

STAFF REPORT

TO: Everett Planning Commission
FROM: Lisa Grueter, AICP, Principal BERK Consulting, Inc. on behalf of Everett Parks and Community Services, Bob Leonard, Director and Kimberly Shelton, Deputy Director, and Everett Planning, Yorik Stevens-Wajda, Director
DATE: September 30, 2021
SUBJECT: Comprehensive Plan Parks Element, Capital Facilities Element, and Parks Impact Fees

OVERVIEW

This staff report addresses proposed amendments to the Comprehensive Plan Parks and Recreation Element (see Exhibit A-1) and Capital Facilities Element (see exhibit A-2), a proposed new Chapter 19.53 EMC that would establish a Parks Impact Fee (see exhibit A-3), and revisions to EMC [19.09.050](#) regarding required outdoor and common areas in certain zones (see exhibit A-4).

UPDATES

This staff report and attachments have been updated since early September to reflect a refined proposal and staff recommendation. Impact fee options have been removed in favor of a single proposal; materials have been updated, revised for clarity, and proofed; and planning commission questions from the September 7 meeting have been addressed (see exhibit C).

The proposed impact fee rates addressed in this staff report can most closely be compared to the previous *Residential Equivalent Option 2*, but with a 50% reduction factor. Given the proposed reduction factor, the previously proposed 25-33% reduction in common and open space requirements in EMC [19.09.050](#) has been struck from the proposal. Exhibits A-1 and A-2 (comprehensive plan elements) are largely unchanged.

PROCESS

Amendments to the comprehensive plan and development regulations (Unified Development Code) are addressed under EMC [15.03.300](#), [15.03.400](#), and [15.02.095](#).

Public Notice

Regular announcements about the annual comprehensive plan amendment docket are included on the planning department [homepage](#). A planning commission public hearing notice has been published for the pending hearing date. See below for noticing under the State Environmental Policy Act.

Interjurisdictional Coordination

A 60-day notice of the proposal has been sent to state agencies via the Washington State Department of Commerce in conjunction with the Planning Commission briefing packet.

State Environmental Policy Act

A SEPA non-project [environmental checklist](#) for the proposal has been completed by the consultants to the Everett Parks and Facilities Department. A determination of non-significance was issued September 7, 2021. Official notice was published in The Everett Herald with a fourteen-day comment period.

Other Public Engagement

Public engagement for the Parks, Recreation, and Open Space Plan Update that is happening in parallel with this proposal has informed the proposal. See the [project website](#) for results of a public survey and events can be found at the project website.

As well the Board of Park and Tree Commissioners had a [briefing on August 10, 2021](#) and reviewed an earlier version of the Parks and Recreation Element, and reviewed information on the proposed impact fee.

PROPOSAL

Comprehensive Plan Amendments

Proposed amendments to park-related provisions in the comprehensive plan reflect the results of public outreach through the visioning process conducted in 2021, input from staff, consultants, and the Everett Board of Parks Commissioners. This update helps fulfil Growth Management Act provisions to plan for capital facilities and public services and promote physical activity ([RCW 36.70A.070](#)), and the goals and policies of the Parks and Recreation Element will align with the [pending Parks, Recreation, and Open Space \(PROS\) Plan](#) that helps the City qualify for grants.¹

The goals and policies address the [City Priorities](#) for quality of life and economic and cultural vitality, [Mayoral Directives](#) on promoting equity and inclusion, and professional best practice. They can help the City work towards accreditation through the National Recreation and Park Associations Commission for Accreditation of Park and Recreation Agencies ([CAPRA](#)) which provides a measure of an agency's overall quality of operation, management, and service to the community. Communities in Washington State that have received such accreditation include Bellevue, MetroParks Tacoma, and Shoreline.

