

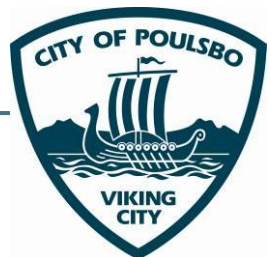
# Park Impact Fees Technical Document

Attachment to City of Poulsbo  
Park Impact Fee Ordinance

August 2011

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## I. **Introduction.**

The Park Impact Fee Technical Document has been prepared to establish the park impact fee for park and recreation facilities in the City of Poulsbo, Washington. The Technical Document describes the methodology and formula for calculating the park impact fee, as well as explanation of the variables used in the formula.

The Technical Document was prepared to support the adoption of the City of Poulsbo's Park Impact Fee ordinance.

### A. **Impact Fees v. Other Developer Contributions.**

Impact fees are charges paid by new development to reimburse local governments for the capital costs of public facilities that are needed to serve new development and the people who occupy or use the new development. Throughout this document, 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 described in this study do not include other legal forms of developer contributions or exactions, such as mitigation or voluntary payments authorized by SEPA (State Environmental Policy Act, RCW 43.21C), local improvement districts or other special assessment districts.

### B. **Developer Options.**

A developer who is responsible for impact fees has several options regarding payment of impact fees as set forth in the Park Impact Fee Ordinance (new Poulsbo Municipal Code Section 3.84):

- 1) Payment of fee as set forth in the Park Impact Fee Ordinance (Section 3.84.090).
- 2) Submit data and/or analysis to demonstrate that the impacts of the proposed development are less than the impact fees calculated by the City. (Section 3.84.130).
- 3) Appeal the impact fee calculation by the City of Poulsbo. (Section 3.84.150).
- 4) Obtain a refund if the development does not proceed and no impacts are created (Section 3.84.170).
- 5) Obtain a refund if the City of Poulsbo fails to expend the impact fees within the prescribed timeframe (Section 3.84.170).

## II. **Background and Authority for Impact Fees.**

Park mitigation in the City of Poulsbo has been collected under the State Environmental Policy Act (SEPA) as a SEPA mitigation. However, the City's intent is to move to collecting Park Impact Fees under the Growth Management Act (GMA) as authorized by RCW 82.02 and consistent with the adopted City of Poulsbo 2009 Comprehensive Plan Capital Facilities Plan and identified park level of service standard.

The Comprehensive Plan references GMA impact fees in policy PRO-6.1. In goal PRO-6, the Comprehensive Plan calls for the City to “develop a funding strategy and financing plan to meet the City’s park capital facility needs identified in the Parks Capital Improvement Program.” Development of a GMA impact fees ordinance and fee structure is a part of this funding strategy and financing plan.

**III. 2009 Comprehensive Plan Capital Facilities Plan – Park Section  
Basis for Impact Fees.**

**A. Level of Service.**

Level of Service standards for the City’s capital facilities are set forth in the 2009 Comprehensive Plan Capital Facilities Plan in Table CFP-2 (reference: page 179). The Park Level of Service standards are also identified in the park section of the Capital Facilities Plan Table CFP-10 “2025 Project Park Needs based on LOS” (reference: page 222-223).

The City has established a planned overall park system level of service standard of 13.73 acres per 1,000 population.

**B. 2025 Park Facility Needs.**

Communities adopt level of service standards that are customized to meet their specific needs and financial wherewithal. The City is planning to maintain the 2010 existing level of service for the 2025 planning horizon citywide, but have made adjustments to the park type planned level of service standards to support acquisition and development priorities.

Table CFP-10 in the Comprehensive Plan’s Capital Facilities Plan, sets forth the existing (2010) level of service for each of the City’s park types and the 2025 planned level of service. By comparing the two, the 2025 park acreage needs was calculated.

**Table CFP-10 2025 Project Park Needs based on LOS**

Park Type	2010 Existing Acres	2010 Existing Level of Service (ELOS)	2025 Planned Level of Service (PLOS)	2025 Acreage Need based on PLOS**	Actual 2025 Park Acreage Needs***
Neighborhood Park	13.76	1.54 acre/1,000 pop.	2 acre/1,000 pop.	29.61	15.85 acres
Community Park	28.44	3.19 acre	3.5 acre	51.82	23.38 acres
Regional Park	14.38	1.61 acre	1.5 acre	22.21	7.83 acres
Open Space Park	63.25	7.1 acre	6 acre	88.86	25.61 acres

Trails	3.75 miles or 2.73 acres*	.42 mile or .3 acres	1 mile or .73 acre	14.81 miles or 10.81 acres	11.06 miles or 8.08 acres
TOTAL	122.56 acres	13.74 acres/1,000 population	13.73 acres/1,000 population	203.31 acres	80.75 acres

\* Trail miles are converted into acreage by assuming a 6' wide trail x 1 mile = .73 acre

\*\* City's 2025 population of 14,808 was used to calculate total 2025 acreage needed.

