

# Impact Fees: 2022 Annual Indexing

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Planning and Public Works Committee of the Whole  
November 9, 2021





# Purpose

- Provide information on the 2022 annual indexing of development impact fees.
- PLEASE NOTE:
  - This process only includes the annual indexing of impact fees and update of Impact Fee Schedule.
  - This process *DOES NOT* include any discussion or review of city policies related to impact fees, including fee calculation or rate studies.



# Project Background

## RMC 3.10

3-year moving average of the following indexes:

- Fire Impact Fee: CPI-U (Consumer Price Index – Urban/Seattle)
- Parks Impact Fee: CCI + BCI Average (Building Cost Index)
- Transportation Impact Fee: CCI (Construction Cost Index - Seattle)

## LWSD School Impact Fees

City of Redmond collects development impact fees **on behalf of Lake Washington School District** which are calculated based on:

- A 5-year average of student enrollment numbers generated from new single-family and multi-family development.

# City of Redmond Impact Fee Rates

3-year moving average of indexes

- Consumer Price Index
- Building Construction Index
- Construction Cost Index

## 2022 Proposed Rate Increase

Fire (CPI)	3.34%
Parks (BCI+CCI)	5.64%
Transportation (CCI)	5.38%

# School District Fees

5-year average of student enrollment numbers for new developments

**2021**

**2022**

Single Family	\$15,070	<b>\$18,997</b>
Multifamily (per unit)	\$2,701	<b>\$3,510</b>

# Residential Impact Fees

Single family impact fees increased by 16.5% over 2021  
Multi-family up by 11% over 2021 rates

Single-family dwelling unit		
	Redmond 2021 Rate	Proposed 2022 Rate
Fire	\$ 128.33	\$ <b>132.62</b>
Parks	\$ 5,124.14	\$ <b>5,412.09</b>
Transportation*	\$ 7,729.29	\$ <b>8,145.26</b>
Schools	\$ 15,070.00	\$ <b>18,997.00</b>
<b>Single-family dwelling unit</b>	\$ 28,051.76	\$ <b>32,686.97</b>

Multi-family residences (per unit)		
	Redmond 2021 Rate	Proposed 2022 Rate
Fire	\$ 216.75	\$ <b>224.00</b>
Parks	\$ 3,557.37	\$ <b>3,757.88</b>
Transportation*	\$ 5,428.62	\$ <b>5,720.78</b>
Schools	\$ 2,701.00	\$ <b>3,510.00</b>
<b>Multi-family residences (per unit)</b>	\$ 11,903.74	\$ <b>13,212.66</b>

\*Transportation impact fees reduced in the Downtown and Overlake Urban Centers

# Office, Retail and Manufacturing Impact Fees

Average 5.35% growth over 2021 rates.

	Redmond 2021 Rate	Proposed Redmond 2022 Rate
Fire	\$ 179.46	\$ 185.46
Parks	\$ 1,388.08	\$ 1,466.32
Transportation*	\$ 22,090.00	\$ 23,280.00
<b>Total Office (per 1,000 sq. ft. of GLA)</b>	<b>\$ 23,657.54</b>	<b>\$ 24,931.78</b>
Fire	\$ 206.87	\$ 213.78
Parks	\$ 615.81	\$ 650.52
Transportation*	\$ 20,900.00	\$ 22,020.00
<b>Retail Trade (per 1,000 sq. ft. of GLA)</b>	<b>\$ 21,722.68</b>	<b>\$ 22,884.30</b>
Fire	\$ 21.20	\$ 21.90
Parks	\$ 624.75	\$ 659.96
Transportation*	\$ 12,070.00	\$ 12,720.00
<b>Manufacturing (per 1,000 sq. ft of GLA)</b>	<b>\$ 12,715.95</b>	<b>\$ 13,401.86</b>

\* Transportation impact fees reduced in the Downtown and Overlake Urban Centers

# Outreach to Stakeholders

October 28:	One Redmond Government Affairs
November 2:	Microsoft
November 4:	Parks and Trails Commission
Notification:	Master Builders, City website



# Council Timeline



November 9:

2PW Briefing

**December 7:**

**Council Adoption**

January 1, 2022:

Fees take effect



# Thank You

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Any Questions?

