

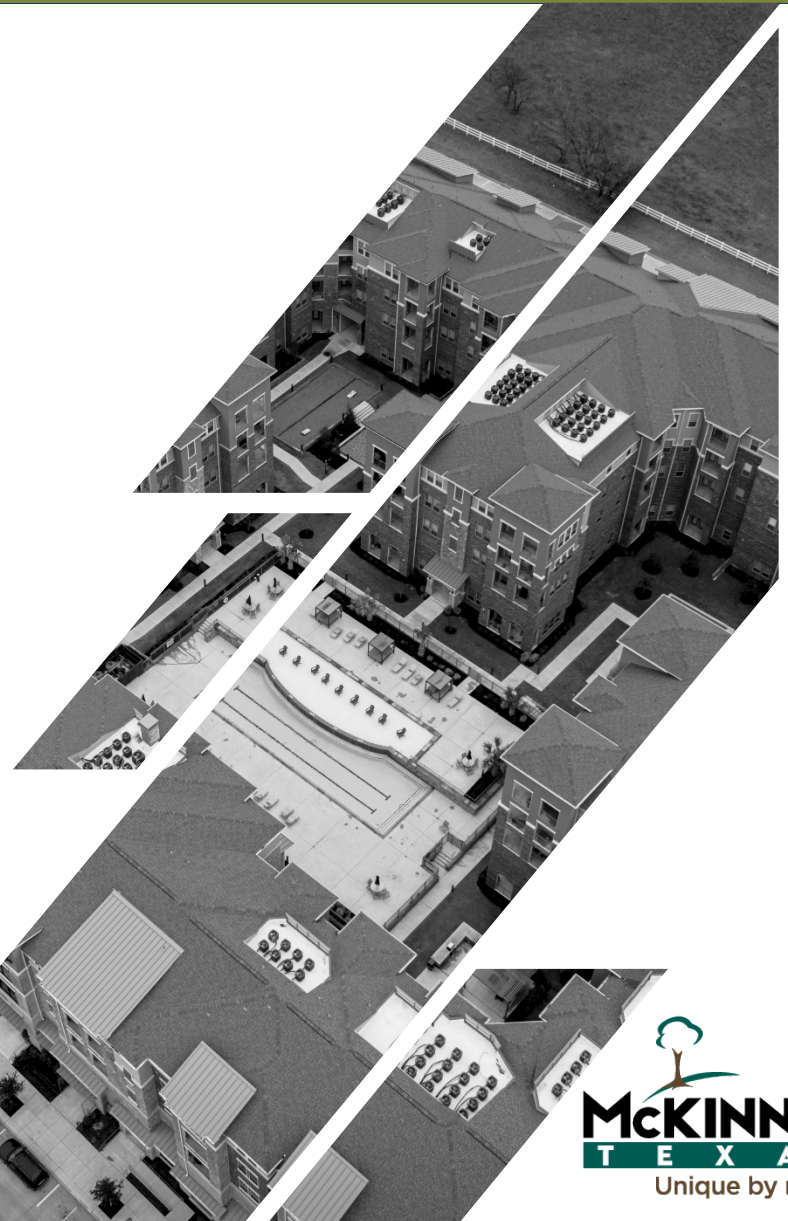
# 2019 Impact Fee Update

19-0010M6

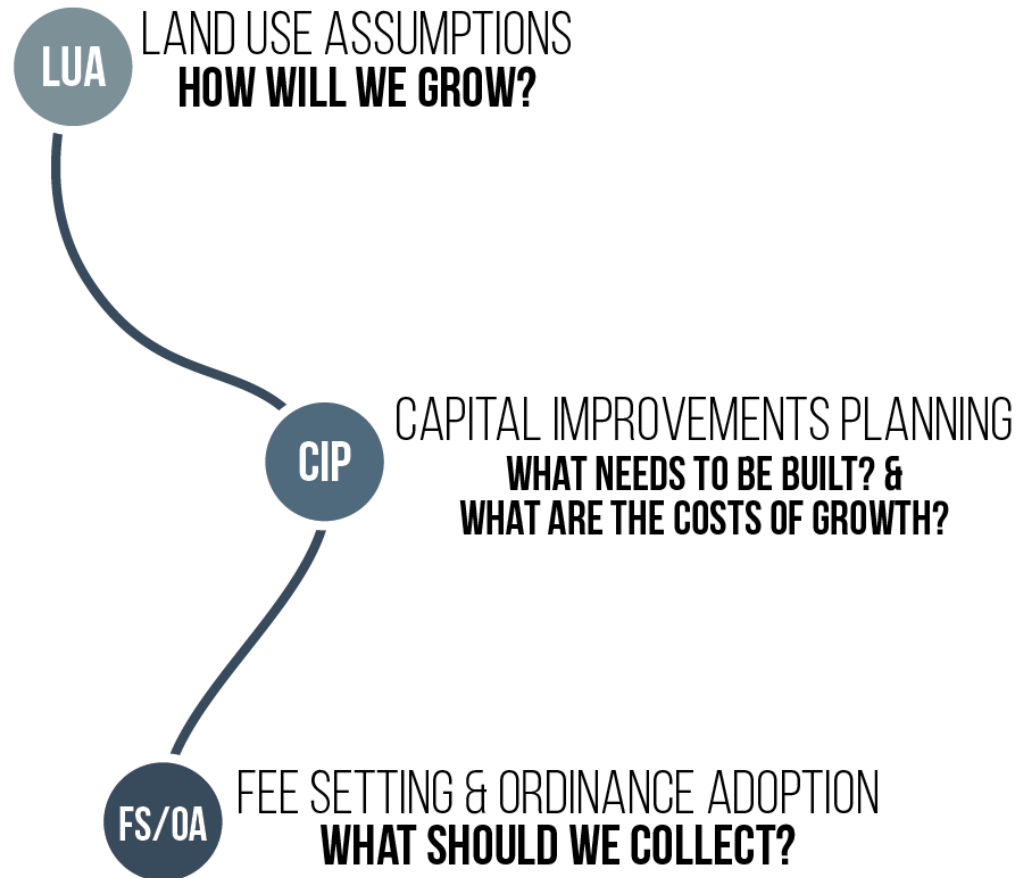
September 1, 2020

## Introduction & Overview

- The purpose of today's presentation
  - Present the impact fee methods and options
  - Receive direction on setting the Impact Fee
- General outline of the presentation
  - Brief Recap
  - Roadway Impact Fee Considerations/Options
  - Utility Impact Fee Considerations/Options
  - Summary & Discussion