\*\*\* Actual 2025 acreage needs calculated by subtracting 2010 existing acres from 2025 acreage need based on PLOS.

**IV. Park Impact Fee Factors and Formula.**

The City's Park Impact Fee is based upon the following factors:

2025 Park Facility Needs based on LOS	<b>2025 Park Need</b>
2025 Park Need adjusted to account for shared facilities and city owned land available for park use.	<b>Adjusted 2025 Park Need</b>
Adjusted Future Park Need * Cost of park land acquisition and development =	<b>2025 Park Need Costs</b>
2025 Park Need Costs adjusted to account for anticipated City and other public revenue sources	<b>2025 Park Need Costs to be paid by new development</b>
2025 Park Need Cost paid by new development / number of expected new dwelling units =	<b>Park Impact Fee</b>

The formula to calculate park impact fees is as follows:

2025 Park Need – Adjusted acreage = Adjusted 2025 Park Need
Adjusted 2025 Park Need * Estimated park land acquisition and development costs = 2025 Park Need Costs
2025 Park Need Costs – anticipated City and other public revenue sources = 2025 Park Need Costs to be paid by new development
2025 Park Need Cost paid by new development / number of expected new dwelling units = PIF

**A. 2025 Park Need.**

As established in the 2009 Poulsbo Comprehensive Plan Capital Facilities Plan Table CFP-10, the City's 2025 Park Need based on the level of service is 80.75 acres of parkland.

**B. Adjusted 2025 Park Need.**

There are a number of adjustments to the level of service standard acreage need of 80.75 that should be made. These adjustments are outlined below:

1. Partnership with North Kitsap School District.

The City has formed a partnership with the North Kitsap School District (NKSD) through shared use agreements, for fields at four schools. These fields are available for City sponsored recreation programs, as well as for the general public use.

NKSD Shared Fields:

Vinland Elementary:	3.4 acres
NK High School:	20.4 acres
NK Middle School:	11.08 acres
<u>Strawberry Fields:</u>	<u>8.3 acres</u>
TOTAL:	43.24 acres

The NKSD shared fields' total acreage is not available for City recreational programming or general public's use all the time. The normal use of the fields by each school is generally from 8 a.m. to 5 p.m. each weekday. Community use hours will run generally from 5 p.m. to 9 p.m. weekdays. Routinely, community users have access to the fields on weekends and summer months. Middle schools and high school facilities are less available for community use based on sports and activities conducted by NKSD. Overall, the annual community and public use average calculated by the City's Recreational Programmer is 50%.

Therefore, 21.62 acres of community fields for recreational purposes is available to meet the 2025 Park Need.

2. City-owned land not accounted for in 2009 Comprehensive Plan.

a. *GIS analysis of existing city owned parkland:*

During the preparation of the Park Impact Fee Ordinance, the City Planning Department used the Geographic Information System (GIS) to confirm the city-owned park inventory as set forth in the 2009 Comprehensive Plan. Two variations in parkland acreage was identified during this review:

i. Austurbruin Park: The acreage identified in the 2009

Comprehensive Plan is 2 acres; however, the City ownership includes an additional 2.76 acres, which is open space just south of the improved playground, and is considered part of the park. This acreage should be counted as City owned parkland.

ii. Hattaland Park: The acreage for Hattaland Park has been decreased due to the need for additional right-of-way from WSDOT for the SR 305 widening project. The park is now .46 acre smaller than identified in the comprehensive plan inventory. The .46 acre should be added as a park need. In addition, the City is completing the process of a land donation by an adjacent property owner of 1.01 acre immediately south of Hattaland Park, to be added to Hattaland Park. It appears the land donation will be accepted. Therefore, the 1.01 acre should be counted as additional available park land.

b. *SR 305 Wetland Mitigation Acreage:*

As part of the SR 305 widening project, WSDOT was required to establish a wetland mitigation site. This site is 13.69 acres, adjacent to SR 305 (near the Bond Road intersection), and is near the City's Betty Iverson-Kiwanis Park. An agreement between the City and WSDOT has the ownership of this land transferring to the City in approximately five to eight years. This acreage will be added to the City's parkland inventory (as an open space/natural park); and the City has included in its future Trail Development project list, trails from Betty Iverson-Kiwanis Park to the mitigation site. This acreage should be counted as City owned parkland, as the transference of ownership is assured.

c. *Fish Park trail development and land donation:*

Development of a trail system in the City's Fish Park has been planned for the park. The 2009 Comprehensive Plan included .16 mile of trail in its existing park land inventory. The trail has been improved and expanded now for a total of 1.2 miles long. To account for the additional 1.04 mile of trail not included in the comprehensive plan, .75 acre should be counted. (1 mile of trail = .73 acre).

