# 2019 Impact Fee Update

19-0010M

January 21, 2020

# Introduction & Overview

- The project team
- The purpose of today's presentation
- General outline of the presentation
  - The Fundamentals
  - Roadway Improvements Plan
  - Roadway Maximum Assessable Fee
  - Utility Improvements Plans
  - Utility Maximum Assessable Fee

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# Impact Fees 101

*The Fundamentals*

## What are Impact Fees?

- One-time fee for new development
- Mechanism to recover infrastructure costs required to serve new growth
- 'Rough Proportionality with mathematical exactitude'
  - Legal way to collect a flexible fee for infrastructure
- Governed by Chapter 395 of the Texas Local Government Code; Established in Texas in 1987

## The 5-Year Update Process

- State law requires that impact fees must be updated at least one every five years and involve 3 components
  1. Land Use Assumptions (Completed on Sept. 17, 2019)
  2. Capital Improvements Planning (Draft)
  3. Fee Setting/Adopting the Ordinance

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# Impact Fees 101

*The Fundamentals*

## Impact Fees in McKinney

- In McKinney, impact fees are used for:
  - Water
  - Wastewater
  - Roadway
- Capital Improvements Advisory Committee
  - Designated as Planning and Zoning Commission, plus one representative from the ETJ.

## Terminology

- Service Areas
- Land Use Assumptions
- Service Units
- Capital Improvements Plans
- Maximum Assessable Fee
- Collection Rate

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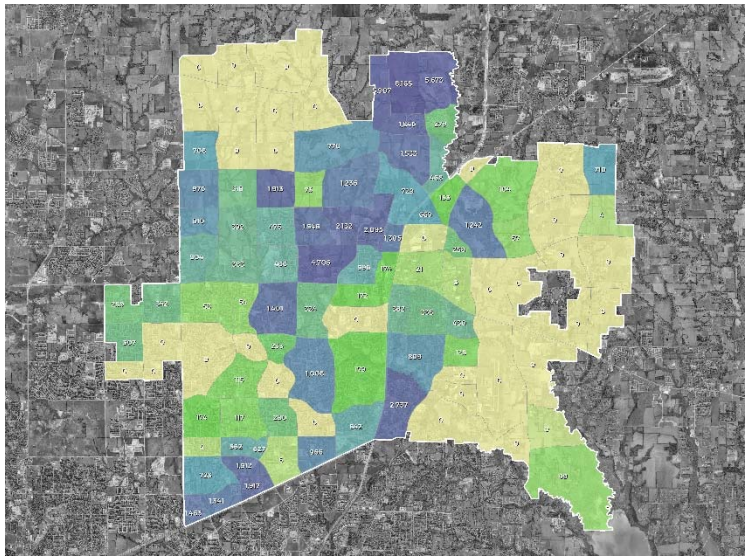
# Capital Improvements Planning

*The Fundamentals*

## Land Use Assumptions

- Projects growth over 10-year period to calculate the demand for new infrastructure



*2029 Population Growth Projections*

## Review and Update Impact Fee CIP

- Identify infrastructure needed to accommodate growth
- Determine excess capacity of existing facilities
- Estimate costs associated with each infrastructure project

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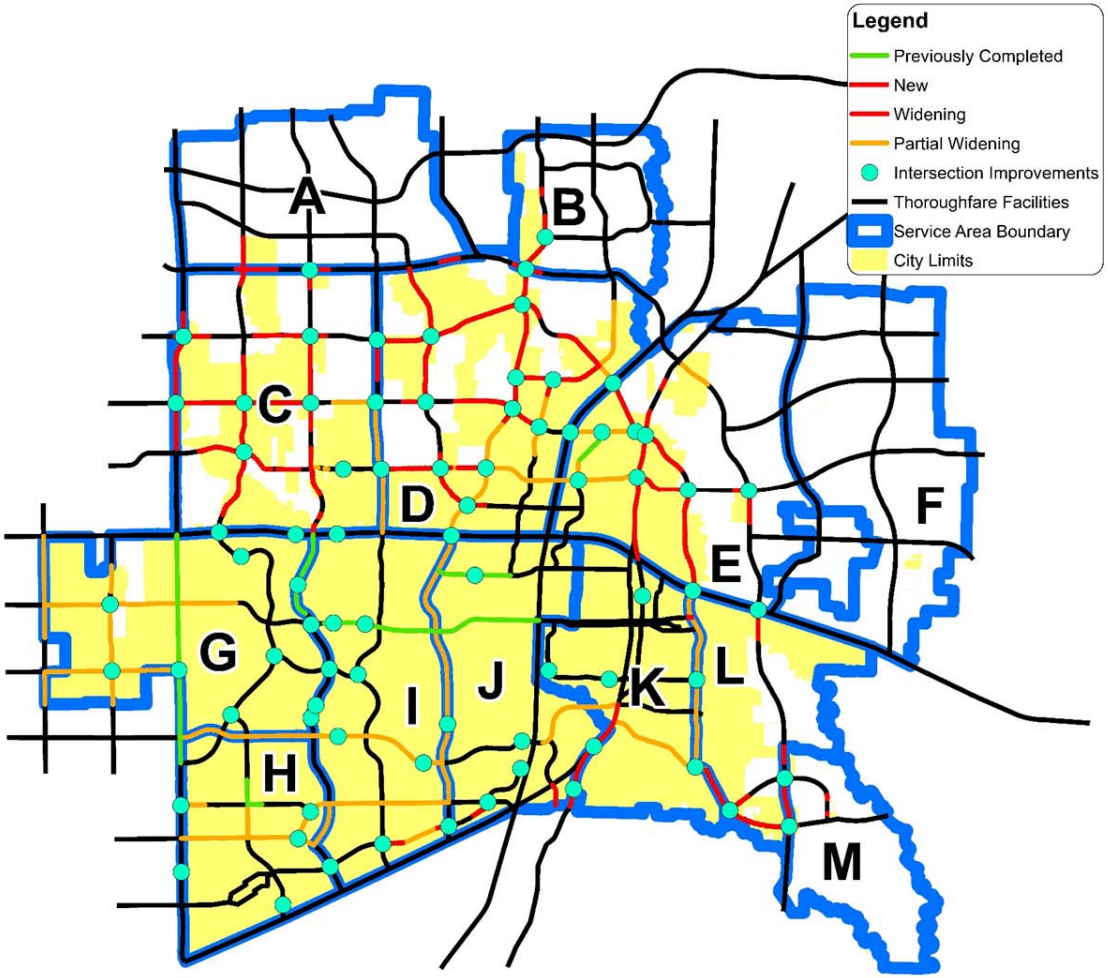
# Roadway Impact Fee Update

# 2019-2029 Roadway Improvement Plan (Draft)

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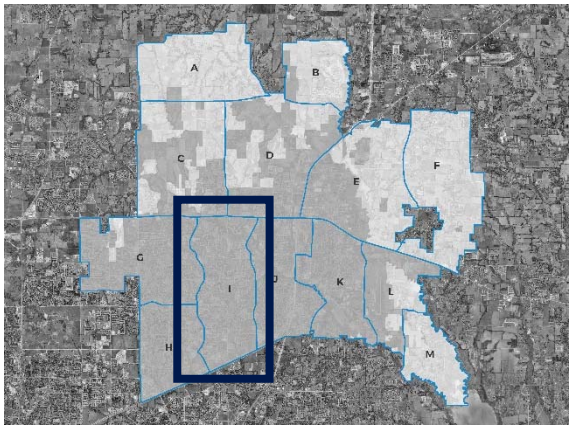
# New Service Units

*(PROJECTED GROWTH – Service Area I)*




| Land Use Type | Development Unit | Number of Development Units | Vehicle Miles per Development Unit (Trip Demand Factor) | Total Vehicle-Mile |
|---|---|---|---|---|
| Residential | Dwelling Unit | 1,608 | 4.85 | 7,800 |
| Basic (Industrial) | 1,000 square feet | 112.104 | 3.16 | 354 |
| Service (Office) | 1,000 square feet | 252.841 | 6.90 | 1,744 |
| Retail (Commercial) | 1,000 square feet | 1,199.668 | 7.03 | 8,434 |
| | | | **Total** | **18,332** |

- Service Area I has 18,332 vehicle-miles of projected demand.

