RATE STUDY

FOR

IMPACT FEES

FOR

PARKS

CITY OF KENMORE, WASHINGTON

May 15, 2001

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EXECUTIVE SUMMARY

The purpose of this study is to establish the rates for impact fees for developed park land in the City of Kenmore, Washington.

Rates

The rates for developed park land residential impact fees are:

Type Dwelling Unit	Impact Fee
Single Family	$ 1,086.80
Multi-Family	710.60
Mobile Home	627.00

Impact Fees vs. Other Developer Contributions

Impact fees are charges paid by new development to reimburse local governments for the capital cost of public facilities that are needed to serve new development and the people who occupy or use the new development. Throughout this study, the term "developer" is used as a shorthand expression to describe anyone who is obligated to pay impact fees, including builders, owners or developers.

The impact fees that are described in this study do not include any other forms of developer contributions or exactions, such as mitigation or voluntary payments authorized by SEPA (the State Environmental Policy Act, RCW 43.21C), system development charges for water and sewer authorized for utilities (RCW 35.92 for municipalities, 56.16 for sewer districts, and 57.08 for water districts), local improvement districts or other special assessment districts, linkage fees, or land donations or fees in lieu of land.

Adjustments for Other Sources of Revenue for Developed Park Land

The impact fees in this study recognize the existence of other sources of revenue that are available to pay for the capital cost of developed park land. These other revenues are accounted for by adjusting (i.e., reducing) the amount of the impact fee rates to adjust for the portion of park land and recreation facility costs that are paid by the other revenues.

Credits for Other Contributions by Developer

A developer who contributes land, improvements or other assets may receive a "credit" which reduces the amount of impact fee that is due. This credit is in addition to the adjustment for other revenues described in the preceding paragraph.

Who Pays Impact Fees

Impact fees are paid by new development. Impact fee rates for new development are based on the type of land use. Due to the statutory requirement regarding the relationship between impact fees and the development that pays--and benefits from--the fees, only new residential development (i.e., houses, apartments, mobile home parks, and other residential construction) is charged impact fees for developed park land. Non-residential new development is not charged park and recreational facilities impact fees, as explained in Chapter 1.

Service Areas for Impact Fees

Impact fees in some jurisdictions are collected and expended within service areas that are smaller than the jurisdiction that is collecting the fees. Impact fees are not required to use multiple service areas unless such “zones” are necessary to establish the relationship between the fee and the development. Park land and recreation facilities impact fees are collected and expended throughout the boundaries of the City of Kenmore because of the size of the City and the accessibility of its park system to all residences.

Timing of Payment of Impact Fees

Impact fees are usually collected at the time the local government issues a permit or order allowing land to be developed (i.e., subdivision plat or building permit). In the City of Kenmore impact fees are assessed at the time the complete building application is submitted for each unit in the development and collected at the time the building permit is issued.

Uses of Impact Fee Revenue

Impact fee revenue can be used for the capital cost of public facilities. Impact fees cannot be used for operating or maintenance expenses. The cost of public facilities that can be paid for by impact fees include park planning, architectural and/or engineering design studies, land surveys, land acquisition, engineering, permitting, financing, administrative expenses, construction, site improvements, necessary off-site improvements, applicable mitigation costs, and capital equipment pertaining to recreation facilities.

The public facilities that can be paid for by impact fees are "system improvements” (which are typically outside the development), and "designed to provide service to service areas within the community at large" as provided in RCW 82.02.050(9)), as opposed to "project improvements" (which are typically provided by the developer on-site within the development or adjacent to the development), and "designed to provide service for a development project, and that are necessary for the use and convenience of the occupants or users of the project" as provided in RCW 82.02.050(6).

Expenditure Requirements for Impact Fees

Impact fees must be spent on capital projects contained in an adopted capital facilities plan, or they can be used to reimburse the government for the unused capacity of existing facilities. Impact fee payments that are not expended or obligated within 6 years must be refunded unless the City Council makes a written finding that an extraordinary and compelling reason exists to hold the fees for longer than 6 years. In order to verify these two requirements, impact fee revenues must be deposited into separate accounts of the government, and annual reports must describe revenue and expenditures.

Developer Options

A developer who is liable for impact fees has several options regarding impact fees. The developer can submit data and or/analysis to demonstrate that the impacts of the proposed development are less than the impacts calculated in this rate study. The developer can appeal the impact fee calculation by the City of Kenmore. If the local government fails to expend the impact fee payments within 6 years of receipt of such payments, the developer can obtain a refund of the impact fees. The developer can also obtain a refund if the development does not proceed and no impacts are created.

