

Impact Fee Update - Roadway

19-0010M16

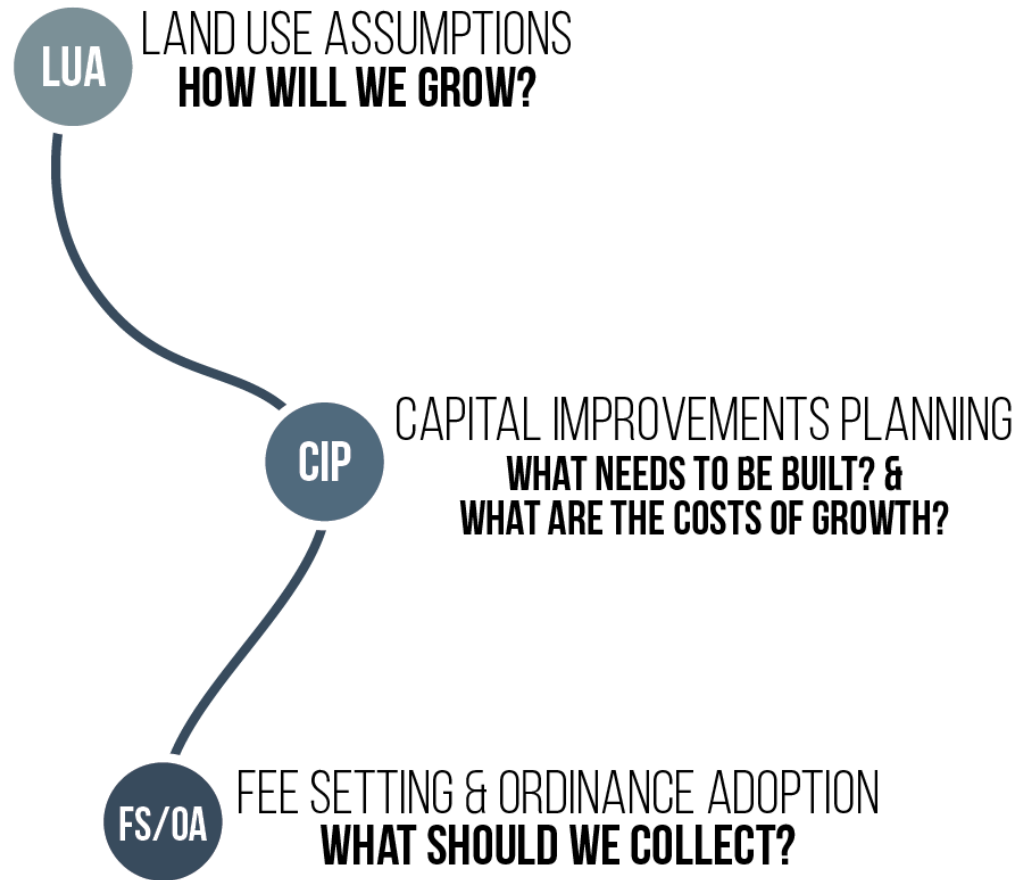
October 27, 2020

Introduction & Overview

- The purpose of today's presentation
 - Present the impact fee recommendations
 - Comments will be forwarded to CC public hearing on 12/1
- General outline of the presentation
 - Information Series Summary
 - Roadway Impact Fee Recommendation
 - Roadway Phase-In Recommendation
 - Utility Impact Fee Recommendation
 - Utility Phase-In Recommendation



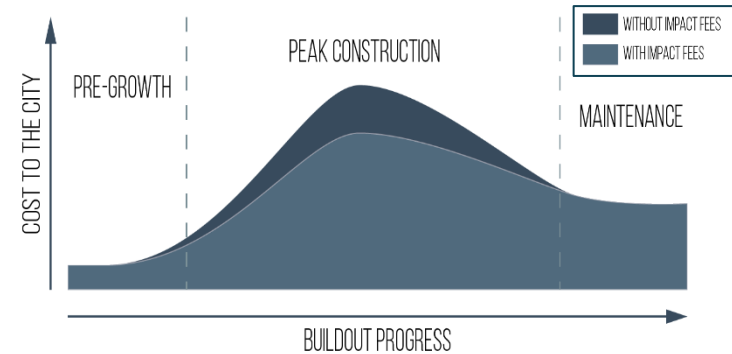
Impact Fee Update Process



Information Series Summary

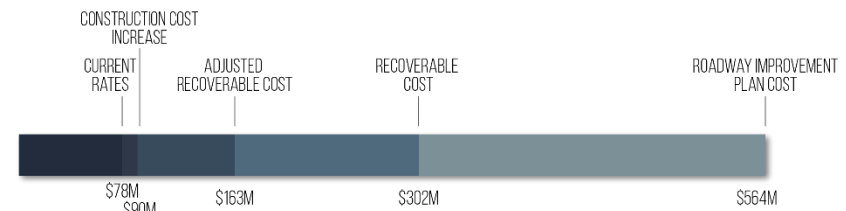
Presentation 1 (Jul 28) : What, Why, and How

- Determination of impact fee based on growth and infrastructure needs and are unique for each municipality
- Assessment/Collection of impact fees is only feasible during periods of growth
- Due to growth rate and growth potential, McKinney's Infrastructure needs are greater than our sister cities



Presentation 2 (Sept 8): Maximum Assessable Fees and Recoverable Costs

- The process for determining the Maximum Assessable Impact Fee is regulated by State Law and is based on a series of formulas and calculations
- Staff desires to recommend a fee increase that balances the recovery of infrastructure costs and market competitiveness



Information Series Summary

Today, Presentation 3: What do we Charge?

