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## Council continues study of impact fees' impact

By Mike Raye , Staff Writer

Currently, Frisco charges 68 percent of the maximum fee allowed by state law, but a Fort Worth-based consulting firm, Kimley Horn and Associates (KHA), hired by the city to study its impact fees, said they should be raised to 75 percent of the maximum.

Impact fees are based on traffic, demand for water and the amount of wastewater output in a development - in effect, for the "impact" a development makes on the city. Builders and developers pay cities these fees, but the cost is ultimately passed down to homebuyers, imbedded in the cost of new homes.

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According to the Kimley Horn study, if raised to the 75 percent mark, the impact fee for a single-family home could escalate from an average of \$3,600 under the current level to as high as \$8,000. Another type of development that would feel the pinch would be light industrial projects.

For a 50,000-square-foot development, impact fees could leap from \$40,000 to \$186,000.

On June 14, city staff, KHA representatives and delegates of the Frisco Developers Council and the Greater Dallas Homebuilders Association met to discuss concerns raised in 11 questions submitted to the city after the June 7 council meeting. Throughout the meeting, the recurring theme was the concern of builders and developers over the impact of the fees on their business if they were raised. KHA said one way or another the cost of building infrastructure has to be met, either from impact fees on new developments or higher taxes for existing residents.

After discussion, the council directed city staff to compile more information and prepare an ordinance to present at the July 7 council meeting.

"This is a long way down the road from where we need to be," David Siciliano, Frisco Developers Council member said. "But we are very impressed with the way this has gone so far and the staff's progress."

Council member Tony Felker's suggestion of holding a special work session before the July 7 meeting was shot down by council colleagues, but all agreed there is still information to gain.

"I want to know what the impact on the individual homebuyer would be from this," Mayor Mike Simpson said.

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