

2019 Impact Fee Update

19-0010M5

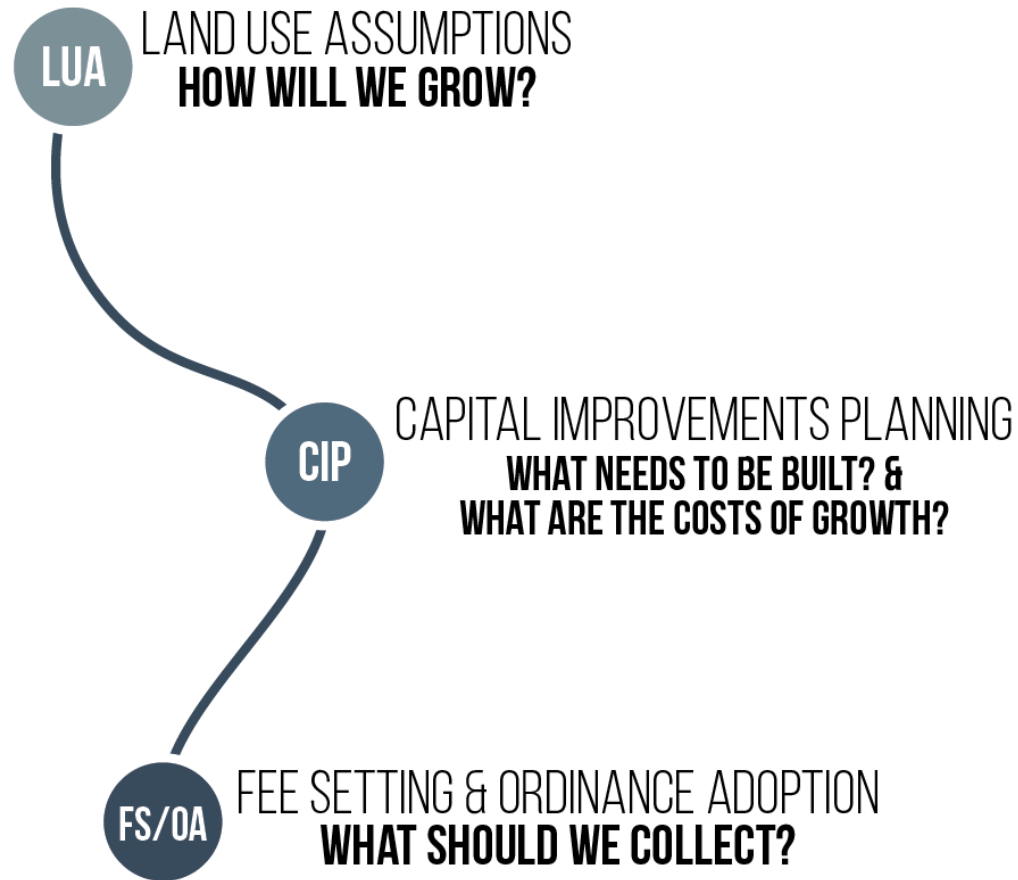
September 8, 2020

Introduction & Overview

- The purpose of today's presentation
 - Present the impact fee methods and options
 - Receive direction on setting the Impact Fee
- General outline of the presentation
 - Brief Recap
 - Roadway Impact Fee Considerations/Options
 - Utility Impact Fee Considerations/Options
 - Summary & Discussion