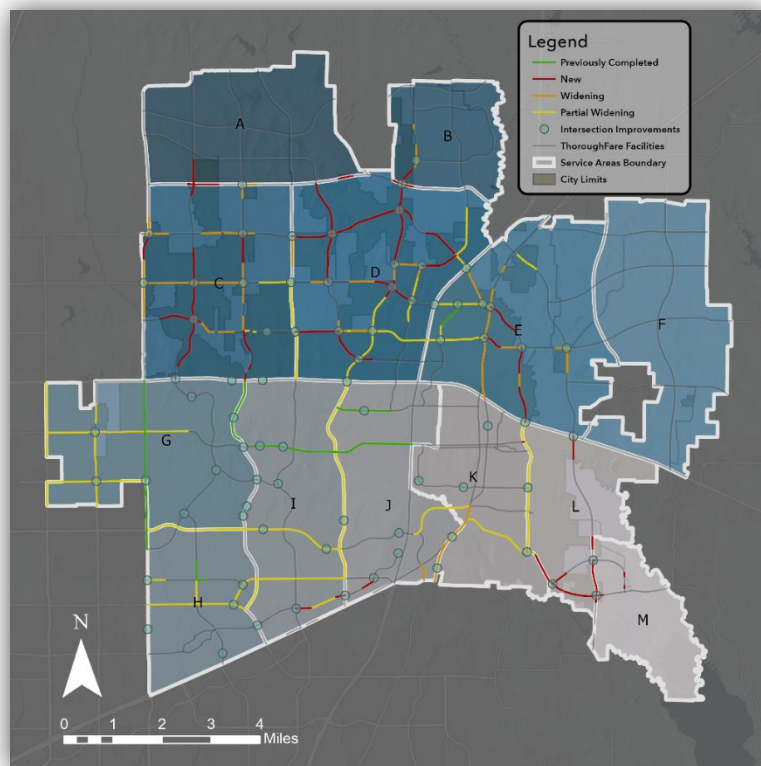
# Impact Fee Update Process



CIP

## CAPITAL IMPROVEMENTS PLANNING

**WHAT NEEDS TO BE BUILT? &  
WHAT ARE THE COSTS OF GROWTH?**



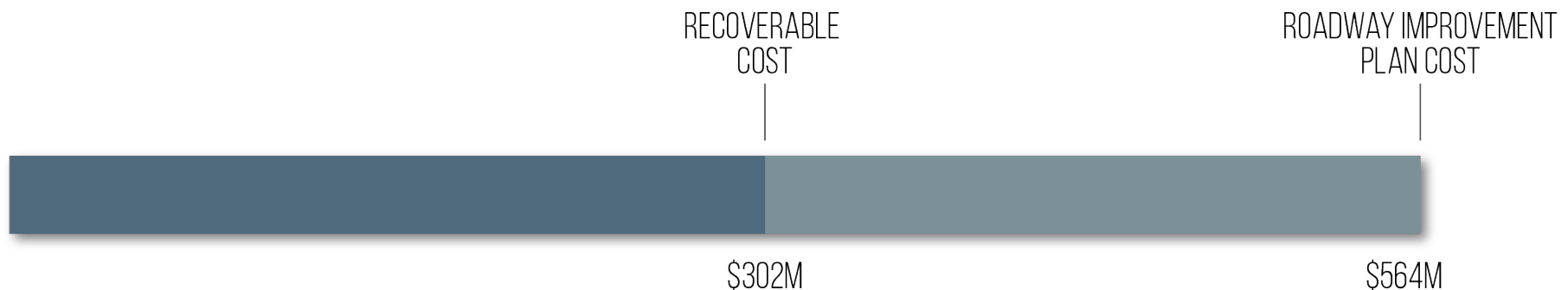
ROADWAY IMPROVEMENT  
PLAN COST

\$564M

CIP

## CAPITAL IMPROVEMENTS PLANNING

**WHAT NEEDS TO BE BUILT? &  
WHAT ARE THE COSTS OF GROWTH?**

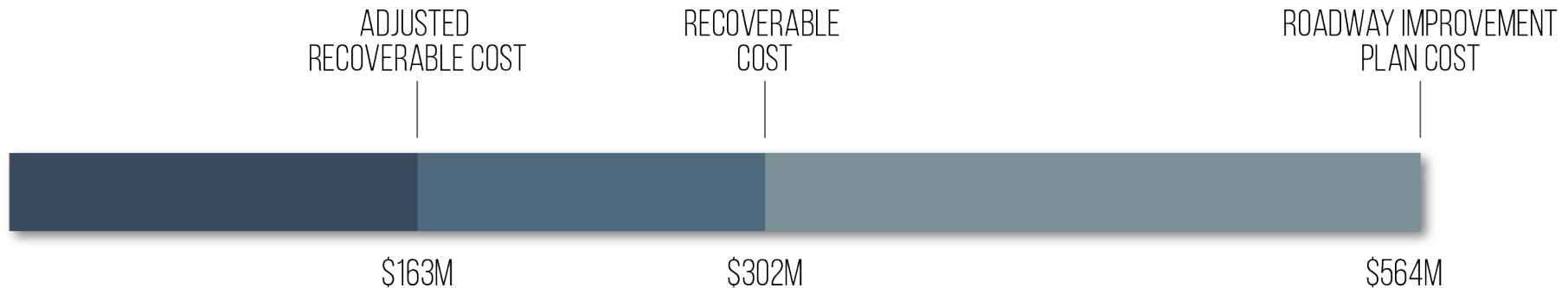


