

# 2018-2019 Impact Fee Update

## Land Use Assumptions

19-0005M5

September 17, 2019

## The 2018-2019 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

- Population and Residential Units
  - Non-Residential Square Feet
- These projections help determine the amount of capital improvements needed over a 10-year period.

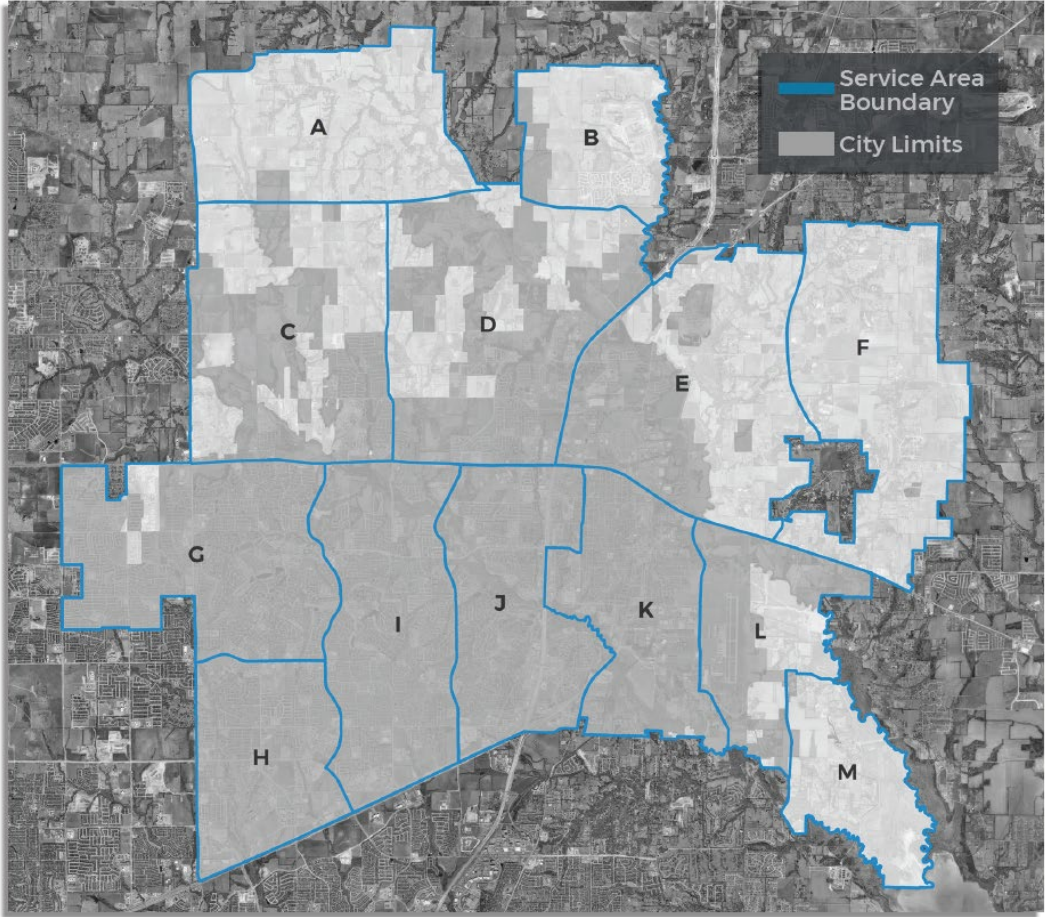
# 2018-2019 Land Use Assumptions Report

## Sections of the Report

- Study Process
- Service Area Maps
- Baseline Data
- Ultimate Projections
- 10-Year Growth Assumptions
- Appendix