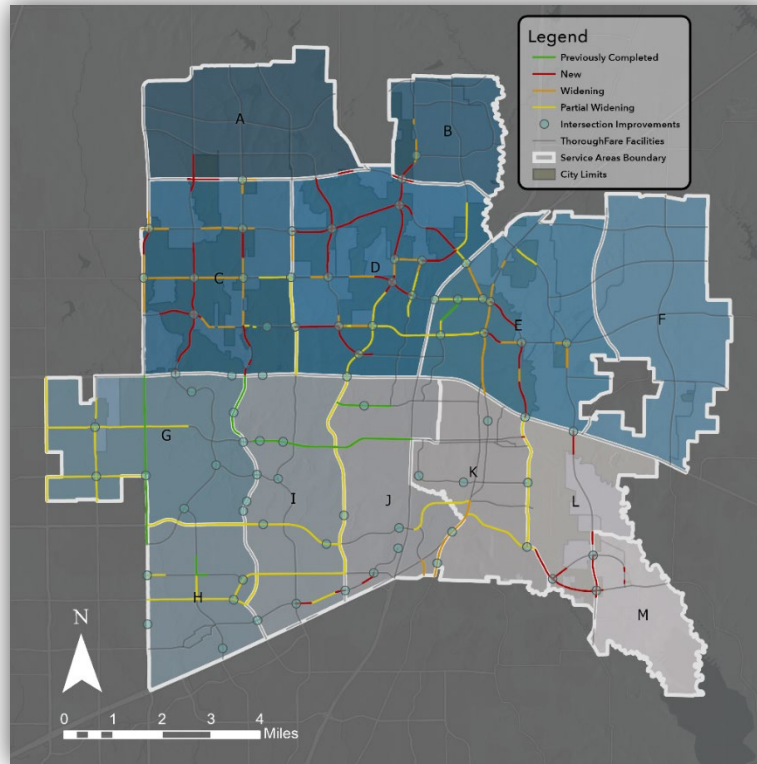
Impact Fee Update Process



CIP

CAPITAL IMPROVEMENTS PLANNING

WHAT NEEDS TO BE BUILT? & WHAT ARE THE COSTS OF GROWTH?



ROADWAY IMPROVEMENT
PLAN COST

\$564M

CIP

CAPITAL IMPROVEMENTS PLANNING

WHAT NEEDS TO BE BUILT? & WHAT ARE THE COSTS OF GROWTH?

RECOVERABLE
COST

ROADWAY IMPROVEMENT
PLAN COST

\$302M

\$564M

Roadway Improvement Plan (RIP) Cost

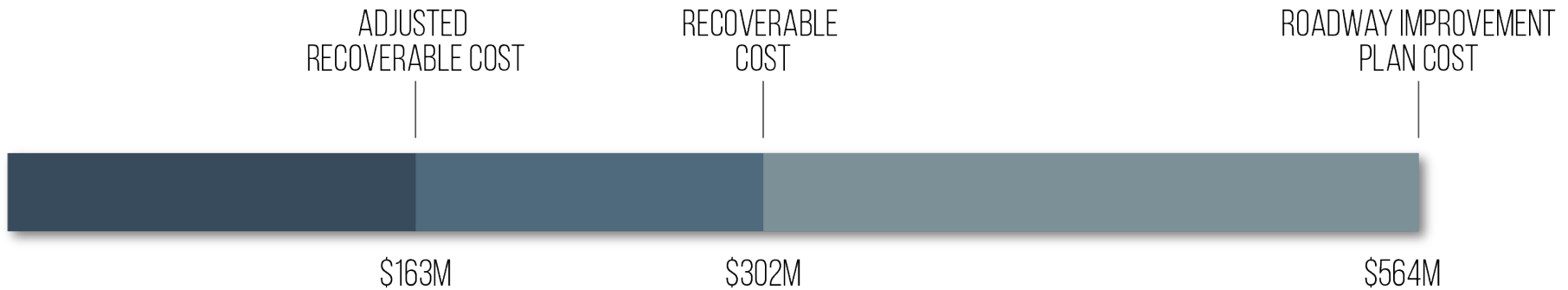
Total cost of roadway improvements to be built (10yrs)

Recoverable Cost

10-year RIP Cost attributable to growth



FEE SETTING & ORDINANCE ADOPTION WHAT SHOULD WE COLLECT?



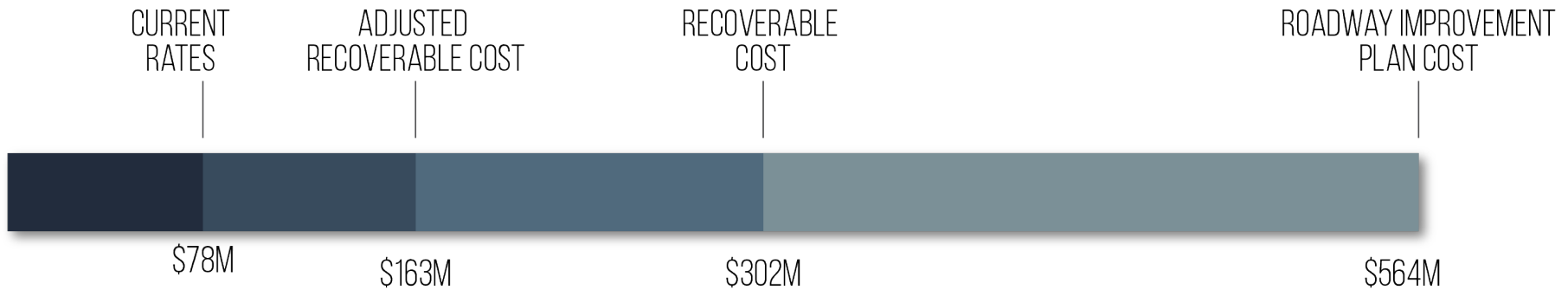
Adjusted Recoverable Cost

Public funding needed to construct roadway projects identified in the engineer's assessment; or maximum recoverable cost, whichever is less.



FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?



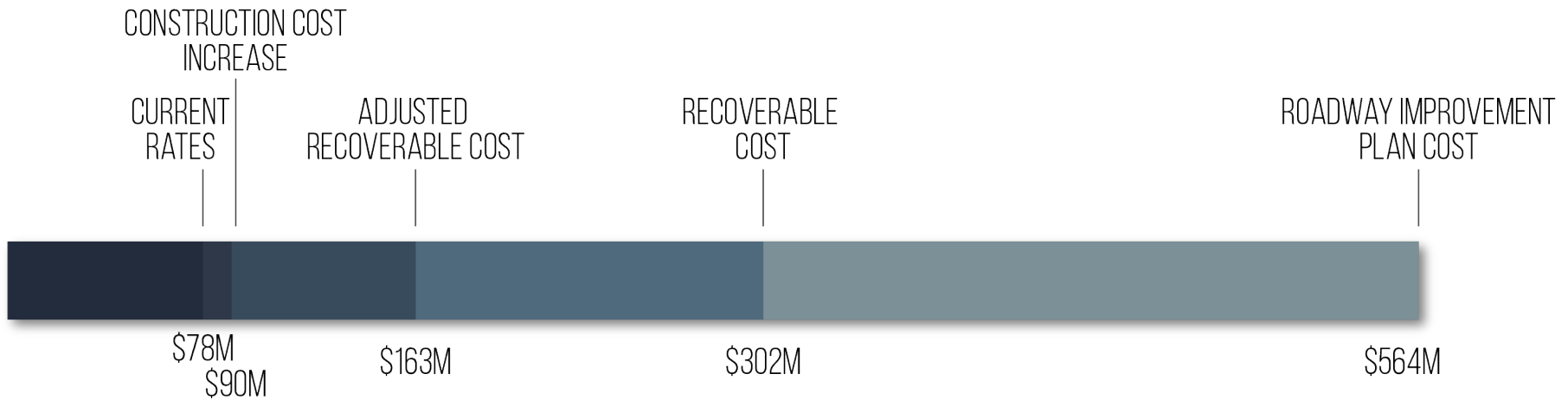
Current Rates

Current (2013) collection rate or maximum assessable fee (2019) – whichever is less



FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?



Construction Cost Increase

18% increase in current (2013) fees or maximum assessable fee (2019) – whichever is less. Based on national average CCI.



FEE SETTING & ORDINANCE ADOPTION WHAT SHOULD WE COLLECT?

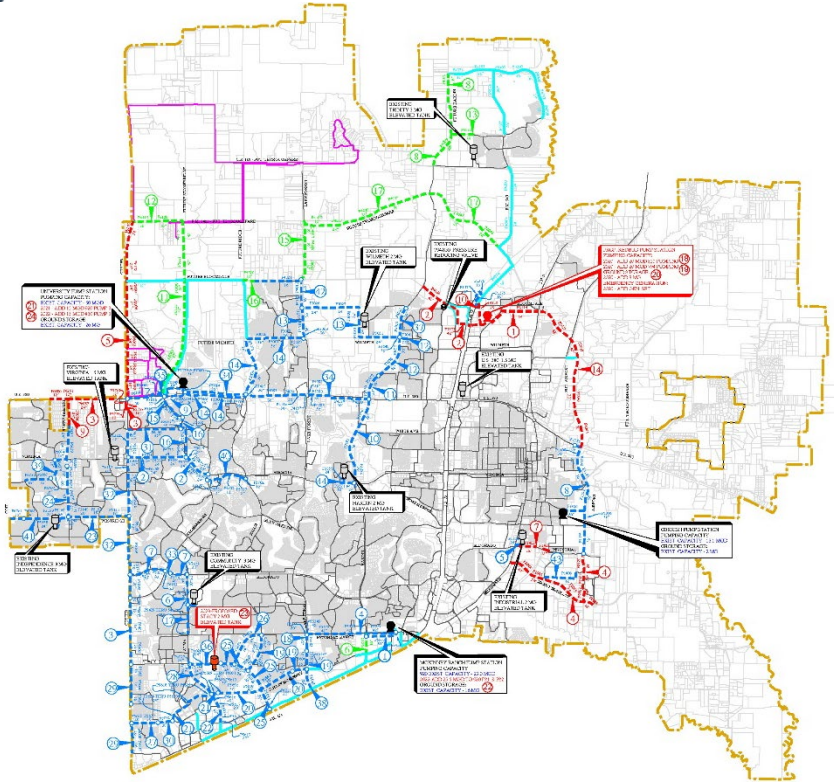
Collection Option	Description	Anticipated 10-Year Collection*	Other Source of Funding
1. Maintain Current Collection Rate	Current collection rates utilized by the City.	\$77,982,259	\$84,667,741
2. Construction Cost Increase (2013-2019)	Increased collection rate (18%) with increases in national average construction cost.	\$90,116,325	\$72,533,675
3. Adjusted Recoverable Cost	Public funding needed to construct roadway projects identified in the engineer's assessment; or maximum recoverable cost, whichever is less.	\$162,650,000	\$0
4. Collect 2019 Max Recoverable Cost	Charge maximum fee per service area for each land-use. (100% of max. fee)	\$302,369,338	\$0

