STANWOOD PLANNING COMMISSION MINUTES
July 22, 2019

Call to Order

Chair Linda Utgard called the meeting to order at 6:30PM with the following Commissioners present: Linda Utgard, Darren Robb, Steve Shepro, Sid Roberts, Marcus Metz, and Lance Dennis. Staff present; Community Development Director Patricia Love. Also known to be present, Peggy Wendel, Cathy Wooten, Denise Long, Kathrleen Shepro, Dylan Sluder.

Public Requests and Comments

Dylan Sluder from the Master Builders Association of King and Snohomish County introduced himself to the Planning Commissioners.

New Business

Park Impact Fees

Community Development Director Patricia Love presented an overview of Park Impact Fees. One of the City's 2019 / 2020 work items is to review and potentially update the City's park impact fees. The City's Park Impact Fee ordinance was last updated in December of 2017. While the fee is fairly newly adopted, Council has asked staff to review the costs associated with projects and what is the fairest distribution of those costs.

Park Impact Fee Formula:

$$\textbf{PIF} = \frac{\textbf{C x S x U x A}}{\textbf{P}}$$

C = Average Development and Acquisition Cost per Acre
S = Level of Service Standard: 2.5 acres per 1,000 residents for each neighborhood and community parks = 5.0 acres per 1,000 residents
P = 1,000 (People)
U = Average Occupancy: 2.77 / SFR and 2.17 / MFR
A = Adjustment Rate of 40% (Applies a 0.60 adjustment factor to the formula)

In 2017, the City evaluated three alternative scenarios using current cost data and applying the above listed formula:

Alternative 1: Full cost of park projects listed in the Park Plan
Alternative 2: Park acquisition and development costs listed in the 6-year CIP
Alternative 3: Park acquisition and development costs listed in the 6-year CIP with the exclusion of associated transportation costs which are included in the City's Transportation Improvement Plan (TIP)

Alternative 3 was selected by the City Council as the most appropriate methodology. The Council also opted to cut the resulting Alternative 3 impact fee in half.

Staff is proposing to apply the Council's adopted policy direction to the 2019 update. As a result, the proposed update would apply the Alternative 3 methodology to the 2019 – 2024 Park CIP project list and divide the resulting figure in half.

The following options have been prepared for consideration:

Option 1: Amend Adjustment Rate and Household Size:
Update the formula with latest house hold size numbers and construction costs:

Option 2: Amend the Discount Factor:
Use the existing formula and apply the discount factor at 50/50 versus 60/40. 50/50 is a common discount factor used by many cities.

Option 3: Apply A Division Factor:
In 2017 the City Council chose to divide the final fee in half. This is being referred to as the "division factor". This option includes updating the household size, construction costs and discount factor and then dividing the total number in half. This division factor could be any number. For reference, the example below shows it at half the rate of Option 2.

Option 4: Maintain Existing Fee:
This is the do nothing option; leave the park impact fee as it currently stands at $1,330.00 per single family residence and $1,042.00 per duplex, townhouse and multifamily residence.

Maintain the existing fee but apply a construction cost escalation rate to adjust for changes in the construction industry. Staff is recommended that the escalation factor should follow the Producer Price Index, for a couple of reasons: 1) it is regional, 2) it is published by the Bureau of Labor Statistics and 3) it is readily available.

The final result of this exercise is multi-facetted:

1. Potentially update the park impact fee based on the 2019 – 2024 park CIP list,
2. Amend SMC Chapter 17.151, Impact Fees, to reflect the applied formula, and
3. Evaluate the adjustment and division factors.

No action was taken. Planning Commission will revisit this discussion in September.

Miscellaneous Business

Community Development Director Patricia Love presented "A Road Map to Washington's Future" as an FYI to the Commission

Recent Council Action on Commission Items

Council had the first reading of the Shoreline Codes with no suggestions or changes. The second reading and final adoption will be August 8th.

Council also approved Street Vacations Ordinance and Address Code Ordinance

Upcoming Items

- The August Planning Commission Meetings have been canceled. The next meeting will be held September 9, 2019.

Adjourn

The meeting adjourned at 8:15PM.

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Krista Hintz, City of Stanwood