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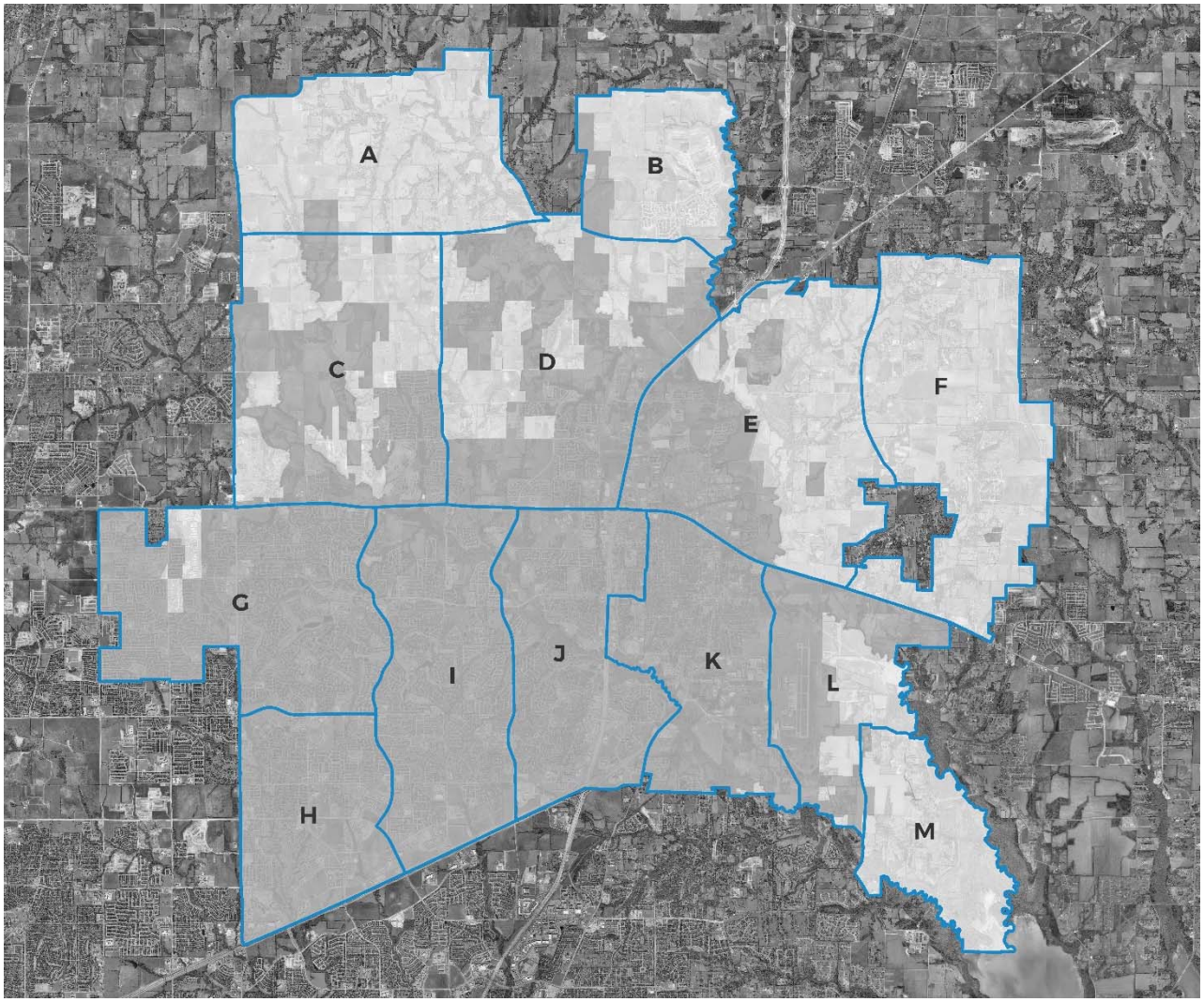
# Projected Growth (Vehicle-Miles)




| Service Area | Vehicle-Miles |
|---|---|
| A | 0 |
| B | 9,578 |
| C | 15,582 |
| D | 41,299 |
| E | 17,845 |
| F | 0 |
| G | 7,742 |
| H | 31,324 |
| I | 18,332 |
| J | 24,864 |
| K | 8,530 |
| L | 1,893 |
| M | 304 |

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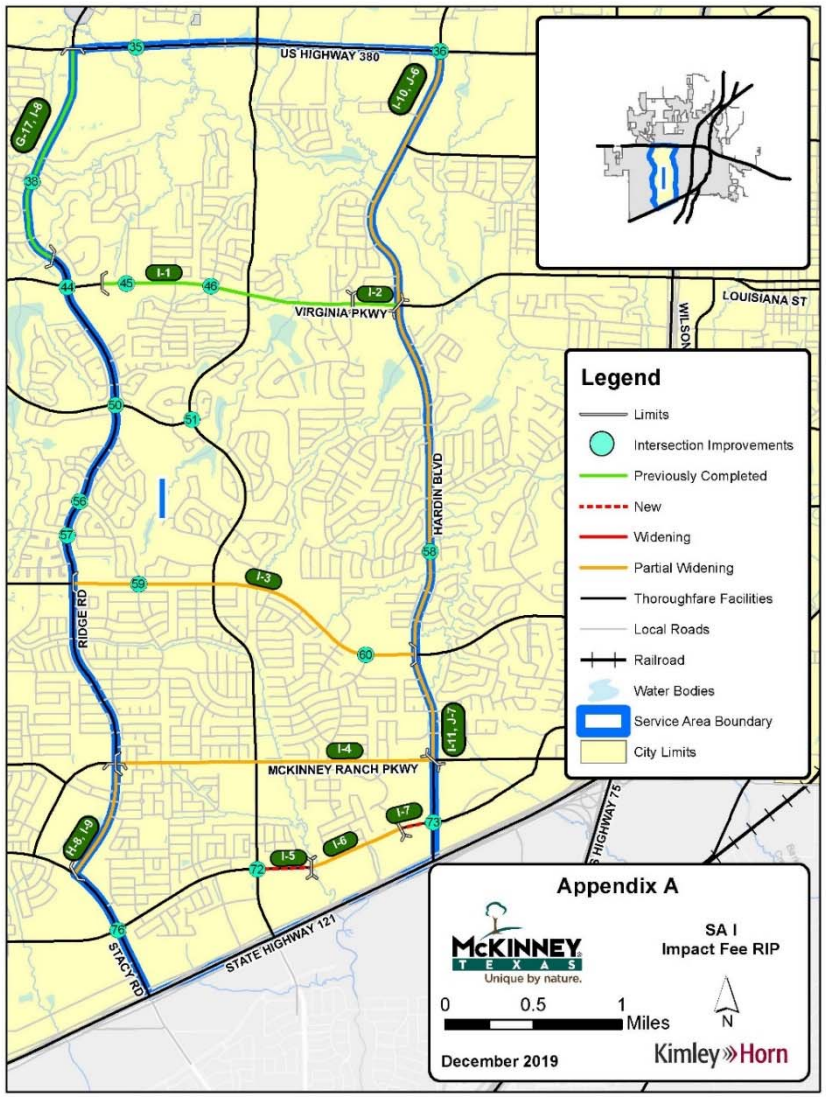


# Recoverable Cost

*(Service Area I)*

- Total Cost of RIP = $35.6M
- Cost to meet existing demands - $10.6M
- Cost of existing financing - $1.4M
- Max. Calculated Fee = $23.6M
- Credit Calculation - $449K
- **10-Year Cost = $23.2M**
- Beyond 10-Year Window = $0M

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# Calculating the Maximum Impact Fee

*Roadway Impact Fees*

$$\text{Max. Impact Fee Per Service Unit} = \frac{\text{Recoverable Cost of the CIP (\$)}}{\text{New Service Units (vehicle-miles)}}$$

- Determine the amount of project growth in each Service Area for a 10-year period.
- Determine the additional capacity needed based on growth projections
- Determine recoverable cost of needed capital constructions to accommodate growth
- Determine cost per service unit

- Service Area I:

$$\frac{\$23.2\text{M recoverable cost}}{18{,}332 \text{ vehicle-miles}} = \textbf{\$1,265 / vehicle-mile}$$

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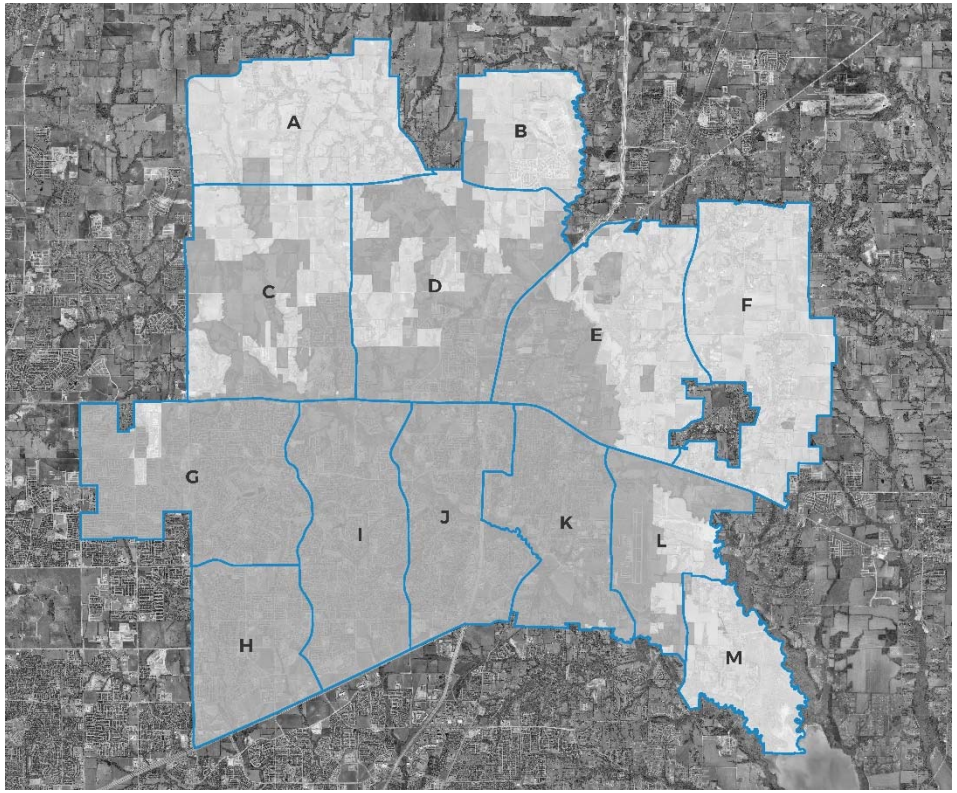
# 2018-2019 Maximum Assessable Fee

| Service Area | Maximum Assessable Fee per Vehicle-Mile |
|---|---|
| A | $0 |
| B | $1,094 |
| C | $2,808 |
| D | $3,438 |
| E | $2,202 |
| F | $0 |
| G | $1,155 |
| H | $361 |
| I | $1,265 |
| J | $347 |
| K | $1,197 |
| L | $2,044 |
| M | $2,406 |