ORGANIZATION OF THE STUDY

This impact fee rate study contains four chapters, and an appendix:

- Chapter 1 summarizes the statutory basis for developing impact fees, discusses issues which must be addressed, and presents the methodology and formulas for determining the amount of the impact fee.

- Chapter 2 documents the capital project capacity costs and calculates the unfunded cost per unit acre for developed park land.

- Chapter 3 documents the standards for levels of service, and calculates the unfunded costs on a per capita basis.

- Chapter 4 documents the number of persons per dwelling unit and calculates the unfunded cost and impact fee per dwelling unit of developed park land.

- Appendix A documents the need for additional developed park land, including identification of existing deficiencies in park capacity for current development, capacity of existing parks available for new development, and additional park capacity needed for new development, as specified in RCW 82.02.050(4).

1. STATUTORY BASIS AND METHODOLOGY

Local governments charge impact fees for several reasons: 1) to obtain revenue to pay for some of the cost of new public facilities; 2) to implement a public policy that new development should pay a portion of the cost of facilities that it requires, and that existing development should not pay all of the cost of such facilities; and 3) to assure that adequate public facilities will be constructed to serve new development.

This study of impact fees for developed park land for Kenmore, Washington describes the methodology that is used to develop the fees, presents the formulas, variables and data that are the basis for the fees, and documents the calculation of the fees. The methodology is designed to comply with the requirements of Washington State Law.

This study uses data and levels of service standards from the City's adopted Capital Facilities Element of the Comprehensive Plan (2001).

STATUTORY BASIS FOR IMPACT FEES

The Growth Management Act of 1990 (Chapter 17, Washington Laws, 1990, 1st Ex. Sess.) authorizes local governments in Washington to charge impact fees. RCW 82.02.050 - 82.02.090 contain the provisions of the Growth Management Act that authorize and describe the requirements for impact fees.

The impact fees that are described in this study are not mitigation payments authorized by the State Environmental Policy Act (SEPA). There are several important differences between impact fees and SEPA mitigations. Two aspects of impact fees that are particularly noteworthy are: 1) the ability to charge for the cost of public facilities that are "system improvements" (i.e., that provide service to the community at large) as opposed to "project improvements" (which are "on-site" and provide service for a particular development); and 2) the ability to charge small-scale development their proportionate share, whereas SEPA exempts small developments.

The following synopsis of the most significant requirements of the law includes citations to the Revised Code of Washington as an aid to readers who wish to review the exact language of the statutes.

Types of Public Facilities

Four types of public facilities can be the subject of impact fees: 1) public streets and roads; 2) publicly owned parks, open space and recreation facilities; 3) school facilities; and 4) fire protection facilities (in jurisdictions that are not part of a fire district). *RCW 82.02.050(2) and (4), and RCW 82.02.090(7)*

Types of Improvements

Impact fees can be spent on "system improvements" (which are typically outside the development), as opposed to "project improvements" (which are typically provided by the developer on-site within the development). *RCW 82.02.050(3)(a) and RCW 82.02.090(6) and (9)*

Benefit to Development

Impact fees must be limited to system improvements that are reasonably related to, and which will benefit new development. *RCW 82.02.050(3)(a) and (c).* Local governments must establish reasonable service areas (one area, or more than one, as determined to be reasonable by the local government), and local governments must develop impact fee rate categories for various land uses. *RCW 82.02.060(6)*

Proportionate Share

Impact fees cannot exceed the development's proportionate share of system improvements that are reasonably related to the new development. The impact fee amount shall be based on a formula (or other method of calculating the fee) that determines the proportionate share. *RCW 82.02.050(3)(b) and RCW 82.02.060(1)*

Reductions of Impact Fee Amounts

Impact fees rates must be adjusted to account for other revenues that the development pays (if such payments are earmarked for or proratable to particular system improvements). *RCW 82.02.050(1)(c) and (2) and RCW 82.02.060(1)(b)* Impact fees may be credited for the value of dedicated land, improvements or construction provided by the developer (if such facilities are in the adopted CFP and are required as a condition of development approval). *RCW 82.02.060(3)*

Exemptions from Impact Fees

Local governments have the discretion to provide exemptions from impact fees for low-income housing and other "broad public purpose" development, but all such exemptions must be paid from public funds (other than impact fee accounts). *RCW 82.02.060(2)*