In addition, the City is completed the process of a land donation by an adjacent property owner of .73 acres northwest of Fish Park along Viking Avenue, to be added to Fish Park. It appears the land donation will be accepted. Therefore, the .73 acre should be counted as additional park land.

d. *City-owned tidelands:*

The City owns a number of public parks along the shoreline of Liberty Bay. In some cases, the City ownership includes tidelands; however tideland acreage is not always included in the overall parcel acreage identified by the Kitsap County Assessor (and thereby as identified in the comprehensive plan).

In two cases – Fish Park and Oyster Plant Park – identification of the tidelands as part of the park acreage is appropriate. For Fish Park, the Dogfish Creek estuary has been incorporated into the park through its viewing platforms, trail locations

and educational signage. The acreage of the Dogfish Creek estuary associated with Fish Park is 2.73. The Oyster Plant Park, in a similar manner, has a viewing pier that extends onto the publicly owned tidelands. Again, since the tidelands are being used as an integral part of the park, the .74 acres for the Oyster Plant Park should be counted.

3. Adjusted 2025 Park Need.

2025 Park Need by LOS:	80.75 acres
NKSD Shared Fields:	-21.62 acres
Austurbruin Park:	-2.76 acres
Hattaland Park:	+4.46 acre
Hattaland Park land donation:	-1.01 acre
SR 305 Wetland Mitigation Site:	-13.69 acres
Fish Park trail development:	-.75 acre
Fish Park land donation:	-.73 acre
Fish Park Estuary:	-2.73 acres
Oyster Plant Park:	-.74 acres

*Adjusted 2025 Park Need is 37.18 acres.*

**C. 2025 Park Need Costs**

The cost of meeting the 2025 Park Needs takes into account two contributors: park land acquisition and park land development.

1. Cost of Park Land Acquisition: The average park land acquisition cost per acre is based on the 2011 average current assessed value of vacant land available in the City of Poulsbo with these Assessor classification parameters: 1) vacant and undeveloped parcels between 2-5 acres in size; and 2) vacant, undeveloped and one single-family house 5 acres or larger in size. Do not include parcels that: 1) are in current use tax exempt classification; 2) have a current preliminary plat, planned unit development, planned residential development, site plan review, or binding site plan approval from the City; and 3) have non-residential zoning (this is because the Parks 20-year land acquisition list from the CFP are primarily located in Residential (R) zones).

The Poulsbo GIS calculated the total acreage of those parcels fitting within these classifications, calculated a total assessed value, which was then calculated into a total average value per acre. *The result of this exercise is an average assessed value of \$72,887 per vacant acre in the city limits of Poulsbo.*

2. Cost of Park Land Development: The average park land development cost can be difficult to estimate because the cost of developing park land varies widely depending on the type of park, the size of the parcel, the facilities to be installed, and the general site clearing and infrastructure installation. When determining the park land development costs, the City considered the five park types identified

in the 2009 Comprehensive Plan, and determined an average development cost per acre for each of the park types. This average is based on the City’s most recent park development costs, typical amenities associated with the park, and feedback provided to the City from other municipalities.

**Neighborhood Park:** average \$75,000 per acre  
*(typical amenities: playground, picnic area, lawn/sitting area, barbeque, trails, viewing area)*

**Community Park:** average \$115,000 per acre  
*(typical amenities: playground, sport fields, picnic area/shelter, barbeque, trails/paths, lawn/siting area, viewing areas, dog run, and community gardens)*

**Regional Park:** average \$130,000 per acre  
*(typical amenities: playground, picnic area, restrooms, trails/paths, lawn/sitting area, multi-purpose fields, viewing areas, picnic shelter)*

**Open Space Park:** average \$60,000 per acre  
*(typical amenities: trails and paths, viewing areas, viewing platforms, arboretum)*

**Trails:** average \$30,000 per acre  
*(typical development: grading and gravel path)*

Park land development costs can be calculated by applying the average cost per acre by park type to the Adjusted 2025 Needed Acres, thereby generating a total estimated cost by park type. The total estimated cost by park type is then divided by the 2025 Adjusted Park Acres of 37.18, to arrive at an average park land development cost per acre.

