



BUCKLEY CITY COUNCIL STUDY SESSION AGENDA

Tuesday, February 4, 2025, 6:00 P.M.

Multi-Purpose Center, 811 Main Street

Or Via Zoom:

<https://us02web.zoom.us/j/82990819660?pwd=WVdKY0U3UlkwS1JybWxtWnh5M3NQdz09>

Call-in Number: 253-215-8782

Meeting ID: 829 9081 9660

Webinar Passcode: 637567

A. CALL TO ORDER

B. DISCUSSION ITEMS

- a. Park Impact Fees (Presentation & Discussion)
- b. Cost Index Fee Increases for 2025 (Discussion Only)

C. CITY COUNCIL COMMENTS

D. ADJORNMENT

Park Impact Fee Update

City Council Study Session

CITY OF BUCKLEY

February 4, 2025

Agenda

- Context
- About Parks Impact Fee
- Parks Impact Fee Update Approach
 - Growth
 - Capital Projects
 - Proportionate Share
- Suggested Parks Impact Fees and Considerations

Context

- Prior to 2024, City of Buckley's Parks Impact Fees were last updated in 2016
 - Fees were not indexed to inflation, leading to significant loss of purchasing power over time
 - Fees were only established for residential development, although commercial uses create parks impacts, as well
 - State law has changed, requiring fees to be variable based on the square footage, number of bedrooms, or trips generated
- Framework worked with the City to update the Parks, Recreation, and Trails Plan, which was adopted in 2024

About Parks Impact Fees

- **One-time charges** (authorized by RCW 80.20.050) assessed against new development to help pay for new or expanded capital facilities that address the increased demand for facilities/services created by that development
- May be levied for fire protection facilities; public streets and roads, as well as multimodal bicycle and pedestrian facilities designed for commute purposes; **publicly owned parks, open space, and recreation facilities**; and school facilities
- Revenues must support “system improvements,” by funding public projects within the local governments’ capital facilities plan that are reasonably related to the new development.

Setting Impact Fee Rates

RCW 82.02.060:

The local ordinance by which impact fees are imposed:

*(1) Shall include a schedule of impact fees which shall be adopted for each type of development activity that is subject to impact fees, specifying the amount of the impact fee to be imposed for each type of system improvement. The schedule shall be based upon a formula or other method of calculating such impact fees. **The schedule shall reflect the proportionate impact of new housing units, including multifamily and condominium units, based on the square footage, number of bedrooms, or trips generated, in the housing unit in order to produce a proportionally lower impact fee for smaller housing units.** In determining proportionate share, the formula or other method of calculating impact fees shall incorporate, among other things, the following:*

