

City of Cheney
609 Second Street
Cheney, Washington 99004

**CITY OF CHENEY, WASHINGTON
ORDINANCE NO. X-64**

**AN ORDINANCE OF THE CITY OF CHENEY, WASHINGTON, ADDING A NEW
CHAPTER 23.116 ENTITLED "PARK IMPACT FEES" BY RELOCATING CHAPTER
19.24 TO INCLUDE ADDING ADDITIONAL PROVISIONS AND PROVIDING FOR
OTHER MATTERS RELATING THERETO**

WHEREAS, the City is authorized to impose impact fees on development activities as part of its public facilities financing program in order to provide a balance between impact fees and other sources of public funds;

WHEREAS, impact fees may only be used for "system improvements," meaning public facilities which are included in the capital facilities plan that provides services to the community at large;

WHEREAS, pursuant to WAC 365-196-850, impact fees may be used in order to provide for publically owned parks, open space and recreation facilities; and

WHEREAS, the City desires to impose and maintain a park impact fee.

NOW, THEREFORE, the City Council of the City of Cheney does ordain as follows.

Section 1. Repeal and Recodification. Chapter 19.24 of the Cheney Municipal Code entitled "Park Impact Fees" is hereby repealed and recodified as Chapter 23.116 as fully set forth herein.

Section 2. New Chapter. A new chapter 23.116 entitled "Park Impact Fees" is hereby added to the development code as set forth herein.

CHAPTER 23.116 – Park Impact Fees

23.116.010 – Purpose

23.116.020 – Service Areas

23.116.030 – Mitigation of Park and Recreation Impacts Required

23.116.040 – Amount of Impact Fee

23.116.050 – Credits for Dedication of Land

23.116.060 – Credit for On-Site Mitigation

23.116.070 – Credit for Dedication Excess of Required Mitigation.

Section 3. **New Section.** Section 23.116.010 entitled "Purpose" is added as follows:

23.116.010 - Purpose.

The purpose of this chapter is to help achieve the goals and objectives of the land use, parks and recreation and capital facilities elements of the City of Cheney's comprehensive plan. This impact fee requires new residential development bear a proportionate share of the cost of capital expenditures necessary to support park land and facilities that are reasonably related to the new development.

Section 4. **New Section.** Section 23.116.020 entitled "Service areas" is added as follows:

23.116.020 - Service areas.

To implement the capital facilities plan and parks and recreation elements of the comprehensive plan and further the administration of this chapter, a single park service area encompassing the entire city is hereby established.

Section 5. **New Section.** Section 23.116.030 entitled "Mitigation of park and recreation impacts required" is added as follows:

23.116.030 - Mitigation of park and recreation impacts required.

Approval of a residential development activity is contingent upon mitigation of the development's impacts on the park and recreation system level of service identified in the city's comprehensive plan through payment of an amount calculated pursuant to section 23.116.040 or 23.115.050, a dedication of land or system improvement pursuant to section 23.116.050, or a partial credit pursuant to section 23.115.050.

Section 6. **New Section.** Section 23.116.040 entitled "Amount of impact fee" is modified as follows:

23.116.040 - Amount of impact fee.

(a) The formula used to develop mitigation fees for public park and recreation facilities allocates a proportionate amount of both the cost of land acquisition and facility development to sustain the existing level of service as a result of new development. The formula is reviewed in conjunction with the annual comprehensive plan amendment process and modified, as necessary, to reflect changes in park development costs and population estimates.