# 2018-2019 Roadway Service Area Map

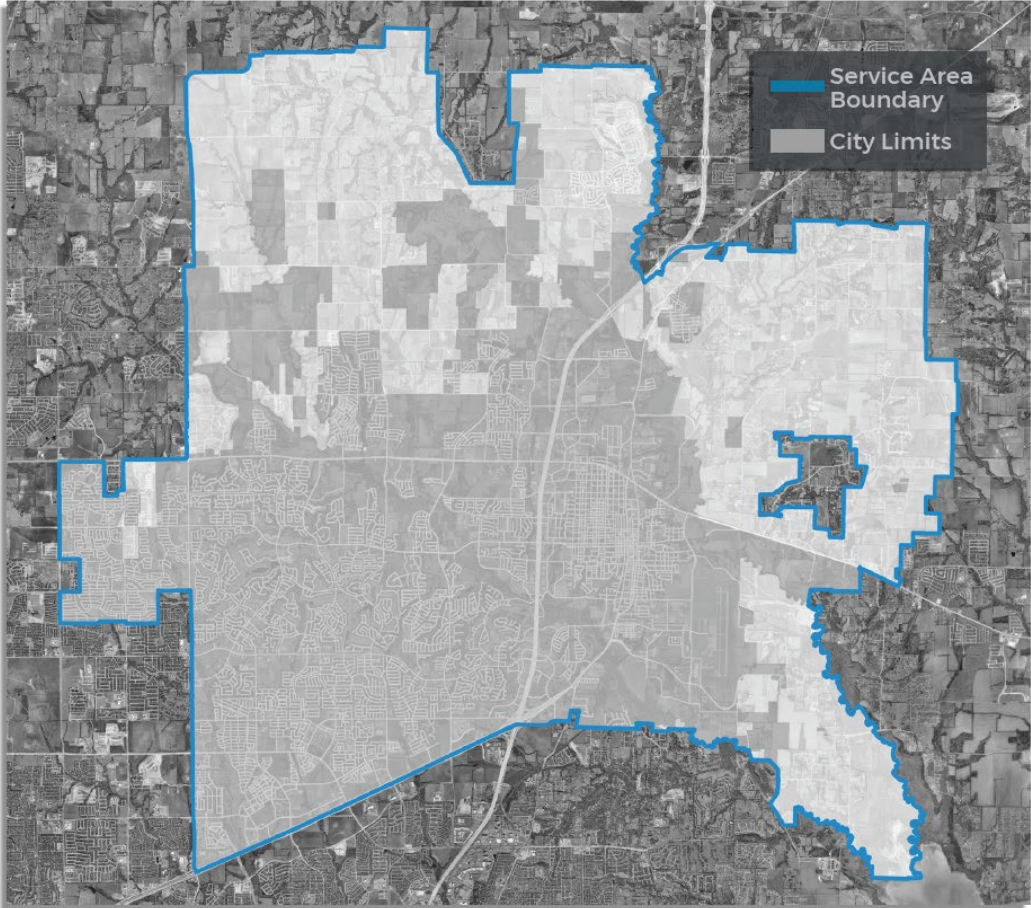


**EXHIBIT A: ROADWAY SERVICE AREAS**



# 2018-2019 Utility Service Area Map

## EXHIBIT B: UTILITY SERVICE AREA



## Methodology: Base Data

- Population estimate (including ETJ) as of January 1, 2019: - 193,012
- Non-residential square footage data were obtained from Collin Central Appraisal District
- Non-residential uses were grouped into 3 categories:
  1. Basic – Industrial Uses
  2. Service – Office and institutional uses (Schools, Government, Churches, etc.)
  3. Retail – Retail Uses

SERVICE AREA	RESIDENTIAL		NON-RESIDENTIAL SQUARE FEET		
	<i>Population</i>	<i>Dwelling Units</i>	<i>Basic</i>	<i>Service</i>	<i>Retail</i>
A	306	115	23,500	0	81,515
B	2,834	973	0	0	16,699
C	8,429	2,959	227,746	632,125	278,982
D	11,213	3,343	0	3,104,234	1,255,451
E	3,905	1,204	3,624,114	478,284	1,754,956
F	1,485	556	212,216	27,295	263,232
G	50,272	17,987	899,720	1,889,230	2,428,620
H	29,944	12,197	581,141	1,933,505	2,627,061
I	39,502	13,959	352,879	2,397,595	1,433,682
J	24,011	10,072	1,649,518	2,754,401	3,513,500
K	20,558	7,651	5,125,000	2,871,086	2,325,009
L	182	75	561,885	499,422	82,826
M	370	164	66,320	14,572	0
<b>TOTAL</b>	193,012	71,255	13,324,039	16,601,750	16,061,533