**collection rates are estimates and may vary depending on implementation of impact fees.*

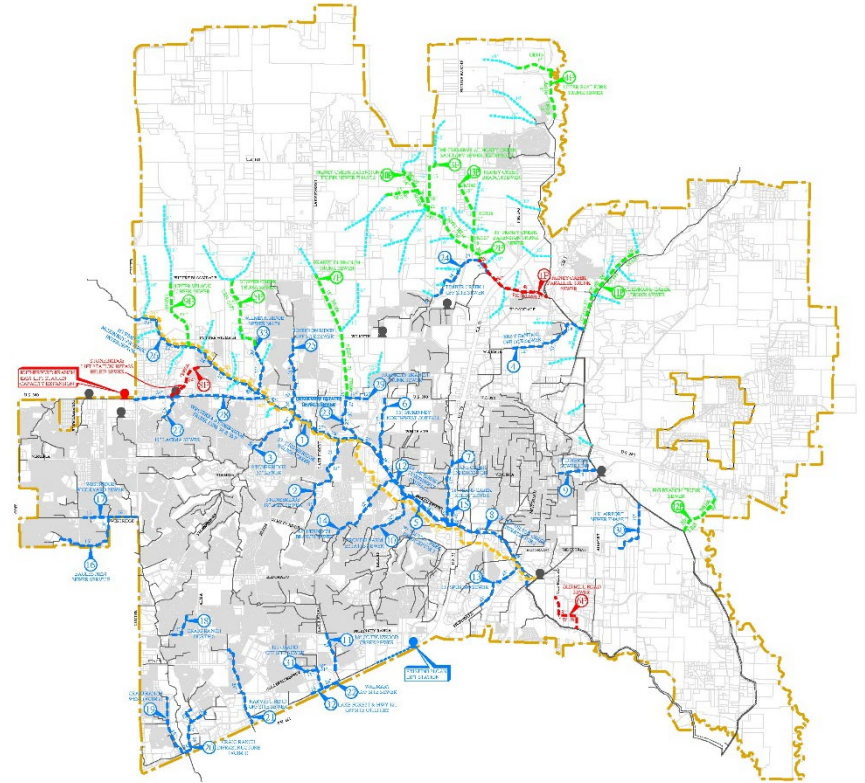
Utility Impact Fee Options

CAPITAL IMPROVEMENTS PLANNING

WHAT NEEDS TO BE BUILT? & WHAT ARE THE COSTS OF GROWTH?



Water Impact Fee CIP



Wastewater Impact Fee CIP



FEE SETTING & ORDINANCE ADOPTION WHAT SHOULD WE COLLECT?

2019 Water Impact Fee Comparison

	2013	2019
Water Impact Fee (3/4" Meter)	\$1,294.70	\$1,754.00

2019 Wastewater Impact Fee Comparison

	2013	2019
Wastewater Impact Fee (3/4" Meter)	\$162.14	\$2,899.00
McKinney CIP Cost	\$162.14	\$388
NTMWD CIP Cost	\$0	\$2,511

*2019 Wastewater Fee includes the NTMWD facility expansion costs.



Next Presentation

- Show specifics for staff recommendations
- Potential impact fee rates
- Sample impact fee calculations
- Sister City Comparison

Next Steps

Fee Setting Meetings:

September

- CIAC Info Series #3

October

- CC Info Series #3

Public Hearing and Adoption Process

- October/November