

2012-2013 Impact Fee Update

City of McKinney
Development Services - Planning



THE FUNDAMENTALS

WHAT ARE IMPACT FEES?

“A charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the cost of capital improvements or facility expansions necessitated by, and attributable to, the new development.”

THE 5-YEAR UPDATE PROCESS

In accordance with state law, impact fees must be updated at least once every five years and shall involve 3 components:

1. Land Use Assumptions (completed)
2. **Capital Improvements Planning (nearing completion)**
3. **Fee Setting/Adopting the Ordinance (now underway)**



FEE-SETTING FRAMEWORK

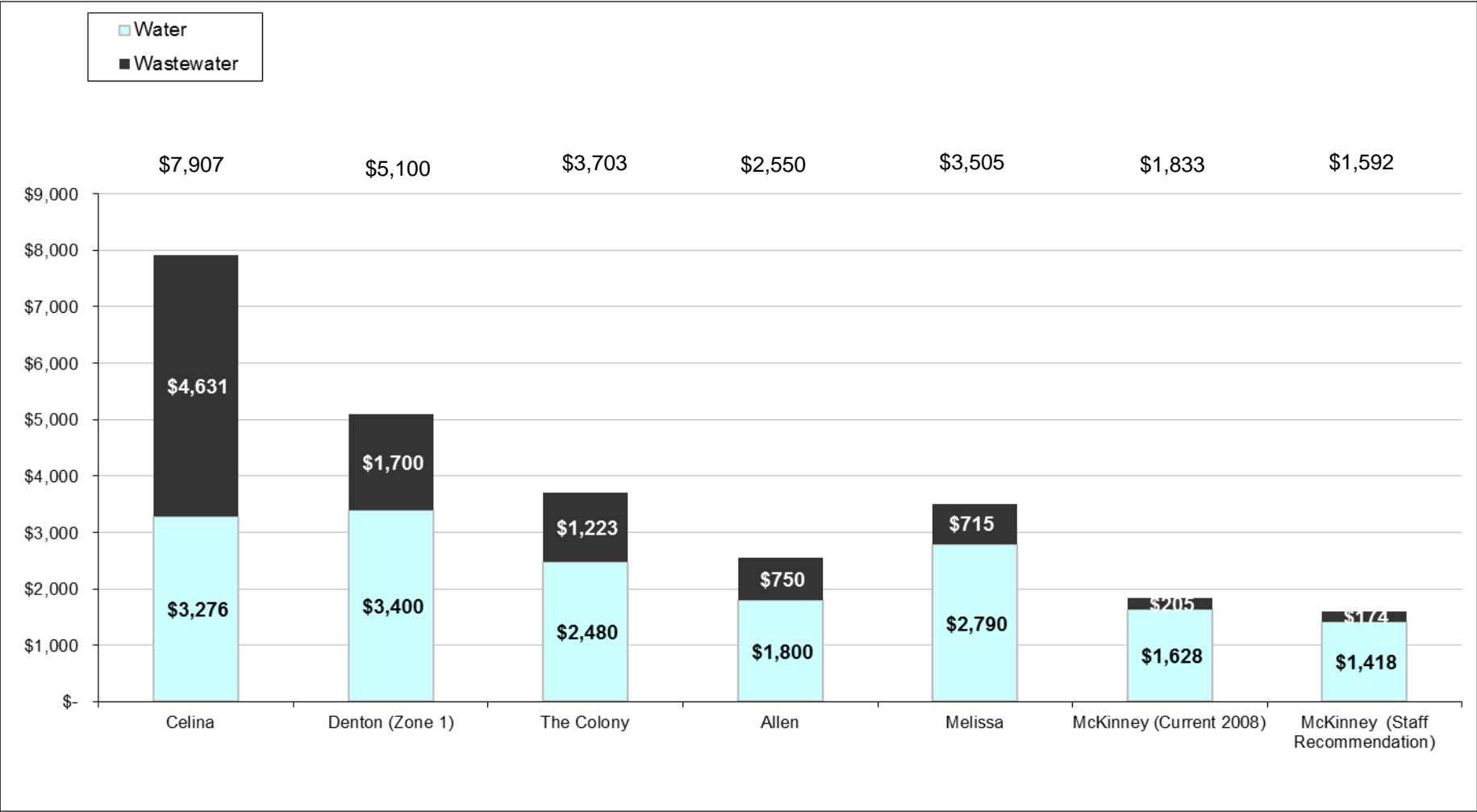
- During the July 29th Joint Work Session, Council and P&Z were generally supportive of the following fee-setting considerations:
 - Reasonable fees that enable the City to continue providing necessary infrastructure through construction or the negotiation of development agreements.
- As such, at the Council Work Session on September 16th, Staff made the following recommendations for utility impact fee amendments:

Utility Impact Fees

Typical Land Use	Meter Size (inches)	Meter Type	Current Combined Utility Impact Fee Charged (2008 Ordinance)	Combined Maximum Assessable Utility Fees (2012-2013 Update)	Staff Recommendation (2012-2013 Update)
SF Residential	¾	Simple	\$1,833	\$1,592.19	\$1,592.19
SF Residential	1	Simple	\$3,116	\$2,653.65	\$2,653.65
SF Residential	1 ½	Simple	\$6,050	\$5,307.31	\$5,307.31
SF Residential	2	Simple	\$9,716	\$8,491.69	\$8,491.69
Commercial	2	Compound	\$9,716	\$8,491.69	\$8,491.69
Commercial and Irrigation	2	Turbine	\$12,282	\$16,983.38	\$16,983.38
Commercial and MF Residential	3	Compound	\$19,615	\$16,983.38	\$16,983.38
Commercial, MF Residential and Irrigation	3	Turbine	\$29,331	\$37,151.14	\$37,151.14
Commercial and MF Residential	4	Compound	\$30,614	\$26,536.53	\$26,536.53
Commercial, MF Residential and Irrigation	4	Turbine	\$51,330	\$68,994.97	\$68,994.97
Industrial	6	Compound	\$61,046	\$53,073.05	\$53,073.05
Industrial and Irrigation	6	Turbine	\$112,375	\$148,604.55	\$148,604.55
Industrial	8	Compound	\$97,710	\$84,916.89	\$84,916.89
Industrial and Irrigation	8	Turbine	\$195,602	\$254,750.66	\$254,750.66
Industrial	10	Turbine	\$305,595	\$371,511.38	\$371,511.38
Industrial and Irrigation	12	Turbine	\$403,304	\$467,042.87	\$467,042.87