\*Includes ETJ & Trinity Falls Population

**TABLE 2: BASELINE CONDITIONS**



## Methodology: Ultimate Projections (Residential)

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

$$\left[ \begin{array}{c} \text{Existing} \\ \text{Population} \end{array} \right] + \left[ \begin{array}{c} \text{Zoning} \\ \text{Applications} \end{array} \right] + \left[ \begin{array}{c} \text{FLUP} \\ \text{Applications} \end{array} \right] = \left[ \begin{array}{c} \text{Ultimate} \\ \text{Buildout} \end{array} \right]$$

## Methodology: Ultimate Projections (Non-Residential)

- Determined undeveloped acres with non-residential development potential (current Zoning Map, Future Land Use Plan)
- For areas where the Zoning Map is utilized, an average square feet per acre for existing development was determined and applied to future development areas
- For areas where FLUP is utilized, the average square feet per acre for each land use category was determined by the Preferred Scenario

$$\left[ \begin{array}{c} \text{Existing} \\ \text{Population} \end{array} \right] + \left[ \begin{array}{c} \text{Zoning} \\ \text{Applications} \end{array} \right] + \left[ \begin{array}{c} \text{FLUP} \\ \text{Applications} \end{array} \right] = \left[ \begin{array}{c} \text{Ultimate} \\ \text{Buildout} \end{array} \right]$$

SERVICE AREA	RESIDENTIAL		NON-RESIDENTIAL SQUARE FEET		
	<i>Population</i>	<i>Dwelling Units</i>	<i>Basic</i>	<i>Service</i>	<i>Retail</i>
<i>A</i>	46,188	17,743	9,419,802	12,772,114	4,609,915
<i>B</i>	25,032	8,233	51,707	245,645	369,503
<i>C</i>	57,987	19,538	227,746	2,158,784	4,397,073
<i>D</i>	66,423	23,628	917,483	8,690,336	8,077,829
<i>E</i>	32,533	11,449	11,542,472	3,242,892	6,352,282
<i>F</i>	13,811	4,668	998,038	908,095	1,841,789
<i>G</i>	52,046	18,687	1,157,424	2,184,560	4,653,668
<i>H</i>	39,582	16,242	641,152	7,115,049	4,131,473
<i>I</i>	46,593	16,581	808,120	3,663,775	4,102,982
<i>J</i>	28,292	11,771	2,180,080	6,881,683	5,658,617
<i>K</i>	24,126	9,048	7,823,668	4,434,426	2,966,485
<i>L</i>	300	114	9,239,373	3,235,736	420,080
<i>M</i>	957	362	4,152,840	1,076,720	229,602
<b>TOTAL</b>	433,869	158,064	49,159,907	56,609,815	47,811,298

**TABLE 3: BUILDOUT CONDITIONS**

## Ten Year Growth - Residential

- A combination of two methods (Gompertz and Ratio) were used to project the population over the next ten years
- To predict where new residential units will be built, population growth trends were analyzed and applied to buildout potential
  - This also gave the expected increase in housing units in each service area