- (b) Level of service. The level of service standard for parks is established in the comprehensive plan. The Parks and Recreation Implementation Plan identifies the new capital projects to be constructed in order to maintain the established level of service.
- (c) Park development costs. The estimated costs of new capital projects from 2015 – 2020 in the 2015 – 2034 Parks and Recreation Implementation Plan have been determined to be \$525,000.
- (d) Household size. In determining the average household size various sources have been consulted including the City of Cheney Comprehensive Plan, the United States Census Bureau and the Washington State Office of Financial Management. For the purpose of implementing this chapter, the average household sizes are as follows.
 - (1) 0—1 bedroom apartment or duplex — 1.0 person per dwelling unit
 - (2) 2 bedroom apartment or duplex — 2.0 persons per dwelling unit
 - (3) 3+ bedroom apartment or duplex — 2.6 persons per dwelling unit
 - (4) Single-family residential — 2.6 persons per dwelling unit
- (e) Population estimates for the City of Cheney indicate that from 2018-2023 the City of Cheney is expected to increase by 877 residents (20-year projections divided by 3.33 representing the increase in population over a six-year period).
- (f) The formula for calculating the park impact fee is as follows:
 - (1) Eighty percent (80%) of the park development costs (which includes land acquisition and facility development) shall be covered by park impact fees.
 - (2) Park impact fee per person:

$$80\% \times (\text{new capital projects from 2015 – 2020}) / (\text{estimated six year population increase projections}) = \text{impact fee per person. The 2019 impact fee is:}$$

$$\underline{\$420,000 / 877 = \$479.00 \text{ per person}}$$
 - (3) Cost per person × person per household = park impact fee per household:

<u>Per Unit</u>	<u>Average Occupancy</u>	<u>Fee</u>
<u>0—1 bedroom apartment or duplex</u>	<u>1.0 per dwelling unit</u>	<u>\$479.00</u>
<u>2 bedroom apartment or duplex</u>	<u>2.0 per dwelling unit</u>	<u>\$958.00</u>
<u>3+ bedroom apartment or duplex</u>	<u>2.6 per dwelling unit</u>	<u>\$1,245.00</u>
<u>Single-family residential</u>	<u>2.6 per dwelling unit</u>	<u>\$1,245.00</u>

- (g) Impact fee allocation. The city shall provide a balance between impact and other sources of public funds to meet its capital project needs. Revenues from property taxes, user fees, sales tax, real estate excise taxes, grants, and other revenue sources will be used to pay the proportionate share of the growth generated capital facilities costs. For the purpose of calculating park impact fees, 80 percent of the cost is anticipated to be generated by the collection of impact fees. The remaining 20 percent is expected to originate from city.

county or state sources. Thus the mitigation assessment reflects a 20 percent discount from the actual acquisition costs.

Section 7. **New Section.** Section 23.116.050 entitled "Credits for dedication of land" is renamed "Credits for dedication of land and system improvements" and modified as follows:

23.116.050 - Credits for dedication of land and system improvements.

- (a) Any claim for credit shall be made by the developer prior to the submittal of the preliminary plat for the subdivision, building permit or other application or as otherwise agreed in writing between the City and applicant.
- (b) Dedication of park land may be offered by the developer as total or partial payment of the required impact fee. If the city council accepts such an offer, the credit shall be determined and provided in the following manner: The land shall be appraised by the land owner and credit will be valued at 100 percent of the appraised value. The city reserves the right to seek an additional appraisal, at which time the city's appraisal would supersede the land owner's appraisal. Credit for the dedication of park land shall occur when the property has been conveyed at no charge to, and accepted by, the city in a manner satisfactory to the city council.
- (c) The city council shall consider the following when determining whether to accept an offer for the dedication of land:
 - (1) Any restrictions, covenants or other constraints placed on the title of the property to be transferred to the city.
 - (2) Consistency with, and implementation of, the comprehensive plan.
 - (3) Availability of adequate public access to the site. All lands to be considered for the dedication of park land shall be fronted by a public road on at least 25 percent of the perimeter.
 - (4) The existence of physical constraints affecting the site such as problems with drainage, erosion, or flooding, or the presence of hazardous waste, which would increase demand on public resources for maintenance and operation.
 - (5) The presence of safety hazards.
 - (6) Constraints due to the presence of environmentally sensitive areas.
 - (7) The physical capability of supporting active recreational opportunities.
 - (8) A completed survey with the property boundaries clearly marked in the field.
 - (9) The market value of the land is found to be commensurate with its value as a park. It is the intent of this provision to avoid accepting expensive land (and crediting the developer) for a facility when there are more affordable alternatives available.
 - (10) If the dedication is smaller than the need identified in the park plan, the city may require that the dedication be located on the perimeter of the development at a

location that assures the opportunity for future dedication or acquisition by the city of additional park land to meet the need identified in the park plan.