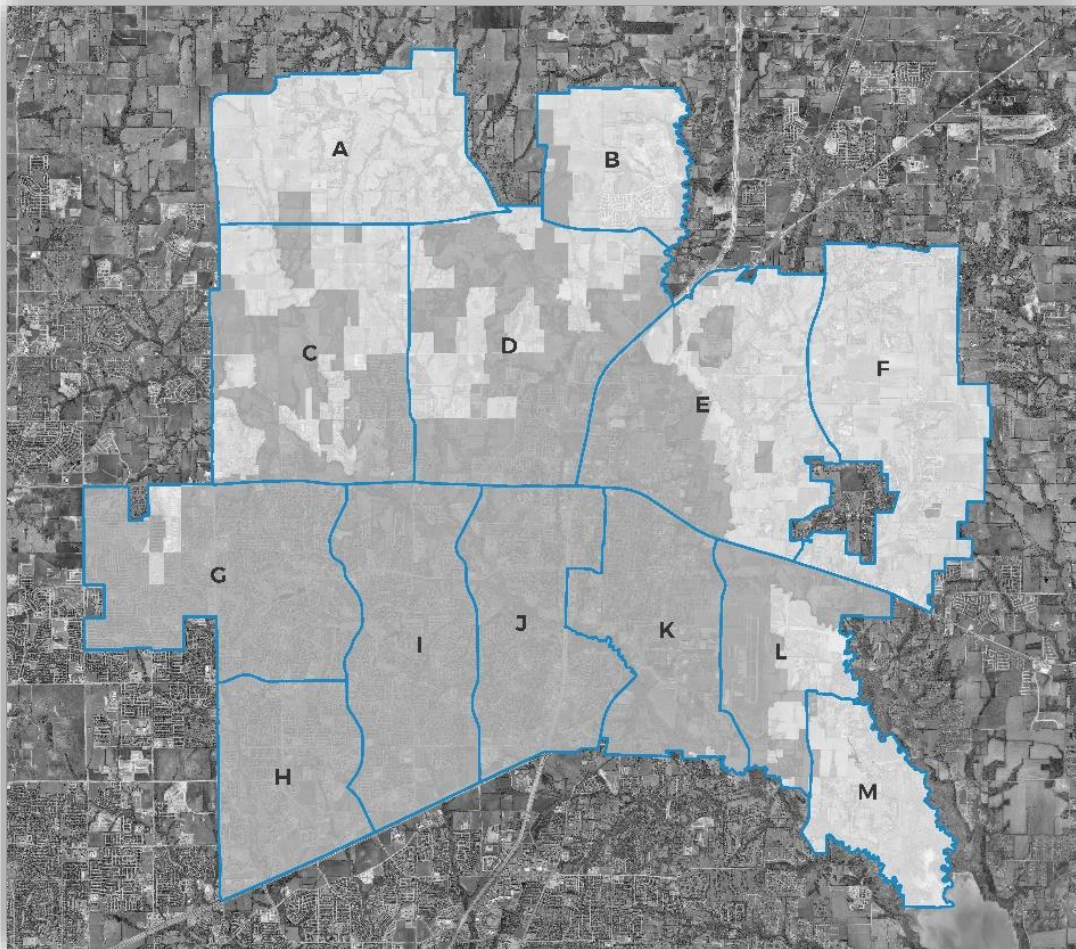
Roadway Impact Fee Recommendation

- ✓ Increase current fees by Construction Cost Increases (~18%)
- ✓ Cap fees that increase to the maximum assessable fee
- ✓ 9 month grace period before new fees become effective*

** Fees that go down will become effective immediately*

Roadway Impact Fee Recommendations

Roadway Impact Fees



Roadway Service Area Map

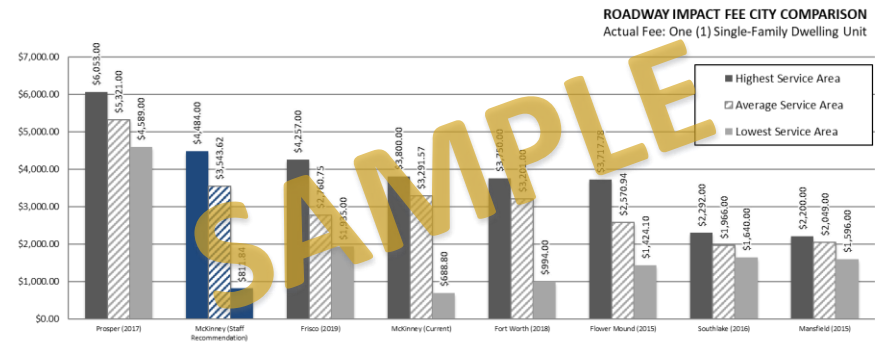
- 13 service areas
- Fees are based on service area and land use
- Roadway impact fees only assessable within city limits

