



**CITY OF KIRKLAND**  
**City Manager's Office**  
**123 Fifth Avenue, Kirkland, WA 98033 425.587.3001**  
**www.kirklandwa.gov**

**MEMORANDUM**

**To:** Kurt Triplett, City Manager  
**From:** Tracey Dunlap, Deputy City Manager  
**Date:** June 15, 2021  
**Subject:** PARK IMPACT FEE ADOPTION

**RECOMMENDATION:**

City Council adopts phased-in increases to Park Impact Fees beginning on January 1, 2022. By approving the consent agenda, the ordinance will be adopted.

**BACKGROUND DISCUSSION:**

Council received a briefing on the policy issues related to the results of the Park Impact Fee update on June 1, 2021 and provided direction on those issues as follows:

- Should the Park Impact Fee be increased and, if so, to what level?  
*Council Direction:* Increase fee by assessed value increase (80.74%), as shown in the table that follows.

	Single Family Residence	Multi-Family	Residential Suites
Kirkland (current)	\$ 4,435	\$ 3,371	\$ -
Kirkland (calculated maximum)	\$ 17,496	\$ 11,845	\$ 6,268
Kirkland (Council direction)	\$ 8,016	\$ 6,093	\$ 3,224

Note that Residential Suites have been subject to the Multi-Family fee previously, but this study calculated a lower fee specific to that use.

- When should the increases be effective?  
*Council Direction:* Phase-in the increase over 3 years, with first increase being effective on January 1, 2022.

Park Impact Fee Phasing	Current	Year 1	Year 2	Year 3
Single Family	4,435	5,629	6,822	8,016
Multi-family	3,371	4,278	5,185	6,093
Residential Suites	-	2,264	2,744	3,224

A three-year phase-in recognizes that the City will be updating its Comprehensive plan and the related master plans in 2022-2023. This update will extend the planning horizon to 2043, will recognize growth to date and revised growth targets, and will identify needed infrastructure to serve that growth. Staff recommends updating impact fees to reflect the revised plans.

- Should a non-residential Park Impact Fee be implemented?

*Council Direction:* Do not add a non-residential component to the Park Impact Fee at this time as it does not materially reduce the residential fees.

By approving the consent agenda on July 6, the attached ordinance implementing the fee increases will be adopted. Staff will return with a discussion of the policy issues associated with Transportation impact fees at the July 20 City Council meeting.

## ORDINANCE O-4761

### AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO PARK IMPACT FEES.

1 WHEREAS, the Washington State Legislature passed the  
2 Growth Management Act of 1990 and 1991, RCW 36.70A et seq.  
3 and RCW 82.02 et seq. (the "Act"), which authorizes the collection  
4 of impact fees on development activity to provide for the creation  
5 and maintenance of publicly owned parks, open space, and  
6 recreation facilities to serve new development (hereinafter  
7 referred to as "park impact fees"); and

8  
9 WHEREAS, by Ordinance O-3703, the City Council of the  
10 City of Kirkland adopted its first park impact fee ordinance, which  
11 has since been amended; and

12  
13 WHEREAS, the City Council finds that new development will  
14 create additional demand and need for additional publicly owned  
15 parks, open space, and recreation facilities, and that the City's  
16 current park impact fees should be updated to meet this new and  
17 additional demand; and

18  
19 WHEREAS, the City prepared a study dated December 2020  
20 by FCS Group to set the City's new park impact fees. Based on  
21 this study the Council determines that the City's park impact fee  
22 rate schedule should be increased by the same percentage  
23 increase as the assessed value increase, which has increased  
24 80.74% since the City last set its rate schedule; and

25  
26 WHEREAS, Council wishes to phase in the new rate  
27 schedule over a three-year period with the first increase being  
28 effective on January 1, 2022; the second increase being effective  
29 on January 1, 2023; and the third increase being effective on  
30 January 1, 2024. A three-year phase-in recognizes that the City  
31 will be updating its Comprehensive Plan and the related master  
32 plans in 2022-2023. This update will extend the planning horizon  
33 to 2043, will recognize growth to date and revised growth targets,  
34 and will identify needed public parks, open space and recreation  
35 facilities to serve that growth; and

36  
37 WHEREAS, Council has chosen not to add a non-residential  
38 component to the park impact fee at this time as Council has  
39 determined it will not materially reduce the residential fees; and

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41 WHEREAS, the City previously included the development of  
42 residential suites in the same category as multi-family  
43 development, but is including it as a separate category now as the  
44 new study calculated a lower fee specific to that use; and  
45

WHEREAS, impact fees may only be imposed for "system improvements," meaning public capital facilities in the City's capital facilities plan that are designed to provide service to the community at large (not private facilities), are reasonably related to new development, and will benefit from the new development, WAC 365-196-850; and

WHEREAS, the Act states that impact fees may only be collected for system improvements which are addressed by a capital facilities element of a comprehensive land use plan; and

WHEREAS, the City has prepared a Capital Facilities Plan in compliance with the Act and has plans to update the Capital Facilities Plan in the future to support the phased increases to the park impact fee rate schedule.

