



# Impact Fees

City of Tacoma | Public Works

**Infrastructure, Planning, and Sustainability Committee**  
**February 10, 2021**

## OVERVIEW

- What are Impact Fees?
- Example Jurisdictions
- Program Structure
- 2018 Recommendations (Phase 1)
- Next Steps (Phase 2)

## WHAT ARE IMPACT FEES?

- Impact fees fund:
  - Capital system improvements
  - Projects that are reasonably related to development
  - Proportional shares of system improvements
  - Projects on a jurisdiction's capital facilities element
- Cannot pay for:
  - Ongoing costs, such as maintenance
  - Existing deficiencies
  - Project needs caused by growth outside of a jurisdiction
  - 100% of project costs



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## TYPES OF IMPACT FEES



### Fire

- Funds fire and EMS equipment, apparatus, and facilities



### Transportation

- Funds projects to add transportation capacity in right-of-way of streets/roads



### Parks

- Funds park facilities, development of parks, and adding park acreage



### Schools

- Funds school buildings and equipment

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## TIF PROGRAMS OF WESTERN WASHINGTON

Cities					Counties	
Anacortes	Arlington	<b>Auburn</b>	Bainbridge Island	Battleground	Kitsap	<b>Pierce</b>
Battleground	Bellevue	Bellingham	Blaine	<b>Bonney Lake</b>	Snohomish	Thurston
Bothell	Buckley	Burien	Burlington	Camas		
Carnation	Covington	Des Moines	Des Moines	Duvall		
<b>Edgewood</b>	Edmonds	Enumclaw	Everett	<b>Federal Way</b>		
Ferndale	<b>Fife</b>	<b>Gig Harbor</b>	Granite Falls	Issaquah		
Kenmore	<b>Kent</b>	Kirkland	La Center	Lacey		
Lake Stevens	Lynden	Lynnwood	Maple Valley	Marysville		
Mercer Island	Mill Creek	<b>Milton</b>	Monroe	Mount Vernon		
Mount Lake Terrace	Mukilteo	Newcastle	North Bend	Oak Harbor		
Olympia	<b>Orting</b>	Poulsbo	<b>Puyallup</b>	Redmond		
Renton	Ridgefield	Sammamish	SeaTac	Sedro Wooley		
Sequim	Shelton	Shoreline	Snohomish	Stanwood		
Sultan	<b>Sumner</b>	Tukwila	Tumwater	<b>University Place</b>		
Vancouver	Washougal	Woodinville	Yelm			

\*bold indicates adjacent jurisdictions

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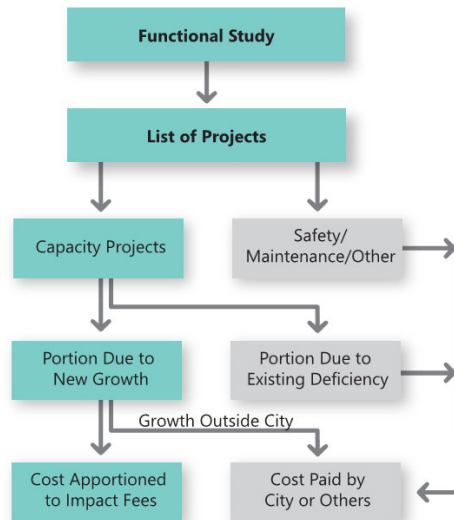


## EXAMPLE JURISDICTIONS WITH FIRE, PARKS, AND SCHOOL IMPACT FEE PROGRAMS

Fire Impact Fees		
DuPont	Redmond	Tukwila
<b>Milton</b>	Renton	Anacortes
Park Impact Fees		
Pierce County	<b>Fife</b>	<b>University Place</b>
Auburn	Gig Harbor	Redmond
Bonney Lake	Orting	Renton
Buckley	Puyallup	Tukwila
Edgewood	Sumner	
School Impact Fees		
Pierce County	Gig Harbor	Bellevue
Auburn	Milton	Everett
Bonney Lake	Orting	Redmond
Edgewood	Puyallup	Renton
Fife	Sumner	Vancouver

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## ● ● ● IMPACT FEE PROGRAM MECHANICS



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## ● ● ● ADDITIONAL STRUCTURAL CONSIDERATIONS

- **Phasing** – fee increases over time?
- **Infrastructure** - Transportation, Fire, Parks, and Schools?
- **Costs to Development** – consideration for the total cumulative cost
- **Incentives** – achieve policy goals, such as affordable housing



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## 2018 RECOMMENDATIONS

- Continue exploring impact fees as a method to pay for growth
- Form Stakeholder Group(s) and answer policy questions
- Community Engagement
- Engage City Council Committee for interim direction and progress reports



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## 2018 RECOMMENDATIONS

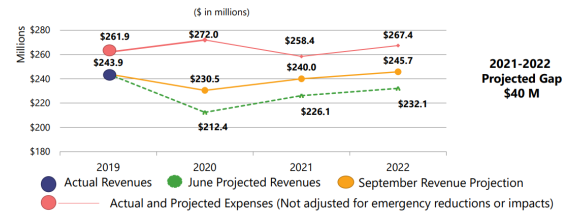
- Develop a capital project list based on LOS standards
- Planning document updates (Comprehensive Plan and Capital Facilities Program / 6-year Transportation Improvement Program)
- If necessary, request funding in mid-biennium budget to complete rate studies.
- Select geography/phasing and policy structure
- Impact fee structure development
- Pass Ordinance
- Program implementation



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## NEXT STEPS

- Reduction in scope of 2018 Recommendations
- Advertised RFP & in Contract Negotiations
- Coordination with Metro Parks and Tacoma Public Schools
- Notify Partners, Stakeholder, and City Council of Phase 2 Kick-Off



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## NEXT STEPS

- |                        |   |
|------------------------|---|
| • February 2021        | Convene Staff Workgroup and Stakeholder Group                     |
| • February 2021        | Begin Community Engagement  |
| • February – June 2021 | Conduct Feasibility, Review Peer Cities, Evaluate City Priorities |
| • Summer 2021          | Present Findings and Feedback from Phase 2 to City Council        |

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