



City of Tukwila

Washington

Ordinance No. 2572

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NOS. 2485 AND 2366, AS CODIFIED IN TUKWILA MUNICIPAL CODE CHAPTER 16.28; REPEALING ORDINANCE NO. 2521 §7, 8 AND 9; REENACTING TMC CHAPTER 16.28, "PARKS IMPACT FEES," TO AMEND THE PROCESS FOR IMPOSING AND ADMINISTERING PARKS IMPACT FEES TO BETTER ADDRESS THE NATURE OF DEVELOPMENT ACTIVITY IN TUKWILA; ADDING REGULATIONS RELATING TO ANNUAL PARKS IMPACT FEE UPDATES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted Ordinance No. 2366 on March 5, 2012; Ordinance No. 2485 on October 19, 2015; and Ordinance No. 2521 on December 5, 2016, all related to impact fees; and

WHEREAS the City may periodically update its impact fee schedules to reflect changes in the cost of completing planned improvements and the fair share contribution applicable to new growth; and

WHEREAS, on April 23, 2018, the Tukwila City Council, following adequate public notice, held a public hearing on the draft ordinance;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Repealer. Ordinance Nos. 2485 and 2366 are hereby repealed in their entirety.

Section 2. Repealer. Ordinance No. 2521, §7, 8 and 9 is hereby repealed, these sections were codified as follows:

TMC Section 16.28.030, "Definitions"

TMC Section 16.28.120, "Exemptions"

TMC Section 16.28.125, "Residential Impact Fee Deferral"

Section 3. TMC Chapter 16.28 Reenacted. Tukwila Municipal Code (TMC) Chapter 16.28 is hereby reenacted to read as follows:

**CHAPTER 16.28
PARKS IMPACT FEES**

Sections:

- 16.28.010 Authority and Purpose
- 16.28.020 Findings
- 16.28.030 Definitions
- 16.28.040 Parks Impact Fee Assessment
- 16.28.050 Use of Parks Impact Fees
- 16.28.060 Parks Impact Fee Capital Facilities Plan
- 16.28.070 Parks Impact Fee Formula
- 16.28.080 Annual Parks Impact Fee Updates
- 16.28.090 Individual Projects Parks Impact Fee Adjustments
- 16.28.100 Credits
- 16.28.110 Appeals
- 16.28.120 Exemptions
- 16.28.125 Residential Impact Fee Deferral
- 16.28.130 Refunds
- 16.28.140 Authority Unimpaired

Section 4. TMC Section 16.28.010 is hereby reenacted to read as follows:

16.28.010 Authority and Purpose

A. **Authority.** The City of Tukwila's impact fee financing program has been developed pursuant to the City of Tukwila's policy powers, the Growth Management Act as codified in Chapter 36.70A of the Revised Code of Washington (RCW).

B. **Purpose.** The purpose of the financing plan is to:

1. Develop a program consistent with Tukwila's Parks and Recreation Department Capital Facilities Plan for joint public and private financing of public parks facilities and services necessitated in whole or in part by development within the City of Tukwila;
2. 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
3. Ensure fair collection and administration of such parks impact fees.

Section 5. TMC Section 16.28.020 is hereby reenacted to read as follows:

16.28.020 Findings

The City Council finds and determines that growth and development in the City create additional demand and need for public parks facilities in the City, and the City Council finds that growth and development should pay its proportionate share of the costs of the facilities needed to serve the growth and development in the City. Therefore, pursuant to RCW 36.70A and RCW 82.02.050 through 82.02.100, which authorize the City to impose and collect impact fees to fund public facilities that serve growth, the City Council adopts this ordinance to impose parks impact fees for parks services. It is the Council's intent that the provisions of this ordinance be liberally construed in establishing the parks impact fee program.

Section 6. TMC Section 16.28.030 is hereby reenacted to read as follows:

16.28.030 Definitions

Terms or words not defined herein shall be defined pursuant to RCW 82.02.090 when given their usual and customary meaning. For the purposes of this ordinance, unless the context or subject matter clearly requires otherwise, the words or phrases defined in this section shall have the following meanings:

1. **"Accessory residential structure"** means a structure that is incidental and subordinate to the principal residence on the property and is physically detached to the principal residence, but does not include accessory dwelling units. For example, a detached garage or storage shed for garden tools are considered accessory residential structures.

2. **"Accessory dwelling unit (ADU)"** means a dwelling unit that is within or attached to a single-family dwelling or in a detached building on the same lot as the primary single-family dwelling. An ADU is distinguishable from a duplex by being clearly subordinate to the primary dwelling unit, both in use and appearance.

3. **"Building permit"** means an official document or certification of the City of Tukwila issued by the City's building official which authorizes the construction, alteration, enlargement, conversion, reconstruction, remodeling, rehabilitation, erection, placement, demolition, moving, or repair of a building or structure.

4. **"City"** means the City of Tukwila, Washington, County of King.

5. **"Development activity"** means any construction, reconstruction, or expansion of a building, structure, or use, or any changes in use of a building or structure, or any changes in the use of land, requiring development approval.

6. **"Development approval"** means any written authorization from the City, which authorizes the commencement of the "development activity."

7. **"Encumber"** means to reserve, set aside, or earmark the parks impact fees in order to pay for commitments, contractual obligations, or other liabilities incurred for the provision of parks services.

8. "**Fee payer**" is a person, corporation, partnership, an incorporated association or governmental agency, municipality, or similar entity commencing a land development activity that requires a building permit and creates a demand for additional parks capital facilities.

9. "**Impact fee**" means the payment of money imposed by the City on development activity pursuant to this ordinance as a condition of granting development approval in order to pay for the parks facilities needed to serve growth and development that is a proportionate share of the cost of parks capital facilities used for facilities that reasonably benefit development. Impact fees do not include reasonable permit fees, application fees, administrative fees for collecting and handling parks impact fees, or the cost of reviewing independent fee calculations.

10. "**Low-income housing**" means housing where monthly costs, including utilities other than telephone, are no greater than 30% of the resident's household monthly income and where household monthly income is 80% or less of the King County Median family income adjusted for family size as reported by the U.S. Department of Housing and Urban Development.

11. "**Owner**" means the owner of record of real property, as found in the records of King County, Washington, or a person with an unrestricted written option to purchase property; provided, that if the real property is being purchased under a recorded real estate contract, the purchaser shall be considered the owner of the property.

12. "**Parks facilities**" means those capital facilities identified as park and recreational facilities in the City's Capital Facilities Plan.

13. "**Proportionate share**" means that portion of the cost for parks facility improvements that are reasonably related to the service demands and needs of development.

Section 7. TMC Section 16.28.040 is hereby reenacted to read as follows:

16.28.040 Parks Impact Fee Assessment

A. The City shall collect parks impact fees from applicants seeking development approvals from the City for any development activity in the City for which building permits are required, effective January 1, 2009, consistent with the provisions of this ordinance.

B. Parks impact fees shall be assessed at the time of a technically-complete building permit application that complies with the City's zoning ordinances and building and development codes. Parks impact fees shall be collected from the fee payer at the time the building permit is issued.

C. Except if otherwise exempt, the City shall not issue the required building permit unless or until the parks impact fees are paid.

Section 8. TMC Section 16.28.050 is hereby reenacted to read as follows:

16.28.050 Use of Parks Impact Fees

A. Pursuant to this ordinance, parks impact fees shall be used for parks facilities that will reasonably benefit growth and development, and only for park facilities addressed by the City's Capital Facilities Element of the Comprehensive Plan.

B. Fees shall not be used to make up deficiencies in City facilities serving an existing development.

C. Fees shall not be used for maintenance and operations, including personnel.

D. Parks impact fees shall be used for but not limited to land acquisition, site improvements, engineering and architectural services, permitting, financing, administrative expenses and applicable mitigation costs, and capital equipment pertaining to parks facilities.

E. Parks impact fees may also be used to recoup public improvement costs incurred by the City to the extent that growth and development will be served by the previously constructed improvement.

