

MEMO TO: Mayor and City Council

FROM: Malisa Files, Finance Director

DATE: August 20, 2019

SUBJECT: **2018 Impact Fee Collection and Distribution Report**

**I. RECOMMENDED ACTION:**

The Impact Fee Report is presented for information purposes only per Redmond Municipal Code (RMC) 3.10.190.

**II. DEPARTMENT CONTACTS:**

Malisa Files, Finance Director	425-556-2166
Julie Elsom, Accounting Manager	425-556-2181

**III. DESCRIPTION:**

The City of Redmond Municipal Code provides for an annual report to the Mayor and City Council of impact fee receipts and earnings, and the system improvements financed in whole or in part by impact fees. This report summarizes the 2018 transportation impact fee activity.

**Overview**

In total, the City collected \$9,197,308 in impact fees (net of refunds) in 2018 and spent \$3,240,794. The total collected and spent for each category is shown below:

	<u>Collected</u>	<u>Spent</u>	<u>Balance</u>
Transportation	\$4,753,726	\$1,434,829	\$11,072,571
Parks	\$4,075,175	\$1,805,965	\$ 3,571,955
Fire	\$ 369,214	\$0	\$ 553,831

Overall impact fee collections for 2018 increased from 2017 collections by \$5,005,387 or 119 percent (%). The increase is due to a high level of development throughout the City; and the timing of revenue collection between the years. A total of \$2,466,378 was collected in 2018 for school impact fee and disbursed to Lake Washington School District.

**Transportation**

Two transportation projects received impact fee funding in 2018. The projects and amounts received are as follows:

Couplet Conversion	\$1,366,342
152 <sup>nd</sup> Ave NE Improvements	<u>\$68,487</u>
TOTAL	\$1,434,829

Transportation impact fees remaining at the end of 2018 totaled \$11,072,571.

### **Parks**

Two parks projects received impact fee funding in 2018. The projects and amounts received are as follows:

Downtown Park		<u>\$1,805,965</u>
	TOTAL	\$1,805,965

Parks impact fee remaining at the end of 2018 totaled \$3,571,955.

### **Fire**

Fire Impact Fee remaining at the end of 2018 totaled \$553,831.

This report is presented to meet the reporting requirements of RMC 3.10.190, Annual Impact Fee Report. The provision requires the Finance Department to prepare a report on each impact fee account showing the source and amount of all moneys collected, earned, or received, and the system improvements that were financed in whole or in part by the impact fees.

Staff will be present at the August 27, 2019, Finance, Administration and Communications Committee of the Whole to answer any questions on the impact fee report. If you have questions prior to that time, please contact either me at 425-556-2166 or Julie Elsom at 425-556-2181.

## **IV. IMPACT:**

### **A. Service/Delivery:**

None.

### **B. Fiscal Note:**

None.

## **V. ALTERNATIVES:**

N/A

## **VI. TIME CONSTRAINTS:**

Redmond Municipal Code section 3.10.190 Annual Impact Fee Report requires the Finance Department to report the revenues and expenditures associated with impact fees.

## **VII. LIST OF ATTACHMENTS:**

Attachment A: Impact Fee Annual Report - 2018 Impact Fee Summary

Attachment B: Impact Fee Activity Summary for 2018