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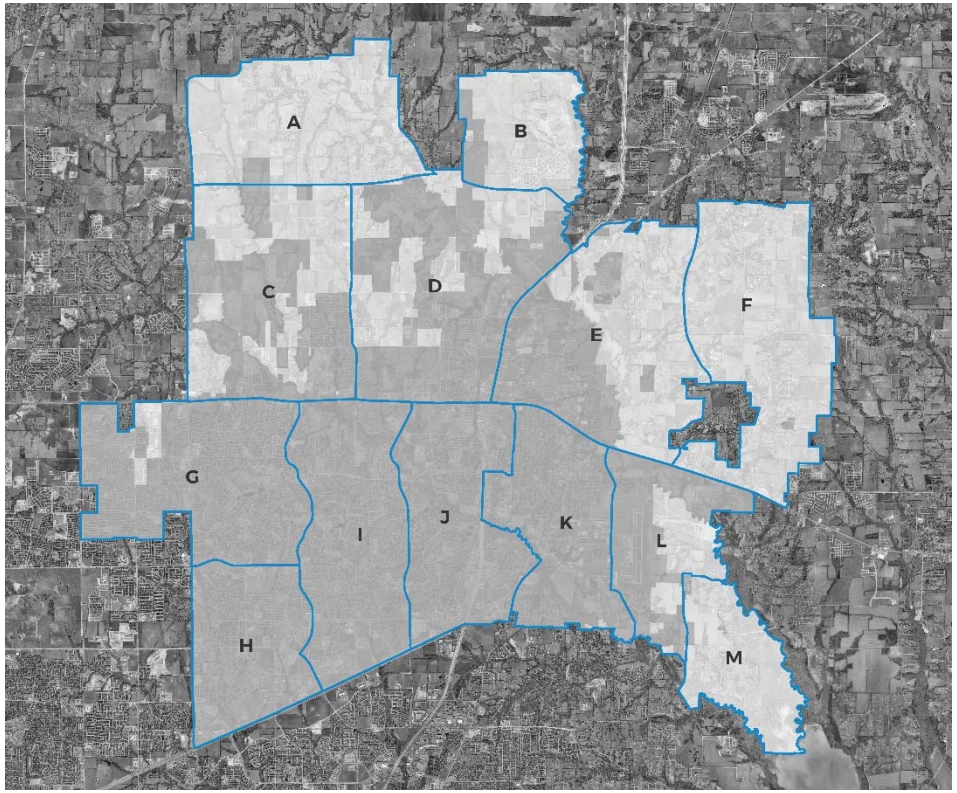
# 2018-2019 Maximum Assessable Fee

| Service Area | 2018-2019 Max. | | 2012-2013 Max. |
|---|---|---|---|
| A | $0 | | $0 |
| B | $1,094 | ↑ | $861 |
| C | $2,808 | ↑ | $1,500 |
| D | $3,438 | ↑ | $1,211 |
| E | $2,202 | ↑ | $2,082 |
| F | $0 | | $0 |
| G | $1,155 | ↑ | $635 |
| H | $361 | ↓ | $393 |
| I | $1,265 | ↑ | $755 |
| J | $347 | ↓ | $824 |
| K | $1,197 | ↑ | $1,182 |
| L | $2,044 | ↑ | $1,370 |
| M | $2,406 | ↑ | $0 |

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# Maximum Assessable Fee

*(SAMPLE CALCULATION– Service Area I)*


| Land Use Type | Development Unit | Number of Development Units | Trip Demand Factor | SA I Max Fee | Max Fee Allowed | Current Impact Fee Charged |
|---|---|---|---|---|---|---|
| Single Family | Dwelling Unit | 1 | 4.85 | **$1,265** | $6,135 | $3,800 |
| Retail | 1,000 Square Feet | 150 | 7.03 | **$1,265** | $1,333,943 | $476,394 |
| Office | 1,000 Square Feet | 10 | 6.90 | **$1,265** | $87,285 | $19,509 |
| Light Industrial | 1,000 Square Feet | 50 | 3.16 | **$1,265** | $199,870 | $49,450 |

Maximum Assessable Fee = Number of Development Units x Trip Demand Factor x SA I Max Fee

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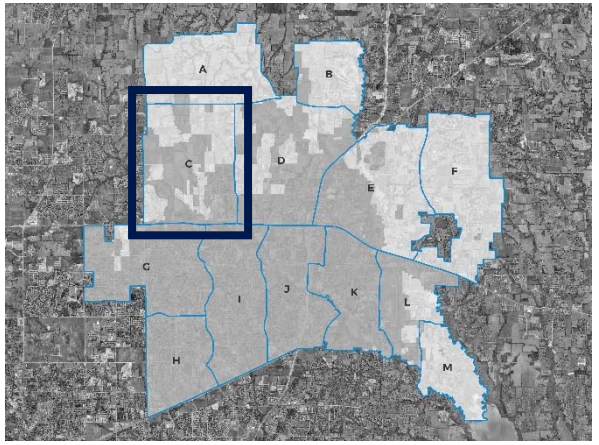
# Maximum Assessable Fee

*(SAMPLE CALCULATION– Service Area C)*




| Land Use Type | Development Unit | Number of Development Units | Trip Demand Factor | SA C Max Fee | Max Fee Allowed | Current Impact Fee Charged |
|---|---|---|---|---|---|---|
| Single Family | Dwelling Unit | 1 | 3.96 | **$2,707** | $11,120 | $3,800 |
| Retail | 1,000 Square Feet | 150 | 7.03 | **$2,707** | $2,961,036 | $638,252 |
| Office | 1,000 Square Feet | 10 | 4.60 | **$2,707** | $129,168 | $24,150 |
| Light Industrial | 1,000 Square Feet | 50 | 2.52 | **$2,707** | $353,808 | $55,999 |

Maximum Assessable Fee = Number of Development Units x Trip Demand Factor x SA C Max Fee

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# Maximum Assessable Fee

*(SAMPLE CALCULATION– Service Area J)*


| Land Use Type | Development Unit | Number of Development Units | Trip Demand Factor | SA J Max Fee | Max Fee Allowed | Current Impact Fee Charged |
|---|---|---|---|---|---|---|
| Single Family | Dwelling Unit | 1 | 4.85 | $387 | $1,683 | $3,800 |
| Retail | 1,000 Square Feet | 150 | 7.03 | $387 | $365,912 | $539,545 |
| Office | 1,000 Square Feet | 10 | 6.90 | $387 | $23,943 | $22,060 |
| Light Industrial | 1,000 Square Feet | 50 | 3.16 | $387 | $54,826 | $55,700 |

Maximum Assessable Fee = Number of Development Units x Trip Demand Factor x SA J Max Fee

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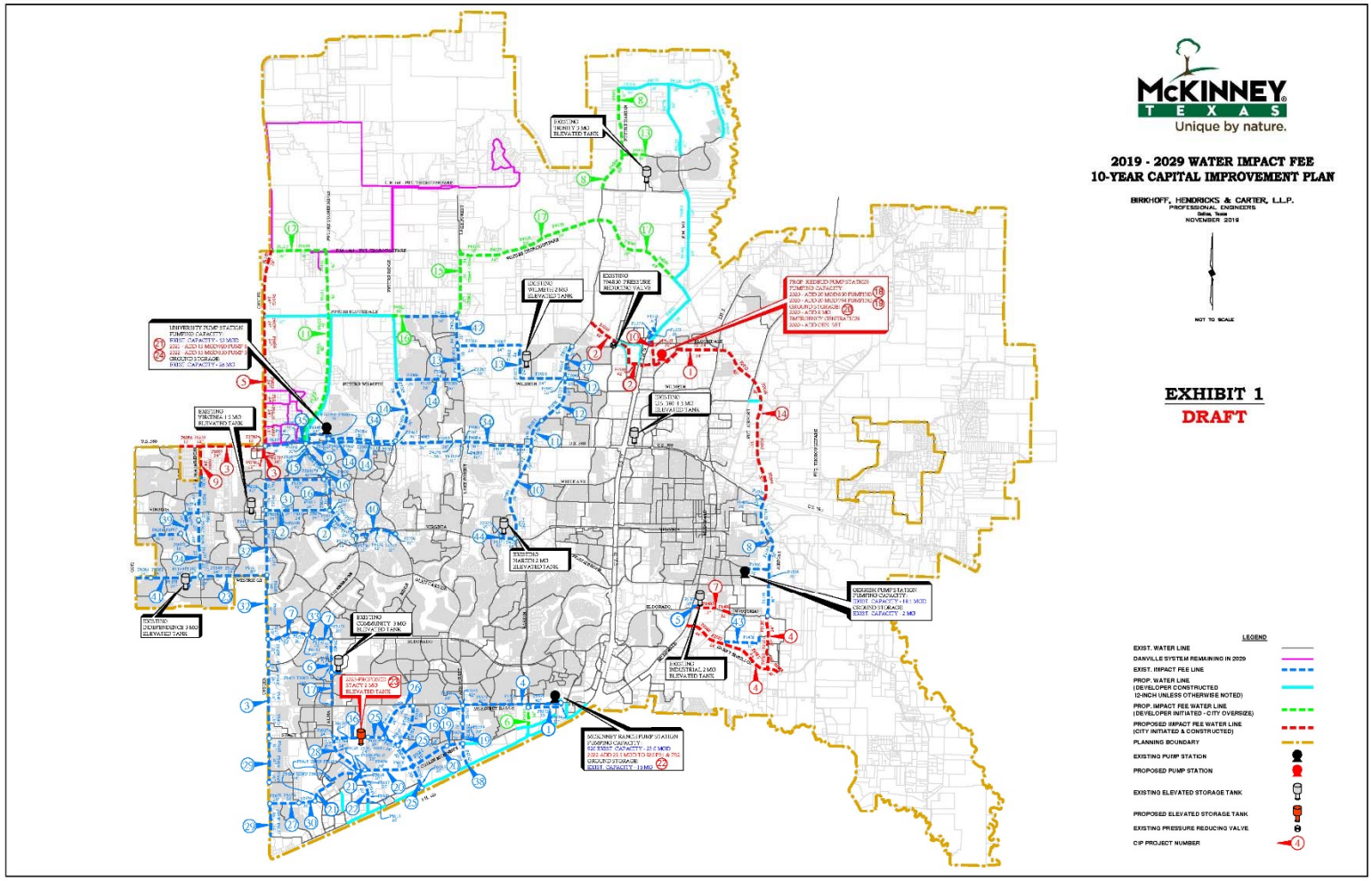
# Water/Wastewater Impact Fee Update