**Roadway Improvement Plan (RIP) Cost**  
Total cost of roadway improvements to  
be built (10yrs)

**Recoverable Cost**  
10-year RIP Cost attributable to growth



## FEE SETTING & ORDINANCE ADOPTION **WHAT SHOULD WE COLLECT?**

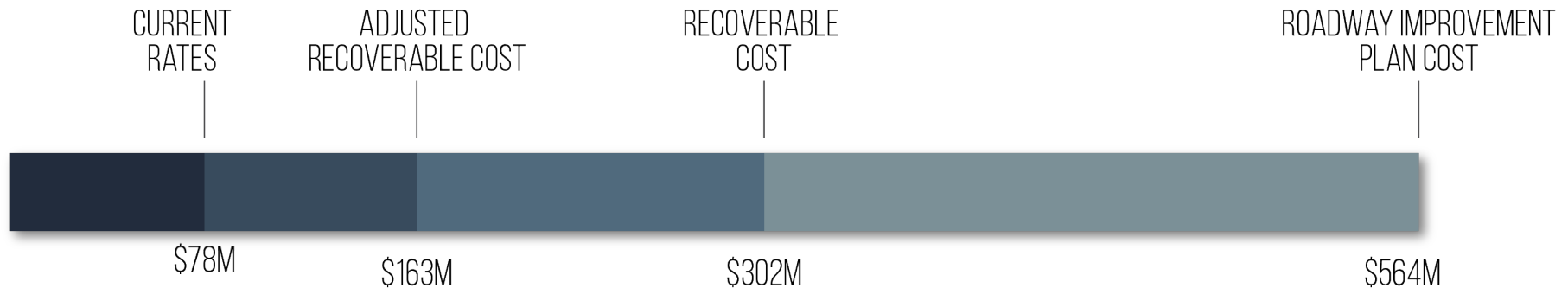


### **Adjusted Recoverable Cost**

Public funding needed to construct roadway projects identified in the engineer's assessment; or maximum recoverable cost, whichever is less.



