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## **<http://roysecityheraldbanner.com/local/x1968176098/City-council-votes-to-temporarily-cut-impact-fee-in-half>**

By **JIM HARDIN**  
**CNHI (<http://roysecityheraldbanner.com>)**

ROYSE CITY — The city council has voted to temporarily cut in half the impact fee for new, single-family homes in Royse City, including the first 38 houses planned for the Kerala Christian Adult Homes development.

During a regular meeting on May 22, the city council voted by a 4-2 margin to reduce the impact fee from \$5,000 to \$2,500 for a two-year period.

The reduction will apply to lots already platted and on houses valued at \$170,000 or more. The program will end in two years or when the break to homebuilders reaches \$500,000.

Impact fees are charged to new homes or business developments to offset the impact the new construction will have on streets, water system and wastewater treatment system.

The city council voted on March 13 to ask the city's Impact Fee Advisory Board to consider an impact fee reduction program. According to discussion at the meeting, city staff and council members are hopeful reduced impact fees would spark more home construction in Royse City.

The city council acted on the advisory board's recommendation on May 22. The recommendation, however, did not involve Kerala.

City Manager Bill Shipp said Kerala representatives had contacted city officials regarding the possibility that the development — a planned 659-home, 432-acre development off Farm to Market 1777 in Collin County — would qualify for an impact fee reduction. Shipp said he told the officials that he would present their request to the city council.

Shipp recommended that Kerala be approved for the reduced impact fee because it is currently under development.

"I personally recommend it," Shipp said of the Kerala request for reduced impact fees on the development's first 38 homes. "I think this could be the thing that gets them over the hump and gets them started."

Spencer Pattison, one of two advisory board members to attend the council meeting, said the board did not hear a presentation from Kerala representatives.

“That was not included in our deliberations or anything else,” Pattison said. “So, if that option is approved, it’s strictly beyond the scope of what we passed as a committee.”

Pattison added that he was not opposed to it as a member of the committee.

There was one voice of opposition to the fee reduction proposal.

During a public hearing on the issue, Mayor Jerrell Baley asked if any council members wanted to “speak their mind on this.” Shipp suggested that Baley close the public hearing if there were no further comments from the public.

“We’re not through with the public hearing,” Baley responded. “Anybody on the council want to say anything? If they don’t, I do. I’ve got something I want to ask some questions about during the public hearing.”

Later, he asked: “Isn’t that what it’s for? I’m still a citizen, so I want to say what I’ve got to say.”

The mayor then asked some questions about the condition of streets in the Hidden Creek subdivision. According to the response, some of the streets are in need of repairs.

“What I’m bringing up here and the reason I’m bringing it up is, we’ve got a subdivision out there that wants a cut in impact fees and they’ve got the crapiest streets in town for a new subdivision,” Baley said.

“I just don’t think we need to be cutting impact fees, give somebody a break that’s already put a burden on us that’s going to cost us hundreds of thousands of dollars to repair and here we turn around, giving them a break on impact fees. I just highly object to that and I just wanted to put it out there in this public hearing.”

Councilman James Branch said he was “absolutely in favor” of the impact fee reduction proposal, but he had some concerns.

“What I worry about is if we grant an exception to Kerala, then that opens the door for other developers to come in and ask for the same thing and that’s not our intent. Our intent is to develop the 589 lots we have already platted.”

A question was then asked about other subdivisions that are “close to being platted.” The answer was, “None.”

“I don’t see any other subdivisions coming in that would be requesting it,” said Councilman Clay Ellis. “I think with all the money they’ve spent for their water and sewer, I’d be in favor of including them just because of that.”

“The whole purpose of doing the impact fee reduction was to help jump-start these homes and getting the homes built sooner rather than later.”

After Ellis’ comments, the public hearing was closed and Baley called for a motion.

Councilman Tom Crowley made a motion to approve an ordinance temporarily reducing impact fees and adopting criteria to be used in determining whether particular new residential development is eligible for a waiver of impact fees. The motion also included Kerala’s eligibility for participation in the program.

Council members Crowley, Ellis, Janet Nichol, Bill Bell and Matt voted in favor of the motion. Baley and Branch voted against it.

Kerala Christian Adult Homes is described as an active adult community primarily for Keralites — residents of Kerala, a narrow strip on the southwest coast of India. Shipp said he had received information that the average price of homes in the subdivision would be about \$225,000.



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