Roadway Impact Fees

McKinney Fee Comparison Table

SINGLE FAMILY RESIDENTIAL USES				
SERVICE AREA	CURRENT COLLECTION RATE	MAXIMUM ASSESSABLE FEE	STAFF RECOMMENDATION	INCREASE / DECREASE
A	\$0	\$0	\$0	
B	\$688	\$1,411	\$812	
C	\$3,800	\$11,120	\$4,484	
D	\$3,800	\$16,674	\$4,484	
E	\$3,800	\$10,460	\$4,484	
F	\$0	\$0	\$0	
G	\$3,800	\$5,602	\$4,484	
H	\$1,827	\$1,661	\$1,661	
I	\$3,800	\$6,135	\$4,484	
J	\$3,800	\$1,683	\$1,683	
K	\$3,800	\$5,805	\$4,484	
L	\$3,800	\$7,093	\$4,484	
M	\$0	\$3,585	\$0	

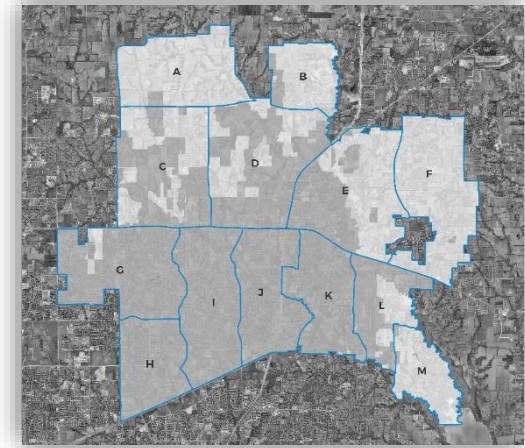
Sister City Comparison Chart





FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?



SINGLE FAMILY RESIDENTIAL USES				
SERVICE AREA	CURRENT COLLECTION RATE	MAXIMUM ASSESSABLE FEE	STAFF RECOMMENDATION	INCREASE / DECREASE
A	\$0	\$0	\$0	↑
B	\$688	\$1,411	\$812	↑
C	\$3,800	\$11,120	\$4,484	↑
D	\$3,800	\$16,674	\$4,484	↑
E	\$3,800	\$10,460	\$4,484	↑
F	\$0	\$0	\$0	↑
G	\$3,800	\$5,602	\$4,484	↑
H	\$1,827	\$1,661	\$1,661	↓
I	\$3,800	\$6,135	\$4,484	↑
J	\$3,800	\$1,683	\$1,683	↓
K	\$3,800	\$5,805	\$4,484	↑
L	\$3,800	\$7,093	\$4,484	↑
M	\$0	\$3,585	\$0	↑

Fee/Rate per Dwelling Unit

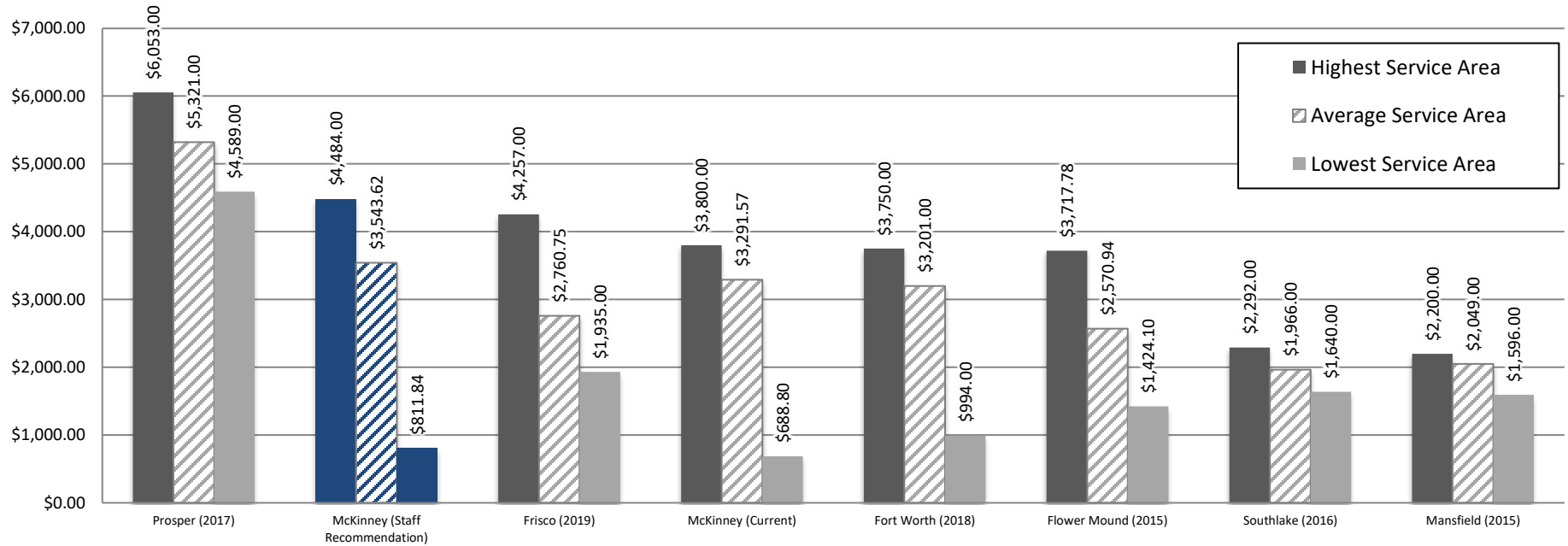


FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?