Developer Options

Developers who are liable for impact fees can submit data and or/analysis to demonstrate that the impacts of the proposed development are less than the impacts calculated in this rate study. *RCW 82.02.060(5).* Developers can pay impact fees under protest and appeal impact fee calculations. *RCW 82.02.060(4) and RCW 82.02.070(4) and (5).* The developer can obtain a refund of the impact fees if the local government fails to expend or obligate the impact fee payments within 6 years, or terminates the impact fee requirement, or the developer does not proceed with the development (and creates no impacts). *RCW 82.02.080*

Capital Facilities Plans

Impact fees must be expended on public facilities in a capital facilities plan (CFP) element (or used to reimburse the government for the unused capacity of existing facilities). The CFP must conform to the Growth Management Act of 1990, and must identify existing deficiencies in facility capacity for current development, capacity of existing facilities available for new development, and additional facility capacity needed for new development. *RCW 82.02.050(4), RCW 82.02.060(7), and RCW 82.02.070(2)* The City of Kenmore adopted its initial CFP in 2001.

New Versus Existing Facilities

Impact fees can be charged for new public facilities *(RCW 82.02.060(1)(a)* and for the unused capacity of existing public facilities *(RCW 82.02.060(7)* subject to the proportionate share limitation described above.

Accounting Requirements

The local government must separate the impact fees from other monies, expend or obligate the money on CFP projects within 6 years, and prepare annual reports of collections and expenditures. *RCW 82.02.070(1)-(3)*

ISSUES RELATING TO IMPACT FEES

Prior to calculating impact fee rates, several issues must be addressed in order to determine the need for, and validity of such fees: responsibility for public facilities, the need for new revenue for additional developed park land, the benefit of developed park land to new development, and low-cost housing.

Responsibility for Public Facilities

In general, local governments that are authorized to charge impact fees are responsible for specific public facilities for which they may charge such fees. The City of Kenmore is legally and financially responsible for the developed park land it owns and operates within its jurisdiction. In no case may a local government charge impact fees for private facilities, but it may charge impact fees for some public facilities that it does not administer if such facilities are "owned or operated by government entities" *(RCW 82.02.090 (7).* Thus, a city or county may charge impact fees for developed park land, and enter into an agreement with school districts for the transfer, expenditure, and reporting of parks impact fees for developed park land at school sites.

Need for Additional Developed Park Land

The need for additional developed park land is determined by using standards for levels of service for developed park land to calculate the quantity of facilities that are required. The required quantity is then compared to the existing inventory to determine needed new facilities. The analysis of needed developed park land must comply with the statutory requirements of identifying existing deficiency, reserve capacity and new capacity requirements for facilities. An analysis of the need for additional developed park land is presented in Appendix A.

Need for New Revenue for Additional Developed Park Land

The need for new revenue for developed park land is demonstrated by comparing the cost of new facilities for the next 6 years to the existing sources of revenue for the same 6 years. The City's 6-year CFP for developed park land does not have enough revenues from other sources to pay needed costs without impact fees.

Determining the Benefit to Development

The law imposes three tests of the benefit provided to development by impact fees: 1) proportionate share, 2) reasonably related to need, and 3) reasonably related to expenditure (*RCW 80.20.050(3)*).

1. Proportionate Share.

First, the "proportionate share" requirement means that impact fees can be charged only for the portion of the cost of public facilities that is "reasonably related" to new development. In other words, impact fees cannot be charged to pay for the cost of reducing or eliminating deficiencies in existing facilities.

Second, there are several important implications of the proportionate share requirement that are not specifically addressed in the law, but which follow directly from the law:

- Costs of facilities that will be used by new development and existing users must be apportioned between the two groups in determining the amount of the fee. This can be accomplished in either of two ways: (1) by allocating the total cost between new and existing users, or (2) calculating the cost per acre of park land and applying the cost only to new development when calculating impact fees.

- Impact fees that recover the costs of existing unused capacity should be based on the government's actual cost, rather than the replacement cost of the facility. Carrying costs may be added to reflect the government's actual or imputed interest expense.

The third aspect of the proportionate share requirement is its relationship to the requirement to provide adjustments and credits to impact fees, where appropriate. These requirements ensure that the amount of the impact fee does not exceed the proportionate share.