The [Parks and Recreation](#) and [Capital Facilities](#) elements generally include inventories, goals and policies including level of service standards, and a capital facilities program including a revenue analysis. Text and policy amendments in this proposal include:

Parks and Recreation Element (see exhibit A-1)

- Summary inventory data and maps
- Goals and policies
 - Wellbeing, Inclusion, Equity
 - Capacity
 - Variety and Quality
 - Connection and Access
 - Natural Environment and Shorelines

¹ Everett is developing an update to its [2016 Parks, Recreation and Open Space \(PROS\) Plan](#). The PROS Plan will allow the City to be eligible for state grants through the [Washington State Recreation and Conservation Office](#) (RCO). The PROS Plan will also support other City plans and budgets by helping prioritize projects and programs consistent with the community's vision, service standards, and funding. The effort began in January 2021 and will conclude by March 1, 2022. The PROS Plan is a system plan that supports the Comprehensive Plan and helps the Parks and Facilities Department manage its park system.



- Trees
- Golf Courses
- Maintenance and Safety
- Recreation
- Financially Sustainable
- Partnerships and Integrated Planning
- Public Participation
- Department Operation
- Community profile and potential system gaps and needs
- Related plans and initiatives
- Parks facilities level of service standards
- Actions

Capital Facility Element (see exhibit A-2)

- System description amendments and minor updates to climate strategy actions
- Capital program for a 10-year period

The amendments to the comprehensive plan also establish a basis for park impact fees, by establishing a capital program identifying improvements that add capacity to the park system to support growth and to identify the desired levels of service. An important component of the proposed policy and code amendments is a level of service standard. This standard establishes what the city will provide in terms of parks and trails to support a growing community. This level of service in turn drives the capital improvement program in the Capital Facilities Element. The level of service is proposed at a level that can be funded through parks impact fees and other revenue sources (e.g. grants and Real Estate Excise Tax).

The proposed parks impact fee chapter 19.53 EMC (see exhibit A-3) relies on the level of service standard, capital improvements list, and the attached rate study (see exhibit B). The proposed code is organized similar to the city’s existing school impact fee chapter (EMC 19.52).

Park Impact Fee

What are Park Impact Fees? Impact fees are a one-time charge providing for the joint public and private funding of public parks facilities and services necessitated by development. The city is proposing its first parks impact fee which must meet the provisions of RCW 82.02, and it must be based on a level of service (LOS) and capital program established under the Growth Management Act (GMA). It needs to support the growth planned in the City’s Comprehensive Plan which addresses a 2035 horizon year. Soon the plan will be updated for a 2044 horizon year.

As growth occurs the impact fees can help ensure the park system is improved to meet the needs of new community members. By law, impact fees cannot fund 100% of new capital needs. Impact fees have been available to communities planning under the Growth Management Act since 1990 for transportation, fire protection, schools, and parks.

For more information on the laws and requirements see the Draft Impact Fee Rate Study (Exhibit B).

Why is the City of Everett considering a park impact fee? Parks and trails are important for the Everett community and provide opportunities for:

- Living a healthy active lifestyle,
- Connecting with families and the community at park spaces and events,
- Supporting the local economy and tourism, (see more in Exhibit C)
- Connecting with nature,



- Conserving fish and wildlife habitat including water quality and wildlife corridors, and
- Providing tree canopy contributing positively to air quality and mitigating climate change.

Many policies in the current [Comprehensive Plan](#) recognize these values (see the current [Land Use, Parks and Recreation](#), and [Urban Design](#) Elements, as well as others). The Comprehensive Plan anticipates high growth targets to 2035 and beyond and parks represent an important asset for an attractive, growing, and healthy community.

Parks are a public good and each community determines public funding levels possible through available revenue sources. As with other infrastructure and public service systems, funding sources are limited, and cities and counties seek a variety of funding sources to meet their local needs.

The Comprehensive Plan Parks and Recreation and Capital Facilities elements identify consideration of a parks impact fee in addition to other funding options:

Parks and Recreation Element Strategy 9.4.4: If appropriate, seek funding through park impact fees and a Levy proposal to support needed park and recreation facility and annual maintenance and operations improvements and meet the future needs of residents.