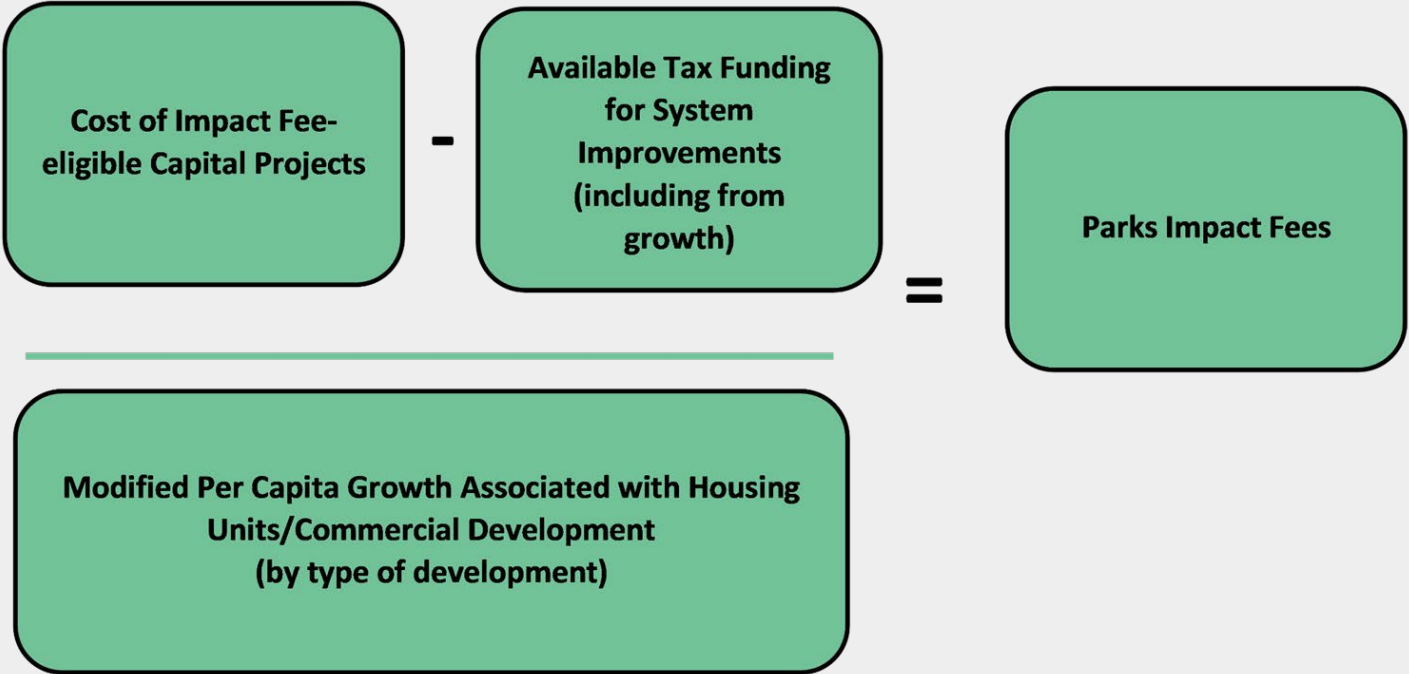
- (a) The cost of public facilities necessitated by new development;*
- (b) An adjustment to the cost of the public facilities for past or future payments made or reasonably anticipated to be made by new development to pay for particular system improvements in the form of user fees, debt service payments, 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;*

Parks Impact Fee Update Approach

- Establish fees for residential and commercial development
 - Ensure residential development fees are compliant with state law by creating rate structure that is variable by square footage
- Use simple, easy to understand impact fee rate formula that is transparent and can be updated by the City, as desired
- Design fees that can be easily indexed to inflation
- Consider the fee burden for developers and ensure fees make sense when compared with peers and neighbors

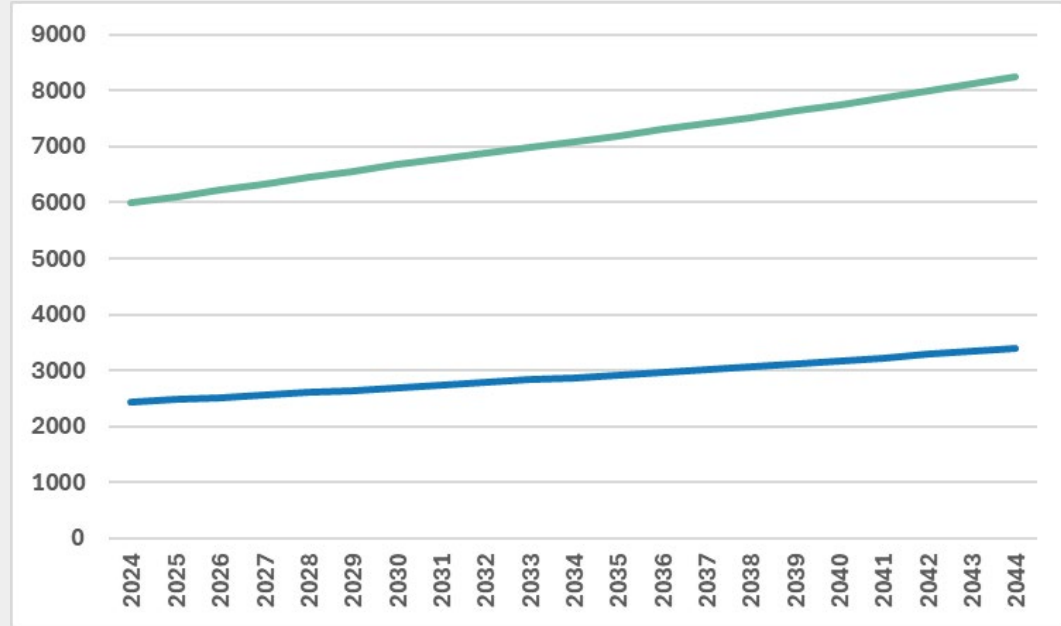
Impact Fee Rate Study Formula

Proportionate Share:



Expected Population and Employment Growth

- By 2044, population is expected to increase by 3,121 residents and employment by 1,080 jobs.
- Based on a linear growth projection, over ten years, population is expected to increase by 977 residents and employment by 440 jobs.



Relating Population and Employment

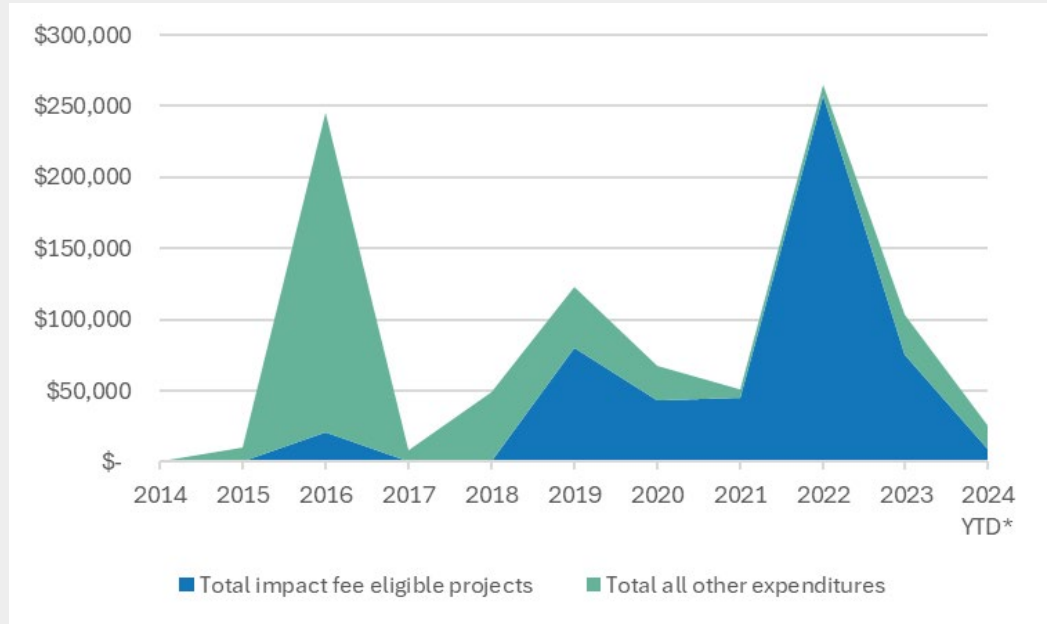
- Many impact fee rate studies relate population and employment based on hours of residential access versus perceived employee access (time at place of employment/in City)

	Residents	Employees
Hours per Day	16*	9**
Days per Week	7	5
Hours per Week	112	45

- Resident to Employee Conversion Factor:
 $45 / 112 = 40.2\%$

Proportionate Share: Historical Parks Capital Expenditures

- Between 2014 and 2024 (YTD) Impact fees have funded 71% of parks capital projects.
- Beyond impact fees, revenues for projects have come from:
 - Interest on impact fee revenues
 - Transfers from other funds
 - General fund
- These are irregular appropriations, not dedicated revenues



* through September 2024

Proportionate Share: Revenues Available for Future Projects

- The City does not currently dedicate revenues to parks capital projects; historically, revenues have come from appropriations and transfers-in
- Even if the City assumes grant revenue will be obtained for impact fee eligible projects, City revenues will be needed (matching funds)
- Within the impact fee rate formula, we considered both the City's historic 29% parks capital project funding rate and a lesser rate of 20% as the City's potential proportionate share

* through September 2024

Capital Project Needs based on Parks Level-of-Service

- Based on its adopted level-of-service, the City needs to develop the following:
 - Almost 11 acres of community parks
 - Over 9 acres of neighborhood parks
 - Almost 3 acres of natural areas

This is in addition to the additional acreage needed to meet existing needs.