Single-Family Residential Uses

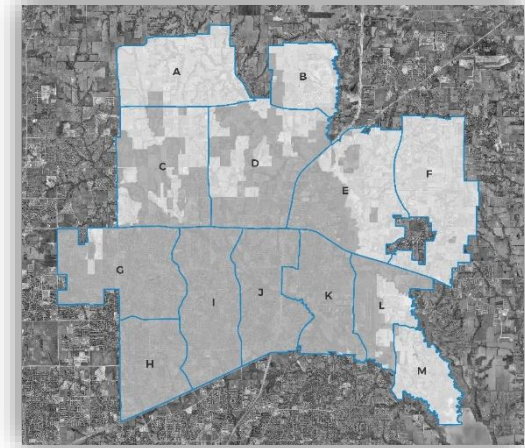
ROADWAY IMPACT FEE CITY COMPARISON
Actual Fee: One (1) Single-Family Dwelling Unit





FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?



MULTI-FAMILY RESIDENTIAL USES				
SERVICE AREA	CURRENT COLLECTION RATE	MAXIMUM ASSESSABLE FEE	STAFF RECOMMENDATION	INCREASE / DECREASE
A	\$0	\$0	\$0	↑
B	\$430	\$624	\$507	↑
C	\$2,880	\$4,942	\$3,398	↑
D	\$4,340	\$7,426	\$5,121	↑
E	\$4,323	\$4,646	\$4,646	↑
F	\$0	\$0	\$0	↑
G	\$2,362	\$2,495	\$2,495	↑
H	\$1,132	\$740	\$740	↓
I	\$2,586	\$2,732	\$2,732	↑
J	\$2,901	\$750	\$750	↓
K	\$3,889	\$2,586	\$2,586	↓
L	\$2,864	\$3,148	\$3,148	↑
M	\$0	\$1,588	\$0	↑

Fee/Rate per Dwelling Unit



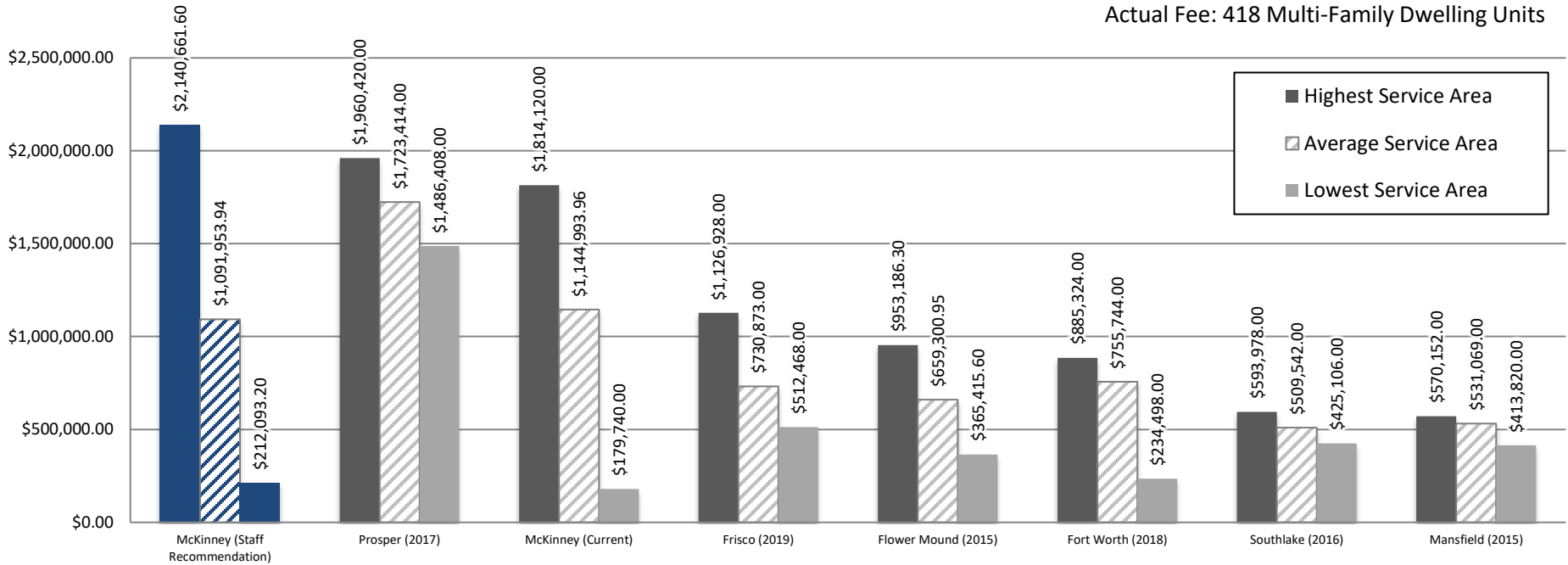
FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?