- The "adjustments" requirement reduces the impact fee to account for past and future payments of other revenues (if such payments are earmarked for, or proratable to, the system improvements that are needed to serve new growth).

- The "credit" requirement reduces impact fees by the value of dedicated land, improvements or construction provided by the developer (if such facilities are in the adopted CFP and are required as a condition of development approval). The law does not prohibit a local government from establishing reasonable constraints on determining credits. For example, the location of dedicated land and the quality and design of a donated public facility can be required to conform to local standards for such facilities.

Without such adjustments and credits, the fee-paying development might pay more than its proportionate share.

2. Reasonably Related to Need.

There are many ways to fulfill the requirement that impact fees be "reasonably related" to the development's need for public facilities, including personal use and use by others in the family or business enterprise (direct benefit), use by persons or organizations who provide goods or services to the fee-paying property (indirect benefit), and geographical proximity (presumed benefit). These measures of relatedness are implemented by the following techniques:

- Impact fees for developed park land are charged to properties which need (i.e., benefit from) new developed park land. The City of Kenmore provides Park land and recreation facilities to all kinds of property throughout the City regardless of the type of use of the property. Impact fees for developed park land, however, are only charged to residential development in the City, which includes residential construction, because the dominant stream of benefits redounds to the occupants and owners of dwelling units. Due to the lack of systematic data quantifying the benefit of parks to commercial property, the City of Kenmore elects as a matter of policy not to charge park impact fees to non-residential properties. Additional research and analysis would need to be undertaken to document this relationship.

- The relative needs of different types of growth are considered in establishing fee amounts (i.e., single family dwelling units versus multi family dwelling units, etc.).

- Feepayers can pay a smaller fee if they demonstrate that their development will have less impact than is presumed in the impact fee schedule calculation for their property classification. Such reduced needs must be permanent and enforceable (i.e., via land use restrictions).

Kenmore's parks serve the entire City, therefore the impact fees for developed park land is based on a single service area which encompasses the City.

3. Reasonably Related to Expenditures.

Two provisions of the law tend to reinforce the requirement that expenditures be "reasonably related" to the development that paid the impact fee. First, the requirement that fee revenue must be earmarked for specific uses related to public facilities ensures that expenditures are on identifiable projects, the benefit of which can be demonstrated. Second, impact fee revenue must be expended or obligated within 6 years, thus requiring timeliness to the benefit to the feepayer.

Low Income Housing

A fundamental premise of impact fees is that growth should pay for its fair share of the public facilities that it needs. One possible drawback to impact fees paid by residential development is the potential negative effect of the impact fees on the affordability of housing.

The effect of an impact fee on the affordability of housing varies according to the cost of the house. The more expensive the house, the smaller the effect because the impact fee (which is the same for all dwelling units, regardless of cost) adds a smaller percentage to the cost of the house. Thus, the least effect is on the highest price housing and the largest effect is on low income housing. Any given impact fee will be a larger percentage of the cost of a low priced home, and the inelasticity of income of buyers of low income housing may cause some to be priced out of the market if relief is not provided.

The City's ordinance provides an exemption from park impact fees for low income housing. As required by state law, the City pays the impact fees on behalf of the exempt low income housing using public revenues (excluding impact fees).

Methodology and Relationship to Capital Facilities Plan

Impact fees for developed park land begin with the list of projects in the City's 2001-2006 Capital Facilities Plan (CFP). The projects in the CFP are analyzed to identify capacity costs attributable to new development. The costs are adjusted to reflect other sources of revenue paid by the new development (and any payments that reduce the cost of the facility that is to be paid by impact fees). The costs are calculated per unit of capacity of developed park land. The costs per unit of capacity are applied to the standard for units of capacity per person (using the same standard for levels of service as is used to develop the projects in the CFP). The amount of the fee is determined by charging each fee-paying development for the number of units of demand that it generates.

Calculation of Impact Fee Amounts

Five formulas are used to determine the amount of impact fees for park and recreational facilities that are required as a result of new development:

1.	Park Project Costs	-	Non-Level of Service Costs	=	Park Level of Service Costs
2.	Park Level of Service Costs	-	Non-Impact Fee Revenues	=	Unfunded Level of Service Costs
3.	Unfunded Level of Service Costs	÷	Units of Park Capacity	=	Unfunded Cost per Unit
4.	Unfunded Cost per Unit	x	Standard per Capita	=	Unfunded Cost per Capita
5.	Unfunded Cost per Capita	x	Persons per Dwelling Unit	=	Impact Fee per Dwelling Unit

2. CAPITAL PROJECT CAPACITY COSTS

This chapter includes a description of the first three formulas and each variable that is used in the formulas, an explanation of the use of data in the formulas, and the calculation of the developed park land capital cost, using formulas 1 – 3 (described above) to calculate the unfunded capital cost per acre of developed park which provide additional capacity, as identified in the City's adopted Capital Facilities Plan (CFP). (Unfunded means total cost less any revenue used to pay for developed park land).