# 2019-2029 Water Capital Improvement Plan (Draft)

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## PROPOSED WATER LINES

| Proj. No. | Year | 1=City Participation in Cost Oversize<br>2=City Initiated and Funded | Project | Size | Opinion of Construction Cost (A) |
|---|---|---|---|---|---|
| 1 | 2020 | 2 | REDBUD 794 PUMP STATION 54" DISCHARGE LINE | 54" | $ 4,496,262 |
| 2 | 2019 | 2 | REDBUD 850 PUMP STATION 42" DISCHARGE LINE | 42" | $ 8,137,350 |
| 3 | 2020 | 2 | US 380 / INDEPENDENCE LOOP | 12", 16", 24" | $ 2,203,102 |
| 4 | 2021 | 2 | HARRY McKILLOP BLVD. 24" WATER LINE | 12", 24" | $ 8,350,000 |
| 5 | 2021 | 2 | CUSTER 24" NORTH WATER LINE | 18", 24" | $ 11,888,125 |
| 6 | 2021 | 1 | HARDIN SOUTH 16" WATER LINE | 16" | $ 108,900 |
| 7 | 2022 | 2 | INDUSTRIAL BLVD. 12" WATER LINE (PIPE BURST 8" to 12") | 12" | $ 569,109 |
| 8 | 2022 | 1 | HARDIN 24" & 16" (TRINITY FALLS WEST FEED NORTH) | 16", 24" | $ 691,392 |
| 9 | 2022 | 2 | INDEPENDENCE CONNECTION TO US 380 | 24" | $ 561,120 |
| 10 | 2023 | 2 | REDBUD PUMP STATION 850 DISCHARGE LINE (T-FALLS EAST FEED) | 42" | $ 737,100 |
| 11 | 2024 | 1 | STONEBRIDGE 42" WATER LINE | 42" | $ 5,342,040 |
| 12 | 2025 | 1 | F.M. 1461 (FUTURE E/W THOROUGHFARE) | 16" | $ 289,560 |
| 13 | 2025 | 1 | COUNTY ROAD 228 16" WATER LINE | 16" | $ 125,100 |
| 14 | 2026 | 2 | AIRPORT WATER LINE NORTH LOOP | 30", 36" | $ 4,821,900 |
| 15 | 2027 | 1 | LAKE FOREST 16" WATER LINE | 16" | $ 337,138 |
| 16 | 2027 | 1 | BLOOMDALE 16" WATER LINE | 16" | $ 200,220 |
| 17 | 2029 | 1 | FUT. 850 EAST / WEST THOROUGHFARE WATER LINE | 12", 20", 24" | $ 2,245,020 |
| | | | **Subtotal: Proposed Water Lines** | | **$ 51,103,438** |

(A) Opinion of Cost includes:

a) Engineer's Opinion of Construction Cost

b) Professional Services Fees (Survey, Engineering, Testing, Legal)

c) Cost of Easement or Land Acquisitions

Debt Service based on 20-year simple interest bonds at 4.5%

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## PUMPING AND STORAGE FACILITIES

| Proj. No. | Year | Project | Capacity | Opinion of Construction Cost (A) |
|---|---|---|---|---|
| 18 | 2020 | Redbud Pump Station - Phase I Improvements (850) | 20 MGD | $ 12,600,000 |
| 19 | 2020 | Redbud Pump Station - Phase I Improvements (794) | 20 MGD | $ 12,600,000 |
| 20 | 2020 | Redbud Pump Station 8-MG Ground Storage Reservoir No. 1 | 8 MG | $ 3,828,000 |
| 21 | 2021 | University Pump Station Phase III Improvements - Add Pump 920 PS2 Pump 8 | 15-MGD | $ 2,482,830 |
| 22 | 2022 | McK. Ranch P.S. - Phase I - Replace PS 1 PMPs 6-8, Add 9, PS 2 Pumps 1 & 2 | 25.5 MGD | $ 10,574,487 |
| 23 | 2023 | Stacy 2-MG Elevated Storage Tank | 2 MG | $ 5,500,000 |
| 24 | 2029 | University Pump Station Phase III Improvements - Add Pump 920 PS2 Pump 8 | 15-MGD | $ 2,420,000 |
| | | **Subtotal: Pumping and Storage Facilities** | | **$ 50,005,317** |
| | | **GRAND TOTAL: Water Distribution System CIP** | | **$ 101,108,755** |

(A) Opinion of Cost includes:

a) Engineer's Opinion of Construction Cost

b) Professional Services Fees (Survey, Engineering, Testing, Legal)

c) Cost of Easement or Land Acquisitions

Debt Service based on 20-year simple interest bonds at 4.5%

## PLANNING EXPENSES

| | Year | Project | Opinion of Cost (1) |
|---|---|---|---|
| | 2019 | Water & Wastewater System Master Plan & Impact Fee Analysis | $ 204,417 |
| | | **Subtotal: Planning Expenses** | **$ 204,417** |
| | | **GRAND TOTAL: Water Distribution System CIP** | **$ 101,313,172** |

(1) Opinion of Cost includes:

a) Engineer's Opinion of Construction Cost

b) Professional Services Fees (Survey, Engineering, Testing, Legal

c) Cost of Easement or Land Acquisitions

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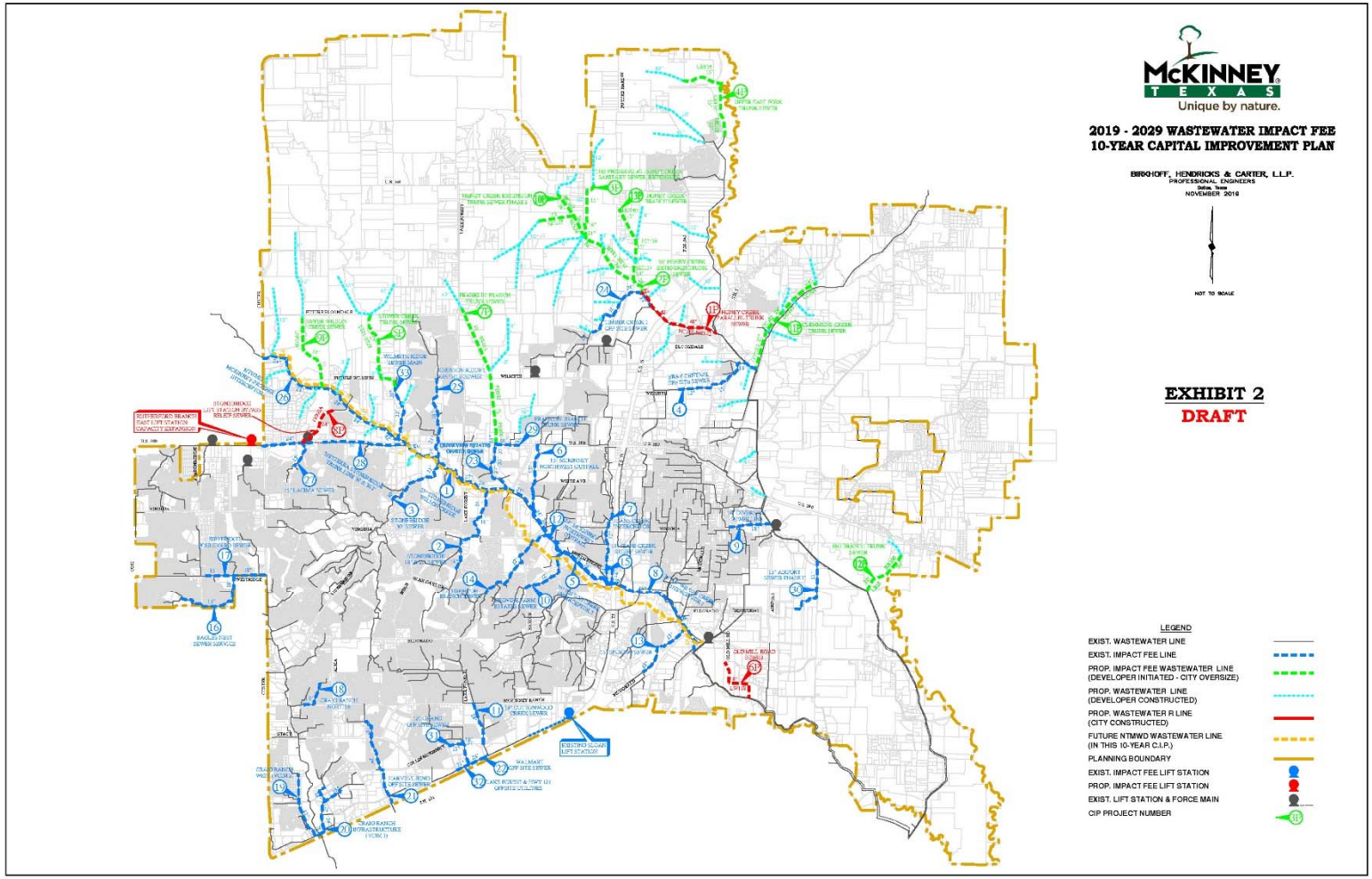
# 2019-2029 Wastewater Capital Improvement Plan (Draft)

