

REQUEST FOR: Appeal Impact Fees
CASE MANAGER: Garrett Langford, AICP, Assistant Director

PUBLIC HEARING

City Council: Monday, August 18, 2025

GENERAL INFORMATION

Applicant: Wesley Johnson on behalf of James Best
Requested Action: Appeal the assessed roadway, water, and sanitary sewer impact fees for a new office development.
Location: 880 IH-30

SITE BACKGROUND

Platting:
Size: 7 +/- acres
Zoning: PD - O (Ord. 4183)
Future Land Use: Commercial

Surrounding Zoning and Land Uses (see attachment 3):

	<u>ZONING</u>	<u>EXISTING LAND USE</u>
NORTH:	City Limits	Best Law Center
SOUTH:	A - Multifamily Residential	High Voltage Transmission Lines
EAST:	A - Multifamily Residential	Floodplain
WEST:	A - Multifamily Residential	Multifamily development

CASE SUMMARY

The property owner, James Best, is proposing to construct a new 14,597-square-foot office building on approximately 7 acres located at 880 IH-30, within the City of Mesquite. Mr. Best currently owns and operates the Best Law Center at 870 IH-30, located in the City of Garland. His total landholding includes approximately 14 acres, split evenly between Garland (north half) and Mesquite (south half). The proposed office development will be located on the Mesquite portion of the property.

Mr. Best has obtained a grading permit and has begun site preparation work. As part of the building permit review, staff assessed impact fees based on the City's impact fee ordinance. The following fees were calculated based on the proposed development characteristics:

Impact Fee Type	Fee Amount	Assessment Basis
Roadway Impact Fee	\$28,006.13	14,597 sq-ft office building
Water Impact Fee	\$31,036.00	2" domestic water meter
Water Impact Fee	\$9,698.75	1" irrigation water meter
Sanitary Sewer Impact Fee	\$23,236.00	2" domestic water meter
Total Amount	\$91,976.88	

Section 7.5-15 of the City Code governs the impact fee appeals process. While the applicant has paid the assessed impact fees, they have submitted a request to appeal, asserting that the fees are not proportional to the project's demand on City infrastructure or the benefit received. However, no supporting analysis or justification was provided in the request to substantiate this claim.

MESQUITE CITY CODE – CHAPTER 7.5 IMPACT FEES

SEC. 7.5-15. Appeals.

- (a) The property owner or applicant for new development may appeal the following administrative decisions to the City Council:
- 1) The applicability of an impact fee to the development;
 - 2) The amount of the impact fee due;
 - 3) The availability of, the amount of or the expiration of a credit;
 - 4) The application of a credit against an impact fee due;
 - 5) The amount of a refund due, if any; or
 - 6) The amount of the impact fee or credit in proportion to the demand created by or the benefit received by the new development.

Staff Comments: The applicant is requesting an appeal as they believe the impact fee is not in proportion to the demand created or the benefit received by the new development.

- (b) The appellant must file a written notice of appeal with the City within thirty (30) days following the decision. If the notice of appeal is accompanied by a payment or other security satisfactory to the City Attorney in an amount equal to the original determination of the impact fee due, the development application or utility connection may be processed while the appeal is pending.

Staff Comments: The applicant submitted the written notice of appeal within 30 days of being invoiced the impact fees.

- (c) The burden of proof shall be on the appellant to demonstrate either that the City has not followed the impact fee chapter or administrative guidelines, or that the amount of the impact fee or credit is not in proportion to the demand created by or the benefit received by the new development.

Staff Comments: The applicant has not provided any supporting analysis or justification with the appeals request to substantiate their claim that the impact fee is not proportional to the proposed development.

- (d) The City Council may grant such relief as is appropriate if it sustains the appeal of the applicant on one (1) or more grounds.

Staff Comments: No comment.

CONCLUSIONS

ANALYSIS

Impact fees are charges imposed on new development to help fund the cost of public infrastructure needed to serve that development, such as roads, water, and wastewater facilities. The purpose of impact fees is to ensure that new growth pays its fair share for expanded capacity and helps the City maintain service levels to accommodate future development. It should be noted that, under state law, the cost of new infrastructure used to calculate impact fees must be reduced by 50% to account for the credit associated with the use of ad valorem taxes to fund impact fee-eligible projects.

Impact fees are based on the overall demand a new development places on the system, not just its physical location within the service area. Whether a development is located at the edge or in the center of the service area, it requires access to the same core infrastructure—such as water supply, treatment capacity, or major roadways—that serve the entire area. The system is designed and sized to accommodate all anticipated growth within the service area boundaries, and each new development contributes proportionally to the cost of that shared infrastructure.

In other words, a development's location within the service area does not necessarily reduce its usage of or benefit from the system. For example, a house at the edge still relies on the same water treatment plant and road network as one located in the center. Therefore, the impact—and the corresponding fee—is considered equivalent across the service area, ensuring fairness and consistency in cost-sharing.

Based on the information provided, the applicant has submitted a timely appeal pursuant to Section 7.5-15(b); however, the appeal lacks the required supporting documentation or analysis to demonstrate that the impact fee is not proportional to the demand created by or the benefit received by the development, as required under Section 7.5-15(c). The impact fees assessed on the proposed project were calculated in accordance with the City's adopted impact fee ordinance and applicable state law.

RECOMMENDATIONS

Staff recommends denial of the request.