Multi-Family Residential Uses

ROADWAY IMPACT FEE CITY COMPARISON

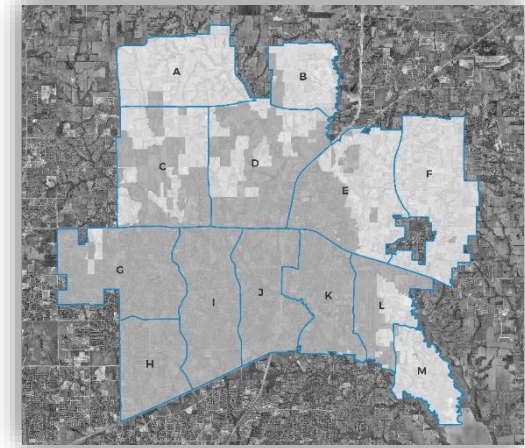
Actual Fee: 418 Multi-Family Dwelling Units





FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?



LIGHT INDUSTRIAL USES				
SERVICE AREA	CURRENT COLLECTION RATE	MAXIMUM ASSESSABLE FEE	STAFF RECOMMENDATION	INCREASE / DECREASE
A	\$0	\$0	\$0	↑
B	\$464	\$897	\$548	↑
C	\$1,592	\$7,076	\$1,879	↑
D	\$1,472	\$10,864	\$1,737	↑
E	\$1,602	\$6,650	\$1,890	↑
F	\$0	\$0	\$0	↑
G	\$1,149	\$3,650	\$1,356	↑
H	\$916	\$1,058	\$1,058	↑
I	\$1,211	\$3,997	\$1,429	↑
J	\$782	\$1,097	\$922	↑
K	\$1,392	\$3,783	\$1,643	↑
L	\$1,354	\$4,517	\$1,598	↑
M	\$0	\$2,286	\$0	↑

Fee/Rate per 1,000 sq ft



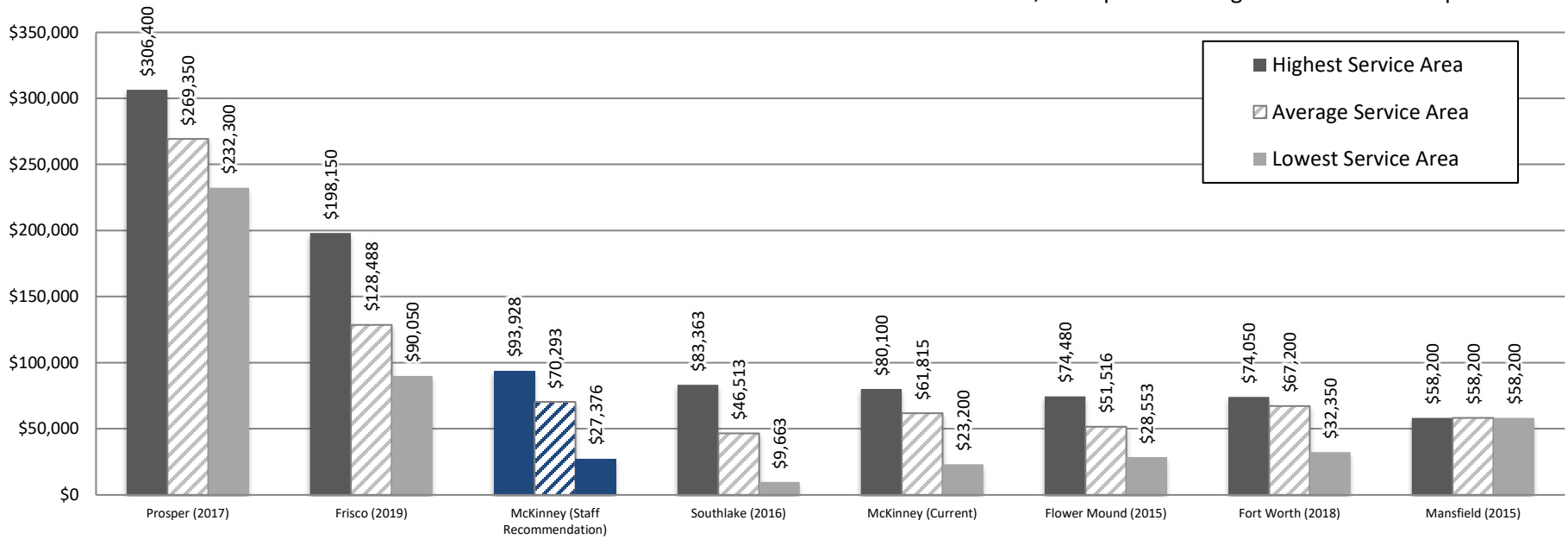
FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?

