



Council shows mixed concerns to impact fee raises

(Created: Monday, October 20, 2008 10:43 PM CDT)

INCREASES: McKinney City Council members described proposed impact fee changes as "not bad" and "wrong."

By Danny Gallagher, McKinney Courier-Gazette

McKinney City Council members don't see to have the same perspective on the proposed impact fee increases.

At-Large Councilman Pete Huff described the increases as "competitive" and "not bad."

Mayor Pro Tem Bill Cox, however, colorfully described them as "trying to take a drink from a fire hose."

City council members held a work session Monday to discuss the proposed changes and quiz members of the city's development services office on how they came to their conclusion. The city council will hold a public hearing on the issue at their Nov. 4 meeting. They will not vote on the matter at Tuesday's regular meeting.

Impact fees identify the infrastructure, such as roads, water and sewer lines, and storm-water drainage that will need to be constructed or expanded to accommodate the additional demand generated by development in the next 10 years.

Kevin Spath, senior planner with the development services department, said they met with "anybody and everybody who would listen" including local developers and builders and members of the McKinney Chamber of Commerce to discuss the effects of potential changes and increases on these fees.

Jeannie Lester, the Chamber's director of business retention and expansion, said the Chamber only served to provide their members and local businesses with a forum to express their opinions on the raises.

"They (Chamber members) just want to make sure it doesn't hinder development and growth but they understand the need to be comparable with other cities," Lester said before the work session. "Every city has impact fees and they think we need to make sure we are in line."

He said that residential developers "accepted the fact" that fees would have to be increased while non-residential developers seemed "supportive" of the increases since it

would "shift costs away from residential developers."

Brian James, deputy director of development services, said the funds collected from the fees could not be a moneymaking enterprise. Any money not spent on infrastructure within 10 years would have to be refunded.

When asked if the department tested the impact of the fees in a financial model, James admitted that they did not.

"We didn't do it because we don't feel it would be a very accurate way to do it," he said. "It gives you a false read when you work backwards."

James also said the city has never "over-collected" on impact fees and the new fees would be more in line with neighboring and similar cities. For examples, James said the city's current impact fees on a 10,000 square foot day care center was \$740, but that figure would increase to \$35,000 if the council approved the proposed ordinance change. He compared that to Prosper where fees for the same structure are \$113,000.

Huff said he doesn't see the fees as unfair, compared with McKinney's sister cities.

"I think the number is not bad," he said. "We get to be competitive but we have to phase them in because it's going to be a significant step from today."

Cox said he still thinks the numbers are a lot to ask for in a little amount of time.

"It's a big burden for us here in the 11th hour to raise these fees," he said. "I think it's wrong."

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