The park projects listed in this chapter are eligible for impact fees because the needs analysis and the CFP projects meet the requirements of RCW 82.02.

FORMULA 1: LEVEL OF SERVICE COSTS

The level of service costs are calculated by subtracting the non-level of service project costs from the total park project costs in the City's 6-year adopted Capital Facilities Plan (CFP).

1.	Park Project Costs	-	Non-Level of Service Costs	=	Park Level of Service Costs

There is one variable that requires explanation: (A) the costs of developed park land.

Variable (A) Costs of Developed Park Land

The 6-year Capital Facilities Plan (2001-2006) identifies capital projects required to maintain the City's current inventory of park and recreational facilities, and to meet the growth demand based on the adopted standards for level of service. The CFP distinguishes between level of service projects (i.e., additions to the City's inventory) and non-level of service projects (i.e., repair, maintenance of the existing inventory of park and recreational facilities).

The costs in this study represent the costs of actual projects in the 6-year CFP. Most of the additional capacity in developed parks will be provided by acquiring and improving new sites, however some capacity may be provided by expanding existing sites. Throughout this study, any reference to new parks includes expansion of existing parks as well as acquisition of new park sites.

The costs of developed parks used in this study include both the land costs and development costs appropriate to the specific site.

The cost of developed parks does not include any costs for interest or other financing. If the City decides in the future to borrow money for parks, the carrying costs for financing can be added to the costs in this study, and the impact fee can be recalculated to include such costs.

CALCULATION OF LEVEL OF SERVICE COSTS

Table 1 lists the park projects from the City's 6-year CFP. Columns 1 and 2 list each CFP project and its total cost. If the project is a non-level of service project, the cost is shown in Column 3. If the project will add capacity (i.e., acres), the level of service project cost is shown in Column 4. The cost of any project that has both level of service and non-level of service elements is allocated to Columns 3 and 4.

TABLE 1
PARKS CAPITAL PROJECT COSTS (2001-2006)
CITY OF KENMORE

(1) CAPITAL PROJECT	(2) TOTAL COST	(3) NON-LEVEL OF SERVICE COST	(4) LEVEL OF SERVICE COST
1. Park Acquisition	2,200,000	0	2,200,000
2. Logboom Park Dock Improvements	864,000	864,000	0
3. Capital Improvements to 1/3 of Existing Parks	600,000	600,000	0
Total:	3,664,000	1,464,000	2,200,000

FORMULA 2: UNFUNDED LEVEL OF SERVICE COST

The unfunded level of service cost is determined by subtracting any known capital improvement project revenues from the level of service costs.

2.	Park Level of Service Costs	-	Non-Impact Fee Revenues	=	Unfunded Level of Service Costs

There is one new variable used in formula 2 that requires explanation: (B) non-impact fee revenues for capital improvement projects.

Variable (B): Non-Impact Fee Revenues

Impact fee rate calculations must recognize and reflect all known sources of revenue from new development which are earmarked or proratable to a particular impact fee project. These sources of revenue can include locally generated revenues (e.g., taxes, fees or charges, interest, etc.), state and/or federal grants, bonds, or other revenue sources, which are committed to parks and recreational facility projects. The City's CFP lists specific sources of revenue for each project. The City of Kenmore's impact fee calculations include all non-impact fee revenue, whether paid by new development, or paid by existing residents and businesses.

Revenues that are used for repair, maintenance or operating costs are not included because impact fees are not used for such expenses. Revenues for payments of *past* taxes paid on vacant land prior to development are not included because new capital projects do not have prior costs, therefore prior taxes did not contribute to such projects.

If a developer believes that substantial tax payments were made that meet the criteria of RCW 82.02.060(1)(b), the City's impact fee ordinance allows an applicant to submit supporting information and request a special review.