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. Kirkland Municipal Code Section 27.06.120 is amended to read as follows:

**27.06.120 Review of schedule and fee increases.**

~~(a) The schedule in Section 27.06.150 will be amended to reflect changes to the capital facilities plan in Chapter XIII of Title 17 of this code (the comprehensive plan). Amendments to the schedule for this purpose shall be adopted by the council.~~

~~(ab) The fees on the schedule in Section 27.06.150 shall~~ may be indexed to provide for an automatic fee increase each January 1st beginning in the year ~~2017~~ 2025. The June to June Seattle-Tacoma-Bremerton-Bellevue Area Consumer Price Index (CPI-W) will be used to determine the increase in fees for each year to reflect increased project costs. In the event that the fees on the schedule in Section 27.06.150 are increased during the preceding calendar year due to ~~changes to the capital facilities plan~~ a new rate study pursuant to subsection ~~(ab)~~ of this section, the fees will not be indexed the following January. The finance and administration department shall compute the fee increase and the new schedule shall become effective immediately after the annual fee increase calculation.

~~(bc)~~ A new rate study, which establishes the schedule in Section 27.06.150, shall be updated every three years, unless the city determines that circumstances do not warrant an update.

Section 2. Kirkland Municipal Code Section 27.06.150 is amended to read as follows:

**27.06.150 Fee schedule.**

The impact fee schedule below is based on the city's latest rate study. The fee for each year is effective as of January 1<sup>st</sup> of that year. As authorized under Section 27.06.120(b), the schedule may

97 automatically increase each January 1st based on the CPI-W

**Park Impact Fee Schedule**

<b>Type of Land Use</b>	<b>Impact Fee</b>	<b>Per Unit</b>
Detached unit	\$3,968	Dwelling unit
Attached, stacked, senior or assisted living unit development, and cottage, carriage and two-/three-unit homes approved under Chapter 113-KZC	\$3,015	Dwelling unit

98 Index: See the public works department's fee schedule for the  
 99 current impact fee.

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<u>Park Impact Fee Schedule</u>	<u>Unit</u>	<u>Current Fee</u>	<u>Year 2022 Fee</u>	<u>Year 2023 Fee</u>	<u>Year 2024 Fee</u>
<u>Single-Family Residential</u>	<u>Per Dwelling Unit</u>	<u>\$4,435</u>	<u>\$5,629</u>	<u>\$6,822</u>	<u>\$8,016</u>
<u>Multifamily</u>	<u>Per Dwelling Unit</u>	<u>\$3,371</u>	<u>\$4,278</u>	<u>\$5,186</u>	<u>\$6,093</u>
<u>Residential Suites</u>	<u>Per Dwelling Unit</u>	<u>\$0</u>	<u>\$2,264</u>	<u>\$2,744</u>	<u>\$3,224</u>

102 Section 3. If any provision of this ordinance or its  
 103 application to any person or circumstance is held invalid, the  
 104 remainder of the ordinance or the application of the provision to  
 105 other persons or circumstances is not affected.

106  
 107 Section 4. This ordinance shall be in force and effect five  
 108 days from and after its passage by the Kirkland City Council and  
 109 publication pursuant to Section 1.08.017, Kirkland Municipal Code  
 110 in the summary form attached to the original of this ordinance and  
 111 by this reference approved by the City Council.

112           Passed by majority vote of the Kirkland City Council in open  
113 meeting this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

114  
115           Signed in authentication thereof this \_\_\_\_\_ day of  
116 \_\_\_\_\_, 2021.

\_\_\_\_\_  
Penny Sweet, Mayor

Attest:

\_\_\_\_\_  
Kathi Anderson, City Clerk

Approved as to Form:

\_\_\_\_\_  
Kevin Raymond, City Attorney

PUBLICATION SUMMARY  
OF ORDINANCE NO. 4761

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO PARK  
IMPACT FEES.

SECTION 1. Amends Kirkland Municipal Code Section  
27.06.120 related to park impact fee schedule review and fee increases.

SECTION 2. Amends Kirkland Municipal Code Section  
27.06.150 by amending rates for park impact fees.

SECTION 3. Provides a severability clause for the ordinance.

SECTION 4. Authorizes publication of the ordinance by  
summary, which summary is approved by the City Council pursuant to  
Section 1.08.017 Kirkland Municipal Code and establishes the effective  
date as five days after publication of summary.

The full text of this Ordinance will be mailed without charge to  
any person upon request made to the City Clerk for the City of Kirkland.  
The Ordinance was passed by the Kirkland City Council at its meeting  
on the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

I certify that the foregoing is a summary of Ordinance 4761  
approved by the Kirkland City Council for summary publication.

\_\_\_\_\_  
Kathi Anderson, City Clerk