



## CITY COUNCIL AGENDA ITEM

**To:** Mayor Graham and City Council  
**From:** Ted Shekell, Planning Director  
Walter Denton, City Administrator  
**Date:** June 5, 2006  
**Subject:** Ordinance Amending the City's Subdivision and Land Development Control Ordinance to Establish an Educational Facilities Dedication and Fee-In Lieu Requirement – Second Reading as Amended

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**Update:** Attached is the school impact fee ordinance for your consideration on Second Reading, along with the final Impact Fee Study and the final Land Valuation Study. The ordinance attached is identical in content to what Council saw during First Reading, with only minor grammatical “clean-ups” being made. The Impact Fee Study shows the needs assessment and educational facilities plans for each school district, thereby justifying the adoption and methods of calculation for the Land Dedication and Fee-In Lieu. The Land Valuation Study shows the justification and connection to the Fair Market Value of land and infrastructure improvements for the \$59,000 per acre calculation in the ordinance.

**List of committees that have reviewed:** This item has been in Community Development at two special meetings, March 23 and April 6, as well as at regular meetings on May 8 and May 22, 2006. At its meeting on May 8, the CD Committee reviewed and unanimously recommended sending the ordinance forward to the Council for a vote, although it was sent forward without a recommendation. At this same meeting Dr. Nancy Gibson expressed full support by District 90 for the City's ordinance and its approach on this issue. Jerry Rombach with the Homebuilders Association expressed continued concern about the fees, stating they may force builders to go elsewhere; he also questioned the school's need for the fee. At the May 22 meeting, the CD Committee sent the ordinance forward with little discussion by a vote of 1yes and 3 nos.

**Legal Considerations, if any:** A key part of the ordinance is that the schools will have to indemnify the City, as well provide for any costs and damages incurred as a result of a successful suit against the ordinance.

**Budget Impact:** The City has incurred approximately \$19,000 in legal expenses to date in preparation of the ordinance and the impact fee study.

**Staff Recommendation:** Staff recommends adopting the ordinance and supporting attachments.