Capital Facilities Element Policy 6.6.7: The City in their comprehensive parks and recreation planning should explore alternative means of capital improvement funding, such as parks impact fees, forming a Metropolitan Parks District or other mechanism. Funding could be directed at providing and maintaining new and improved facilities to respond to the needs and demands of Everett’s growing population that lives predominantly in higher density residential developments.

Similar policies can be found in the [2016 Parks, Recreation, and Open Space Plan](#).

Level of Service Standards

Level of service standards are helpful tool to guide the level of investment in capital facilities as growth occurs, and are a foundation for calculating and collecting impact fees. The proposed level of service standard identifies the parks acres and trail miles needed to add capacity to the system as population and employment grows over time. Projects necessary to maintain those standards consistent with the city’s growth targets are then included in the capital facility plan. Financing for these facilities is then planned using primarily property tax, real estate excise tax, grants, and the proposed impact fee.

Level of service policies or standards are locally established based on city priorities and expected financing available. Levels of service are often related to a unit of population, e.g. acres of parks or miles of trail per 1,000 population. In addition to quantity-based measures, communities often consider quality and extent (distribution). The proposed level of service standards for parks in Everett address:

- What – Assets: Increase Parks and Trails to meet the demand of growth
- Where – Access: Improve access to parks within 10 minutes of the residential population
- How Much – Capital Investment: Invest at a rate similar to the value of the current system divided by the population.

The level of service standards are based on the current park system inventory or condition divided by current population and population-equivalent (employment). Table 1 shows the proposed level of service standard, which starts with acres or miles in the current system and divides them by residential population/equivalent.



Table 1. Proposed Level of Service Standards 2021-2031

Feature	Population Basis	Base LOS	Target LOS
Acres per 1000			
Total Acres per 1000	Residential ¹	No net loss	8.2
Developed Acres	Residential ¹	1.7	
Neighborhood/ Urban Acres	Residential Equivalent ²	0.5	
Miles per 1000			
Paths in Parks	Residential ¹	0.14	
Multipurpose Trails	Residential Equivalent ²	0.09	
Other			
Access: District Pop. Share	Residential ¹	65%	80%
Per Capita Investment	Residential Equivalent ²	\$2,927 ³	

¹Residential: 112,700, OFM 2020

²Residential Equivalent: 130,006, including Residential population and 23% of the current retail, commercial/service, and industrial employees.

³If the City can cost-effectively provide the acre, mile, and access levels of service standards, it may have a lesser capital investment in its budget.

Based on the per capita investment level of service standard, the expected investment with growth from 2021-2031 (44,156 residential equivalents x \$2,927)² would be about \$129.2 million in new parks and trails. However, the policy on level of service standard would allow for the other level of service measures around acres and miles to control over the per capita investment. With a more cost-efficient set of capital improvements³, the expected capital investment in parks/trails adding capacity (impact fee eligible) is about \$78.8 million.

Calculating the impact fee based on the cost-efficient \$78.8 million capital program, and accounting for other revenue sources (e.g. REET and grants), Table 2 shows the impact fee rates, including both the full rate and the rate with a 50% reduction factor.

Table 2. Proposed Impact Fee Rates 2021-2031

Use Type	Fee 100%	Fee 50%
Commercial		
Industrial per sq ft	\$0.51	\$0.26
Office & Services	\$0.75	\$0.38
Retail	\$0.41	\$0.20
Residential		
Per Bedroom	\$1,882	\$941

By combining the use of the cost-efficient capital program with a 50% reduction factor, the impact fee rates above represent about a third of what could be collected with no reduction factor and the per capita investment level.

² Residential equivalent growth from 130,006 to 174,162.

³ For example, if the capital improvements assumed more intensively developed acres on developed parks, or addition of more structures (e.g. community centers), it is likely the capital facility plan could achieve close to the per capita investment amount of \$129.2 million instead of \$78.8.