F. In the event bonds or similar debt instruments are or have been issued for parks facility improvements, impact fees may be used to pay the principal and interest on such bonds.

Section 9. TMC Section 16.28.060 is hereby reenacted to read as follows:

16.28.060 Parks Impact Fee Capital Facilities Plan

In order to collect parks impact fees, the City must first adopt a parks capital facilities plan as an element of the City's Comprehensive Plan. The City's Capital Facilities Plan for parks services shall consist of the following elements:

1. The City's capacity over the next six years, based on an inventory of the City's parks facilities both existing and under construction;

2. The forecast of future needs for parks facilities based upon the City's population projections;

3. A six-year financial plan component, updated as necessary, to maintain at least a six-year forecast for financing needed within projected funding levels;

4. Application of the formula set forth in this ordinance based upon the information in the capital facilities plan; and

5. City Council Action. No new or revised impact fee shall be effective until adopted by the City Council following a duly advertised public hearing to consider the City's Capital Facilities Plan or plan update, except for fees adjusted through the annual update process outlined in TMC Section 16.28.080.

Section 10. TMC Section 16.28.070 is hereby reenacted, thereby eliminating Figure 16-3, "2008 Tukwila Parks Impact Fees Calculation," and Figure 16-4, "Tukwila Parks Capital Facilities List," and shall read as follows:

16.28.070 Parks Impact Fee Formula

A. The impact fee formula is based on the assumptions found in "Tukwila Fire and Parks Impact Fee Rate Study, 2018," Exhibit A attached to the ordinance and by this reference fully incorporated herein. A fee schedule is codified as Figure 16-1, Fee Schedule, attached hereto as Exhibit B.

B. Each development shall mitigate its impacts on the City's parks facilities by payment of a fee that is based on the type of land use of the development, and proportionate to the cost of the parks facility improvements necessary to serve the needs of growth. For residential development, fee amount is based on number of units; for commercial development, fee amount is based on square footage of the development.

C. Applications for a change of use shall receive credit based on the existing use. This credit is calculated by deducting the fee amount of the existing use from the fee of the proposed use.

Section 11. TMC Section 16.28.080, "Annual Parks Impact Fee Updates," is hereby established to read as follows:

16.28.080 Annual Parks Impact Fee Updates

Park impact fee rates shall be updated annually using the following procedures:

1. The Director of Parks and Recreation ("Director") shall use the Construction Cost Index for Seattle (June-June) published by the Engineering News Record to calculate annual inflation adjustments in the impact fee rates. The parks impact fees shall not be adjusted for inflation should the index remain unchanged.

2. The impact fee rates, as updated annually per TMC Section 16.28.080(1), shall be effective January 1, 2019, and on January 1 of each year thereafter, and a copy shall be provided to the City Council.

Section 12. TMC Section 16.28.090 is hereby reenacted to read as follows:

16.28.090 Individual Project Parks Impact Fee Adjustments

A. The City may adjust a parks impact fee at the time the fee is imposed in order to consider unusual circumstances in specific cases to ensure that impact fees are imposed fairly.

B. In calculating the fee imposed on a particular development, the City shall permit consideration of studies and data submitted by a developer in order to adjust the amount of the fee. The developer shall submit an independent fee calculation study to the Director of Parks and Recreation, who shall review the study to determine that the study:

1. Is based on accepted impact fee assessment practices and methodologies;
2. Uses acceptable data sources and the data used is comparable with the uses and intensities planned for the proposed development activity;
3. Complies with the applicable state laws governing impact fees;
4. Is prepared and documented by professionals who are mutually agreeable to the City and the developer and who are qualified in their respective fields; and
5. Shows the basis upon which the independent fee calculation was made.

C. In reviewing the study, the Director of Parks and Recreation may require the developer to submit additional or different documentation. If an acceptable study is presented, the Director may adjust the fee for the particular development activity. The Director shall consider the documentation submitted by the applicant, but is not required to accept such documentation that the Director reasonably deems to be inaccurate or unreliable.

D. A developer requesting an adjustment or independent fee calculation may pay the impact fees imposed by this ordinance in order to obtain a building permit while the City determines whether to partially reimburse the developer by making an adjustment or by accepting the independent fee calculation.

Section 13. TMC Section 16.28.100 is hereby reenacted to read as follows:

16.28.100 Credits

In computing the fee applicable to a given development, credit shall be given for the fair market value measured at the time of dedication, for any dedication of land for improvements to, or new construction of, any parks facilities that are identified in the Capital Facilities Element and that are required by the City as a condition of approving the development activity.

Section 14. TMC Section 16.28.110 is hereby reenacted to read as follows:

16.28.110 Appeals

A. Any fee payer may pay the impact fees imposed by this ordinance under protest in order to obtain a building permit.

B. Appeals regarding parks impact fees imposed on any development activity may only be submitted by the fee payer of the property where such development activity will occur. No appeal shall be permitted unless and until the impact fee at issue has been paid.

C. Determinations by the City staff with respect to the applicability of parks impact fees to a given development activity, or the availability of a credit, can be appealed to the City's Hearing Examiner pursuant to this section.

D. An appeal shall be filed within 10 working days of payment of the impact fees under protest or within 10 working days of the City's issuance of a written determination of a credit or exemption decision by filing with the City Clerk a notice of appeal giving the reasons for the appeal and paying the accompanying appeal fee as set forth in the existing fee schedule for land use decisions.

Section 15. TMC Section 16.28.120 is hereby reenacted to read as follows:

16.28.120 Exemptions

A. The parks impact fees are generated from the formula for calculating the fees as set forth in this chapter. The amount of the impact fees is determined by the information contained in the adopted parks master plan and related documents, as appended to the City's Comprehensive Plan. All development activity located within the City shall be charged a parks impact fee; provided, that the following exemptions shall apply.

B. The following shall be exempt from parks impact fees:

1. Replacement of a structure with a new structure having the same use, at the same site, and with the same gross floor area, when such replacement is within 12 months of demolition or destruction of the previous structure.

2. Alteration, expansion, or remodeling of an existing dwelling or structure where no new units are created and the use is not changed.

3. Construction of an accessory residential structure.

4. Miscellaneous improvements including, but not limited to, fences, walls, swimming pools, and signs that do not create an increase in demand for parks services.

5. Demolition of or moving an existing structure within the City from one site to another.

6. Parks impact fees for the construction of low-income housing may be reduced when requested by the property owner in writing prior to permit submittal and subject to the following:

a. The property owner must submit a fiscal impact analysis of how a reduction in impact fees for the project would contribute to the creation of low-income housing; and

b. The property owner must record a covenant per RCW 82.02.060(3) that prohibits using the property for any purpose other than for low-income housing at the original income limits for a period of at least 10 years. At a minimum, the covenant must address price restrictions and household income limits for the low-income housing, and that if the property is converted to a use other than low income housing within 10 years, the property owner must pay the City the applicable impact fees in effect at the time of conversion.

c. Should the property owner satisfy the criteria in TMC Section 16.28.120.B.6., a and b, the fees will be reduced, based on the following table:

Unit Size	Affordability Target ¹	Fee Reduction
2 or more bedrooms	80% ²	40%
2 or more bedrooms	60% ²	60%
Any size	50% ²	80%
¹ – Units to be sold or rented to a person or household whose monthly housing costs, including utilities other than telephone, do not exceed 30% of the household's monthly income. ² – Percentage of King County Median family income adjusted for family size as reported by the U.S. Department of Housing and Urban Development.		

7. *Change of Use.* A development permit for a change of use that has less impact than the existing use shall not be assessed a parks impact fee.

8. A fee payer required to pay for system improvements pursuant to RCW 43.21C.060 shall not be required to pay an impact fee for the same improvements under this ordinance.