## FEE SETTING & ORDINANCE ADOPTION **WHAT SHOULD WE COLLECT?**

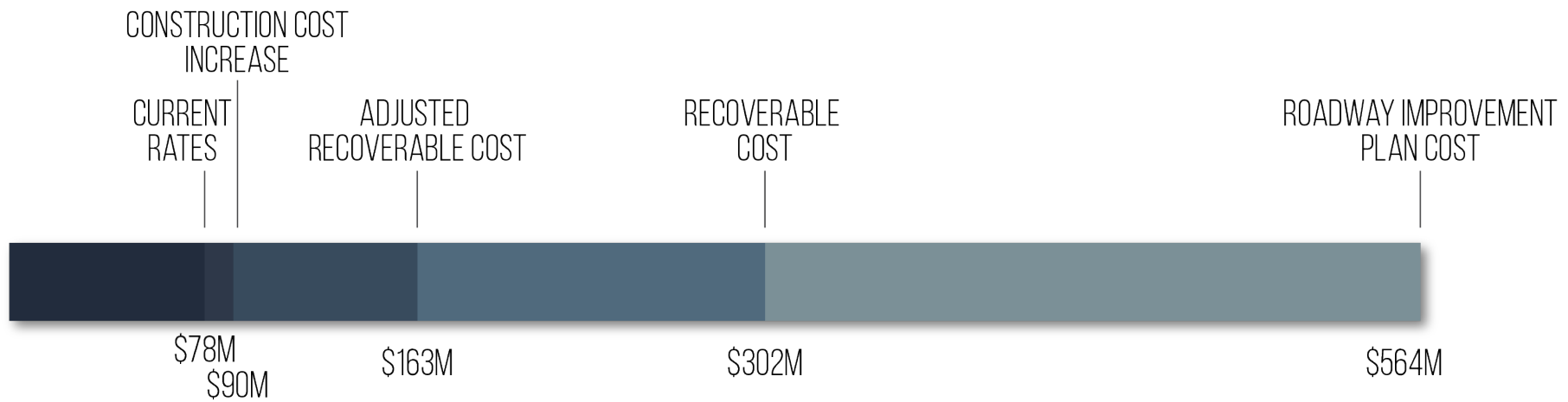


### **Current Rates**

Current (2013) collection rate or maximum assessable fee (2019) – whichever is less



## FEE SETTING & ORDINANCE ADOPTION WHAT SHOULD WE COLLECT?



### Construction Cost Increase

18% increase in current (2013) fees or maximum assessable fee (2019) – whichever is less. Based on national average CCI.





## FEE SETTING & ORDINANCE ADOPTION WHAT SHOULD WE COLLECT?

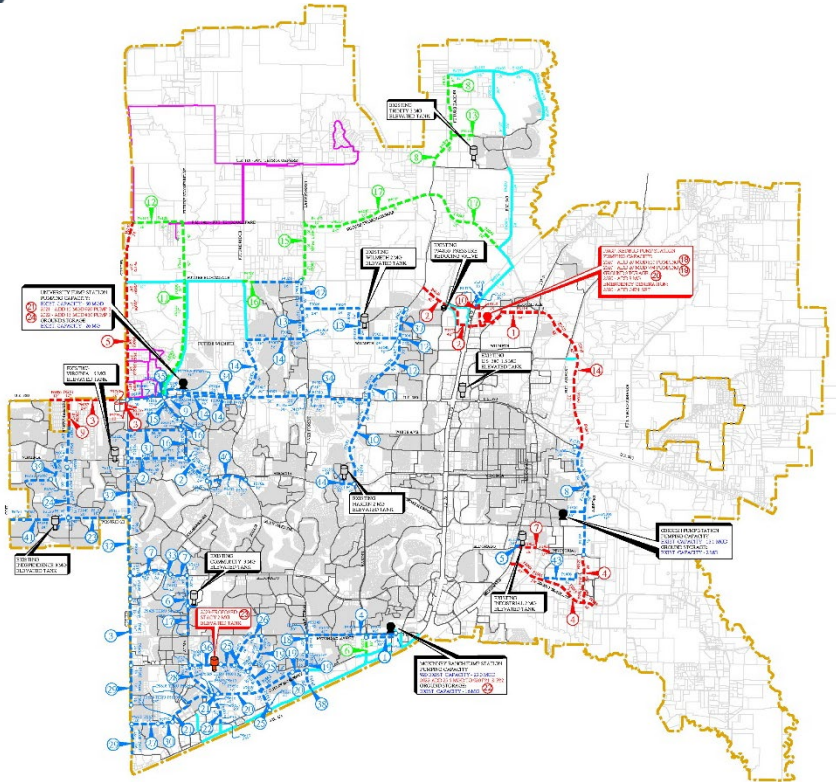
Collection Option	Description	Anticipated 10-Year Collection*	Other Source of Funding
<b>1. Maintain Current Collection Rate</b>	Current collection rates utilized by the City.	\$77,982,259	\$84,667,741
<b>2. Construction Cost Increase (2013-2019)</b>	Increased collection rate (18%) with increases in national average construction cost.	\$90,116,325	\$72,533,675
<b>3. Adjusted Recoverable Cost</b>	Public funding needed to construct roadway projects identified in the engineer's assessment; or maximum recoverable cost, whichever is less.	\$162,650,000	\$0
<del>4. Collect 2019 Max Recoverable Cost</del>	<del>Charge maximum fee per service area for each land use. (100% of max. fee)</del>	<del>\$302,369,338</del>	<del>\$0</del>