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## WASTEWATER COLLECTION C.I.P.

| Project I.D. | Year | (1) = City Participation in Cost Oversize<br>(2) = City Initiated and Funded<br>Project | Size | Total Capital Cost (A) |
|---|---|---|---|---|
| | | ***PROPOSED WASTEWATER COLLECTION LINES*** | | |
| **1P** | **2022** | **(2)** Honey Creek Parallel Trunk Sewer | 42" - 48" | $ 11,000,000 |
| **2P** | **2020** | **(1)** 36" Honey Creek Extension Trunk Sewer | 36" | $ 1,018,593 |
| **3P** | **2020** | **(1)** The Preserve at Honey Creek | 15" - 21" | $ 307,836 |
| **4P** | **2021** | **(1)** Upper East Fork Trunk Sewer | 15" - 18" | $ 324,625 |
| **5P** | **2020** | **(1)** Stover Creek Trunk Sewer Phase 2 | 27" | $ 1,240,000 |
| **6P** | **2020** | **(2)** Old Mill Road Sewer (WW1858) | 8" | $ 2,000,000 |
| **7P** | **2022** | **(1)** Franklin Branch Trunk Sewer | 15" - 21" | $ 696,949 |
| **8P** | **2024** | **(2)** Stonebridge Lift Station No. 1 Bypass Sewer | 24" | $ 4,000,000 |
| **9P** | **2022** | **(1)** Upper Wilson Creek Sewer | 15" | $ 224,864 |
| **10P** | **2027** | **(1)** Honey Creek Extension Trunk Sewer Phase 2 | 36" | $ 1,331,872 |
| **11P** | **2025** | **(1)** Clemons Creek Trunk Sewer | 24" - 27" | $ 1,183,662 |
| **12P** | **2026** | **(1)** Big Branch Trunk Sewer | 30" | $ 894,445 |
| **13P** | **2026** | **(1)** Honey Creek Branch Sewer | 15" - 18" | $ 343,825 |
| | | **PROPOSED WASTEWATER COLLECTION LINES SUBTOTAL:** | | **$ 24,566,671** |
| | | ***PROPOSED WASTEWATER LIFT STATIONS*** | | |
| **PWWF-1** | **2023** | **(2)** Rutherford Branch East Pumping Capacity Expansion | 5.9-MGD | $ 440,000 |
| | | **PROPOSED WASTEWATER LIFT STATIONS SUBTOTAL:** | | **$ 440,000** |
| | | **CAPITAL IMPROVEMENTS PLAN TOTAL:** | | **$ 25,006,671** |

(A) Opinion of Cost includes:

a) Engineer's Opinion of Construction Cost

b) Professional Services Fees (Survey, Engineering, Testing, Legal)

c) Cost of Easement or Land Acquisitions

# 10- Year Growth Assumptions

***Population Growth Assumption:***

| | 2019 | 2029 | Buildout |
|---|---|---|---|
| Population Assumption (# People) | 193,011 | 262,084 | 433,874 |
| Percent of Buildout Population (%) | 44.5% | 60.4% | 100.0% |
| 2019 to 2029 Population Growth: | | 135.8% | |

***Non-Residential Growth Assumption:***

| | 2019 | 2029 | Buildout |
|---|---|---|---|
| Non-Residential Development (S.F.) | 45,987,322 | 62,513,971 | 153,580,976 |
| Percent of Buildout Development (%) | 29.9% | 40.7% | 100.0% |
| 2019 to 2029 Population Growth: | | 135.9% | |

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**2019 - 2029 Water System Living Unit Equivalents (LUE) by Meter Size**

| Meter Size | 2019 | | | 2029 | | | New Living Units During Impact Fee Period |
|---|---|---|---|---|---|---|---|
| | Meter Count | Living Units per Meter | Total Living Units | Meter Count | Living Units per Meter | Total Living Units | |
| ¾" | **43,303** | 1.00 | 43,303 | **58,800** | 1.00 | 58,799 | 15,496 |
| 1" | **14,015** | 1.67 | 23,405 | **19,031** | 1.67 | 31,781 | 8,376 |
| 1½" | **468** | 3.33 | 1,558 | **636** | 3.33 | 2,118 | 560 |
| 2" | **2,533** | 8.33 | 21,099 | **3,443** | 8.33 | 28,682 | 7,583 |
| 3" | **225** | 16.67 | 3,750 | **306** | 16.67 | 5,098 | 1,348 |
| 4" | **68** | 33.33 | 2,266 | **92** | 33.33 | 3,080 | 814 |
| 6" | **22** | 53.33 | 1,173 | **30** | 53.33 | 1,594 | 421 |
| 8" | **9** | 93.33 | 839 | **12** | 93.33 | 1,141 | 302 |
| 12" | **2** | 183.33 | 366 | **3** | 183.33 | 498 | 132 |
| **Totals:** | **60,645** | | **97,759** | **82,353** | | **132,791** | **35,032** |

**2019 - 2029 Wastewater System Living Unit Equivalents (LUE) by Meter Size**

| Meter Size | 2019 | | | 2029 | | | New Living Units During Impact Fee Period |
|---|---|---|---|---|---|---|---|
| | Meter Count | Living Units per Meter | Total Living Units | Meter Count | Living Units per Meter | Total Living Units | |
| ¾" | **43,084** | 1.00 | 43,084 | **58,503** | 1.00 | 58,502 | 15,418 |
| 1" | **13,171** | 1.67 | 21,995 | **17,885** | 1.67 | 29,867 | 7,872 |
| 1½" | **287** | 3.33 | 955 | **390** | 3.33 | 1,299 | 344 |
| 2" | **1,246** | 8.33 | 10,379 | **1,694** | 8.33 | 14,109 | 3,730 |
| 3" | **215** | 16.67 | 3,584 | **292** | 16.67 | 4,872 | 1,288 |
| 4" | **65** | 33.33 | 2,166 | **88** | 33.33 | 2,945 | 779 |
| 6" | **20** | 53.33 | 1,066 | **27** | 53.33 | 1,449 | 383 |
| 8" | **9** | 93.33 | 839 | **12** | 93.33 | 1,141 | 302 |
| 12" | **2** | 183.33 | 366 | **3** | 183.33 | 498 | 132 |
| **Totals:** | **58,099** | | **84,434** | **78,894** | | **114,682** | **30,248** |

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# Maximum Assessable Utility Impact Fees

**Max. Impact Fee =** $\frac{\text{Eligible Existing Facility Cost + Eligible Proposed Facility Cost – Credit Analysis Difference**}}{\text{\# of New Living Unit Equivalents over the next 10 Years}}$

Living Unit Equivalent = ¾" meter

## Water Impact Fee *(3/4" Meter)*

$$\frac{\$42,273,973 + \$58,645,089 - \$39,472,321}{35,032 \text{ LUE's}} = \frac{\$61,446,741}{35,032 \text{ LUE's}} = \$1,754.00/\text{LUE}$$

## Wastewater Impact Fee *(3/4" Meter)*

$$\frac{\$1,989,039 + \$135,498,481 - \$49,807,925}{35,032 \text{ LUE's}} = \frac{\$87,679,595}{35,032 \text{ LUE's}} = \$2,899.00/\text{LUE}$$

Wastewater Impact Fee increase is due in part to costs associated with NTMWD facility costs

*Allowable Maximum impact fee is reduced by Ad-Valorem Tax and Revenue Credit per Chapter 395.014(7)(A) LGC

**Credit Analysis Difference amount was the overall calculated difference from the Financial Credit Analysis Report

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# Utility Impact Fees (Comparison)

| 2019 Utility Impact Fee Comparison | | | |
|---|---|---|---|
| | **2019** | | **2013** |
| **Water Impact Fee** *(3/4" Meter)* | $1,754.00/LUE | ↑ | $1.294.70/LUE |
| **Wastewater Impact Fee** *(3/4" Meter)* | $2,899.00/LUE* | ↑ | $162.14/LUE |

**2019 Wastewater Fee includes the NTWMD facility expansion costs.*

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# Fee Setting & Ordinance Considerations

*Impact Fee Update*

## Fee Setting & Ordinance Considerations

- Should impact fees be adjusted to reflect the percent change in the maximum assessable fees between 2013 and 2019?
- Should the rates schedule sheet be simplified to enhance the experience for new users?
- Should impact fees include targeted adjustments by location to support/reflect the City's growth and development goals?
- Should impact fees remain the same?

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# Looking Ahead…

**February**

- Staff will present the updated Capital Improvements Plans and calculated impact fees to the Capital Improvements Advisory Committee on February 11th, 2020.

- At the February 25, 2020 CIAC meeting, the committee will discuss fee setting.

**March**

- At the March 17, 2020 City Council Work Session, council will discuss fee setting for the 2019 Impact Fee Update.

