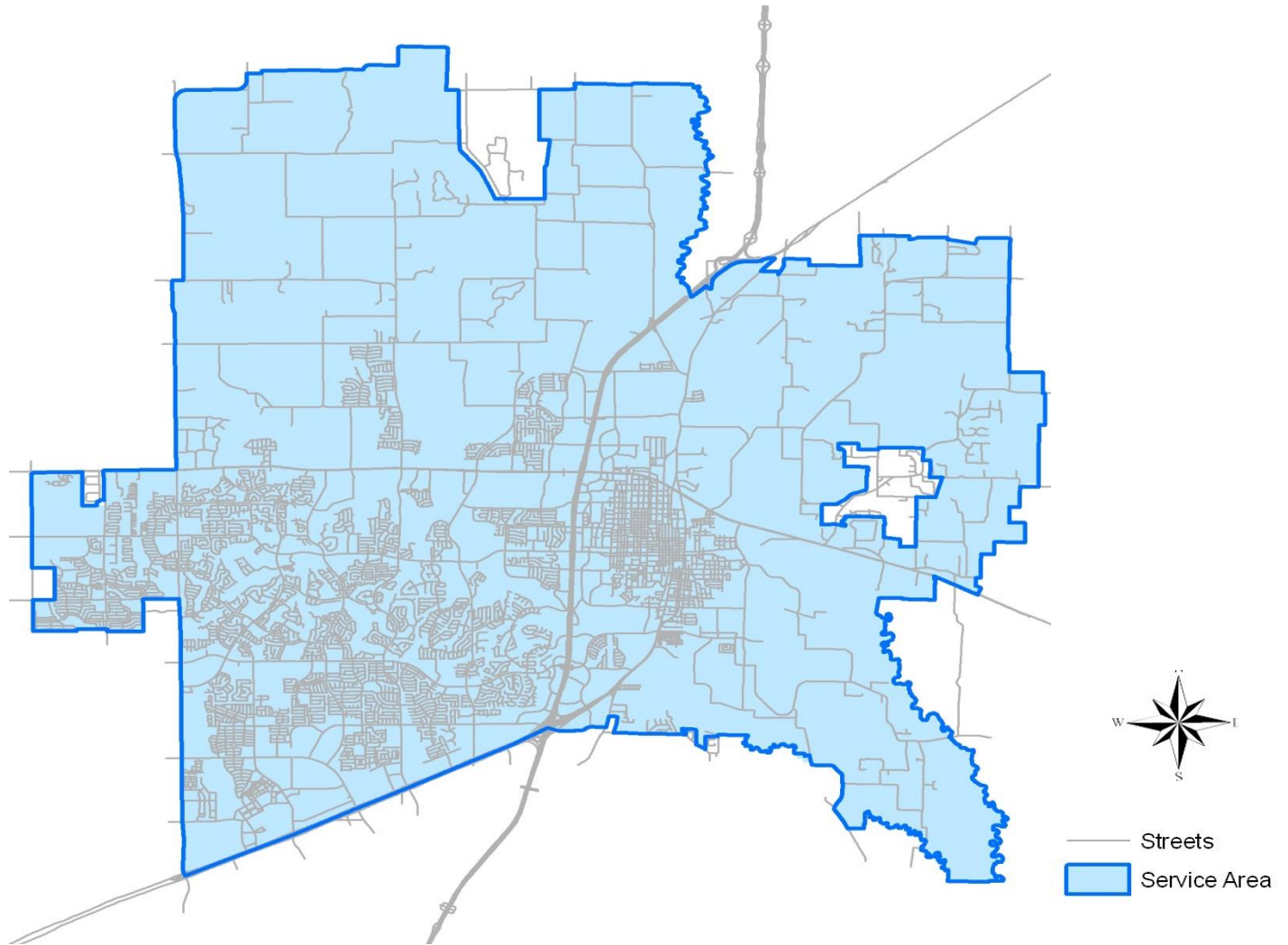
- Sections of the Report
 - Service Area Maps
 - Base Data (population, land use, and square feet of non-residential as of 2012)
 - Ultimate Projections / Build-out projections
 - Growth Assumptions / Ten-year projections
 - Summary Tables

2012 Roadway Service Area Map



Impact fees collected from a development must be spent within the development's service area

2012 Utility Service Area Map



Impact fees collected from a development must be spent within the development's service area

Methodology: Base Data

- Population estimate as of January 1, 2012: - 136,813
- Square footage of non-residential uses was obtained from Collin Central Appraisal District
- Non-residential uses were grouped into 3 categories:
 1. Basic – Industrial Uses
 2. Service – Office Uses, including institutional uses (Schools, Government, Churches, etc.)
 3. Retail – Retail Uses