CALCULATION OF UNFUNDED LEVEL OF SERVICE COST

The calculation of unfunded level of service costs for parks is presented in Table 2. Columns 1 and 2 list the capacity projects and costs from Table 1. The capacity costs are reduced by the amount of "secured" revenues in Column 3 and any "unsecured" revenues in Column 4. The secured and unsecured revenues are subtracted from the level of service costs, and the balance ("unfunded") is shown in Column 5.

TABLE 2
COMMUNITY PARKS
LEVEL OF SERVICE CAPITAL PROJECT COSTS (2001-2006)
CITY OF KENMORE

(1) CAPITAL PROJECTS	(2) LEVEL OF SERVICE COST (From Column 4 on Table 1)	(3) SECURED REVENUE	(4) UNSECURED REVENUE	(5) UNFUNDED LEVEL OF SERVICE COSTS
1. Park Acquisition	2,200,000	110,000	0	2,090,000
2. Logboom Park Dock Improvements	0	0	0	0
3. Capital Improvements to 1/3 of Existing Parks	0	0	0	0
Total	2,200,000	110,000	0	2,090,000

3: UNFUNDED COST PER UNIT OF PARK CAPACITY

The unfunded cost per unit of park capacity (i.e., acre of park land) is determined by dividing the unfunded cost of level of service projects by the amount of project capacity.

3. Unfunded Level of Service Costs ÷ Units of Park Capacity = Unfunded Cost per Unit

There is one new variable presented in formula 3 that requires explanation: (C) units of park capacity.

Variable (C): Units of Park Capacity

Capacity is a measurement of the size of a capital project, such as number of acres of parks, square feet of indoor recreation space, or miles of pathways/trails. The units of capacity are consistent with the uniform quantity/number of facilities in the City's standards for level of service, as shown in the Capital Facilities Plan of the City's Comprehensive Plan.

CALCULATION OF UNFUNDED COST PER UNIT OF PARK CAPACITY

Table 3 presents the calculation of community parks unfunded cost per acre. Columns 1 and 2 contain the unfunded capacity costs from Table2. Column 3 identifies the number of acres of capacity for each project. In Column 4, the total unfunded capacity cost of all eligible parks projects is divided by the total number of acres to determine the average unfunded cost per acre.

TABLE 3
PARKS UNFUNDED COST PER ACRE (2001-2006)
CITY OF KENMORE

(1) CAPITAL PROJECTS	(2) UNFUNDED LEVEL OF SERVICE COST	(3) UNITS OF CAPACITY	(4) UNFUNDED COST ($) PER UNIT
1. Park Acquisition	2,090,000	11.0	See Below
2. Logboom Park Dock Improvements	0	0	See Below
3. Capital Improvements to 1/3 of Existing Parks	0	0	See Below
Total	2,090,000	11.0	190,000

3. UNFUNDED COST PER CAPITA

In this chapter the unfunded cost per unit from Chapter 2 is converted to the unfunded cost per capita. As in the previous chapter, this chapter includes a description of the formula and each variable that is used in the formula, an explanation of the use of data in the formula, and the calculation of the unfunded cost per capita, using formula 4.

FORMULA 4: PARKS UNFUNDED COST PER CAPITA

The unfunded cost of parks per person is calculated by multiplying the unfunded cost per acre by the standard per capita for parks:

4.	Unfunded Cost per Unit	x	Standard per Capita	=	Unfunded Cost per Capita

Variable (C) Level of Service (LOS) Standards for Developed Park Land

The City has adopted in it's Capital Facilities Plan an "interim" level of service (LOS) standard for developed park land. The "interim" LOS reflects local interpretation of general guidelines from the National Recreation and Parks Association (NRPA) combined with the City's specific priorities for developed park land. The "interim" LOS standard is listed below in Table 4:

TABLE 4
PARK LAND
COMPREHENSIVE PLAN INTERIM LEVEL OF SERVICE STANDARD

Park Land/Facility	Standard
Developed Park Land	2.0 acres per 1,000 population

CALCULATION OF PARKS UNFUNDED COST PER CAPITA

The unfunded cost per capita is calculated by multiplying the standard for developed park land per capita times the cost per unit of park land. Table 5 contains the calculations: the standard is divided by 1,000 to compute the standard per capita and the result is multiplied by the unfunded cost per unit (from table 3 in Chapter 2), and the result is the unfunded cost per capita.

