



TITLE: Conduct a Public Hearing to Consider/Discuss/Act on a Resolution to Approve the Land Use Assumptions for the 2012-2013 Roadway Impact Fee Update

MEETING DATE: June 18, 2013 – Regular Meeting

DEPARTMENT: Development Services - Planning

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RECOMMENDED CITY COUNCIL ACTION:

- Staff recommends approval of the Resolution.

ITEM SUMMARY:

- Chapter 395 of the Texas Local Government Code requires that a Public Hearing be held to consider approval of the updated Land Use Assumptions for the 2012-2013 Impact Fee Update.
- The updated Land Use Assumptions report was considered by the Planning and Zoning Commission (in their role as the Capital Improvements Advisory Committee) at the April 23, 2013 meeting. The minutes of the Public Hearing serve as their written comments and were forwarded to the City Council on May 7, 2013 and approved on June 4, 2013.
- Staff is now presenting the Land Use Assumptions report to the City Council for approval for the purpose of moving forward with the 2012-2013 Roadway Impact Fee Update.
- As required by State Law, City Council passed a Resolution on May 7, 2013 to set tonight's Public Hearing for consideration of the Land Use Assumptions. Staff also posted a 30-day Legal Notice in the McKinney Courier-Gazette and provided a copy of the draft Land Use Assumptions report on the City's webpage for public review and comment. To date, no comments have been received.

Land Use Assumptions:

- The Land Use Assumptions report projects growth over the next 10 years. It projects population growth by using the number of housing units and non-

residential growth by using building square footages. This data is then spatially allocated into the designated service areas.

- It is important to note that there is no “one right way” to carrying out a land use assumptions study, but City Staff has been diligent in utilizing generally accepted forecasting techniques based on sound planning principles.
- The Land Use Assumptions report is divided into six sections that serve to satisfy the methodology requirements of State Law. They are:
 - I. **Study Process:** A description of the data types and basic study procedures used in the study.
 - II. **Service Area Maps:** The impact fee service areas for roadway facilities and utility facilities based on the data collection zones.
 - III. **Baseline Data:** Information on population, land use, and square feet of non-residential uses for McKinney as of 2012 for each service area.
 - IV. **Ultimate Projections:** Projections for population and square feet of non-residential uses which reflect a completely developed condition based on the city’s Future Land Use Plan and current land use patterns.
 - V. **10-Year Growth Assumptions:** Population and non-residential growth assumptions for the next ten years by service area.
 - VI. **Summary Tables:** Tabular summary of figures for baseline and 10-year projections by service area.

Next Steps:

- Staff is currently working with Kimley-Horn and Associates, the consulting transportation engineers for this update process, on the second part of the process - the update of the Capital Improvements Plan for Roadway Impact Fees (commonly referred to as the Roadway Improvements Plan). The Roadway Improvements Plan identifies transportation infrastructure needed to accommodate the projected growth over the next ten years, along with those existing oversized facilities on which excess capacity is available. Estimated project costs will also be included in the Roadway Improvements Plan.
- As part of the Capital Improvement Planning process, a maximum assessable fee per service unit for each service area will be calculated.
- In late July, Staff anticipates presenting a draft of the Roadway Improvements Plan, including maximum assessable impact fees as well as city-by-city fee comparisons to a Joint Work Session of City Council and the Planning and Zoning Commission.

- Following the Joint Work Session, Staff will host an Impact Fee Workshop for the development community so builders, developers, etc. can learn more about the process, ask questions of Staff and the consultants, and offer input.
- In early Fall, Staff will present a final draft of the Roadway Improvements Plan as well as impact fee recommendations, ordinance language and recommended administrative changes (if any) to City Council and the Planning and Zoning Commission.
- During this last part of the process, the majority of policy discussion will occur as City Council considers the actual fee amounts to charge, the phase-in of any fee increases, and how credits are calculated.
- Staff anticipates starting the formal approval process for the Roadway Improvements Plan and amendment to the Roadway Impact Fee Ordinance in October.

BACKGROUND INFORMATION:

- Chapter 395 of the Texas Local Government Code mandates that impact fees be reviewed and updated at least every 5 years. The City of McKinney last update impact fees in 2008. Accordingly, Staff initiated the 2012-2013 Impact Fee Update in Fall 2012.
- Updating Impact Fees involves 3 parts (as required by State Law) and the entire process takes approximately 9 months:
 - Land Use Assumptions
 - Capital Improvements Plans (Roadway and Utility)
 - Fee Setting / Adopting the Amended Ordinance
- Staff has created, and attached, a presentation describing the general process for the impact fee update and explaining the Land Use Assumptions.
- As required by State Law, the Planning and Zoning Commission serves as the Capital Improvements Advisory Committee (CIAC). The committee serves in an advisory capacity and is established to:
 - (1) Advise and assist the political subdivision in adopting land use assumptions;
 - (2) Review the capital improvements plan and file written comments;
 - (3) Monitor and evaluate implementation of the capital improvements plan;

- (4) File semiannual reports with respect to the progress of the capital improvements plan and report to the political subdivision any perceived inequities in implementing the plan or imposing the impact fee; and
- (5) Advise the political subdivision of the need to update or revise the land use assumptions, capital improvements plan and impact fee.