(11) The city also must evaluate how much undeveloped land is currently owned by the City of Cheney for the development of a park and if it is in the best interest of the city to accept more undeveloped land.

(d) The criteria for acceptance should be evaluated regularly through the annual comprehensive plan review process.

Section 8. **New Section.** Section 23.116.060 entitled "Credit for on-site mitigation" is modified as follows:

23.116.060 - Credit for on-site mitigation.

(a) If the developer constructs a park facility that is accessible and open to the general public, 100 percent of the approved development costs and value of the land shall be applied against the park impact fees imposed by this chapter upon the following conditions.

(1) The developer must have a detailed park development plan approved by the Cheney Park Board of Commissioners and city council.

(2) The plan must address current or future park facility needs as identified in the parks and recreation chapter of the comprehensive plan.

(3) The developer must dedicate (or otherwise make available upon agreed terms) the land and all improvements to the City of Cheney upon completion of the park facility development. The credit for the land shall be limited to the value of the land where the park facilities will be located and is limited to the square footage of the improvements. The amount of the credit shall be based on an appraisal of the property prepared by an MAI certified appraiser commissioned and paid for by the developer. The city retains the right to secure its own appraisal, in which case the city's appraisal would supersede the developer's appraisal.

(4) The city will determine the actual amount of credit to be applied against the city's impact fees on the basis of a verified copy of the construction/material costs. The city shall not reimburse the developer for any credit in excess of the amount payable under the city's park impact fee or other park mitigation measures; however it may be utilized for mitigation credit for future developments within the next six years.

(5) Upon dedication of the land and improvements the city will take full ownership and will be responsible for maintaining the land (unless otherwise agreed) where the approved park facilities will be located.

(b) If the developer creates a park facility that is not open to the general public but is available for the residents within the development, the developer may receive credit for up to 25 percent of the overall park impact fees owed for the development under the following conditions:

- (1) The developer or property owner is responsible for the operation and maintenance of the park facility.
- (2) The developer or property owner assumes ownership and control of the property.
- (3) The developer or property owner submits covenants, conditions and restrictions pursuant to RCW chapter 64.38, evidencing the obligation of the homeowners' association to maintain and operate the park facility.
- (4) The city will determine the actual amount of credit to be applied against the city's impact fees on the basis of a verified copy of the construction/material costs. The city shall not reimburse the developer for any credits in excess of the minimum amount payable under the city's park mitigation measures. Credit towards future development is not provided for park facilities that are not open to the general public.

Section 9. New Section. A new section 23.116.070 entitled "Credit for dedication in excess of required mitigation" is added as follows:

23.116.070 – Credit for dedication in excess of required mitigation.

When a developer proposes a dedication of land or park development improvements which are approved by the city, of which the value exceeds the developer's mitigation obligation, the city shall credit the developer by authorizing park impact fee credit for future development that occurs within the city. This credit shall be valid for six years from the date of issuance and is transferable to another party.

Section 10. Severability. If any section, sentence, clause or phrase of this ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 11. Effective Date. This ordinance shall become effective thirty (30) days after its passage, approval, and publication.

Introduced this _____ day of _____, 2019.

Passed by the City Council this _____ day of _____, 2019.

Approved by the Mayor this _____ day of _____, 2019.

Chris Grover, Mayor

ATTEST:

Cynthia L. Niemeier, City Clerk

APPROVED AS TO FORM:

Stanley M. Schwartz, City Attorney