**April/May**

- In April, Public Hearing to discuss amending the Capital Improvements Plan (Roadway and Utility).

- In May, City Council meeting for a Public Hearing to consider Impact Fee Ordinance Amendments.

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

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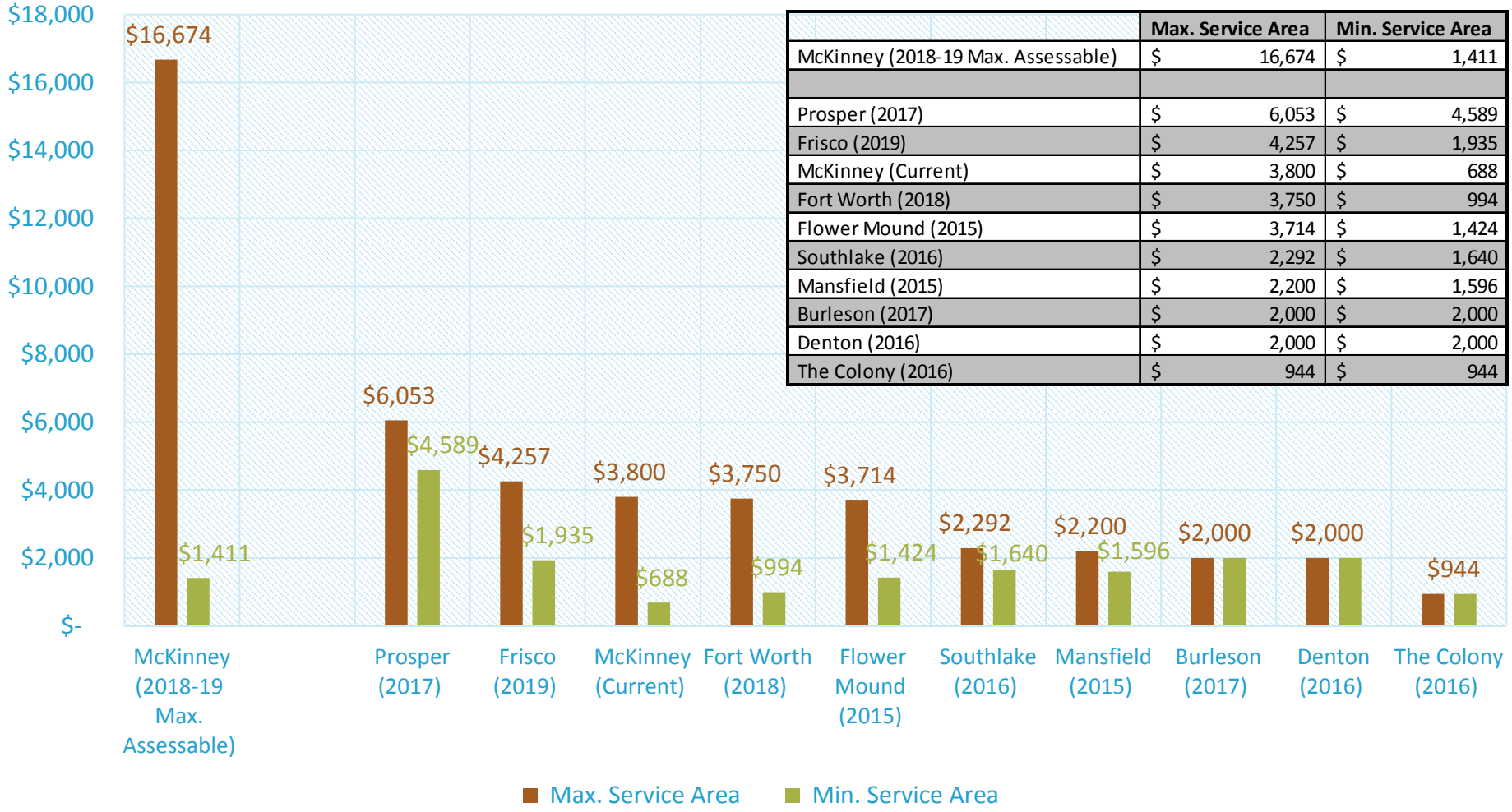
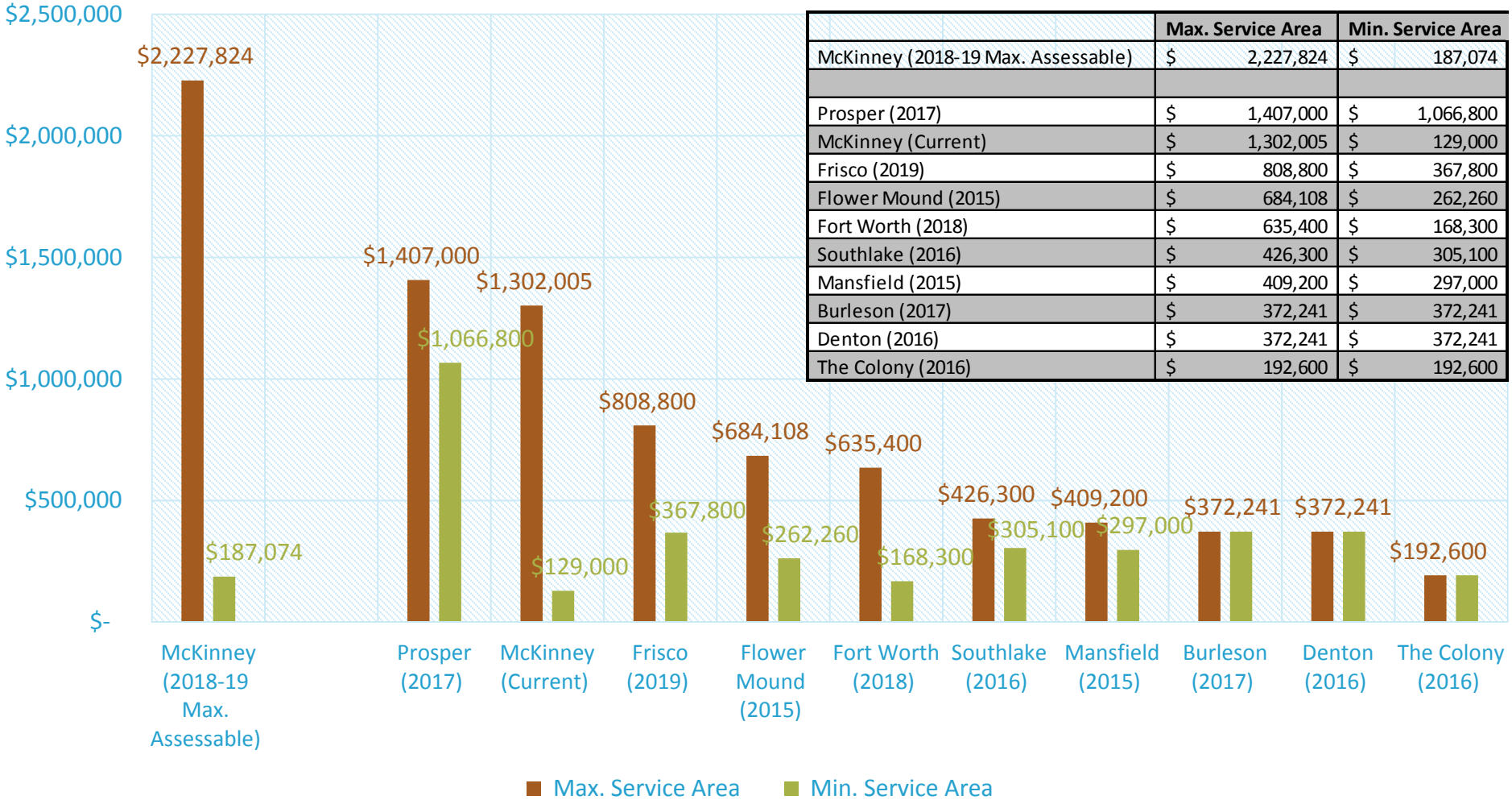
# Local City Comparisons