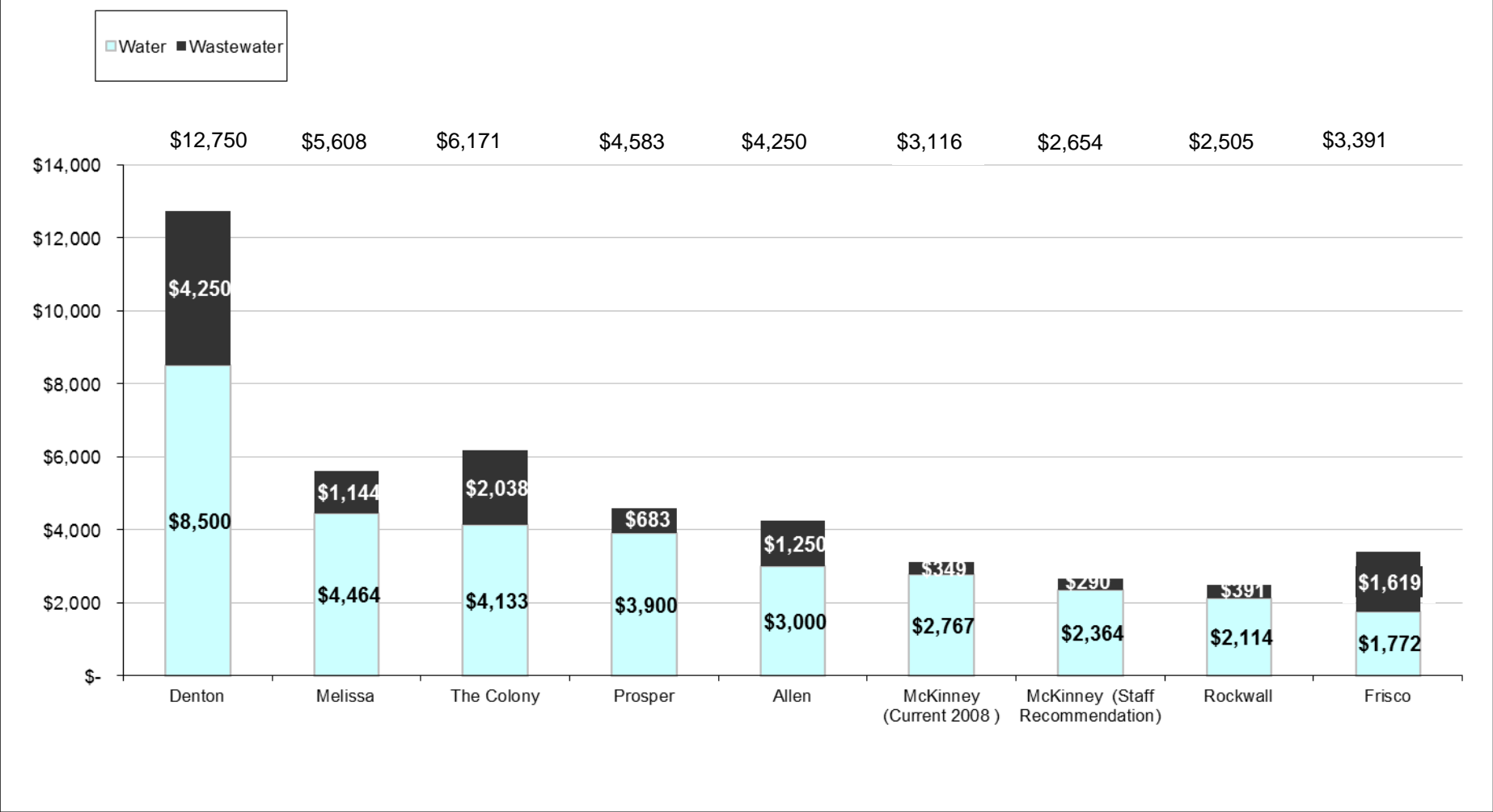
UTILITY IMPACT FEE CITY COMPARISON

Actual Fee: 3/4" Simple



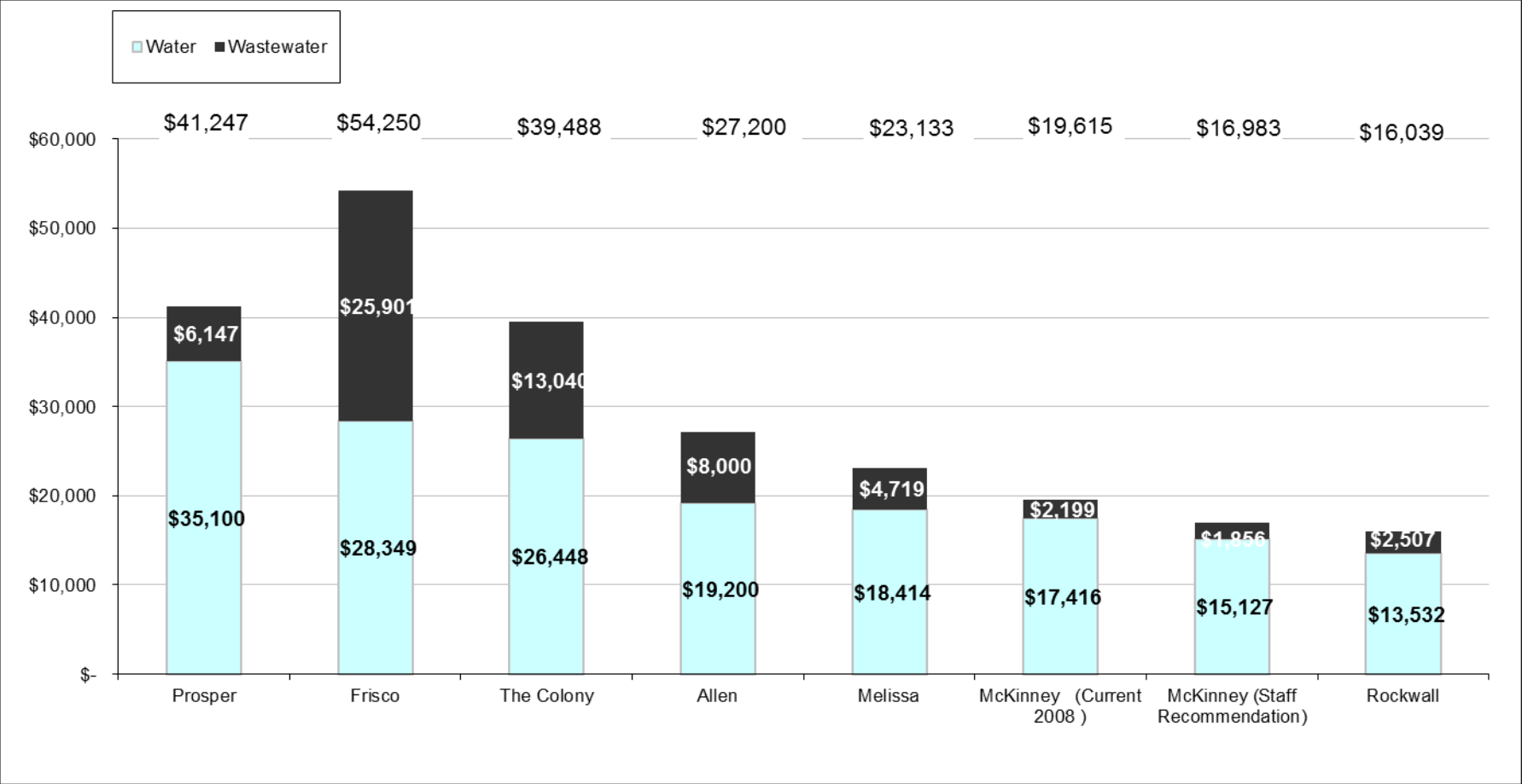
UTILITY IMPACT FEE CITY COMPARISON

Actual Fee: 1" Simple



UTILITY IMPACT FEE CITY COMPARISON

Actual Fee: 3" Compound



LOOKING AHEAD ...

OCTOBER / NOVEMBER

Over the next few weeks, Staff will continue to refine the fee recommendations based on the feedback received from City Council and the Planning and Zoning Commission.

Staff anticipates starting the Public Hearing process for the approval of the CIP and Updated Ordinances in October/November.

(This includes any fee amendments and administrative improvements to the Ordinance).