Light Industrial Uses

ROADWAY IMPACT FEE CITY COMPARISON

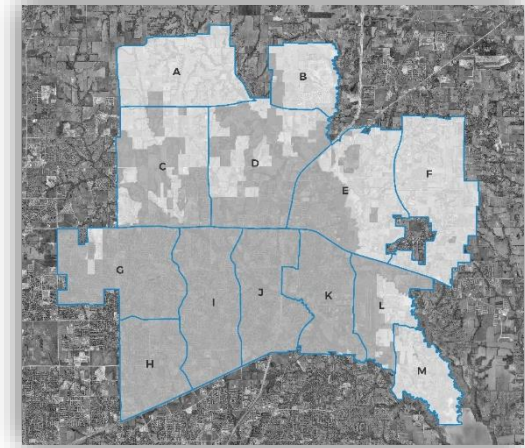
Actual Fee: 50,000 Square Foot Light Industrial Development





FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?



CORPORATE HEADQUARTER USES				
SERVICE AREA	CURRENT COLLECTION RATE	MAXIMUM ASSESSABLE FEE	STAFF RECOMMENDATION	INCREASE / DECREASE
A	\$0	\$0	\$0	↑
B	\$972	\$853	\$853	↓
C	\$2,263	\$6,739	\$2,670	↑
D	\$2,995	\$12,377	\$3,534	↑
E	\$3,069	\$6,342	\$3,621	↑
F	\$0	\$0	\$0	↑
G	\$1,703	\$4,158	\$2,010	↑
H	\$1,724	\$1,007	\$1,007	↓
I	\$1,827	\$4,554	\$2,156	↑
J	\$2,065	\$1,249	\$1,249	↓
K	\$2,757	\$3,806	\$3,253	↑
L	\$1,882	\$4,292	\$2,221	↑
M	\$0	\$2,165	\$0	↑

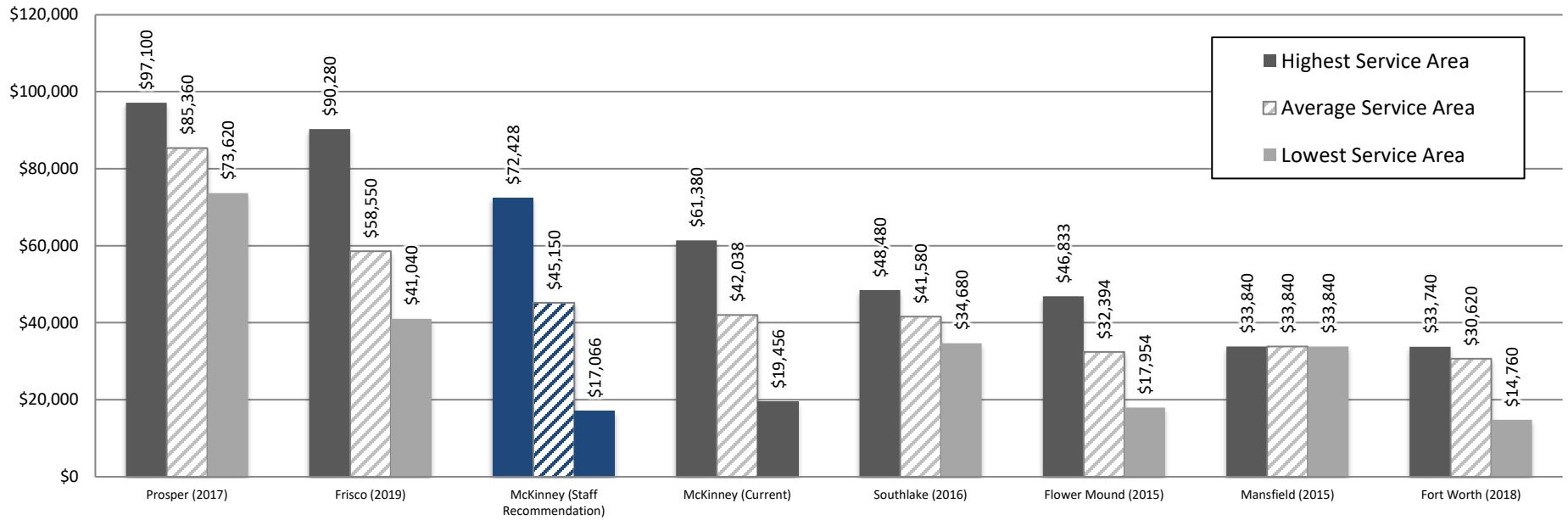
Fee/Rate per 1,000 sq ft



FEE SETTING & ORDINANCE ADOPTION WHAT SHOULD WE COLLECT?

