



# CITY OF MCKINNEY, TEXAS

## Legislation Text

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Conduct a Public Hearing to Consider/Discuss/Act on the Amendment of the Roadway Impact Fee Ordinance as Part of the 2019 Impact Fee Update; and Accompanying Ordinance

**COUNCIL GOAL:** Operational Excellence  
(2B: Balance Available Resources to Accommodate the Growth and Maintenance Needs of the City)

**MEETING DATE:** December 1, 2020

**DEPARTMENT:** Development Services - Planning Department

**CONTACT:** Jennifer Arnold, AICP, Planning Director  
Aaron Bloxham, Planning Manager  
Mitchell Corona, CNU-A, Planner I

**RECOMMENDED CITY COUNCIL ACTION:**

- Staff recommends approval of an update to the Roadway Impact Fee Ordinance, setting new fees and providing for a nine-month grace period.

**ITEM SUMMARY:**

- Staff is presenting the final recommendations for the amendment of the roadway impact fees as discussed further below.
- Potential roadway impact fee amendments were first presented and discussed at a City Council Work Session on October 6, 2020. Feedback from Council for the potential fee amendments and ordinance improvements was generally supportive.
- Chapter 395 of the Texas Local Government Code requires that a public hearing be held to consider the potential amendment of the impact fees. As required by stat law, a 30-day Legal Notice was posted in the McKinney Courier-Gazette. As well, the recommended fee amendments have been posted on the City's webpage for public review and comment.

**Final Staff Recommendations to Roadway Impact Fees**

- Staff is making the following recommendations for roadway impact fee amendments and the phase-in of fee increases:
  - Roadway Impact fees for all residential and non-residential land uses should be adjusted to reflect the cost of construction increases (18%) from 2013-2020.

- Tables depicting Staff's recommendation is shown in the attachments titled "*Proposed Roadway Impact Fee - Common Land Use Summary Tables*" and "*Proposed Roadway Impact Fees Summary Table*."
- Staff has also created a series of city comparison charts to illustrate how the current and recommended fee amounts compare to other cities in the region. This comparison is included as an attachment to this Staff Report and titled "*City Comparisons - Roadway Impact Fees*."

### **Implementation of Final Fee Recommendations**

- Staff recommends a 9-month grace period (based on date of building permit) starting from the date the ordinance becomes effective before the new fees be imposed.
- However, in service areas where the recommended fee is lower than the current fee, the fee would be immediately reduced from the date the ordinance is effective (December 1, 2020). These immediate fee reductions would only occur in instances where the maximum assessable fee is less than the current fee.

### **Ordinance Administration Improvements**

- Per state law, any construction of, contributions to, or dedications of off-site roadway facilities agreed to or required by a city as a condition of development approval shall be credited against roadway impact fees otherwise due from the development.
- Currently, the City's impact fee ordinance sets forth a system for issuing offsets/credits based on vehicle miles added to the system by the roadway facility. Staff recommends staying with the current system of issuing offsets/credits based on vehicle miles added to the system.
- Staff is not recommending any changes to the implementation of offsets/credits as it relates to roadway impact fees.

### **BACKGROUND INFORMATION:**

- Chapter 395 of the Texas Local Government Code mandates that impact fees be reviewed and updated at least every 5 years.
- Updating Impact Fees involves 3 parts (as required by state law):
  - Land Use Assumptions  
The updated Land Use Assumptions were considered by Capital Improvements Advisory Committee on August 27, 2019 and were approved by the City Council at the September 17, 2019 meeting.
  - Capital Improvements Planning  
Capital Improvement Plans for Impact Fees were presented and discussed during City Council Work Sessions on August 4 and September 1, 2020, as part of the information series on the 2019 Impact Fee Update.

In a related item on tonight's meeting agenda, Staff is seeking City Council approval for the amendment of the Capital Improvements Plan for Roadway Impact Fees.

- Fee Setting / Adopting the Amended Ordinance

Proposed fee amendments for the 2019 Impact Fee Update were first presented at a City Council Work Session on October 6, 2020.

Staff is currently seeking approval of the updated Roadway Impact Fee Ordinance and associated fee amendments.

**BOARD OR COMMISSION RECOMMENDATION:**

- The Capital Improvements Advisory Committee (CIAC) is required by state law to provide written comments to the City Council prior to Council action on the updated Impact Fee Ordinance for the 2019 Roadway Impact Fee Update.
- On October 27, 2020, the Capital Improvements Advisory Committee considered and commented on the 2019 Roadway Impact Fee Update. The approved minutes of the public hearing shall serve as the written comments.
- The Capital Improvements Advisory Committee was generally supportive of the update.