

HOW ARE ROADWAY IMPACT FEES DETERMINED FOR NEW DEVELOPMENTS?

Below is a general overview of how to determine the amount of roadway impact fees that could be assessed and collected for a new development.

1. Project Location

First, identify the project location and determine what service area it falls in. Only projects within the current city limits are subject to roadway impact fees. Projects located in the extraterritorial jurisdiction are NOT subject to roadway impact fees. (see *Service Area map below*)

2. Information About the Project

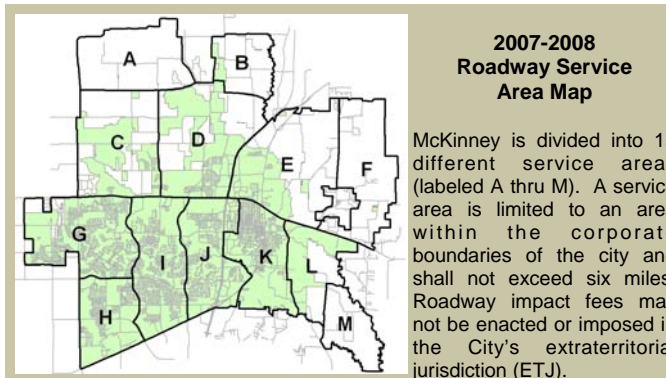
Identify some specific information about *your* development. For example, is your development adjacent to an impact fee eligible roadway as identified in the Roadway Improvements Plan; what was the date of the final plat recordation for your development; what is the land use of your development; and what is the size of your proposed building(s)?

3. Offsets/Credits

Any construction of, contributions to, or dedications of off-site roadway facilities agreed to or required by the City as a condition of development approval may be credited against roadway impact fees otherwise due from the development.

4. Payment and Collection of Roadway Impact Fees

Roadway impact fees are assessed at the time of final plat recordation with the county. Any impact fees due by a development shall be paid at the time of building permit issuance. A building permit will not be issued until any and all impact fees have been paid.



FREQUENTLY ASKED QUESTIONS

Who pays Roadway Impact Fees?

Any developer who is seeking a building permit for a new development (residential or commercial) that will generate additional use of roadway resources will be responsible for paying roadway impact fees.

What is a "Service Area?"

A service area, or roadway benefit area, refers to the area within the corporate boundaries of the City that will be served by the capital improvements specified in the Capital Improvements Plan (often referred to as the Roadway Improvements Plan, or RIP). For roadway facilities, a service area is limited to an area within the corporate boundaries of the City and can not exceed six miles. Roadway impact fees collected in a service area may only be expended in that service area.

What is a "Service Unit?"

A service unit is a standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development. It is calculated in accordance with generally accepted engineering and/or planning standards and is based on historical data and trends applicable to the city in which the individual unit of development is located during the previous ten years. For roadway impact fees, the basic service unit is a vehicle mile of travel during the afternoon peak hour.

Are Roadway Impact Fees used for all roadway infrastructure needs?

No. Roadway impact fees may only be used to fund additional roadway capacity necessitated by new development. Roadway impact fees may not be used to remedy existing deficiencies or to fund the operation and maintenance of existing facilities.

Why does McKinney collect Roadway Impact Fees?

McKinney's rapid growth and development is placing increased pressure on our transportation system. Roadway impact fees will help fund the needed improvements as development continues to occur in McKinney.

Roadway Impact Fees

Roadway impact fees help to fund the new roadway infrastructure that is needed to support our growing community. As our city continues to grow, these fees will help fund arterial road construction to serve new residential and commercial developments.

UNDERSTANDING ROADWAY IMPACT FEES

Roadway impact fees are authorized under Chapter 395 of the Texas Local Government Code and are defined as a charge imposed against new development to pay for the off-site construction or expansion of roadway facilities that are necessitated by and benefit the new development. These roadway facilities may be adjacent to the new development or within the same service area as the new development.

Roadway impact fees are assessed in proportion to the anticipated traffic generated on roadway facilities by the new development in the service area. In other words, impact fees are assessed as a proportion of the development's impact on the system.

Roadway Impact Fees DO NOT INCLUDE:

- The dedication of land for public parks or payment in lieu of the dedication to serve park needs;
- The dedication of rights-of-way or easements or construction of on-site or off-site streets, sidewalks, or curbs if the dedication or construction is required by a valid ordinance and is necessitated by and attributable to the new development; or
- Lot or acreage fees to be placed in trust funds for the purpose of reimbursing developers.

What is the Process for Updating Impact Fees?

State law requires that impact fees be reviewed and updated at least once every five years. The last review and update of impact fees in McKinney was completed in November of 2008. As required by state law, the update process consisted of the following three components:

1. Land Use Assumptions (approved April 2008)
2. Capital Improvements Plan (approved October 2008)
3. Fee Setting/Adopting the Ordinance (adopted November 2008)