Corporate Headquarter Uses

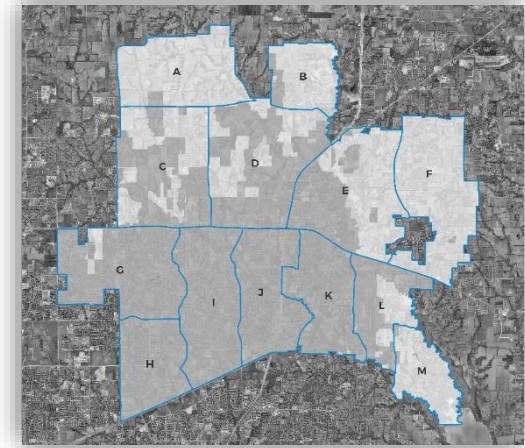
ROADWAY IMPACT FEE CITY COMPARISON
Actual Fee: 20,000 Square Foot Corporate Headquarters





FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?



GENERAL OFFICE USES				
SERVICE AREA	CURRENT COLLECTION RATE	MAXIMUM ASSESSABLE FEE	STAFF RECOMMENDATION	INCREASE / DECREASE
A	\$0	\$0	\$0	↑
B	\$1,023	\$1,641	\$1,208	↑
C	\$2,415	\$12,917	\$2,850	↑
D	\$3,195	\$23,722	\$3,770	↑
E	\$3,270	\$12,155	\$3,859	↑
F	\$0	\$0	\$0	↑
G	\$1,818	\$7,970	\$2,145	↑
H	\$1,840	\$1,931	\$1,931	↑
I	\$1,951	\$8,729	\$2,302	↑
J	\$2,206	\$2,394	\$2,394	↑
K	\$2,940	\$7,302	\$3,469	↑
L	\$2,009	\$8,237	\$2,371	↑
M	\$0	\$4,162	\$0	↑

Fee/Rate per 1,000 sq ft

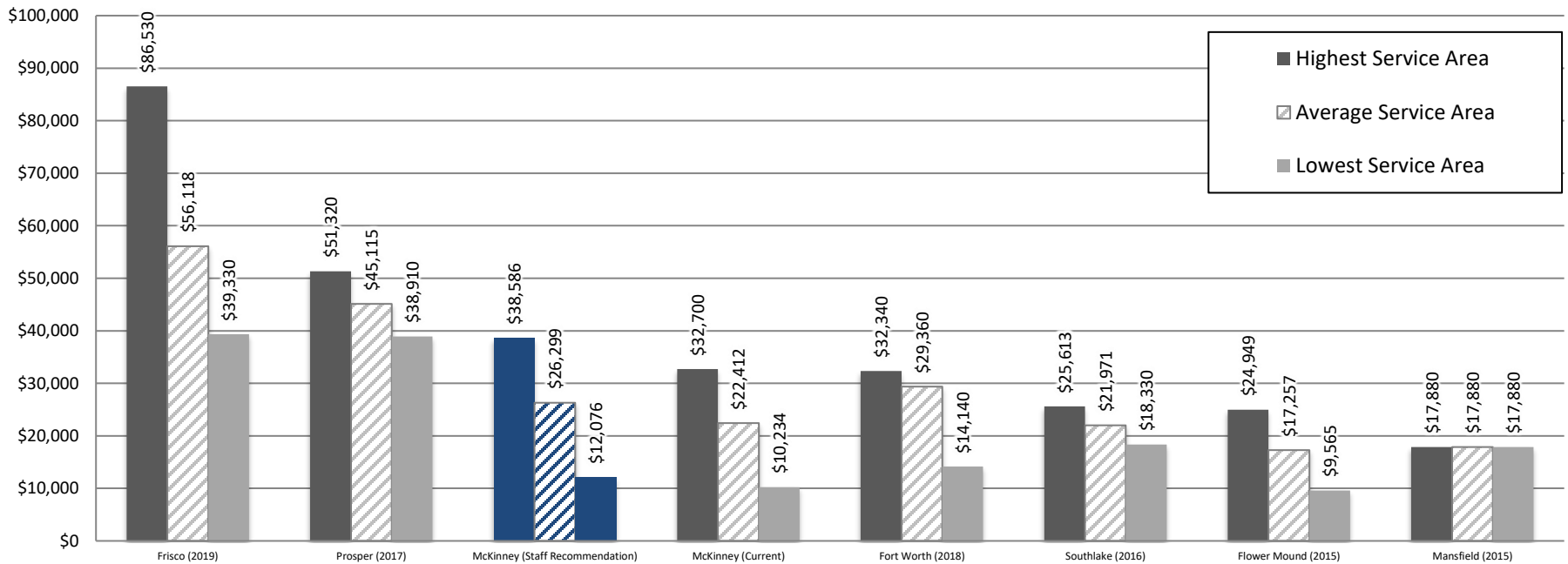


FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?

General Office Uses

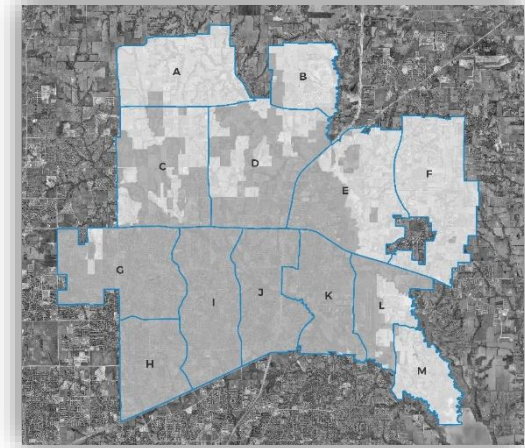
ROADWAY IMPACT FEE CITY COMPARISON
Actual Fee: 10,000 Square Foot Office Development





FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?