Section 16. TMC Section 16.28.125 is hereby reenacted to read as follows:

16.28.125 Residential Impact Fee Deferral

A. Applicability.

1. The provisions of this section shall apply to all impact fees established and adopted by the City pursuant to Chapter 82.02 RCW, including parks impact fees assessed under Tukwila Municipal Code Chapter 16.28.

2. Subject to the limitations imposed in the Tukwila Municipal Code, the provisions of this section shall apply to all building permit applications for single-family detached and single-family attached residential construction. For the purposes of this section, an "applicant" includes an entity that controls the named applicant, is controlled by the named applicant, or is under common control with the named applicant.

B. Impact Fee Deferral.

1. *Deferral Request.* Applicants for single-family attached or single-family detached residential building permits may request to defer payment of required impact fees until the sooner of:

- a. final inspection; or
- b. the closing of the first sale of the property occurring after the issuance of the applicable building permit;

which request shall be granted so long as the requirements of this section are satisfied.

2. *Method of Request.* A request for impact fee deferral shall be submitted at the time of preliminary plat application (for platted development) or building permit application (for non-platted development) in writing on a form or forms provided by the City, along with payment of the applicable application or permit fees.

3. *Calculation of Impact Fees.* The amount of impact fees to be deferred under this section shall be determined as of the date the request for deferral is submitted.

C. Deferral Term. The term of an impact fee deferral granted under this section may not exceed 18 months from the date the building permit is issued ("Deferral Term"). If the condition triggering payment of the deferred impact fees does not occur prior to the expiration of the Deferral Term, then full payment of the impact fees shall be due on the last date of the Deferral Term.

D. Deferred Impact Fee Lien.

1. *Applicant's Duty to Record Lien.* An applicant requesting a deferral under this section must grant and record a deferred impact fee lien, in an amount equal to the deferred impact fees, against the property in favor of the City in accordance with the requirements of RCW 82.02.050(3)(c).

2. *Satisfaction of Lien.* Upon receipt of final payment of all deferred impact fees for the property, the City shall execute a release of deferred impact fee lien for the property. The property owner at the time of the release is responsible, at his or her own expense, for recording the lien release.

E. Limitation on Deferrals. Each applicant for a single-family residential construction permit, in accordance with his or her contractor registration number or other unique identification number, is entitled to annually receive deferrals for the first 20 single-family residential construction building permits.

Section 17. TMC Section 16.28.130 is hereby reenacted to read as follows:

16.28.130 Refunds

A. If the City fails to expend or encumber the impact fees within 10 years from the date the fees were paid, unless extraordinary, compelling reasons exist for fees to be held longer than 10 years, the current owner of the property on which the impact fees were paid may receive a refund of such fees. Such extraordinary or compelling reasons shall be identified in written findings by the City Council.

B. The City shall notify potential claimants by first class mail that they are entitled to a refund. In determining whether impact fees have been expended or encumbered, impact fees shall be considered expended or encumbered on a first-in, first-out basis.

C. Owners seeking a refund must submit a written request for a refund of the fees to the City within one year of the date the right to claim a refund arises or notice is given, whichever comes later.

D. Any impact fees for which no application has been made within the one-year period shall be retained by the City and expended on appropriate parks facilities.

E. Refunds of impact fees shall include any interest earned on the impact fees by the City.

Section 18. TMC Section 16.28.140 is hereby reenacted to read as follows:

16.28.140 Authority Unimpaired

Nothing in this ordinance shall preclude the City from requiring the fee payer to mitigate adverse environmental effects of a specific development pursuant to the State Environmental Policy Act, Chapters 43.21C RCW and/or Chapter 58.17 RCW, governing plats and subdivisions, provided that the exercise of this authority is consistent with Chapters 43.21C and 82.02 RCW.

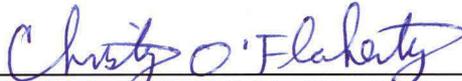
Section 19. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 20. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 21. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 7TH day of May, 2018.

ATTEST/AUTHENTICATED:



Christy O'Flaherty, MMC, City Clerk



Allan Ekberg, Mayor

APPROVED AS TO FORM BY:



Rachel B. Turpin, City Attorney

Filed with the City Clerk: 5-2-18
Passed by the City Council: 5-7-18
Published: 5-10-18
Effective Date: 5-15-18
Ordinance Number: 2572

Attachments: Exhibit A – Tukwila Fire and Parks Impact Fee Rate Study, 2018
Exhibit B – Fee Schedule

Tukwila

Fire and Park Impact Fee Rate Study, 2018

Rate Study to Update Tukwila's Fire and Parks Impact Fees

Prepared for:

The City of Tukwila



Prepared by:

BERK Consulting, Inc.



Date:

April 2018

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1 Introduction

1.1 PURPOSE

The City of Tukwila enacted Growth Management Act impact fees in 2008 in order to fund growth-driven needs in fire and emergency services and recreation, parks, and open space. In 2017, the City engaged BERK Consulting to update these rates to incorporate current growth projections, to respond to newly adopted fire and parks capital needs, and to address perceived shortcomings in the 2008 fee structure.

This study outlines the purpose and requirements for impact fees, documents the technical assumptions and methodology for fee calculation, presents the findings from these calculations, and includes proposed amendments to planning documents and an updated capital projects list.

1.1.1 Impact Fee Definition

Statutory

Growth Management Act impact fees are those fees charged by a local government on new development to recover a portion of the cost of capital facility improvements needed to serve that new development. Specifically, the Washington State Legislature outlined the intent of local impact fees in RCW 82.02.050:

(1) It is the intent of the legislature:

- (a) To ensure that adequate facilities are available to serve new growth and development;*
- (b) To promote orderly growth and development by establishing standards by which counties, cities, and towns may require, by ordinance, that new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development; and*
- (c) To ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same impact.*

(2) Counties, cities, and towns ... are authorized to impose impact fees on development activity as part of the financing for public facilities, provided that the financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees.

Impact fees may be charged to help pay for: public transportation and road facilities; fire protection facilities; schools; and public parks, open space, and recreation facilities. Local governments are authorized to charge fees only for system improvements that are reasonably related to the new development, do not exceed a proportionate share of the costs of necessary system improvements, and are only used for system improvements that will reasonably benefit the new development (RCW 82.02.050(3)). In addition, cities' "financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds" – i.e., impact fees cannot be the sole source of funding for system improvements that address growth impacts.

According to the provisions of RCW 82.02.060, impact fees must be adjusted for other revenue sources that are paid by development, if such payments are earmarked or proratable to particular system improvements. Likewise, the City must provide impact fee credit if the developer dedicates land or improvements identified in the City's adopted Capital Facilities Plan and such construction is required as a condition of development approval. Collected impact fees may only be spent on public facilities identified in a capital facilities plan and may only be spent on capital costs; they may not be used to pay for operating expenses or maintenance activities. (RCW82.02.050(4)).

Potential Deficiencies

Based on RCW 82.02.050(4), the capital facilities plan must identify “[d]eficiencies in public facilities serving existing development and the means by which existing deficiencies will be eliminated within a reasonable period of time,” and must distinguish such deficiencies from “[a]dditional demands placed on existing public facilities by new development.”

The extent to which deficiencies exist is determined by the level of service (LOS) standard that the City uses to measure the impact created by development.

Fire

As part of developing the 2016 Public Safety Plan, the City conducted a Facilities Needs Assessment that considered the state of the City's four fire stations, both in their ability to respond to current needs and anticipated future growth. That assessment found that all four stations are undersized and three have significant deficiencies (Investing in Tukwila, 2015-12-14, p 11).

However, those three stations with deficiencies are being relocated or replaced with facilities that not only address existing deficiencies but also plan for additional future growth. For example, capacity for additional apparatus bays were added to the plans for Stations 51 and 54 “to accommodate future population growth” (City of Tukwila, “Public Safety Plan Fire Station Programming and Budget Implications”, Information Memo, 2017-06-08, p 93 of Council Agenda Synopsis for Tukwila City Council Meeting of 2017-06-12). Only those portions of the plans to relocate and/or replace stations, apparatus, and equipment were considered in this study.

