



CITY OF
BAINBRIDGE ISLAND

**CITY COUNCIL STUDY SESSION
TUESDAY, DECEMBER 07, 2021**

REMOTE MEETING ON ZOOM

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AGENDA

1. **CALL TO ORDER / ROLL CALL - 6:00 PM**
Councilmember Fantroy-Johnson will be absent.
2. **INTRODUCE COUNCILMEMBER QUITSLUND AND PRESENT OATHS OF OFFICE - 6:05 PM**
 - 2.A **Present Oaths of Office for Councilmember Quitslund and Judge McCulloch**, 15 Minutes
3. **APPROVAL OF AGENDA/ CONFLICT OF INTEREST DISCLOSURE - 6:20 PM**
4. **UNFINISHED BUSINESS**
 - 4.A **(6:25 PM) Discuss Building and Development Fee Study Follow-Up - Finance**, 30 Minutes
 1. Transmittal Memo
 2. Follow-up Council Presentation
 - 3a. EXHIBIT A - 3-YEAR PHASE-IN FEES 12.01.2021
 - 3b. EXHIBIT B - COS FEES 12.01.2021
 - Agenda Packet - Merged 12.01.2021
 - Bainbridge Island Development Fee Study REVISED FINAL REPORT.pdf
5. **NEW BUSINESS**
 - 5.A **(6:55 PM) Review Draft Ordinance No. 2021-35, Related to Extending and Amending of BIMC 2.16.020.S. Housing Design Demonstration Projects (HDDP) Program - Planning**, 20 Minutes
 - HDDP Program Summary Presentation.pptx
 - Draft Ordinance No. 2021-35 - Extending HDDP Program.docx
 - Exhibit A BIMC 2.16.020.S HDDP.docx

6. ADJOURNMENT - 7:15 PM

GUIDING PRINCIPLES

Guiding Principle #1 - Preserve the special character of the Island, which includes downtown Winslow's small town atmosphere and function, historic buildings, extensive forested areas, meadows, farms, marine views and access, and scenic and winding roads supporting all forms of transportation.

Guiding Principle #2 - Manage the water resources of the Island to protect, restore and maintain their ecological and hydrological functions and to ensure clean and sufficient groundwater for future generations.

Guiding Principle #3 - Foster diversity with a holistic approach to meeting the needs of the Island and the human needs of its residents consistent with the stewardship of our finite environmental resources.

Guiding Principle #4 - Consider the costs and benefits to Island residents and property owners in making land use decisions.

Guiding Principle #5 - The use of land on the Island should be based on the principle that the Island's environmental resources are finite and must be maintained at a sustainable level.

Guiding Principle #6 - Nurture Bainbridge Island as a sustainable community by meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Guiding Principle #7 - Reduce greenhouse gas emissions and increase the Island's climate resilience.

Guiding Principle #8 - Support the Island's Guiding Principles and Policies through the City's organizational and operating budget decisions.



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CITY OF
BAINBRIDGE ISLAND

City Council Study Session Agenda Bill

MEETING DATE: December 7, 2021

ESTIMATED TIME: 15 Minutes

AGENDA ITEM: Present Oaths of Office for Councilmember Quitslund and Judge McCulloch,

SUMMARY: Councilmember Quitslund and Judge McCulloch were sworn in to office on November 29, 2021. A video of the ceremony will be presented. Comments will be provided by Councilmember Quitslund and Judge McCulloch after the video presentation of each oath.

AGENDA CATEGORY: Presentation

PROPOSED BY: Executive

RECOMMENDED MOTION: Presentation only.

STRATEGIC PRIORITY: Good Governance

FISCAL IMPACT:

Amount:	
Ongoing Cost:	
One-Time Cost:	
Included in Current Budget?	

BACKGROUND:

ATTACHMENTS:

FISCAL DETAILS:

Fund Name(s):

Coding:



CITY OF
BAINBRIDGE ISLAND

City Council Study Session Agenda Bill

MEETING DATE: December 7, 2021

ESTIMATED TIME: 30 Minutes

AGENDA ITEM: (6:25 PM) Discuss Building and Development Fee Study Follow-Up - Finance,

SUMMARY: On September 21, 2021, the FCS Group presented the City Council with the results of a 100% cost recovery fee study. The Council then directed the City Manager to review and lower fee options (less than 100%) for certain fees that achieve desired policy outcomes and present an option of phasing in the fees over several years. The Council also directed the City Manager to present the Council with an option of phasing in fee increases. FCS will present the results of the revised fees and staff will be present to answer questions and determine next steps.

As a matter of policy, the Council may want to consider the establishment of a practice to review fees on a more frequent basis than 15 year intervals.

AGENDA CATEGORY: Presentation

PROPOSED BY: Finance & Administrative Services

RECOMMENDED MOTION: Present fee study follow-up and consider next steps.