Facility Type	Current Facility Acreage	Adopted LOS Standard	2044 Population	Acres Needed	Acres Needed Due to Growth
Community Park	14.52	4	8235	18.42	10.72
Neighborhood Park	1.12	3		24.71	9.16
Natural Areas	0.00	1		8.24	2.68

Growth-eligible Capital Project List

- The City anticipates \$4,635,000 (2024\$) in growth-related park system improvements between now and 2044.

Project		Park Type	Acres Added	2025-2030	2031-2044	Total
Miller Park Phase 1b	Construction of a new Community Park with sports courts, playground, and other elements	Community Park	4.30	\$ 1,620,000		\$1,620,000
Heritage Park Master Plan	Design for new stage, splash pad, and pathway network.	Community Park		\$ 50,000		\$ 50,000
Heritage Park Splash Pad	Site selection and addition of splash pad - depending on where it ends up going, it could be bringing land that's essentially an unprogrammed green belt into more Community Park compliance	Community Park	0.00		\$ 120,000	\$ 120,000
White River Park and Trail	Design and construction of a park overlooking Buckley's White River.	Community Park	1.25	\$ 800,000		\$ 800,000
Miller Park Phase II	Design and construction of additional Community Park	Community Park	2.40		\$ 1,200,000	\$1,200,000
Flum-Adjacent River Nature Trail and Park	Phase I: Construction of trail and trailside amenities.	Neighborhood Park	8.75	\$ 245,000		\$ 245,000
Flum-Adjacent River Nature Trail and Park	Phase II: Addition of playground and other amenities.	Neighborhood Park			\$ 400,000	\$ 400,000
Purchase of PSE Parcel	Purchase of 3rd St PSE property	Neighborhood Park	0.00	\$ 50,000		\$ 50,000
Development of PSE Parcel into tot lot	Development of PSE parcel into a playground oriented for young children	Neighborhood Park	0.28		\$ 150,000	\$ 150,000
				\$ 2,765,000	\$ 1,870,000	\$4,635,000

Draft Impact Fee Model Results by Modified Per Capita (not development type)

- Assuming current project list: \$4,635,000

	Historical		Other	
	Proportionate		Proportionate	
	Share		Share	
	29%		20%	
Amortized over 10 Years	\$	2,852.45	\$	3,214.03
Based on Average Household Size (2.56)	\$	7,302.28	\$	8,227.92
Based on Average Family Size (3.01)	\$	8,585.88	\$	9,674.23
Amortized over 20 Years	\$	925.65	\$	1,042.99
Based on Average Household Size (2.56)	\$	2,369.68	\$	2,670.06
Based on Average Family Size (3.01)	\$	2,786.22	\$	3,139.40

Proposed Impact Fee Rates

Development Type	Impact Fee (per square foot)	
Single Family	\$	1.42
Multi-family	\$	1.34
ADU/DADU	\$	1.88
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Commercial (per 1,000 square feet)	\$	1,412.82
Industrial (per 1,000 square feet)	\$	708.41

Examples:

Parks Impact Fee on a 2,500 square foot single family home: \$3,550

Parks Impact Fee on a 1,500 square foot apartment: \$2,010

- Note: ADU/DADU impact fee must be 50% or less than impact fee that would be charged on primary improvement, so when ADU/DADU square footage is greater than or equal to primary improvement, fees will need to be capped.

Indexing Impact Fees to Inflation

- BMC 3.50.040(2) establishes that *“the park and recreation impact fees in subsection (1) of this section may be reviewed annually to consider adjustments to the fees to account for increased costs of labor, construction materials and real property. The city council intends that such review should occur concurrently with the annual review of the capital facilities plan element of the city’s comprehensive plan.”*
- As part of this Parks Impact Fee update, we recommend that the City pursue this update. One method for doing so, may be for City staff to do this using the Construction Cost Index for Seattle (June-June) published by the Engineering News-Record to calculate annual inflation adjustments in the impact fee rates.