Parks

In the City of Tukwila's 2014 Parks, Recreation and Open Space Plan, 10 service access gaps were identified throughout the City (Tukwila PROS Plan: Parks and Recreation Needs Analysis, p 9). These gaps are based on a Level of Service standard that all residents and visitors should be within ¼ to ½ miles of a City-owned park (Needs Analysis, p 7). In compliance with RCW 82.02.050, these 10 gaps are not included in the capital projects used to calculate impact fees in this study. The capital projects used in this study are described in 2.1.6 Identified Capital Projects on page 11.

Project Eligibility

Impact fee legislation requires that impact fees only be used for system improvements that benefit the new development and relate to the demand from new development. To the extent these projects extend fire service and parks capacity, the growth-related portion of capital project costs can be funded by impact fees. RCW 82.02.050(3) specifies that impact fees:

- (a) *Shall only be imposed for system improvements that are reasonably related to the new development;*
- (b) *Shall not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and*
- (c) *Shall be used for system improvements that will reasonably benefit the new development.*

Examples of the types of Tukwila Fire Department and Tukwila Parks and Recreation projects that are impact-fee eligible include building additional square footage to accommodate future additional bays to planned fire stations, new fire equipment, development of the Tukwila Pond Trail and Boardwalk, installing artificial turf to athletic fields to allow increased hours of use. A list of the specific projects that could support growth is found in Appendix A.

1.1.2 Requirements for Impact Fee Rate Calculation

Impact fee must be assessed in accordance with the requirements of RCW 82.02 subsections 050 through 090. The schedule must be based on a formula or consistent method (RCW 82.02.060(1)). The fees must be adjusted for the share of future taxes or other available funding sources. The means by which the proportionate share reduction is calculated is guided by RCW 82.02.060:

- (1) *...In determining proportionate share, the formula or other method of calculating impact fees shall incorporate, among other things, the following:*
 - (a) *The cost of public facilities necessitated by new development;*
 - (b) *An adjustment to the cost of the public facilities for past or future payments made or reasonably anticipated to be made by new development to pay for particular system improvements in the form of user fees, debt service payments, taxes, or other payments earmarked for or proratable to the particular system improvement;*
 - (c) *The availability of other means of funding public facility improvements;*
 - (d) *The cost of existing public facilities improvements; and*
 - (e) *The methods by which public facilities improvements were financed.*

2 Fee Calculations

2.1 ANTICIPATED GROWTH

Based the available capital project lists, demographic projections, and 10-year expenditure window for collected impact fees, this study incorporates growth for the 10-year period between 2018 and 2027. Additional consideration was made for the following period within the City’s 20-year planning period of the Comprehensive Plan, 2028-2031 or later. As the City identifies capital projects in the later part of the planning period window, the City will update the rate schedule accordingly.

The City of Tukwila provided employment and household growth estimates for 2010-2030 consistent with the City of Tukwila assumptions for its long-range growth in consultation with PSRC. BERK incorporated

employment, population, household size, and housing unit data from the Office of Financial Management (OFM), Puget Sound Regional Council (PSRC), U.S. Census Bureau’s American Community Survey (ACS), the King County Countywide Planning Policies, and the City of Tukwila Comprehensive Plan. Using linear interpolation to adapt the twenty-year City estimates to the 10-year impact fee timeline, BERK found annual expected growth in employment and residential figures for population, housing, and household size. These results are split between commercial employees and residents below.

2.1.1 Residential: Population, Housing, and Household Size

The City of Tukwila provided internal estimates of growth in housing units. BERK calculated City of Tukwila resident population by applying PSRC household size estimates to the City’s housing unit estimates. These projections assume a linear growth trend, which is different from what the City will actually experience as projects tend to get built during economic upturns and construction slows during recessions and economic downturns.

Exhibit 1 shows household size, housing units, and population projections. Both PSRC and the U.S. Census Bureau’s ACS produce average household sizes for the City of Tukwila. The ACS estimates include a greater level of detail of the estimated population residing in different housing types, but the PSRC figures more closely align with the OFM population estimates prepared for counties and cities planning under the Growth Management Act. Generally, the PSRC figures are used in this study except when a greater level of detail is needed by housing type, in which case ACS estimates are used.

There are some small discrepancies between housing targets. The 2012 King County Countywide Planning Policies set growth targets for the City of Tukwila of 4,800 new housing units between 2006 and 2031. These targets were updated in the *King County Buildable Lands Report 2014*, where the 2031 housing unit target was adjusted to 4,773 more units by 2031 based on a base year of 2012 and accounting for residential building permits. The *City of Tukwila Comprehensive Plan* contains a 2031 housing target of 4,800 housing units (p 3-5). This analysis assumes an additional 4,773 units to be added between 2012 and 2031 given the updated status of the target. Using linear extrapolation between 2017 and 2031 results in a target of 3,108 new units by 2027.

Exhibit 1. Projected Household Size, 2017 and 2018-2027

YEAR	HOUSEHOLD SIZE	HOUSING UNITS	POPULATION
2017	2.51	7,833	19,660
2018	2.44	8,085	19,695
2027	2.27	10,749	24,367
2018-2027 Change		2,916	4,707

Notes: PSRC provides estimates for the average household size for 2025, 2030, 2035, and 2040. BERK used linear extrapolation between these years to estimate the expected annual household size.
Sources: OFM, 2017; City of Tukwila, 2017; PSRC, 2008-2017; BERK Consulting, 2017.

The King County Countywide Planning Policies set growth targets for the City of Tukwila that represent a 40% increase in housing units by the end of 2027.

The King County Countywide Planning Policies do not differentiate between housing types in growth targets. To find the expected breakdown of single family and multifamily, BERK used the historic housing type estimates from OFM's Postcensal Estimates of Housing Units reports to find the expected change in single family/multifamily. Exhibit 2 shows projected housing unit growth by type.

Exhibit 2. Projected Change in Housing Units by Type, 2018-2027

HOUSING TYPE	UNITS
Single Family	1,412
Multifamily	1,504
2018-2027 Change	2,916

Note: OFM includes three categories – Single Family, Multifamily, and Mobile Homes/Specials; for this analysis, Mobile Homes/Specials were included in Single Family.

Sources: City of Tukwila, 2017; ACS, 2011-2015; BERK Consulting, 2017.

2.1.2 Commercial: Employment

The City of Tukwila provided estimates of employment growth for 2013-2030, which BERK interpolated using PSRC's most recent 2015 employment estimates to fit the 2018-2027 impact fee timeline. Employment projections for 2018-2027 are shown in Exhibit 3 below.

Exhibit 3. Projected Employment, 2013-2030

YEAR	EMPLOYMENT
2013	45,098
2017	50,330
2018	50,924
2027	56,599
2018-2027 Change	6,269

Sources: City of Tukwila, 2017; PSRC, 2008-2015; BERK Consulting, 2017.

While not as large of an increase as is estimated for housing, the PSRC estimates suggests a significant increase in employees of 12.5% over a ten-year period.

2.1.3 Funding Other than Impact Fees

BERK used historic budget actuals provided by the City to find the expected share of funding related to growth – please see 2.1.10 Proportionate Share on page 15.

2.1.4 Level of Service and Methodology

To collect impact fees for parks, the City of Tukwila has identified parks facilities and services necessary to support growth. By law, these projects must be addressed in a capital facilities plan (RCW 82.02.050(4)). The Growth Management Hearing Board concluded in McVittie 1999 that local governments need a locally-established minimum standard to provide the basis for objective measurement

of need for those projects necessary to support growth (McVittie, 99-3-0016c, FDO, at 25), or a Level of Service (LOS) standard.