TABLE 5
PARK LAND
UNFUNDED COSTS PER CAPITA
CITY OF KENMORE

(1) COMPONENT	(2) STANDARD PER 1,000 POPULATION	(3) UNFUNDED COST ($) PER UNIT	(4) UNFUNDED COST ($) PER CAPITA
Developed Park Land (acres)	2.0	190,000	380.00

4. UNFUNDED COST AND IMPACT FEE PER DWELLING UNIT

In this chapter the unfunded cost per capita (from chapter 3) is converted to the unfunded cost per dwelling unit. As in the previous chapter, this chapter includes a description of the formula and each variable that is used in the formula, an explanation of the use of data in the formula, and the calculation of the park land and facility development capital cost per dwelling unit, using formula 5.

FORMULA 5: PARK UNFUNDED COST AND IMPACT FEE PER DWELLING UNIT

The unfunded cost of parks per dwelling unit is determined by multiplying the park unfunded cost per person times the number of persons per dwelling unit:

5.	Unfunded Cost per Capita	x	Persons per Dwelling Unit	=	Impact Fee per Dwelling Unit

The formula uses different numbers of persons per dwelling unit for different types of housing (i.e., single family and multi family). There is one new variable used in formula 5 that requires explanation: (D) persons per dwelling unit.

Variable (D) Persons per Dwelling Unit.

The number of persons per dwelling unit is the factor used to convert the unfunded cost of developed park land per capita into impact fees per dwelling unit. The unfunded cost per capita (from formula 4) is multiplied by the number of persons per dwelling unit to calculate the impact fee per dwelling unit of each type of park and recreational facility.

The number of persons per dwelling unit in the City of Kenmore are 2.86 persons per single family dwelling unit, 1.87 persons per multi-family unit, and 1.65 persons per mobile home according to the data from Washington's Office of Financial Management. (The number of persons per dwelling unit is sometimes referred to as persons per household in U.S. census information. These terms are interchangeable in this study). Specific numbers of persons per dwelling unit for various types of housing is shown in Column 3 of Table 6.

CALCULATION OF UNFUNDED COST AND IMPACT FEE PER DWELLING UNIT

The calculation to establish the unfunded cost and impact fee per dwelling unit involves multiplying the unfunded cost per capita from Table 5 by the number of persons per dwelling unit. Table 6 presents the unfunded cost and impact fee per dwelling unit.

TABLE 6
PARK LAND
UNFUNDED COSTS AND IMPACT FEE PER DWELLING UNIT
City of Kenmore

(1) Type of Housing	(2) Unfunded Cost Per Capita	(3) Average Persons Per Dwelling Unit	(4) Impact Fee Per Dwelling Unit
Single Family	380.00	2.86	1,086.80
Multi-Family	380.00	1.87	710.60
Mobile Home	380.00	1.65	627.00

APPENDIX A

6-YEAR PARK AND RECREATIONAL FACILITIES NEEDS

6-Year Need for Additional Developed Park Land

RCW 82.02 requires impact fees to be based on the City's Capital Facilities Plan (which must identify existing deficiencies in park capacity for current development, capacity of existing parks available for new development, and additional park capacity needed for new development). The purpose of this appendix is to summarize existing deficiencies and reserves, and needs for additional capacity for new development (based on data provided in the City's comprehensive plan).

The need for additional parks is determined by using standards for levels of service to calculate the quantity of facilities that are required. The required quantity is then compared to the existing inventory to determine needed new land and facilities.

The developed park land system in the City of Kenmore consists of 4 parks. Table A-1 summarizes the current inventory.

TABLE A-1
PARK LAND INVENTORY
City of Kenmore

Park	Acres
1. Linwood	1.38
2. Moorlands	4.60
3. Kenmore	12.50
4. Logboom	15.80
Total	34.28

TABLE A-2				
DEVELOPED PARKS CITY OF KENMORE ANALYSIS OF CAPITAL FACILITY REQUIREMENTS				
INTERIM LEVEL OF SERVICE (LOS) = 2.0 ACRES PER 1,000 POPULATION				
(1) TIME PERIOD	(2) CITY-WIDE POPULATION	(3) ACRES REQUIRED @ 0.002 PER CAPITA	(4) PARK ACRES AVAILABLE	(5) NET RESERVE OR DEFICIENCY
2000 ACTUAL	16,890	33.8	34.3	0.5
2001-2006 GROWTH	4,501	9.0	0.00	- 9.0
TOTAL AS OF 2006	21,391	42.8	34.3	- 8.5