

Responses to Planning Commission Questions at October 5 Public Hearing

Can you provide more fee stacking information? What is the effect of park impact fees over time?

We have shared the per square foot costs of impact fee stacking in [Exhibit C](#) of the October 5, 2021 packet. The recommended fee is well within the range of example jurisdictions. Translating an upfront cost to an ongoing cost per month is unfortunately not feasible for staff to calculate with the information in hand. It may be worth noting that over time, parks can add value to nearby properties as described in [Exhibit C](#). The table below provides a compilation of fee rates currently in effect for new development in Everett.

Exhibit 1. Current Fee Rates in Everett

	Ordinance	Everett Municipal Code	Handout
Planning/land use permit fees	Ord. 3635-18	EMC 16.72.010	Planning, zoning, and land use fee schedule
Public works permit fees	Ord. 2497-00	EMC 13.80.010	Public Works permit fees handout
Public works administrative permit fees			Commercial building permit fees handout House, townhouse & duplex permit fees handout Electrical permit fees handout Fire Dept review & inspection fees handout Mechanical & plumbing permit fees handout
Water fees	Ord. 3793-21	EMC 14.16.712	Utility & System Dev. Fee handout
Sewer fees	Ord. 1506-88	EMC 14.08.140	Utility & System Dev. Fee handout
System development fees	Ord. 3632-18	EMC 14.08.135	Utility & System Dev. Fee handout
Traffic mitigation fees		EMC 19.51	Traffic & School mitigation fee handout
School impact fees	Ord. 3774-20	EMC 19.52.040	Everett and Mukilteo School District Capital Facilities Plans Public works & planning handouts

Sources: City of Everett, 2021.

The table below provides an illustration of how fee rates apply to five representative types of new construction: large industrial, hotel, medium and large apartment, and a house. Each of these is based on an actual development permitted in the city within the past several years. Note that some fees were assessed at rates that differ from rates in effect today (most fee rates are adjusted annually; school impact fee rates are adjusted every other year). Assumed building valuation represents average valuations for most buildings, based on standard value per square foot of different construction types, and is published annually by the [International Code Council](#). These values do not necessarily represent actual development costs, and do not include the cost of land or developer profit. The house, for example, ultimately sold for \$800,000 once completed.

Exhibit 2. Current Fee and Proposed Park Impact Fee Application to Representative Developments

	Commercial building area	Residential units	Assumed building valuation	City permit fees	School impact fee	Traffic mitigation fee	Stormwater system development fee	Sewer system development fee	Water system development fee	Proposed park impact fee (100%)	Proposed park impact fee (50%)
Large industrial building	307,000 square feet industrial	-	\$20,800,000	\$136,416	-	\$149,894	\$269,612	\$90,390	\$92,177	\$157,459	\$78,730
142 room hotel	98,000 square feet services	-	\$14,800,000	\$98,078	-	\$180,624		\$205,836*	\$138,372	\$73,925	\$36,962
93-unit apartment building	3,000 square feet retail	61 1-bed 16 2-bed	\$13,400,000	\$95,459	\$136,875	\$80,388	\$5,510	\$141,095	\$186,678	\$177,309	\$88,654
318-unit apartment building	-	214 1-bed 52 2-bed	\$27,300,000	\$186,725	\$151,810	\$193,215	\$51,321	\$301,883	\$233,265	\$598,544	\$299,272
House	-	1 3-bed	\$305,000	\$3,748	\$14,250	\$2,400	\$640	\$5,270	\$4,072	\$5,647	\$2,823

* Sewer and stormwater system development fees were combined before 2020

Source: City of Everett, 2021.

How do park impact fees affect costs for a single family home?

Applying the fee to an example 3-bedroom home the proposed park impact fee would equal \$5,647 at 100% or \$2,823 at 50%, the recommended level. Per [Exhibit C](#) of the October 5, 2021 packet, the residential fee is in the range of example jurisdictions, especially at the 50% level. The construction value of the 3-bedroom home (2,269 square feet) was estimated at \$305,000, which is based on an estimate of materials and labor and excludes the value of the land. The fee would equal less than 1% of the value of the home (0.93%).

The typical value of a single family home in the Everett market area according to Zillow is \$624,000, and including condominiums is about \$586,000. This is a little lower than the typical home value for Snohomish County at \$722,000 single family and \$668,000 including condominiums.¹ This includes both home and land. The park impact fee is based on number of bedrooms and not building value.

Should Impact Fee Phasing be extended beyond one year?

The staff recommended proposal is to phase the 50% park impact fee over 12 months with \$0 at adoption, half of the recommended fee at 6 months, and the full fee at 12 months.