The City of Tukwila created five land use categories for determining Fire and Parks Impact Fees. These five categories are:

- Residential: Single Family
- Residential: Multi-Family
- Commercial: Retail
- Commercial: Office
- Commercial: Industrial

Tukwila Fire Department uses a response time approach as a Level of Service standard. A response time LOS standard is included in both the 2008 *Tukwila Fire Department Comprehensive Master Plan* and the 2017 *City of Tukwila Fire Station Location Study*. The existing system investment is what the City has determined is necessary to maintain their identified LOS standard for the current population.

In order to maintain this standard, the Fire Department needs to add capacity to respond to development driven increases in fire service incidents. To determine the cost of the additional needed capacity on a per residential unit and per commercial square foot basis, BERK estimated the 2017 replacement cost of the Tukwila Fire Department's system divided by the number of incidents per development type. This created a cost per incident. Combining the average number of incidents per development type with the cost per incident produced a cost per unit. Each step is described below.

To find the 2017 replacement cost, BERK estimated the cost of the land, facilities, and equipment/apparatus. The methodology for each is described separately.

Land: To determine the replacement cost of the Tukwila Fire Department's land, BERK used GIS and King County Assessor data to find the average land value within one-quarter mile of each the four current Tukwila Fire Department stations. These land values ranged from \$8-\$15 per square foot; by multiplying the surrounding aggregate land value per square foot by the fire lot square feet, BERK estimated the land values for each of the four fire station parcels.

Facilities: The City recently received updated cost estimates for replacing and/or relocating three of the four fire stations (stations 51, 52, and 54). BERK generated a station-level cost per square foot by dividing the estimated project cost by the proposed square footage. The existing station sizes were multiplied by the cost per square foot to find a replacement cost for the stations as they exist today. The cost of the Tukwila Emergency Operations Center (EOC) was separated from station 51, where it is currently housed, and brought out as a separate project as part of the planned Tukwila Justice Center, which will include the EOC.

Equipment and Apparatus: Using a combination of data from the 2008 *Tukwila Fire Department Comprehensive Master Plan*, City financial records of fire capital investments from 2008-2017, and the City's fleet services replacement schedule for fire equipment and apparatus, an estimate of the replacement costs for the City's fire equipment and apparatus inventory was calculated.

Adding these three figures together, BERK estimates that the 2017 total replacement value of Tukwila Fire Department System is estimated to be approximately \$51.0M; please see Exhibit 4 for a

breakdown by investment type. For the complete inventory valuation, see **Error! Reference source not found.**

Exhibit 4. Tukwila Fire Department System Replacement Cost, 2017

SYSTEM INVESTMENT TYPE	TOTAL VALUE (2017\$)
Land	\$2,838,000
Stations	\$46,800,000
Equipment and Apparatus	\$8,225,000
Total	\$57,863,000

Sources: Tukwila Fire Department, 2008, City of Tukwila, 2008-2017; King County Assessor's Office, 2017; BERK Consulting, 2017.

With the system replacement cost estimate, the number of incidents were needed to create a cost per incident. Using a 10-year period of data, BERK analyzed Tukwila Fire Department fire and emergency responses between 2008 and 2017 (the 2017 data only covered a portion of the year). The 46,475 response incidents from this period were summarized by property type to find the number of response incidents produced by each of the five impact fee land use categories. The incidents per property type were analyzed for anomalies and the 2016 incident data, the most recent full data set, was used to project future incidents. Incidents that could not be directly attributed to one of the five property types were allocated based on the proportionate share of directly attributable incidents of each property type to the total.

The Tukwila Fire Department uses the National Fire Incident Reporting System (NFIRS) to categorize all department responses by address, response type, duration, etc. BERK aligned the NFIRS categories with the City's five impact fee categories (Single Family, Multifamily, Retail, Office, and Industrial) to create annual and total incidents per type. The Tukwila Fire Department incidents analysis is summarized in Exhibit 5 below.

Exhibit 5. Tukwila Fire Department Fire and Emergency Response Incidents by Property Type, 2016

	2016 INCIDENTS	% OF TOTAL
Residential		
Single Family	973	18%
Multifamily	1,182	22%
<i>Residential Subtotal</i>	<i>2,154</i>	<i>40%</i>
Commercial		
Retail	2,034	38%
Office	806	15%
Industrial	329	6%
<i>Commercial Subtotal</i>	<i>3,169</i>	<i>60%</i>
All Incidents	5,323	100%

Notes: Using the National Fire Incident Reporting System (NFIRS), Tukwila Fire Department maintains records of all department responses by address, response type, duration, etc.

Sources: Tukwila Fire Department, 2008-2017; BERK Consulting, 2017.

Parks

Tukwila Parks and Recreation has two LOS standards, one as outlined in the 2014 PROS Plan based on access, and one included in the proposed amended version of the 2014 PROS Plan based on the per capita investment.

- Parks LOS 1: All residents and visitors should be within ¼ to ½ mile of a City-owned park.
- Parks LOS 2: The investment per capita of the City’s park systems including land and facilities commensurate with the current level of investment as growth occurs.

Taken together, these LOS standards direct the City’s response to increased demand, both growth related and due to changes in population.

BERK estimated the replacement value of park investments per capita for the City’s park system, including both land and facilities. This analysis can be used to determine the total new investment that would be needed to keep the current level of investment per capita accounting for future population and employment growth.

Land: to determine the replacement cost of Tukwila Parks and Recreation’s land, BERK used GIS and King County Assessor data to find the average land value within one-quarter mile of each of the 22 Tukwila Parks and Recreation parks. These land value ranged from \$5-\$21 per square foot; but multiplying the surrounding aggregate land value per square foot by the parks’ square feet, BERK estimated the land values for each of the 22 parks parcels.

Improvements: to determine the replacement cost of the improvements located on parks parcels, BERK coordinated with Tukwila Parks and Recreation to generate an inventory of all facility improvements, and

their respective replacement costs. Facilities inventoried ranged from playgrounds, restrooms, and fields to trails, lighting, and shelters; improvements that increased the usability and capacity of park land.

Adding these two figures together, BERK estimates that the 2017 total replacement value of Tukwila Parks and Recreation system is \$107.9M; please see Exhibit 6 for a breakdown by investment type.

Exhibit 6. Parks and Recreation System Replacement Cost, 2017

SYSTEM INVESTMENT TYPE	TOTAL VALUE (2017\$)
Land	\$74,700,000
Improvements	\$33,200,000
Total	\$107,900,000

Sources: King County Assessor's Office, 2017; City of Tukwila, 2015-2017; BERK Consulting, 2017.

2.1.5 Capital Plans

The City of Tukwila has developed a capital project list that includes investments to support and facilitate the increased usage of existing park and recreation assets to meet growing demand as well as strategic expansions of the system as opportunities arise. This list of projects needed to accommodate future growth is used to calculate a base LOS Standard for impact fee rate setting, as described below.

2.1.6 Identified Capital Projects

The City of Tukwila adopted the *2017-2022 Financial Planning Model and Capital Improvement Program (CIP)* in December of 2016. The *CIP* has the identified capital improvement projects for both Tukwila Parks and Recreation and the Tukwila Fire Department for the next six years. In addition to a description of each project, the *CIP* contains annual cost projections and expected revenues.

As part of the process of updating the fire and parks impact fee rates, the City has proposed to amend the *CIP* to reflect updated project cost estimates and recalculated impact fee eligibility based on updated growth projections.

With these changes, the amended *CIP* contains the identified capital projects used to update the impact fee program. Appendix A: List of System Improvements, lists the 13 projects identified by City of Tukwila staff related to serving new growth and Exhibit 7 provides a summary of those system improvements that are impact fee eligible.

Exhibit 7. Impact Fee Eligible System Improvement Projects

	NUMBER OF PROJECTS	TOTAL PROJECT COST	ANTICIPATED PROJECT FUNDING FROM IMPACT FEES	PERCENT OF TOTAL COST FUNDED BY IMPACT FEES
Fire Impact Fee Eligible	4	\$74,846,000	\$18,791,720	25%
Parks Impact Fee Eligible	9	\$46,722,000	\$23,561,750	50%
Total	13	\$121,568,000	\$42,353,470	35%

Note: One transportation project, the TUC Pedestrian Bridge, was identified in the CIP as parks impact fee eligible and is included in Impact Fee Eligible Parks Projects total.

