
CITY OF MERCER ISLAND

COMMUNITY PLANNING & DEVELOPMENT

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PLANNING COMMISSION

To: City Council
From: Daniel Hubbell, Planning Commission Chair
Date: April 27, 2022
RE: ZTR21-007 Transportation Impact Fees
ZTR21-008 Parks Impact Fees

ATTACHMENTS: A. Recommended Amendments to Mercer Island City Code 19.18.100 and 19.19.100.

On behalf of the Planning Commission, I am pleased to present our recommendation on ZTR21-007 and 008, transportation and parks impact fees.

This code amendment was prompted by a project to update City impact fee rate studies initiated in 2020. The code amendments are proposed to enable the City to periodically update rate studies in the future without requiring corresponding code amendments. The Planning Commission worked on this amendment beginning in March 2022. The Planning Commission recommended code amendment would amend the transportation and parks impact fee update requirements in MICC 19.18.100 and MICC 19.19.100 (Attachment A).

This matter first came before the City of Mercer Island Planning Commission on March 23, 2022. The Planning Commission held an open record public hearing on April 27, 2022. No public comment was received during the public hearing on this amendment. The Planning Commission considered the staff reports dated March 17, 2022, and April 20, 2022, in making its recommendation.

After deliberation, the Commission recommends the draft code amendment to MICC 19.18.100 and MICC 19.19.100 as shown in Attachment A. The changes will allow the City to adopt future rate studies by reference without having to amend the development code.

Daniel Hubbell
Planning Commission Chair
City of Mercer Island

Date

1 **19.18.100 - Fee schedule and updates.**
2

3 A. The parks impact fees shall be adopted in the development and construction fee schedule based on the
4 most recent rate study approved by the city council and updated annually thereafter as described in
5 MICC 19.18.100 (B). ~~The following impact fees are based on the city's 2015 rate study:~~

6 ~~1. Single family dwelling unit: \$2,054.00 per dwelling unit.~~

7 ~~2. Multifamily: \$1,320.00 per dwelling unit.~~

8 B. Park impact fee rates shall be updated annually using the following procedures:

9 1. The code official shall use the Construction Cost Index for Seattle (June-June) published by the
10 Engineering News-Record to calculate annual inflation adjustments in the impact fee rates. The park
11 impact fees shall not be adjusted for inflation should the index remain unchanged.

12 2. The indexed impact fee rates shall be effective January 1. ~~A copy of the indexed impact fee rates~~
13 ~~shall be provided to the city council but the indexed rates shall become effective without further~~
14 ~~council review.~~

15 C. The code official shall review the park impact fee rates annually to determine when a new park impact
16 fee rate study ~~should be prepared~~ is necessary and recommend to the city council when a new study
17 should be prepared.

18 **19.19.100 - Fee schedule, review of schedule and updates.**
19

20 A. ~~The impact fees on exhibit A to the ordinance codified in this chapter are based on the city's 2015 rate~~
21 ~~study.~~ The transportation impact fees shall be adopted in the development and construction fee schedule
22 based on the most recent rate study approved by the city council and updated annually thereafter as
23 described in MICC 19.19.100 (B).

24 B. Transportation impact fee rates shall be updated annually using the following procedures:

25 1. The code official shall use the Construction Cost Index for Seattle (June-June) published by the
26 Engineering News Record to calculate annual inflation adjustments in the impact fee rates. The
27 transportation impact fees shall not be adjusted for inflation should the index remain unchanged.

28 2. The indexed impact fee rates shall be effective January 1. ~~A copy of the indexed impact fee rates~~
29 ~~shall be provided to the city council but the indexed rates shall become effective without further~~
30 ~~council review.~~

31 C. The code official shall review the transportation impact fee rates annually to determine ~~when~~ if a new
32 transportation impact fee rate study ~~should be prepared~~ is necessary and recommend to the city council
33 when a new study should be prepared.

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