During public comment a suggestion was made to extend the proposed phase-in period for the proposed park impact fee for three years similar to Kirkland’s recent adoption of a park impact fee. Kirkland’s fees are currently ramping up and would be substantially higher than Everett’s proposed at Kirkland’s full rate. For another example, Lynnwood’s park impact fee was set at 80% of the rate upon adoption on June 1, 2018 and moved to 100% of the rate study fees on January 1, 2020, an 18-month phase in with most of the fee effective immediately. Lynnwood’s fees are similar to the 100% Everett Fee, and greater than the 50% fee, which is the fee included in the proposed ordinance (and phased over 12 months as described above).

Exhibit 3. Phased Fees Examples

Kirkland Rates	1/2021 (0 mo after effective date)	1/2022 (~12 mo after effective date)	1/2024 (~36 mo after effective date)	Lynnwood Rates	6/ 2018 (0 mo after effective date)	1/2020 (18 mo after effective date)	Everett Proposed	100% Fee	50% Fee at 12 Months+	25% Fee at 6 months
Single-Family Residential	\$4,435	\$5,629	\$8,016	Single-Family Residential	\$4,443	\$5,554	3-bedroom	\$5,647	\$2,823	\$1,412
Multifamily	\$3,371	\$4,278	\$6,093	Multifamily	\$3,192	\$3,990	2-bedroom	\$3,764	\$1,882	\$941

Source: Kirkland and Lynnwood municipal codes and websites; BERK 2021.

Are capital projects included adding capacity to the park system?

The Capital Facilities Element includes amendments to add a new parks capital facilities list. The list includes capital investments to add new or expanded facilities or renovate existing ones. The percent of

¹ See: <https://www.zillow.com/everett-wa/home-values/>.

a project considered impact fee eligible is identified. Renovations that do not provide expanded or new facilities are not part of the impact fee.

Proposed Changes to Policy and Impact Fee Proposal

Parks and Recreation Element Clarifications

During the presentation, several editorial changes were proposed to the Parks and Recreation Element. The changes are listed below along with other similar editorial changes, and have been applied to a revised Exhibit A-1, which is otherwise unchanged from the October 5 packet.

- Section I.B Quality of Life, Vision, p. 1 – Typo
 - We are committed to providing a modern and inviting park and facility system
- Section II.B Level of Service, p. 4, clarifications

Total Park Acres:

- No net loss of existing system (Base)
- Residential Only: 8.2 acres per added 1,000 population (Target)

Developed Park Acres:

- Residential Only: 1.7 acres (Base)

Neighborhood/Downtown Park Acres:

- Residential Equivalent: 0.5 acres (Base)

Trail Miles:

- Paths Residential Only: 0.14 linear miles (Base)
- Multipurpose Residential Equivalent: 0.09 linear miles (Base)

Access: Achieve a 10-minute walk to a park or trail for at least:

- 65% of the residential population in each district to match the current citywide rate (Base)
- 80% of the residential population in each district by 2044 (Target)

Investment: Maintain the current investment per capita as growth occurs.

LOS Definitions

... **Developed Park Acres:** Developed Park Acres refers to improving the capacity of Everett parkland for public use to achieve intended park standards, whether for active, passive, or conservation purposes. The parkland classification or service area may be regional, community, neighborhood, urban, natural area/greenway, linear park/trail, garden/gateway, or special use. Examples of development include but are not limited to, ~~changing turf fields to synthetic offering more play time~~, expanding the size ~~and capacity~~ of a playground, adding a restroom to a park, adding paths or picnic facilities to an undeveloped property, providing a community garden or dog park on an unimproved portion of a park, and other similar efforts.

... **Multipurpose Trails:** Multipurpose trails are shared-use paths within a right of way or within a linear park. Multipurpose trails are often separated from traffic by open space or physical barriers and providing two-way travel for bicyclists, pedestrians, skaters, wheelchair users, joggers, and other ~~nonmotorized~~ users like e-bikes and scooters consistent with City

rules. Some common locations for shared-use paths are along rivers, streams, utility rights of way, ~~and~~ abandoned railroad rights of way, and between parks as well as within existing roadway corridors. Examples include the Interurban Trail and Mill Town Trail.

- Section II.D Parks and Other Initiatives, Hazard Mit. – Typo
 - ...Theis element and the PROS Plan recommend adaptation of parks
- Section IV.G Action Plan, Recreation, Item 1, p. 17
 - ~~Develop a Recreation services plan that redefines the City's role in recreation programming.~~ Focus on the Department's primary strengths and resources to host events and facilitate other provider programs. Consider gaps and resources in filling other community needs.

Fee in Lieu and Period of Collection

Exhibit A-4 provides criteria for approval of fees in lieu in place of onsite private common space. The code amendments previously indicated the fees collected must be expended within 10 years. The fee in lieu expenditure period is revised to 5 years to match RCW 82.02.020. The change has been applied to a revised Exhibit A-4, which is otherwise unchanged from the October 5 packet.