# Roadway Impact Fee City Comparison
# Actual Fee: One (1) Single Family Dwelling Unit



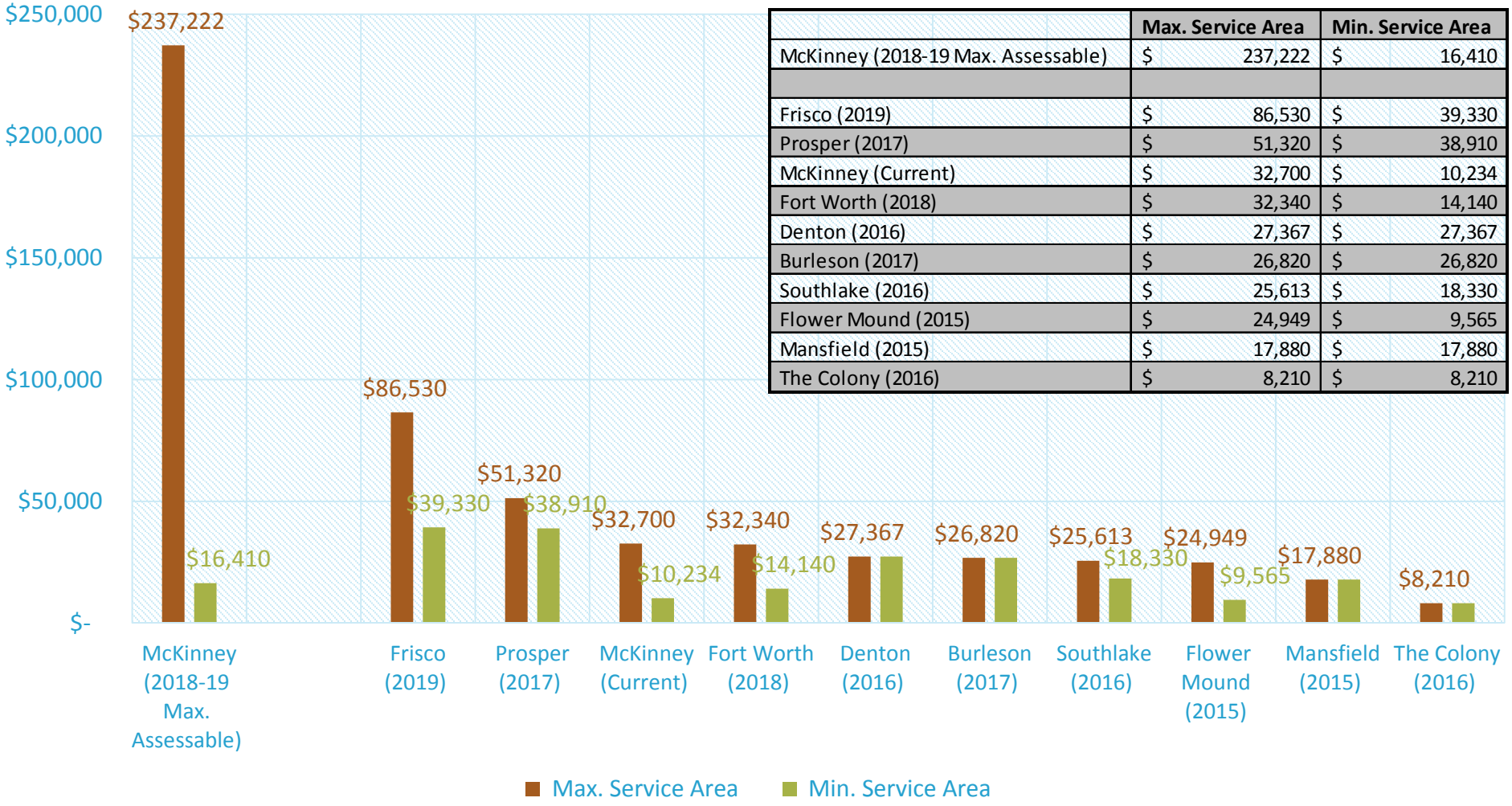

| | Max. Service Area | Min. Service Area |
|---|---|---|
| McKinney (2018-19 Max. Assessable) | $ 16,674 | $ 1,411 |
| | | |
| Prosper (2017) | $ 6,053 | $ 4,589 |
| Frisco (2019) | $ 4,257 | $ 1,935 |
| McKinney (Current) | $ 3,800 | $ 688 |
| Fort Worth (2018) | $ 3,750 | $ 994 |
| Flower Mound (2015) | $ 3,714 | $ 1,424 |
| Southlake (2016) | $ 2,292 | $ 1,640 |
| Mansfield (2015) | $ 2,200 | $ 1,596 |
| Burleson (2017) | $ 2,000 | $ 2,000 |
| Denton (2016) | $ 2,000 | $ 2,000 |
| The Colony (2016) | $ 944 | $ 944 |

# Roadway Impact Fee City Comparison
# Actual Fee: 300 Multi-Family Dwelling Units



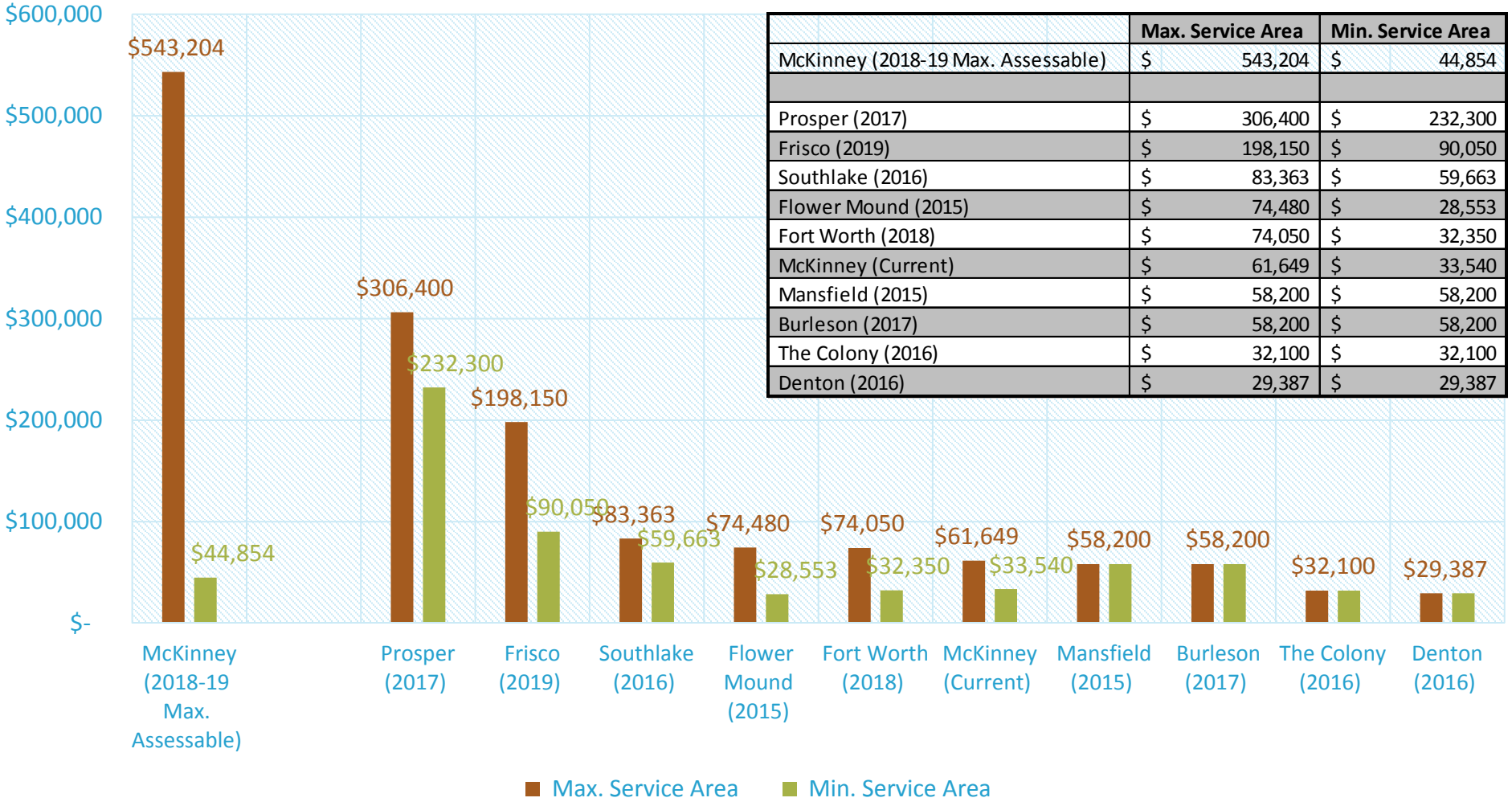

| | Max. Service Area | Min. Service Area |
|---|---|---|
| McKinney (2018-19 Max. Assessable) | $ 2,227,824 | $ 187,074 |
| | | |
| Prosper (2017) | $ 1,407,000 | $ 1,066,800 |
| McKinney (Current) | $ 1,302,005 | $ 129,000 |
| Frisco (2019) | $ 808,800 | $ 367,800 |
| Flower Mound (2015) | $ 684,108 | $ 262,260 |
| Fort Worth (2018) | $ 635,400 | $ 168,300 |
| Southlake (2016) | $ 426,300 | $ 305,100 |
| Mansfield (2015) | $ 409,200 | $ 297,000 |
| Burleson (2017) | $ 372,241 | $ 372,241 |
| Denton (2016) | $ 372,241 | $ 372,241 |
| The Colony (2016) | $ 192,600 | $ 192,600 |