Baseline 2012					
Service Area	Residential		Non-Residential Square Feet		
	Population	Dwelling Units	Basic	Service	Retail
A	0	0	0	0	0
B	0	0	0	0	0
C	3,501	1,245	10,233	108,704	488,070
D	9,584	2,776	66,490	1,775,143	719,239
E	2,550	635	3,159,347	759,829	984,216
F	0	0	0	0	0
G	35,028	12,584	138,680	1,201,866	883,757
H	13,294	5,222	293,832	803,818	1,218,376
I	33,327	11,881	101,530	1,259,562	872,364
J	21,291	8,816	1,453,785	2,040,859	3,000,259
K	18,223	6,584	5,628,221	1,852,784	1,723,306
L	15	13	601,136	1,515	11,353
M	0	0	0	0	0
Total	136,813	49,756	11,453,254	9,804,080	9,900,940



Methodology: Ultimate Residential Projections

- Determined undeveloped acres with potential residential uses (current Zoning Map, Future Land Use Plan)
- Used average units per acre for each residential category to determine total anticipated units at build out
- The total units was then multiplied by the standard occupancy rate for each housing type to obtain the total occupied housing units
- The total occupied housing units was multiplied by the standard average household size for each housing type



Methodology:

Ultimate Non-Residential Projections

- Determined undeveloped acres of potential non-residential uses (Current Zoning Map, Future Land Use Plan)
- Using information from Collin CAD, the square feet of existing buildings was divided by the total developed acreage for each land use category to determine the square feet per acre.
- The projected square footage at build out was found by multiplying the square feet per acre by the amount of undeveloped land in each category

Ten Year Projections

Residential Growth:

Amount: A combination of two methods (Gompertz and Ratio) were used to project the population over the next ten years.

Location: To predict where new residential units will be built, population growth trends were analyzed by considering all planned lots/units shown on all pending plats and general development plans.

- This gave the expected increase in housing units in each service area



Ten Year Projections: Non-Residential Growth

To project the increase in non-residential uses the following methods were used:

- Retail: It was assumed that retail uses tend to follow population growth
 - A current ratio of retail square footage per person within McKinney was determined and then multiplied by the additional population in each service area
 - Location was also determined by analyzing location of developing retail corridors and nodes



Ten Year Projections: Non-Residential Growth

- Basic:
 - It was assumed that the growth of basic uses will not follow population but, instead, will concentrate in industrial areas of the city.
 - The rate of growth of basic uses over the last five years was used to project growth over the ten-year period of the study.
 - Location of the projected growth was determined through analysis of undeveloped land, zoning regulations and the FLUP



Ten Year Projections: Non-Residential Growth

- Service:
 - Growth in service uses can be tied to population growth, but it is not as dependent as retail uses.
 - A combination of current square footage per person and historical levels of office construction were used to project growth in service uses.
 - Location of the projected growth was determined by analysis of the FLUP, zoning regulations, the location of residential growth, and the location of undeveloped land.

10-Year Projected Increase

Service Area	Residential		Non-Residential Square Feet		
	Population	Dwelling Units	Basic	Service	Retail
A	0	0	0	0	0
B	7,919	2,740	0	0	0
C	8,216	2,843	0	261,471	672,692
D	5,199	1,799	0	392,211	831,620
E	2,439	844	530,732	0	170,542
F	43	15	0	0	0
G	14,236	4,926	37,908	436,138	618,214
H	10,407	3,601	37,910	1,926,111	1,035,982
I	7,537	2,608	56,865	855,438	327,306
J	3,725	1,289	132,684	459,139	599,805
K	2,468	854	331,707	125,597	244,095
L	0	0	199,024	0	0
M	0	0	0	0	0
Total	62,190	21,519	1,326,830	4,456,105	4,500,256

10-Year Projection Total

Service Area	Residential		Non-Residential Square Feet		
	Population	Dwelling Units	Basic	Service	Retail
A	0	0	0	0	0
B	7,919	2,740	0	0	0
C	11,718	4,088	10,233	370,175	1,160,762
D	14,784	4,575	66,490	2,167,354	1,550,859
E	4,989	1,479	3,690,079	759,829	1,154,758
F	43	15	0	0	0
G	49,264	17,510	176,588	1,638,004	1,501,971
H	23,701	8,823	331,742	2,729,929	2,254,358
I	40,864	14,489	158,395	2,115,000	1,199,670
J	25,016	10,105	1,586,469	2,499,998	3,600,064
K	20,691	7,438	5,959,928	1,978,381	1,967,401
L	15	13	800,160	1,515	11,353
M	0	0	0	0	0
Total	199,003	71,275	12,780,084	14,260,185	14,401,196

Next Steps

- Capital Improvement Plan (CIP) (currently underway)
Identify Roadway and Utility infrastructure needs based on projected 10 year growth.
- Public Outreach (early Fall 2013)
Staff will host an Impact Fee Workshop for the development community so stakeholders can learn more about the process, ask questions and offer input. Staff anticipates scheduling the workshop in early Fall 2013.
- Fee Setting and Adopting Ordinance (late Fall 2013)
Policy discussion to consider the actual fee amounts to charge, the phase-in of any fee increases and how credits are calculated.