Sources: City of Tukwila CIP 2017-2022; BERK Consulting, 2017.

Working with City staff, BERK calculated impact fee-eligible costs associated with each project by estimating the portion of each project that is related to growth, resulting in an estimated impact fee-eligible need of \$42M. This need is based on the projects identified at the time of this memo; as part of the periodic update of master planning documents, especially the six-year CIP, the City of Tukwila will update the capital project list and additional value needed. In addition to the periodic review as required by the Washington State Growth Management Act, the City has included provisions in both impact fees to allow for automatic inflation adjustments.

Funding Other than Impact Fees

The identified need under the base LOS was also reduced by subtracting other funding sources that have already been identified to fund these projects. The proposed ordinance includes up to 80% discounts of the fee for low-income housing as allowed in RCW 82.02. The City identified expected funding for parks capital facilities in the CIP. The draft impact fee eligible project list included with this memo identifies any funding other than impact fees by project.

2.1.7 Future Need

Fire: The future need for fire will be determined by the number of incidents produced by new development. As described in 2.1.4 Level of Service and Methodology on page 7 above, BERK used past incidents information to estimate typical number of incidents by commercial development type.

Parks: Unlike fire, the City’s financial need related to growth for Parks is the lesser of two numbers – the future needs identified by the LOS standards or the capital projects that the City has identified. Any given LOS standard may suggest that City will need to invest in capital projects at a level that is not physically or financially possible. For example, the City’s parks access-based LOS standard may suggest a necessary investment that in an area where there is no land available.

Exhibit 8 below contains the comparison between the expected need using the per capita system investment LOS service standard and the planned capital projects that the City has identified.

Exhibit 8. Parks Future Needs Identified by Per Capita LOS Standard and Identified Capital Projects

	2017 SERVICE POPULATION	VALUE (2017\$)	NEW SERVICE POPULATION, 2018-2027	IDENTIFIED NEED, 2018-2027 (2017\$)
Residential	19,660		4,707	
Visitor (Commercial)	50,330		7,334	
Total	69,990	\$107,900,000	12,041	
Per Capita System Investment Value		\$1,542		

Expected Need to Keep Investment per Capita	\$18,562,972
Planned Projects	\$23,561,750
Per Capita Share of Planned Projects	\$1,957
Study Per Capita Need (System Investment)	\$1,542

Source: City of Tukwila, 2017; BERK Consulting, 2017.

2.1.8 Service Areas

Both the Tukwila Fire Department and the City of Tukwila have one service area that corresponds with the City’s boundaries. The Tukwila Fire Department has service sharing agreements with adjacent fire districts which result in some responses to incidents outside of City limits and also results in some City incidents including responses from other fire departments.

2.1.9 Unadjusted Rate Schedules

For both fire and parks impact fees, BERK found the expected fee by development before adjusting for expected proportionate share.

In keeping with the existing impact fee structure, BERK calculated five fees depending upon the development type. These five are:

- Residential: Single Family
- Residential: Multi-Family [determine how ADUs will be addressed]
- Commercial: Retail
- Commercial: Office
- Commercial: Industrial

For residential development, impact fees are charged per dwelling unit, not per person. To connect residential units by type to the number of people, this study used information from the U.S. Census Bureau’s ACS 5-Year Estimates. The single-family dwellings were assumed to have an average of 2.89 people living in them compared to an average of 2.51 in multi-family dwellings (see Exhibit 2 on page 7 for more information).

For impact fees collected on commercial developments, fees are charged per 1,000 square feet of development. The unadjusted rates are as shown in

Exhibit 9 below.

Exhibit 9. Unadjusted Rate Schedules for Fire and Parks by Development Type

FIRE: RESIDENTIAL	SINGLE FAMILY	MULTIFAMILY	TOTAL
2016 Residential Units	3,795	4,004	7,799
2016 Incidents per Property Type	973	1,182	2,154
Average Incidents per Residential Unit Type	0.256	0.295	
Cost per Incident			\$10,870
Unadjusted Fee: Cost per Unit	\$2,785.67	\$3,207.96	

FIRE: COMMERCIAL	RETAIL	OFFICE	INDUSTRIAL	TOTAL
2016 Built Square Feet	7,087,600	7,183,598	13,778,128	28,049,326
2016 Incidents per Property Type	2,034	806	329	3,169
Incidents per Built 1,000 Sq. Ft.	0.287	0.112	0.024	
Cost per Incident				\$10,870
Unadjusted Fee: Cost per 1,000 Gross Sq. Ft.	\$3,119.80	\$1,219.63	\$259.36	

PARKS: RESIDENTIAL	SINGLE FAMILY	MULTIFAMILY	TOTAL
Identified Service Area Capital Need from Growth			\$23,561,750
Per Capita Investment Needed to Respond to Growth for Service Area Population			\$1,542
Household Size	2.89	2.51	
Unadjusted Fee: Cost per Unit	\$4,448.83	\$3,875.51	

PARKS: COMMERCIAL	RETAIL	OFFICE	INDUSTRIAL	TOTAL
Identified Service Area Capital Need from Growth				\$23,561,750
Per Capita Investment Needed to Respond to Growth for Service Area Population				\$1,542
Expected Employees per 1,000 Sq. Ft.	2.47	2.22	1.23	
Unadjusted Fee: Cost per 1,000 Gross Sq. Ft.	\$3,803.22	\$3,422.54	\$1,890.51	

Sources: BERK Consulting, 2017

These schedules represent intermediary steps to a final rate schedule; each must be adjusted for the expected proportion of future funding contributed by growth.

2.1.10 Proportionate Share

As required RCW 82.02.030(1), BERK calculated the proportionate share of future payments reasonably anticipated to be made by new development users in the form of fees, debt service payments, taxes, and other payments specific to the identified public facilities.

To project these on-going revenue sources, BERK evaluated financial actuals provided by City staff for 2008-2017 (in the case of 2017, budgeted amounts were used as the year had not been completed at the time of this study). These revenues were inflation-adjusted to a single year dollar basis using the Puget Sound-area All Urban Consumer Price Index. In total, 15 revenue sources were projected through the study period. Revenues were finally converted into per capita estimates for consistency with this study's growth projection methodology.

The historic portion of general fund used to for fire and parks projects was used and applied to projected future general fund revenues to find the amount expected to be spent on fire and parks capital projects from general fund revenues.

Exhibit 10. Proportionate Share of Expected Fire and Parks Revenues

FIRE REVENUES	
Average 2018-2027 Annual Fire Capital Revenues	\$2,562,800
Average 2018-2027 Service Population	76,291
Estimated 2018-2027 Fire Per Capita Contribution	\$33.59

PARKS REVENUES	
Average 2018-2027 Annual Parks Capital Revenues	\$1,052,487
Average 2018-2027 Service Population	76,291
Estimated 2018-2027 Parks Per Capita Contribution	\$13.80

Note: All amounts show in 2017 dollars. Source: BERK Consulting, 2017.

2.1.11 Adjusted Rate Schedule

BERK incorporated the proportionate share revenue estimates in the unadjusted rates to create adjusted rate schedules. The park rate schedule for commercial property types was further adjusted to reflect the usage differential between employees and residents, referred to as the population coefficient adjustment (assuming 9 hours x 5 days = 45 hours per week for employees versus 12 hours x 7 days = 84 hours for residents). These rate schedules represent the final rate study calculation of suggested impact fee rates. The adjusted rate schedules are presented in Exhibit 11 below.