*\*collection rates are estimates and may vary depending on implementation of impact fees.*

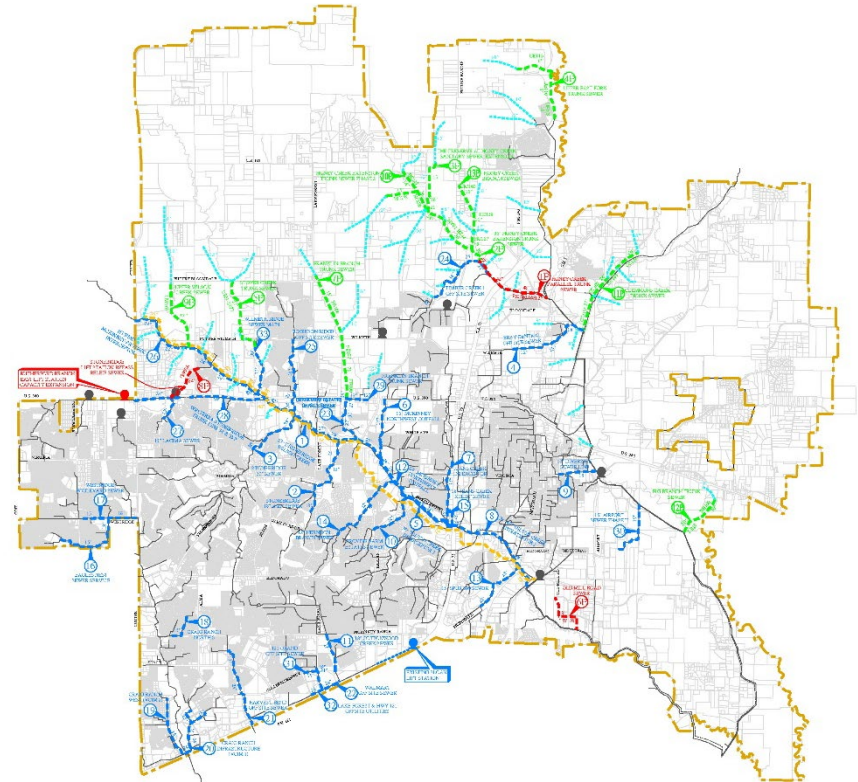
# Utility Impact Fee Options

# CAPITAL IMPROVEMENTS PLANNING

## WHAT NEEDS TO BE BUILT? & WHAT ARE THE COSTS OF GROWTH?



Water Impact Fee CIP



Wastewater Impact Fee CIP



## FEE SETTING & ORDINANCE ADOPTION WHAT SHOULD WE COLLECT?

### 2019 Water Impact Fee Comparison

	2013	2019
Water Impact Fee (3/4" Meter)	\$1,294.70	\$1,754.00

### 2019 Wastewater Impact Fee Comparison

	2013	2019
Wastewater Impact Fee (3/4" Meter)	\$162.14	\$2,899.00
McKinney CIP Cost	\$162.14	\$388
NTMWD CIP Cost	\$0	\$2,511

\*2019 Wastewater Fee includes the NTMWD facility expansion costs.

# Next Presentation

- Show specifics for staff recommendations
- Potential impact fee rates
- Sample impact fee calculations
- Sister City Comparison

# Next Steps

## **Fee Setting Meetings:**

### **September**

- CC Info Series #2 (September 1)
- CIAC Info Series #2
- CIAC Info Series #3

### **October**

- CC Info Series #3

## **Public Hearing and Adoption Process**

- October/November