**Average Park Land Development Costs based on Park Type**

Park Type	2025 Needed Acres based on PLOS	Adjustments to 2025 Needed Acres	Adjusted 2025 Needed Acres	Average Cost of Development per acre	Estimated Cost by Park Type
Neighborhood Park	15.85	- .74 acres (Oyster Plant Park) - 2.76 (Austurbruin Park)	12.35	\$75,000	\$926,250
Community Park	23.38	-21.62 (NKSD shared fields)	1.76	\$115,000	\$202,400
Regional Park	7.83	None	7.83	\$130,000	\$1,017,900
Open Space Park	25.61	- 2.73 (Fish Park estuary) -.73 (Fish Park donation) - 13.69 (SR 305 Wetland Mitigation) + .46 (Hattaland 305 widening) - 1.01 (Hattaland donation)	7.91	\$60,000	\$474,600



Trails	8.08 acres	-.75 acre (Fish Park trail)	7.33	\$30,000	\$219,900
TOTAL	80.75 acres	43.78 acres adjustment	37.18 Adjusted Park Acres Needed	\$2,841,050	
<b>Average Park Land Development Cost per Acre based on Adjusted 2025 Needed Acres</b>				\$76,413 per acre	

3. 2025 Park Need Costs:

When average cost of park land acquisition and park land development is combined, the result is a cost of \$149,300 per acre to acquire and develop an acre of parkland.

When applied to the adjusted 2025 Park Acre Need of 37.18 acres, *the 2025 Park Need Cost is \$5.55 million.*

**D. 2025 Park Need Costs to be paid by new development**

The total 2025 Park Need Costs of \$5.55 million must be shared between the City and new development. This is referred to as an “adjustment factor” and reflects the contribution public funds must make to future park development, as the financing system cannot rely solely on impact fees. The adjustment factor is based on the City’s evaluation of likely collection of payments (user fees, taxes) and the availability of public funds for future park capital improvements.

1. Predicted Public Funding Sources.

The City anticipates contributing \$3.05 million through a variety of funding sources including taxes, user fees, grants and donations over the 2025 planning period. This is based the City’s committed park general fund allocation, estimated state/federal grants and estimated donation of labor and supplies:

City 2025 General Fund Allocation: \$1.27M  
*(average \$85,000 per year over planning horizon)*

City 2025 Estimated Federal/State Grants: \$1.5M  
*(conservative estimate of 1/2 of the grant awards the City received in past 15 years)*

Community donations of labor/supplies: \$280,000  
*(based on past 15 years of community donations)*

*Total 2025 Estimated Public Funding: \$3.05M*

2. Adjustment Factor.

Based on the City’s predicted public funding sources over the 2025 planning

horizon of \$3.05M, the City anticipates financing 55% of the 2025 Park Land Cost of \$5.55M.

The remaining \$2.5M is then divided into the 2025 expected new housing units.

3. Expected new housing units.

The 2009 Comprehensive Plan identified 2,251 expected new housing units of the 2025 planning period (*reference: 2009 Comprehensive Plan p.120*). To adjust for the housing units since the comprehensive plan was adopted, the growth in population based on the Washington State Office of Financial Management 2011 population estimate for Poulsbo, is an increase of 390 people; this population is translated into housing units (*2.45 average household size*), resulting in 159 housing units. Therefore, the remaining new expected housing units is 2,092.

$\$2.5M / 2,092 \text{ new housing units} = \$1195 \text{ Park Impact Fee.}$

*The resulting Park Impact Fee for new residential units is \$1195.*

**E. GMA Impact Fee Calculation Summary.**

2025 Park Facility Needs based on LOS Table CFP-10	<b>80.75 acres</b> 2025 Park Need
2025 Park Need adjusted to account for shared facilities and other city owned land available for public use.	<b>37.18 acres</b> Adjusted 2025 Park Need
Adjusted Future Park Need x Cost of parkland acquisition and development	<b>\$5.55M</b> 2025 Park Need Costs
2025 Park Need Costs adjusted to account for anticipated City and other public revenue sources	<b>\$2.5M</b> 2025 Park Need Costs to be paid by new development
2025 Park Need Cost paid by new development / expected new housing units	<b>\$1195</b> <b>Park Impact Fee</b>

V. **Calculation of Impact Fee for New Development.**

The park impact fee to be paid by new development shall be calculated by multiplying \$1195 per residential lot or unit per submitted building permit.

As allowed by the Park Impact Fee Ordinance, a developer may elect to prepare an independent fee calculation study for a proposed development, pursuant to the requirements in Section 3.84.130.

VI. **Summary.**

The City of Poulsbo intends to enact a park impact fee ordinance in order to collect impact fees as authorized under RCW 82.02. The 2009 Poulsbo Comprehensive Plan set forth the desired park level of service and needed parkland based on the LOS and 2025 population. Adjustments to the 2025 Park Land Need have been made in this Technical Document to account for shared public recreation facilities, and city-owned parkland not accounted for in the comprehensive plan's park land inventory. The impact fee of \$1195 per new residential lot/unit could generate \$2.5 million during the 2025 planning period.