Table 3. Impact Fee Residential Rate Comparison 2021-2031

	Per Person	Per Bedroom (*1.01 occupancy)	Share of Full Fee Potential
Per Capita Residential Equivalent <i>(\$129.2 million capital program)</i>	\$2,927	\$2,960	100%
Project Based Per Capita Res. Equivalent <i>(\$78.8 million capital program)</i>	\$1,870	\$1,882	64%
With 50% reduction factor	\$935	\$941	32%

The residential rate, at either 100% or 50%, is in the range of other communities in the region. Charging employment rates is less common for park impact fees but there are some charged in Snohomish County and in the region – the proposed rates are comparable and in the range of those who do apply them. See Exhibit C for more information and comparisons.

Phasing in the fees is also proposed to account for developments already in progress. This is addressed in proposed EMC 19.53.200 (see Exhibit A-3)

Table 4. Impact Fee phase-in period

	Phasing in discount
0-6 months after effective date	100% (no fee)
6-12 months after effective date	50%
12+ months after effective date	0% (full fee)

Why is employment considered? How is it calculated?

The level of service standard assumes employment would primarily demand and benefit from the types of parks and trails categories that may be more attractive to employees, including multipurpose trails that can support recreation and commuting as well as neighborhood/urban parks that are identified to help fill gaps largely in mixed use and employment areas (e.g. Downtown, future station areas in District 4, and other corridors). Employees would also contribute some support for investment in existing trails and neighborhood/urban parks where capacity is added.

Based on the hours of park availability, about 45.9% of the employment could be counted in as residential equivalent. However, the analysis is conservative in only applying to retail, office & service, and industrial jobs and then by cutting potential access to parks in half, as a safety factor, to about 23%.

Table 5. Residential Equivalency Share

Residential Equivalency	
Hours a day (6 a.m. to Dusk)	14
Days a week	7
Available Hours per week	98
Hours a day (workday + lunch)	9
Days a week	5
Employee Available Hours per week	45
Equivalency	46%
Half Equivalency	23%



Amendments to common and open space area requirements (EMC 19.09.050)

Residential development in higher density zones (UR3, UR4, NB, B, MU, LI1) must currently provide 75 square feet of common/outdoor space per studio/1-bedroom dwelling unit and 100 square feet per 2+ bedroom dwelling unit (EMC 19.09.050 Table 9-2).

Existing regulations provide a route to reducing the common and open space area requirements via a fee in lieu (EMC 19.09.050(10)). The proposal would define a reasonable fee in lieu rate based on the average capital cost per square foot of neighborhood parks as identified in the capital facilities element of the comprehensive plan (currently \$37.50/sq. ft. based on the proposed capital facilities element). The proposal would also limit full availability of the fee in lieu option to developments proposed within ½ mile of an existing or planned park facility; developments farther from existing or planned parks could reduce the common and open space area requirement by half using a fee in lieu (see Exhibit A-4).

ANALYSIS

Table 6 qualitatively shares pros and cons of the different options.

Table 6. Pros and Cons of Options

Option	Pros	Cons
Impact Fee 100%	<p>Recognizes that public parks and trails create an improved quality of life for people and attract economic development.</p> <p>Residential and employment population create a demand for recreation and the levels of service and fees allow the City to develop a connected and varied system of parks of all sizes and trails and paths of all sizes.</p> <p>The parks and trails will help fill gaps in areas where more mixed use, residential, and employment growth is planned.</p>	<p>The fees would increase the cost of development and could reduce the city’s competitiveness. While the fee would be an upfront cost, it should be noted that over a longer term, parks and trails enhance property values and improve the attractiveness of the city for new employers and residents.</p>
Proposed Impact Fee with 50% reduction factor	<p>The reduced fee would have less of an impact on new development while still supporting system improvements that help improve the city’s attractiveness and quality of life and reducing burdens on existing taxpayers to fund system improvements that will serve growth.</p>	<p>Should the City move forward with the 50% reduction factor, the City would need to either seek other funding sources to support the proposed level of service standard (e.g. property tax, Metropolitan Park District), or reduce the level of service standard or phase the capital program over a longer period of time.</p>

What is the effect on level of service of reducing the fee to less than 100%?