# Roadway Impact Fee City Comparison
# Actual Fee: 10,000 Square Foot Office Development



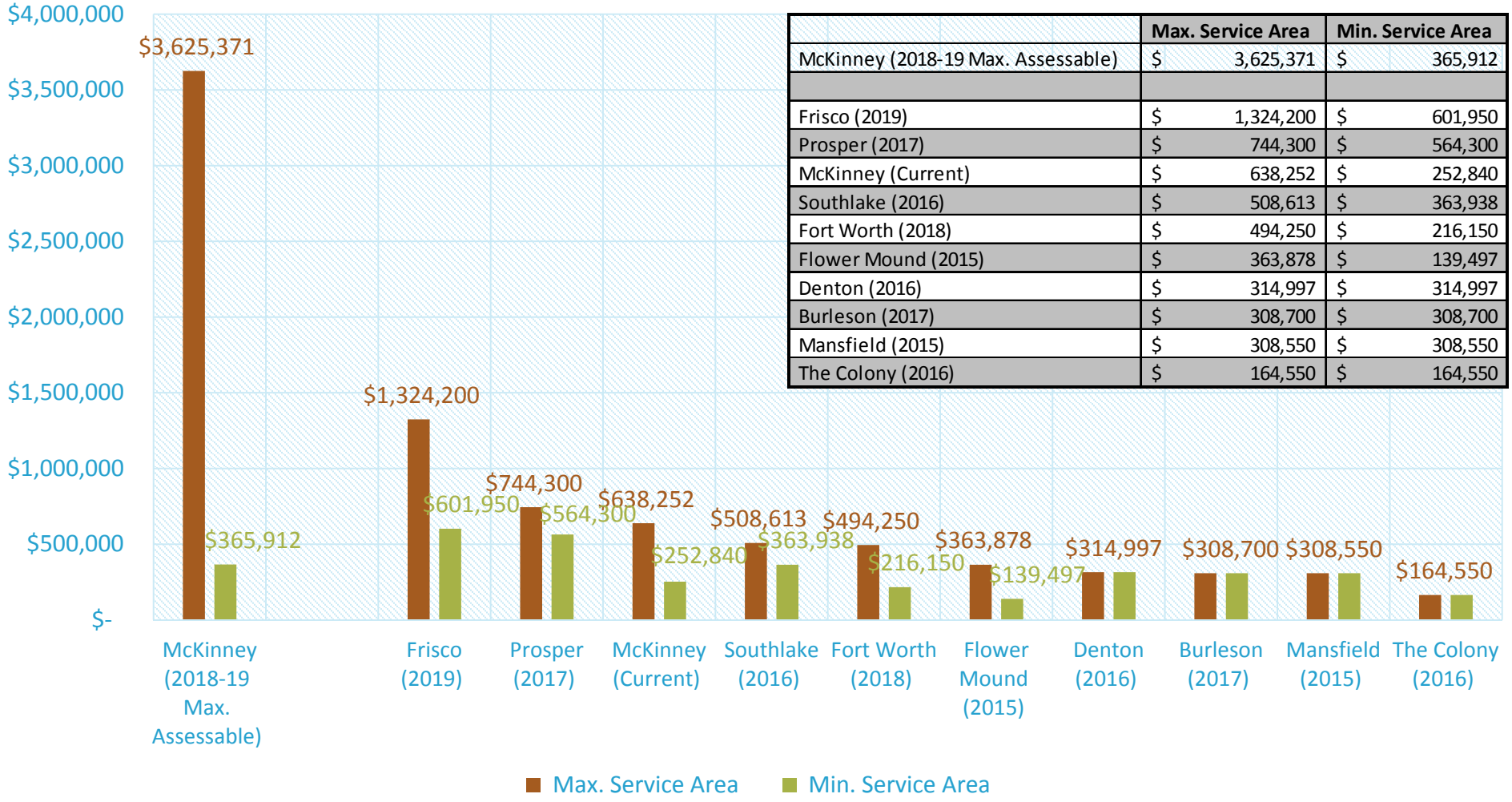

| | Max. Service Area | Min. Service Area |
|---|---|---|
| McKinney (2018-19 Max. Assessable) | $ 237,222 | $ 16,410 |
| | | |
| Frisco (2019) | $ 86,530 | $ 39,330 |
| Prosper (2017) | $ 51,320 | $ 38,910 |
| McKinney (Current) | $ 32,700 | $ 10,234 |
| Fort Worth (2018) | $ 32,340 | $ 14,140 |
| Denton (2016) | $ 27,367 | $ 27,367 |
| Burleson (2017) | $ 26,820 | $ 26,820 |
| Southlake (2016) | $ 25,613 | $ 18,330 |
| Flower Mound (2015) | $ 24,949 | $ 9,565 |
| Mansfield (2015) | $ 17,880 | $ 17,880 |
| The Colony (2016) | $ 8,210 | $ 8,210 |

# Roadway Impact Fee City Comparison
# Actual Fee: 50,000 Square Foot Light Industrial Development



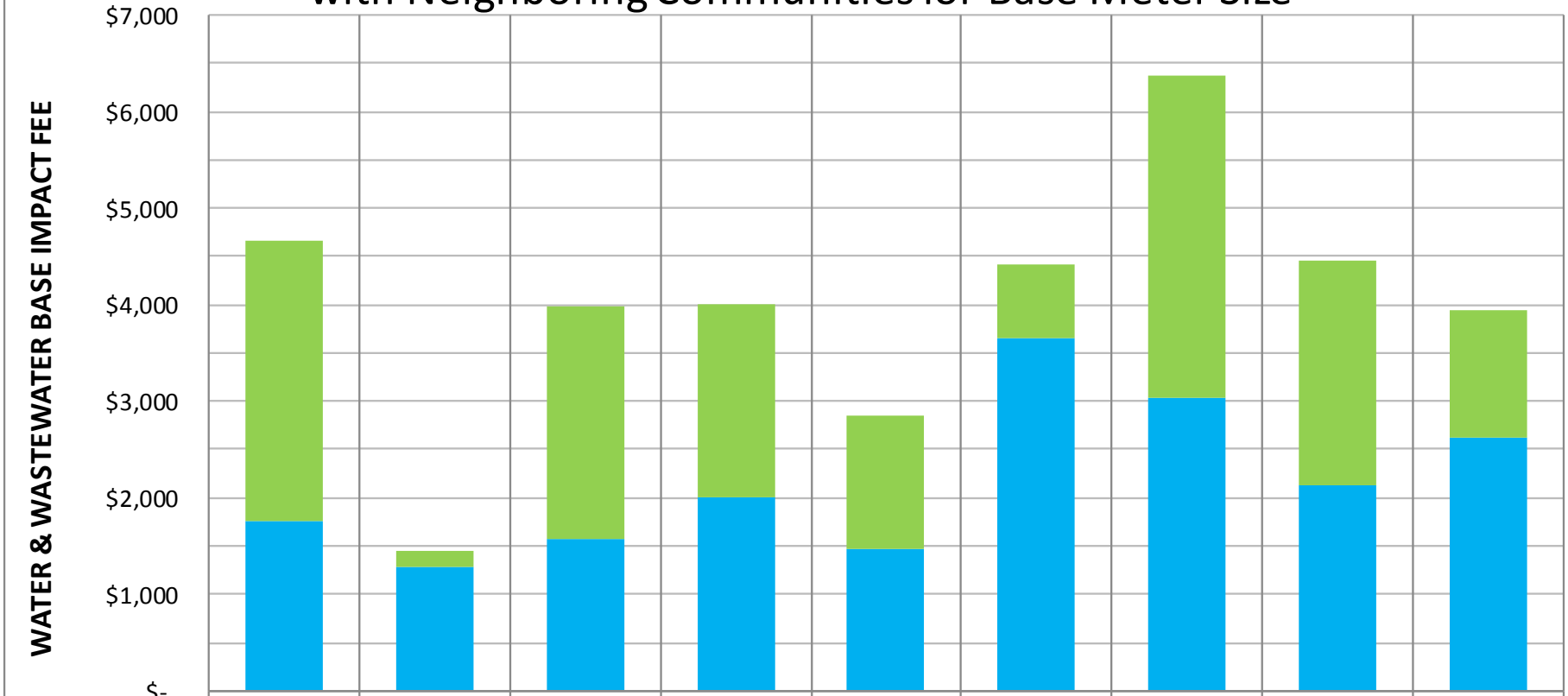

| | Max. Service Area | Min. Service Area |
|---|---|---|
| McKinney (2018-19 Max. Assessable) | $ 543,204 | $ 44,854 |
| | | |
| Prosper (2017) | $ 306,400 | $ 232,300 |
| Frisco (2019) | $ 198,150 | $ 90,050 |
| Southlake (2016) | $ 83,363 | $ 59,663 |
| Flower Mound (2015) | $ 74,480 | $ 28,553 |
| Fort Worth (2018) | $ 74,050 | $ 32,350 |
| McKinney (Current) | $ 61,649 | $ 33,540 |
| Mansfield (2015) | $ 58,200 | $ 58,200 |
| Burleson (2017) | $ 58,200 | $ 58,200 |
| The Colony (2016) | $ 32,100 | $ 32,100 |
| Denton (2016) | $ 29,387 | $ 29,387 |

# Roadway Impact Fee City Comparison
# Actual Fee: 150,000 Square Foot Shopping Center Development




| | Max. Service Area | Min. Service Area |
|---|---|---|
| McKinney (2018-19 Max. Assessable) | $ 3,625,371 | $ 365,912 |
| | | |
| Frisco (2019) | $ 1,324,200 | $ 601,950 |
| Prosper (2017) | $ 744,300 | $ 564,300 |
| McKinney (Current) | $ 638,252 | $ 252,840 |
| Southlake (2016) | $ 508,613 | $ 363,938 |
| Fort Worth (2018) | $ 494,250 | $ 216,150 |
| Flower Mound (2015) | $ 363,878 | $ 139,497 |
| Denton (2016) | $ 314,997 | $ 314,997 |
| Burleson (2017) | $ 308,700 | $ 308,700 |
| Mansfield (2015) | $ 308,550 | $ 308,550 |
| The Colony (2016) | $ 164,550 | $ 164,550 |

# Calculated Impact Fee Comparison with Neighboring Communities for Base Meter Size




| | McKinney (2020) | McKinney (2012) | Rockwall (2019) | Royse City | Rowlett | Wylie | Frisco* (Non-SFR@100%) | Frisco* (SFR@70%) | Burleson |
|---|---|---|---|---|---|---|---|---|---|
| Wastewater | $2,899 | $162 | $2,410 | $2,000 | $1,377 | $773 | $3,348 | $2,344 | $1,312 |
| Water | $1,754 | $1,295 | $1,570 | $2,000 | $1,466 | $3,651 | $3,028 | $2,120 | $2,624 |

** Frisco's Fee Schedule allows 70% of maximum fee for Single Family Land Use for both Water & Wastewater fees shown*