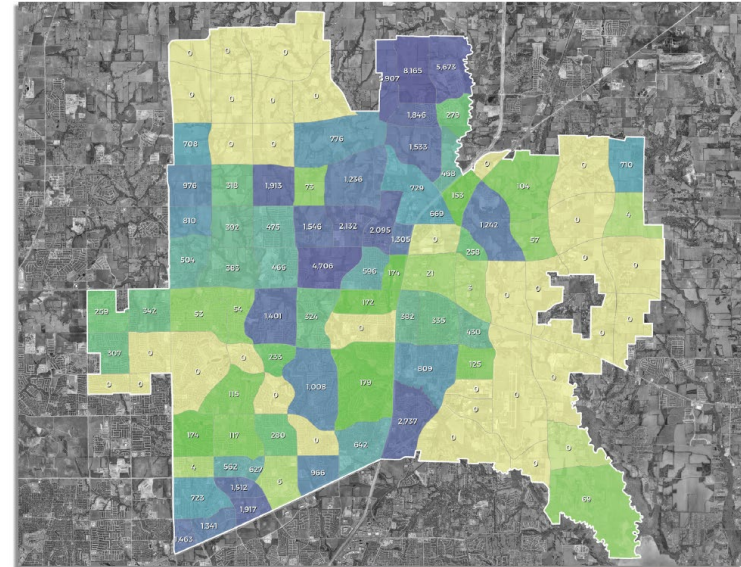


EXHIBIT C: PROJECTED POPULATION GROWTH

## Ten Year Growth – Non-Residential

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

- An anticipated ratio of square footage per person for the next ten years was determined and then multiplied by the anticipated population growth expected over the next ten years
- To predict where new non-residential development will occur, non-residential growth trends were analyzed and applied to buildout potential

SERVICE AREA	RESIDENTIAL		NON-RESIDENTIAL SQUARE FEET		
	<i>Population</i>	<i>Dwelling Units</i>	<i>Basic</i>	<i>Service</i>	<i>Retail</i>
A	0	0	0	0	0
B	21,871	6,959	10,071	207,903	86,236
C	6,945	2,312	0	726,068	438,993
D	17,370	6,277	59,635	700,061	830,401
E	2,506	873	2,482,408	199,736	725,194
F	713	118	19,891	71,783	212,738
G	1,130	435	30,630	69,408	719,260
H	8,439	3,495	14,932	1,806,746	787,669
I	4,218	1,608	112,104	252,841	1,199,668
J	4,112	1,390	227,006	1,733,118	774,630
K	1,700	639	504,952	247,260	331,012
L	0	0	597,354	113,513	16,437
M	69	23	171,577	31,628	13,786
<b>TOTAL</b>	69,073	24,128	4,230,559	6,160,065	6,136,024

**TABLE 4: PROJECTED GROWTH**

SERVICE AREA	RESIDENTIAL		NON-RESIDENTIAL SQUARE FEET		
	<i>Population</i>	<i>Dwelling Units</i>	<i>Basic</i>	<i>Service</i>	<i>Retail</i>
A	306	115	23,500	0	81,515
B	24,705	7,932	10,071	207,903	102,935
C	15,374	5,271	227,746	1,358,193	717,975
D	28,583	9,620	59,635	3,804,295	2,085,852
E	6,411	2,077	6,106,522	678,020	2,480,149
F	2,198	674	232,107	99,078	475,970
G	51,402	18,422	930,350	1,958,638	3,147,880
H	38,383	15,692	596,073	3,740,251	3,414,730
I	43,720	15,567	464,983	2,650,436	2,633,350
J	28,123	11,462	1,876,524	4,487,519	4,288,131
K	22,258	8,290	5,629,951	3,118,347	2,656,021
L	182	75	1,159,239	612,935	99,263
M	439	187	237,897	46,200	13,786
<b>TOTAL</b>	262,084	95,383	17,554,598	22,761,815	22,197,558

**TABLE 5: 2029 BASELINE CONDITIONS**

## Approval of Land Use Assumptions

- The Planning and Zoning Commission with the addition of an ETJ representative serves as the Capital Improvements Advisory Committee (CIAC) and, as such, is required to provide written comments to the City Council prior to Council action on the Land Use Assumptions.
- Minutes from the August 27, 2019 CIAC meeting have been forwarded to City Council, and are posted for public review.



## Next Steps...

### Develop Capital Improvement Plan (CIP)

- September-October 2019

### Impact Fee Workshop

- November 2019

### Fee Setting and Adopting Ordinance

- January 2020