

Poulsbo considers changes to impact fees

By Brynn Grimley

Thursday, August 11, 2011

POULSBO — Changes are coming for traffic and park impact fees in Poulsbo, including an increase in the park fee to offset the impact new development has on Poulsbo parks.

The city has collected traffic and park impact fees for 20 years, but it's been 19 years since the park impact fee has been updated. Poulsbo saw significant growth in that time, but not all of that growth paid for itself.

The City Council has talked about making changes to its impact fees for several years, Poulsbo Mayor Becky Erickson said. Since taking office, Erickson has repeated the mantra "growth should pay for growth," a sentiment shared by the council.

"We've had 19 years worth of activity and they have not been updated," Erickson said of the park fees. "That's too long. We need to stay on top of this."

Impact fees are intended as a way to make people moving to a city pay for the impact they have on public roads and spaces. If the fees are not levied for transportation impacts, existing taxpayers would be on the hook to pay for the installation of new roads, stoplights or other traffic improvements to account for growth to the area.

The fees are assessed based on the size of a proposed development and can only be used to pay for improvements to facilities like roads, schools and parks that would be directly impacted by new development.

Under the proposed ordinance, the city's traffic impact fees will see minimal change in the amount collected. Instead it's how the fees are collected that the city wants to change. The proposed changes will not affect existing residences or buildings.

Currently, the city collects both traffic and park fees under the State Environmental Policy Act, or SEPA. Under the proposed change, the city would collect the funds under the state's Growth Management Act. The move would afford the city more flexibility when using the money to mitigate project impacts, Erickson said.

"Under SEPA the money must be used as mitigation for a specific project," she said.

That's fine for large projects like a grocery store or large-scale housing development that have significant impacts on the surrounding area, but not always for smaller-scale projects. There are times when money from smaller projects would offer a larger

benefit if combined with funds from other small-scale developments to help pay for a mitigation project, Erickson said. That is not allowed under SEPA.

If the city opts to switch to the GMA impact fee model, it would have more flexibility with how it dedicates the fees collected, which benefits the community, Erickson said.

The proposed increase for the city's park impact fee would increase from the current \$500 per new residential unit to \$1,195 per new residential unit. The city currently charges a fee of \$88 per anticipated employee for new commercial development, but under the proposal no impact fees are proposed for new commercial development.

Based on the city's review of similar sized jurisdictions, the average park impact fee is \$2,111 for a single-family residence.

The city's transportation fees are established on a project-by-project basis. The city figured its average SEPA mitigation fee for transportation was \$2,960 per new single-family residence. Under the proposed GMA collection model the city would have a set fee amount, making it easier for developers to know costs upfront.

The city's proposing a traffic impact fee of \$2,830.50 per new single-family residence. It also proposes to collect the payment at the time of individual building permit issuance, instead of its current practice of collecting the fees in an "all at once" payment.

An open house is planned for Sept. 8 from 4:30 to 7 p.m. at city hall for the public to ask questions and learn about the proposed changes.



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