

## PROPOSED 2019 TRANSPORTATION, FIRE, PARKS AND SCHOOL IMPACT FEE RATES

The City's municipal code authorizes the Council to update the rates annually to keep pace with inflation.

The 2019 City impact fee rates are based on a three-year moving average change in the indexes specified in RMC 3.10—from August to August or the closest three consecutive 12-month time periods immediately prior to January 1, 2019.

**TRANSPORTATION:** Construction Cost Index (CCI) for Seattle 2015-2018: **+3.5%** (2018: +1.82%)

**FIRE:** Consumer Price Index-Urban (CPI-U)/Seattle 2015-2018: **+2.58%** (2018: +2.13%)

**PARKS:** CCI and Building Cost Index Average/Seattle 2015-2018: **+3.34%\***

Redmond's proposed 2019 transportation impact fees will continue to be lower than the regional average for dwelling units, but remain slightly higher for commercial properties. The regional variation in impact fees is due to each city's unique combination of budget structure and revenue streams.

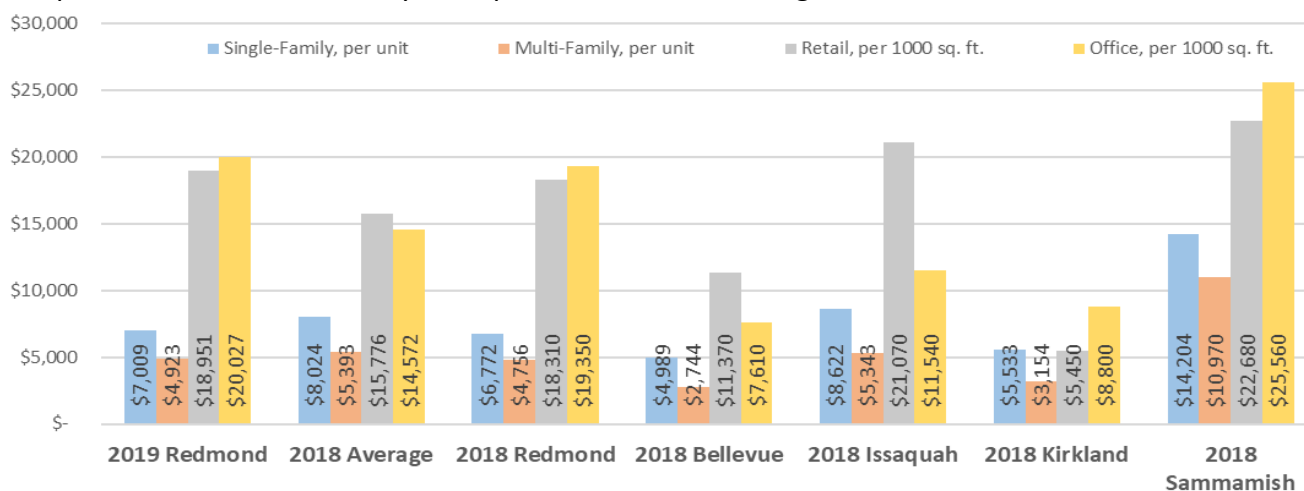


Figure 1. Regional Comparison of Transportation Impact Fees

TRANSPORTATION IMPACT FEES						
Land Use	2018 Rate			2019 Rate (+3.50%)		
	Downtown	Overlake	Rest of City	Downtown	Overlake	Rest of City
Single-family dwelling unit	\$5,531.96	\$5,722.78	\$6,771.67	\$5,725.58	\$5,923.08	\$7,008.68
Multi-family dwelling unit	\$3,885.35	\$4,019.36	\$4,756.05	\$4,021.34	\$4,160.04	\$4,922.51
Office (assume 100,000 ft <sup>2</sup> , per sf)	\$15.81	\$16.36	\$19.35	\$16.36	\$16.93	\$20.03
Miscellaneous Retail (per sf)	\$14.96	\$15.48	\$18.31	\$15.48	\$16.02	\$18.95
Light Industrial (per sf)	\$8.64	\$8.93	\$10.57	\$8.94	\$9.24	\$10.94

\*City Council adopted new park fees on June 20th, 2017, as part of implementing the 2017 PARCC Plan (effective date January 1, 2018). The new fees were calculated based on a new methodology and updated capital project needs, and were not a part of the annual indexing for 2018.

<b>FIRE IMPACT FEES*</b>		
<b>Land Use</b>	<b>2018 Rate</b>	<b>Proposed 2019 Rate (+2.58%)</b>
Single-family dwelling unit	\$118.37	\$121.42
Multi-family dwelling unit	\$199.83	\$205.09
Retail (per 1,000 sf of gross floor area)	\$190.81	\$195.73
Office (per 1,000 sf of gross floor area)	\$165.53	\$169.80
Manufacturing (per 1,000 sf of gross floor area)	\$19.55	\$20.05

\*Issaquah is the only other jurisdiction with fire impact fees (with some land-use categories having more than 500% of Redmond's fees).

<b>PARK IMPACT FEES</b>		
<b>Land Use</b>	<b>2018 Rate</b>	<b>Proposed 2019 Rate (+3.34%)</b>
Single-Family Residences (inclusive of mobile homes)	\$4,585.00	\$4,738.14
Multi-Family Residences	\$3,183.00	\$3,289.31
Offices (per 1,000 sf of gross floor area)	\$1,242.00	\$1,283.48
Retail Trade (per 1,000 sf of gross floor area)	\$551.00	\$569.40
Manufacturing (per 1,000 sf of gross floor area)	\$559.00	\$577.67

The City of Redmond also collects development fees on behalf of Lake Washington School District (LWSD). The district's CIP calls for one new elementary school within Redmond city limits, and an elementary school and middle school in nearby unincorporated King County, as well as other projects throughout the area. LWSD's proposed impact fees for 2019 include a decrease for multi-family dwelling units. These changes result in an increase of \$339 **(+3%)** for single family units and a decrease of \$109 **(-14.9%)** for multi-family units when compared to the current 2018 fees. The decrease in multi-family fees reflects the decreasing number of students being generated from multi-family units.

<b>SCHOOL IMPACT FEES</b>		
<b>Land Use</b>	<b>2018 Rate</b>	<b>Proposed 2019 Rate</b>
Single-family dwelling unit	\$11,955	\$12,294
Multi-family dwelling unit	\$733	\$624

## **SCHEDULE**

The tentative schedule sets a target for adoption in early December, taking effect on January 1, as in previous years:

- **September 10** 3P briefing
- **September 12 or 19** Tech Committee briefing
- **September 19** Final fee value calculations complete
- **September 20** Business Fee and Tax Advisory Committee briefing
- **September 20 to October 30** Inform key external stakeholders
- **October 9** Planning and Public Works Committee briefing
- **October 16** Council staff report
- **December 4** Council action