Exhibit 11. Adjusted Rate Schedules for Fire and Parks by Development Type

FIRE: RESIDENTIAL	SINGLE FAMILY	MULTIFAMILY	TOTAL
2016 Units	3,795	4,004	7,799
2016 Incidents per Property Type	973	1,182	2,154
Average Incidents per Unit	0.256	0.295	
Cost per Incident			\$10,870
Unadjusted per Unit Fee	\$2,785.67	\$3,207.96	
Expected Revenue per Capita			\$33.59
People per Unit	2.89	2.51	
Expected Revenue per Unit	\$96.94	\$84.45	
Adjusted Fire Impact Fee Rates per Unit ***	\$2,688.73	\$3,123.51	

FIRE: COMMERCIAL	RETAIL	OFFICE	INDUSTRIAL	TOTAL
2016 Built Square Feet	7,087,600	7,183,598	13,778,128	28,049,326
2016 Incidents per Property Type	2,034	806	329	3,169
Incidents per Built 1,000 Gross Sq. Ft.	0.287	0.112	0.024	
Cost per Incident				\$10,870
Unadjusted Fee per 1,000 Gross Sq. Ft.	\$3,119.80	\$1,219.63	\$259.36	
Expected Revenue per Employee				\$33.83
Employees per 1,000 Gross Sq. Ft.	2.47	2.22	1.23	
Expected Revenue per 1,000 Gross Square Feet	\$82.87	\$74.58	\$41.19	
Adjusted Fire Impact Fee Rates per 1,000 Gross Sq. Ft. ***	\$3,036.96	\$1,145.05	\$218.16	

*** Before effect of City policy decisions.

PARKS: RESIDENTIAL	SINGLE FAMILY	MULTIFAMILY	TOTAL
Identified Service Area Capital Need from Growth			\$23,531,750
Per Capita Investment Needed to Respond to Growth for Service Area Population			\$1,542
Household Size	2.89	2.51	
Unadjusted per Unit Fee	\$4,448.83	\$3,875.51	
Expected Revenue per Capita			\$13.80
People per Unit	2.89	2.51	
Expected Revenue per Unit	\$39.81	\$34.68	
Adjusted Parks Impact Fee Rates per Unit ***	\$4,409.02	\$3,840.83	

PARKS: COMMERCIAL	RETAIL	OFFICE	INDUSTRIAL	TOTAL
2016 Built Square Feet	7,087,600	7,183,598	13,778,128	28,049,326
Identified Service Area Capital Need from Growth				\$23,531,750
Per Capita Investment Needed to Respond to Growth for Service Area Population				\$1,542
Expected Employees per 1,000 Sq. Ft.	2.47	2.22	1.23	
Expected Employees Adjusted for Population Coefficient	1.32	1.19	.66	
Unadjusted Fee per 1,000 Gross Sq. Ft.	\$2,034.97	\$1,834.56	\$1,017.49	
Expected Revenue per Employee				\$13.80
Expected Employees per 1,000 Sq. Ft.	2.47	2.22	1.23	
Expected Revenue per 1,000 Gross Sq. Ft.	\$34.03	\$30.63	\$16.92	
Adjusted Parks Impact Fee Rates per 1,000 Gross Sq. Ft. ***	\$2,000.94	\$1,803.93	\$1,000.57	

Sources: BERK Consulting, 2017

*** Before effect of policy decisions by City.

3 Plan Amendments

As part of the process of updating the fire and parks impact fee rates, two City planning documents were amended to reflect updated information

3.1 FINANCIAL PLANNING MODEL AND CAPITAL IMPROVEMENT PROGRAM

The City amended the *2017-2022 Financial Planning Model and Capital Improvement Program (CIP)* to reflect updated project cost estimates, recalculated impact fee eligibility based on current growth projections, and adjusted projects.

3.2 TUKWILA PARKS, RECREATION AND OPEN SPACE PLAN

The City amended the *2014 Tukwila Parks, Recreation and Open Space Plan (PROS Plan)* to include a second Level of Service standard of maintaining the system value per capita as growth occurs, to allow the City to respond to growth in those areas where a park was already within $\frac{1}{4}$ to $\frac{1}{2}$ mile of development as well as to respond to growth in newly developing areas.

4 Attachments

4.1 APPENDIX A: LIST OF SYSTEM IMPROVEMENTS

4.1.1 Fire System Improvements List

4.1.2 Parks System Improvements List

4.1 APPENDIX A: LIST OF SYSTEM IMPROVEMENTS

4.1.1 Fire System Improvements List

FIRE PROJECT NAME	COST (2017\$)	IMPACT FEE ELIGIBLE	PROJECT FUNDING FROM IMPACT FEES	% OF PROJECT FUNDED BY IF
Relocate Fire Station 51	\$12,509,000	Yes	\$4,254,320	34%
Replace Fire Station 52	\$17,652,000	Yes	\$7,455,960	42%
Replace Fire Station 54	\$14,753,000	Yes	\$7,081,440	48%
Fire Apparatus & Equipment	\$29,932,500	Yes	0	0%
Total	\$74,846,000	4	\$18,791,720	25%

Sources: City of Tukwila and Tukwila Fire Department, 2017; BERK Consulting, 2017.

4.1.2 Parks System Improvements List

PARKS PROJECT NAME	COST (2017\$)	IMPACT FEE ELIGIBLE	PROJECT FUNDING FROM IMPACT FEES	% OF PROJECT FUNDED BY IF
Park Acquisition	\$2,200,000	Yes	\$2,200,000	100%
Park Improvements	\$1,838,000	Yes	\$459,500	25%
Duwamish Hill Preserve	\$8,018,000	Yes	\$2,004,000	25%
Tukwila Pond Trail & Boardwalk	\$7,250,000	Yes	\$5,437,500	75%
Tukwila South Trail	\$6,525,000	Yes	\$4,893,750	75%
Macadam Winter Garden & Wetland	\$1,450,000	Yes	\$725,000	50%
Open Space Improvements	\$5,800,000	Yes	\$4,350,000	75%
Tukwila Urban Center Pedestrian Bridge	\$10,741,000	Yes	\$1,317,000	12%
Synthetic Turf Field	\$2,900,000	Yes	\$2,175,000	75%
Total	\$46,722,000	9	\$23,561,750	50%

Sources: City of Tukwila, 2017; BERK Consulting, 2017.

4.2 APPENDIX B: VALUATION FOR FIRE AND PARKS

4.2.1 Fire

Exhibit 12. Summary of Fire Assets and Values

ASSET TYPE		NUMBER	VALUE (2017\$)
Apparatus	45 vehicles and equipment, including 5 pumpers		\$8,224,500
Land	4 Parcels		\$2,838,167
Fire Stations	4 Stations, 1 EOC		\$46,800,328
Total			\$57,862,995

Exhibit 13. Fire Equipment and Apparatus

FIRE EQUIPMENT AND APPARATUS DESCRIPTION	TOTAL VALUE (2017\$)
Chevy Lumina sedan	\$30,000
Ford Taurus sedan	\$40,000
Ford Crown Victoria sedan	\$55,000
Ford Expedition SUV	\$70,000
Ford Expedition SUV	\$42,322
International rescue truck	\$275,000
Darley pumper	\$700,000
Darley pumper	\$700,000
MCI Tow vehicle	\$80,000
Quad Cab Pickup 4x4	\$79,000
Ford Expedition SUV	\$65,000
Trailer, mass casualty	\$35,000
Trailer, mass casualty	\$35,000
Aerial ladder truck, Pierce	\$1,800,000
Pumper, Ferrara	\$700,000
Pumper, Ferrara	\$700,000
Pumper, Pierce	\$875,000
Pumper, Pierce	\$875,000
Van, Chevy Astro	\$30,000
½ Ton Pickup, Chevy	\$50,000
¾ Ton Pickup, Ford	\$60,000
¾ Ton Pickup, Ford extended cab	\$65,000
½ Ton Pickup, extended cab	\$80,000
Ford Expedition SUV	\$80,000
Ford Expedition SUV	\$80,000
Trailer	\$2,000
Trailer, 32 FT	\$25,500