If the impact fee is not implemented the level of service standard could be adjusted downward to rates of parks and trails below what the community is currently provided, meaning there may be more heavy use of existing parks and trails and fewer new developed parks and trails as the community grows. The City could also retain the level of service standard if other funding sources were identified. Phasing in of the level of service standard could also occur to stage the policy and the capital projects as additional funding or partnerships are secured. In summary, the choices include:



- 1) Keeping the Goal level of service standard and seeking other funding (e.g. property tax levy, Metropolitan Park District, greater than historic levels of grant funds). See Exhibit C regarding other funding sources and their feasibility and magnitude. Changes would not be made to the capital program.
- 2) Reducing the Goal level of service standard: To balance the fee and the impact fee eligible projects, cutting the level of service standard in half would mean several of the “to be determined” projects would be removed from the 10-year list. The “known” projects would stay. Alternatively, some of the “known” projects could be revised to show funding through other means and the standard could be adjusted (e.g. have Neighborhood/Downtown Parks at 75% of current level of service and others at 50% plus adjust other known projects). This is not recommended.
- 3) Phasing the Goal level of service standard: Phasing could match the suggested impact fee ordinance and could allow for more development of other funding sources through the PROS Plan. For example, the level of service in the first 5 years would be at a reduced standard, and the second 5 years could be considered at the higher standard. This would offer more time to seek other funding sources/partnerships. Other funding possibilities are in Exhibit C. Phasing the Goal level of service standard is the recommended choice.

Under proposed EMC 19.53.070 Parks Impact Fee Updates, the City will update the impact fee rate schedule five years from the effective date. With the phased level of service standard, projects would be moved later in the 10-year period.

PLAN AND CODE AMENDMENT CRITERIA

Criteria and considerations for proposed amendments to the comprehensive plan and development regulations (unified development code) are addressed in EMC [15.03.300\(C\)\(4\)](#) and [15.03.400\(E\)](#).

Considerations for amendments to comprehensive plan policies (EMC [15.03.400\(E\)](#))

Have circumstances changed since the adoption of the plan?

The adopted Parks and Recreation element calls for consideration of a parks impact fee (Strategy 9.4.4), and the docket would help fulfill the policy. The impact fee requirements in RCW [82.02](#) include that such a fee be based on a Capital Facilities Element, which in turn should be based on a level of service standard. The proposed Parks and Recreation and Capital Facilities Elements respond to identified needs and gaps for parks and update an older capital facility list.

Is new information available that was not considered at the time the plan was adopted?

Updated information has been gathered regarding the parks and recreation inventory, changing community demographics and gaps in the park system, and more current capital facility needs.

Does the proposal promote a more desirable growth pattern for the community as a whole?

The proposed policies respond to changing community demographics and gaps in parks and trails. This will support a higher quality of life and more physical activity. The amendments would help provide recreation amenities as growth occurs across the community including in centers and corridors as planned in the Land Use Element.

Is the proposed policy change consistent with other existing plan policies?

The Parks and Recreation Element cross references to the 2016 PROS Plan for the current parks level of service standard. The current level of service is based on ensuring the City adds to the value of the park system as growth occurs (identifies an investment value per capita) and that 32 different facility types would be improved as growth occurs (e.g. maintain current ratios of park lands, trails, playgrounds, picnic tables, several types of athletic fields, waterfront facilities, and many more).



The proposed level of service in the Parks and Recreation Element amendments is similar to the existing level of service in that it includes an investment per capita component with updated data, but it is simpler in that it focuses on four primary assets: developing parkland, neighborhood parks, paths, and trails. It would also address the distribution of facilities to promote park access to the Everett population within 10 minutes.

The proposed neighborhood parks level of service, and partnership policies with schools and other entities, support Land Use Element Policy 2.1.5 and Urban Design Element Policy 8.6.9:

- Policy 2.1.5 Promote development of neighborhood parks and use of existing public school recreational facilities for year-round use by the residents of Everett's neighborhoods.
- Policy 8.6.9 Provide special facilities for children, both outdoors (e.g. mini-parks) or indoors, in several locations.

