



Development Impact, Administrative and Housing In-Lieu Fee adjustment

In Fall 2024, the San Marcos City Council unanimously adopted the City’s proposed fee adjustment for development impact fees, administrative fees and inclusionary housing in-lieu fees. These fee adjustments are imperative to align with current City needs and ensure future development in San Marcos continues to sustain the quality of life expected in our community.

Timeline of fee adjustment

The fee adjustment will take effect on **March 3, 2025**. Development impact and inclusionary housing in-lieu fees are largely paid by developers. Any project application submitted after March 3, 2025, will be subject to the new development impact fees and updated inclusionary housing in-lieu fees. Current active project applications will remain subject to current fees until March 2027.

Administrative fees are largely paid by developers and only affect residents if they are seeking a permit to build or rebuild a home. Developers and residents who’ve paid their project administrative fees before March 3, 2025, will not be subject to the fee adjustment.

Fee adjustments beginning March 3, 2025	
Development impact fees	
Single-family home	\$6.70 /ft ²
Multi-family	\$7.64 /ft ²
Office	\$10.52 /ft ²
Commercial	\$10.93 /ft ²
Industrial	\$6.73 /ft ²
Inclusionary housing in-lieu fees	
Residential	\$15 /ft ²
Administrative fees	
Approximately 186 administrative fees connected to permitting, inspections, entitlements and other building related regulations will be adjusted.	



What are these fees?

The City is adjusting development impact, administrative and inclusionary housing in-lieu fees.



Development impact fees

Support the cost of public facilities and improvements like transportation facilities, parks, recreation and trail facilities, fire and EMS facilities, habitat conservation, storm drainage facilities, etc.



Administrative fees

Support the cost of providing services to key areas like building permitting, fire permitting, planning entitlement, engineering permitting and inspection.



Inclusionary housing in-lieu fees

Support the development of future affordable housing by collecting fees from developers, in-lieu of developing affordable housing on site, to meet state guidelines for regional housing needs.

Stay connected

For more information about the fee adjustment, contact us!

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