SHOPPING CENTER USES				
SERVICE AREA	CURRENT COLLECTION RATE	MAXIMUM ASSESSABLE FEE	STAFF RECOMMENDATION	INCREASE / DECREASE
A	\$0	\$0	\$0	↑
B	\$1,686	\$3,566	\$1,989	↑
C	\$4,255	\$19,740	\$5,021	↑
D	\$3,761	\$24,169	\$4,438	↑
E	\$4,131	\$15,480	\$4,875	↑
F	\$0	\$0	\$0	↑
G	\$2,194	\$8,120	\$2,589	↑
H	\$2,571	\$2,538	\$2,538	↓
I	\$3,176	\$8,893	\$3,748	↑
J	\$3,597	\$2,439	\$2,439	↓
K	\$3,590	\$8,415	\$4,236	↑
L	\$3,282	\$14,369	\$3,873	↑
M	\$0	\$16,914	\$0	↑

Fee/Rate per 1,000 sq ft

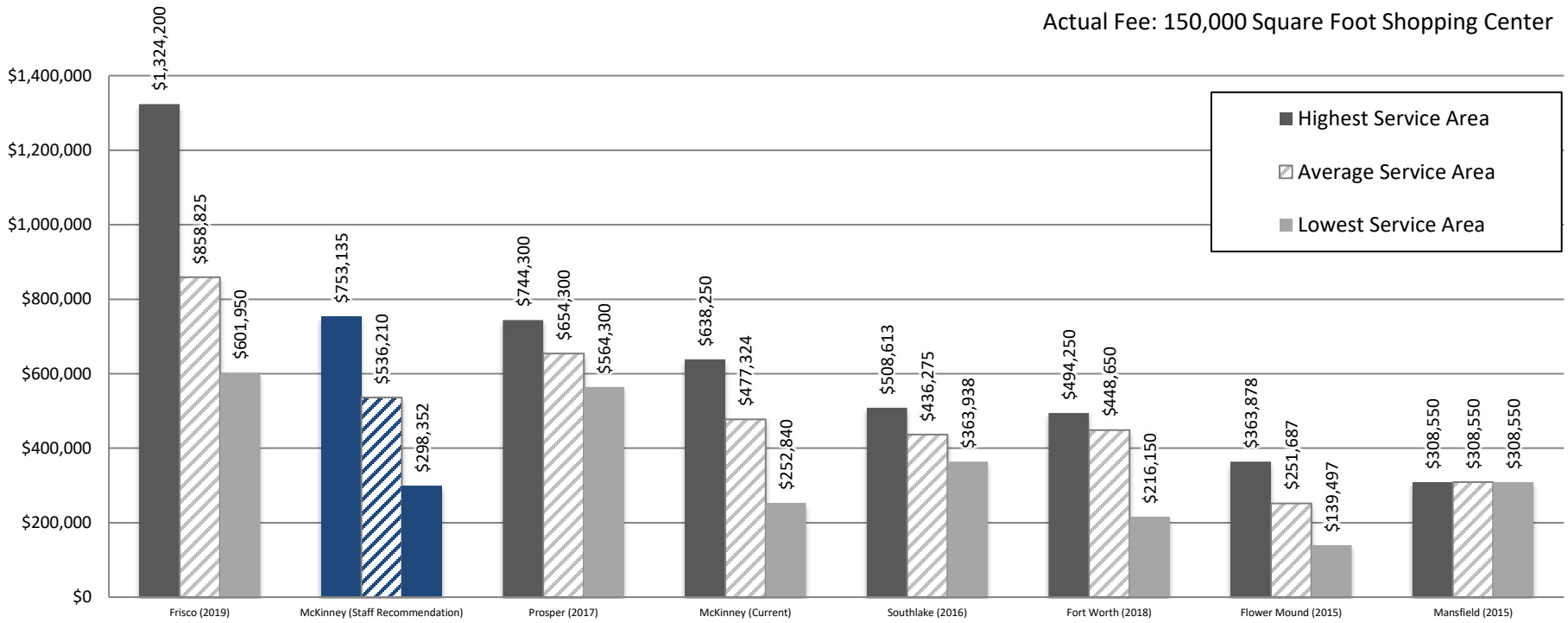


FEE SETTING & ORDINANCE ADOPTION

WHAT SHOULD WE COLLECT?

Shopping Center Uses

ROADWAY IMPACT FEE CITY COMPARISON
Actual Fee: 150,000 Square Foot Shopping Center



Phase-In Recommendation

Impact Fee: Phase-in Recommendation

- New Fees will become effective 9 months after amended Ordinance adoption.
- Fees that go down will become effective immediately.

Next Steps

Public Hearing and Adoption Process

- **December 1st**
 - Conduct public hearings and act on the amendments to the Capital Improvement Plans & Impact Fee Update