The other Park and Recreation policy amendments improve consistency with other city plans and initiatives (e.g. hazard mitigation, climate, shoreline master program and public access plan). See Section D "Parks and Other Initiatives" on Page 6 of the proposed Parks and Recreation Element amendments. Policies refer to the climate action plan (Policy 9.8.7), and support shoreline access (Policy 9.8.4).

The policy amendments update an older Capital Facility Element schedule of projects. (See Capital Facility Element Table 2) and would improve consistency and implementation.

Amendments would also remove a policy suggesting a concurrency process for parks (in place at the time of development). If an impact fee is implemented it would allow for a development to address its demand and contribute to the cost of park system capacity improvements. Park impact fees need to be spent within 10 years of collection for capital projects identified in the Capital Facility Element.

- Policy 6.1.6 Because parks and recreation facilities are vitally important to establishing and maintaining the quality of life in Everett, ensuring the health of families and youth, and contributing to the economic and environmental well-being of the community, the City should consider adopting level of service concurrency standards for parks and recreation. Reserved.

Parks and Recreation Element tree canopy policies support Urban Design Element Policy 8.1.3:

- Policy 8.1.3 Manage all trees in public rights-of-way, parks and other public properties, and preserve or expand the size of the city's tree canopy, replacing trees which have to be removed with one or more trees.

Maintenance policies support Urban Design Element Policy 8.1.15:

- Policy 8.1.15 Give parks, greenbelts and open spaces extraordinary attention with respect to design, conservation, and maintenance, because they strongly contribute to the livability of Everett's neighborhoods.

Criteria for Amendments to Development Regulations (15.03.300)

Is the proposed amendment consistent with applicable provisions of the comprehensive plan?

The adopted Parks and Recreation element calls for consideration of a parks impact fee (Strategy 9.4.4), and the docket would help fulfill the policy.

Does the proposed amendment bear a substantial relation to public health, safety or welfare?

The proposed code supports the development of parks and trails important for public health, safe access to destinations, and quality of life. The purposes of the code are to:



- Develop a program consistent with Everett’s Parks, Recreation, and Open Space Plan or equivalent parks system plan for the joint public and private funding of public parks facilities and services necessitated in whole or in part by development within the city of Everett;
- Create a mechanism to charge and collect fees to ensure that development bears its proportionate share of the capital costs of public parks facilities necessitated by development; and
- Ensure fair collection and administration of such parks impact fees.

Does the proposed amendment promote the best long-term interests of the Everett community?

The amendments support the long-term management of the park system in a sustainable manner with a funding source that can help achieve the City’s levels of service to serve the Everett community.

PUBLIC COMMENTS

Public comments on the proposal are pending. The Board of Park and Tree Commissioners had a [briefing on August 10, 2021](#) and reviewed an earlier version of the Parks and Recreation Element, and reviewed information on the proposed impact fee. They agreed with the overall direction of the Parks and Recreation Element policies. They reviewed the full level of service and impact fee.

Other public input on the PROS Plan update, and the proposed Parks and Recreation Element and findings helpful to understand desires, gaps, and directions can be found at the project website including:

- [Vision survey results](#)
- [Park pop-up events results](#)
- [Vision workshop](#)

STAFF RECOMMENDATION

Staff recommends approval of the proposed impact fee with the 50% reduction factor, recognizing that this is a new fee and revenue source, recognizing the importance of encouraging affordable housing and residential and commercial development and investment, and consistent with the vision of the city’s Comprehensive Plan. The proposed code identifies an annual inflationary adjustment and a re-evaluation of the impact fee no later than 5 years from adoption.

In order to reflect the lower park impact fee, the City will phase in the level of service standard and sequence capital projects accordingly to allow time to seek other funding sources or partnerships.

EXHIBITS

- Exhibit A-1: Parks and Recreation Element Amendments
- Exhibit A-2: Capital Facilities Element Amendments
- Exhibit A-3: New Chapter 19.53 EMC (parks impact fees)
- Exhibit A-4: EMC 19.09.050 Amendments (open space-fee in lieu)
- Exhibit B: Impact Fee Rate Study
- Exhibit C: Park Impact Fees Responses to Planning Commission Questions

