



# Park Impact Fees Fact Sheet

## PARK IMPACT FEE (PIF) ORDINANCE

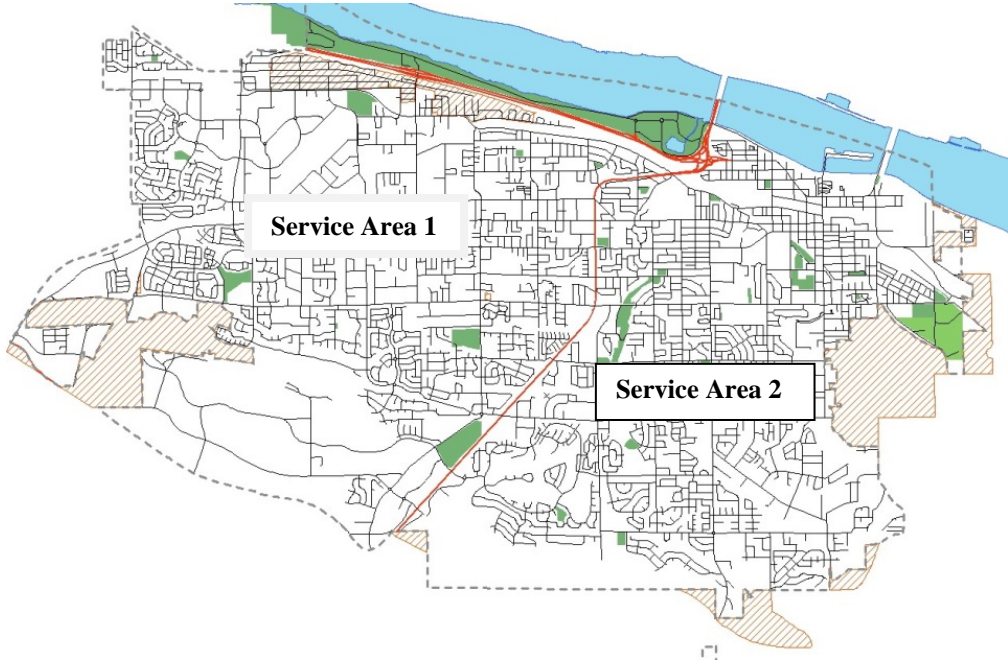
The Kennewick City Council passed Ordinance 5736 authorizing the implementation of a Park Impact Fee program effective January 1, 2018. The program replaces the previous park mitigation fee triggered by the State Environmental Policy Act (SEPA). The full PIF program information is contained in Chapter 3.90 of the Kennewick Municipal Code (KMC). The PIF was set at the following rates for 2020:

Unit Type	IMPACT FEE PER UNIT	
	SERVICE AREA 1	SERVICE AREA 2
Single-Family	\$960	\$793
Multi-Family	\$564	\$469
Mobile Home Units	\$689	\$574

*Note: Fees are adjusted annually by the same percentage changes as the most recent annual change of the Construction Cost Index published in the Engineering New Record (ENR) for the Kennewick area (Ord. 5736. Sec. 1 (part), 2017).*

## SERVICE AREAS DEFINED

State law allows cities to establish one or more service areas for imposing an impact fee. An advantage of having more than one citywide service area is that impact fees can be different based on the capital needs of different sub-geographies. For example, mostly-developed areas that already have parks and recreation facilities can have lower rates than other relatively undeveloped areas that need new facilities to support future growth. The City of Kennewick has two service areas: Service Area 1 on the West of HWY 395 and Service area 2 on the East of HWY 395.





## PURPOSE OF PARK IMPACT FEES

Impact fees are charges based on a set fee assessed on all new developments. The Revised Code of Washington (RCW 82.02.060) allows for impact fees. The intent is to ensure that adequate facilities are available to serve new growth and that the new growth pays a proportionate share of system improvement costs.

## BENEFITS OF PARK IMPACT FEES

- Treats all new developments equitably in the distribution of costs for new projects that serve growth.
- The fees are predictable and simple to calculate, and also streamline development timelines in comparison with previous mitigation methods.
- They are flexible since they can be spent on any PIF eligible project within the 2 service areas, allowing project construction to serve growth and to keep development moving.

## USE OF FUNDS

Impact fees are used on Capital Improvement Projects that reasonably benefit new development activity. Funds are not used to make up for existing deficiencies in public facilities, nor shall they be used for maintenance and operation of facilities (KMC 3.90.120).

## WHEN PARK IMPACT FEES ARE DUE

Park Impact Fees for residential development are due and payable prior to the issuance of a certificate of occupancy. Fees for residential single family units are due and payable prior to issuance of a building permit. However, the builder has the option of deferring the fee on a residential single family home until closing of the home sale (but no longer than 18 months from the building permit issuance) by providing a recorded covenant of payment obligation to the City of Kennewick Customer Service Counter (KMC 3.90.160).

## INDEPENDENT FEE CALCULATIONS

The Director may conduct independent fee calculations and impose alternative fees on a specific development, if in the Director's judgment none of the fee categories set forth in KMC 3.90.160 accurately describes or captures the impacts of a new development. Applicants have the option to prepare and submit to the director an independent fee calculation for the development based on the same methodology used to establish the impact fees adopted pursuant to KMC 3.90.160.

## EXEMPTIONS

Exemptions from payment of all parks, open space, and recreation impact fees are defined in KMC 3.90.070 and include:

- Alteration or replacement of an existing residential structure that does not create an additional dwelling unit or change the type of dwelling unit.
- Miscellaneous improvements which do not generate increased need for park facilities, including, but not limited to fences, walls, residential swimming pools, and signs.
- Demolition or moving of a structure.
- Properties that have undergone prior State Environmental Policy Act (SEPA), Chapter 43.21C RCW, review and received a final decision that includes mitigation requirements on the condition that the SEPA mitigation obligation has or will be fulfilled by the time the impact fees if applicable, would be due.
- Any development that creates insignificant and /or temporary additional impacts on any parks, open space, and recreation facility, including, but not limited to:
  - Home occupations that do not generate any additional demand for park facilities;
  - Special event permits;
  - Temporary structure not exceeding a total of 30 days (Ord. 5736 Sec. 1 (part), 2017)

## CREDITS

Credits maybe requested for dedications, construction or improvement and past tax payments in accordance with KMC 3.90.080.