Trailer, Strong Boy, Tria-axle	\$71,000
Trailer, Carnai, Rescue boat	\$1,500
Trailer, Utility	\$3,000
Trailer, Whiteman	\$10,000
Trailer, Haulmark	\$90,000
Trailer Cargomate	\$10,000
Utility, John Deere HPX Gater	\$12,000
Flatbed Ford Super duty	\$60,000
Forklift Hyster	\$20,000
Boat, rescue	\$30,000
Generator, trailer-mounted	\$25,000
Trailer, EZ Loader	\$10,000
Boat, Woolridge (50% Fire, 50% Police)	\$25,000
Boat, Woolridge (50% Fire, 50% Police)	\$25,000
Trailer, EZ Loader	\$5,500
Ford Escape SUV	\$30,000
Trailer, Cargomate	\$10,000
Trailer, Cargomate	\$10,000
Aid Car, Ford Rescue	\$190,000
Total Apparatus Replacement Cost (2017\$)	\$8,224,500

Exhibit 14. Fire Land Values

STATION	ADDRESS	FIRE LOT SQ. FT.	AGGREGATE LAND VALUE/SQ. FT. (2017\$)	PROJECTED FIRE LAND VALUE (2017\$)
Station 51	444 Andover Park E	81,000	\$15.32	\$1,241,182
Station 52	5900 S 147th St	50,530	\$8.14	\$411,454
Station 53	4202 S 115th St	111,064	\$7.76	\$862,121
Station 54	4237 S 144th St	38,860	\$8.32	\$323,411
Totals		281,454		\$2,838,167

Exhibit 15. Fire Station Values

STATION	ADDRESS	EXISTING FIRE SQ. FT.	COST PER SQ. FT. (2017\$)	PROJECTED REPLACEMENT COST FOR FIRE STATIONS (2017\$)
Station 51	444 Andover Park E	17,700	\$1,048	\$21,247,262
Station 52	5900 S 147th St	3,350	\$1,171	\$3,779,372
Station 53	4202 S 115th St	14,000		\$15,794,389
Station 54	4237 S 144th St	5,300	\$1,165	\$5,979,304
EOC (Housed in Station 51)	444 Andover Park E		\$1,350	
Totals		40,350		\$46,800,328

4.2.2 Parks

Exhibit 16. Summary of Parks Assets and Values

ASSET TYPE	VALUE (2017\$)
Equipment and Investments	\$33,224,110
Land	\$74,675,648
Total	\$107,899,758

Exhibit 17. Parks Land Values

PARK NAME	PARK SQ. FT.	AVERAGE LAND VALUE PER SQ. FT.	PROJECTED PARK LAND VALUE
57th Ave South Park	17,424	\$5.05	\$168,976
Cascade View Park	104,544	\$12.08	\$1,204,125
Crystal Springs Park	479,160	\$7.26	\$3,502,305
Hazelnut Park	26,136	\$7.44	\$211,610
Riverton Mini Park	4,356	\$11.39	\$53,156
Tukwila Park	278,784	\$10.44	\$2,950,349
Bicentennial Park	56,628	\$16.46	\$995,237
Codiga Park	291,852	\$14.99	\$4,479,299
Duwamish Hill Preserve	378,972	\$13.40	\$4,574,921
Fort Dent Park (Starfire Sports Complex)	2,234,628	\$7.11	\$17,300,293
Ikawa Park (Japanese Garden)	8,712	\$13.57	\$133,423
Macadam Wetlands & Winter Garden	431,244	\$7.60	\$3,422,262
Tukwila Community Center	553,212	\$13.00	\$7,108,895
Tukwila Pond Park	513,480	\$37.53	\$19,269,943
Black River Lot	13,068	\$6.19	\$78,589
Christensen Road Property/Riverview Plaza Riverfront	130,680	\$17.30	\$2,371,865
Green River Lot	4,356	\$13.28	\$65,665
Interurban Hill Lot	74,052	\$6.83	\$587,357
Southgate Park	474,804	\$9.63	\$4,666,669
Tukwila Hill	78,408	\$6.84	\$586,807
Tukwila Parkway	43,560	\$15.17	\$741,420
Wilcox Drive/Pamela Drive Open Space	30,492	\$4.02	\$202,482
Total	9,682,860		\$74,675,648

CITY OF TUKWILA
PARK IMPACT FEE SCHEDULE
EXHIBIT B

	Unadjusted Fee (e)	Adjusted fee (e)	Fee Reduction (f)	PARK Impact Fee
RESIDENTIAL - per dwelling unit				
(a) Single family	\$ 4,449	\$ 4,409	40%	\$ 2,669
(b) Multi-family	\$ 3,876	\$ 3,841	40%	\$ 2,325
COMMERCIAL/NON-RESIDENTIAL				
- per 1,000 square feet of development				
(c) Retail	\$ 2,035	\$ 2,001	40%	\$ 1,221
(c) Office	\$ 1,835	\$ 1,804	40%	\$ 1,101
(d) K-12 Educational facilities				\$ 220
(c) Industrial/manufacturing	\$ 1,017	\$ 1,001	40%	\$ 610

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- (a) Attached accessory dwelling units are exempt from impact fees.
 - (b) A structure with more than two dwelling units.
 - (c) See the more detailed land use descriptions in the Land Use Categories document.
 - (d) 80% discount for K-12 educational facilities.
 - (e) From the "Tukwila Fire and Park Impact Fees Rate Study, 2018".
 - (f) Fee reduction to retain economic competitiveness.

City of Tukwila Public Notice of Ordinance Adoption for Ordinances 2571-2575.

On May 7, 2018 the City Council of the City of Tukwila, Washington, adopted the following ordinances, the main points of which are summarized by title as follows:

Ordinance 2571: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NOS. 2486 AND 2365, AS CODIFIED IN TUKWILA MUNICIPAL CODE CHAPTER 16.26; REPEALING ORDINANCE NO. 2521 §4, 5 AND 6; REENACTING TMC CHAPTER 16.26, "FIRE IMPACT FEES," TO AMEND THE PROCESS FOR IMPOSING AND ADMINISTERING FIRE IMPACT FEES TO BETTER ADDRESS THE NATURE OF DEVELOPMENT ACTIVITY IN TUKWILA; ADDING REGULATIONS RELATING TO ANNUAL FIRE IMPACT FEE UPDATES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2572: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NOS. 2485 AND 2366, AS CODIFIED IN TUKWILA MUNICIPAL CODE CHAPTER 16.28; REPEALING ORDINANCE NO. 2521 §7, 8 AND 9; REENACTING TMC CHAPTER 16.28, "PARKS IMPACT FEES," TO AMEND THE PROCESS FOR IMPOSING AND ADMINISTERING PARKS IMPACT FEES TO BETTER ADDRESS THE NATURE OF DEVELOPMENT ACTIVITY IN TUKWILA; ADDING REGULATIONS RELATING TO ANNUAL PARKS IMPACT FEE UPDATES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2573: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2430 TO ADOPT AN AMENDED 2014 PARKS, RECREATION AND OPEN SPACE PLAN FOR THE CITY OF TUKWILA; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2574: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2559 RELATING TO THE ISSUANCE OF ONE OR MORE SERIES OF LIMITED TAX GENERAL OBLIGATION BONDS TO FINANCE AND/OR REIMBURSE COSTS RELATED TO THE ACQUISITION OF LAND AND THE CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF MAINTENANCE AND OTHER CITY FACILITIES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2575: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING VARIOUS ORDINANCES TO ELIMINATE TUKWILA MUNICIPAL CODE CHAPTER 5.10, "ADULT CABARETS"; REPEALING AND AMENDING VARIOUS ORDINANCES AS CODIFIED IN TUKWILA MUNICIPAL CODE CHAPTER 5.56, "ADULT ENTERTAINMENT CABARETS," TO CLARIFY AND UPDATE REGULATIONS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of this ordinance will be provided upon request.

Christy O'Flaherty, MMC, City Clerk

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