STRATEGIC PRIORITY: Good Governance

FISCAL IMPACT:

Amount:	
Ongoing Cost:	
One-Time Cost:	
Included in Current Budget?	No

BACKGROUND: The City provides plan review, inspection, and environmental review on permits for construction and land development. This process ensures that development within the City aligns with local, regional, and state plans, rules, and regulations. The City provides these services with a team of staff from the Planning and Community Development Department and the Public Works Department. The permitting services provided by the City are supported by fees paid by permit applicants and augmented from other resources from the City's general fund. The City maintains an enterprise "Building & Development Fund" to account for permit-related revenues and expenses. Transfers from the general fund are needed and used to subsidize the current yearly loss from operations in this fund. Departmental expenditures unrelated to permit services are accounted within the general fund and are not supported by permit fees.

Currently, the permit fee structure has varying flat fee rates for planning and building permit reviews that have not been adjusted since 2006. The fee rates following the 2006 study were targeted by previous Council policy to achieve approximately a 2/3 ratio full cost recovery ratio for building and development services. The results of the fees not having been updated in 15 years combined with a policy choice to recover less than the full cost of fees have led to a current general fund subsidy to the Building and Development Fund of approximately \$800k to \$1.5 million per year depending on permit activity.

On September 21, 2021, the FCS Group presented to City Council with the results of a 100% cost recovery fee study that was initially commissioned in 2019 and was initiated in 2020 and completed in 2021. After an overview of the study results, the Council directed the City Manager to review and reduce certain permit fees to less than 100% cost recovery. These fees included: 1. Appeals 2. Tree removal 3. Reasonable Use Exception 4. Affordable housing. 5. Green infrastructure. The Council also asked the City Manager to present options for a phase-in of recommended fee changes over a three year period instead of increasing them in one lump sum.

Upon final approval of the changes, the Council may want to consider a resolution for reviewing these fees on a more cyclical basis, for example every two to three years.

ATTACHMENTS:

[1. Transmittal Memo](#)

[2. Follow-up Council Presentation](#)

[3a. EXHIBIT A - 3-YEAR PHASE-IN FEES 12.01.2021](#)

[3b. EXHIBIT B - COS FEES 12.01.2021](#)

[Agenda Packet - Merged 12.01.2021](#)

[Bainbridge Island Development Fee Study REVISED FINAL REPORT.pdf](#)

FISCAL DETAILS: Current revenues into the Building and Development Services Fund range from approximately \$1 million to \$1.8 million per year depending on activity. General fund subsidy to the Building, Development, and Services fund ranges from approximately \$800k to \$1.4 million per year. Revised forecasted revenues for the next 4 years through 2025 would increase to approximately \$2.2 million to \$2.4 million depending on expected mix and volume of permit activity if the recommended fees are increased as presented on September 21, 2021.

If the City Council concurs with the selected fee revisions without considering a phased-in approach, the estimated annual reduction would be approximately \$90,000 from 2022-24 compared to the forecast presented in September 21, 2021. If the same revised fees are phased-in over the next 3 years, it will result in a decrease of approximately \$563,000 in combined revenues over that period.

With regard to affordable housing, the Council may want to consider adopting the full fees. But, direct that staff identify alternative sources to pay the fees into the Building and Development Fund in order to reduce the amount affordable housing applicants pay.

Fund Name(s): Building and Development Services Fund

Coding:

To: Dewayne Pitts, COBI Finance Director **Date:** December 01, 2021
From: Martin Chaw, FCS GROUP
CC: John Ghilarducci, Matt Hobson, Paul Quinn FCS GROUP
RE: City of Bainbridge Island Development Services Fee Study – Council Follow-up Questions

At the September 21 Council Meeting, FCS GROUP presented the results of the subject fee study. During this meeting, Council members asked several questions, answers to which are addressed below. For convenience, we have grouped their questions into the following 7 responses.

Council Question 1. Keep fees affordable for the typical homeowner.

Based on discussions with City staff, we propose the City maintain the following fees at current levels with adjustments for inflation going forward.

- Reasonable Use Exception – single family residence (2021: \$3,816.00).
- Tree removal/vegetation maintenance permit (2021: \$180.00).
- Tree removal/vegetation maintenance permit (after the fact) (2021: \$500.00).

Our study also proposes to eliminate the following Grading Plan Review and Grading Permit fees as these projects are generally smaller in scale and generally utilized for single-family projects.

- Grading Plan Review 50 cubic yards or less (2021: no charge).
- Grading Plan Review 51-100 cubic yards (2021: \$23.50).
- Grading Permit for 50 cubic yards or less (2021: \$23.50).
- Grading Permit for 51-100 cubic yards (2021: \$37.00).

Council will also note that grading plan review fees for 100,001 to 200,000 cubic yards, grading plan review fees for greater and 200,000 cubic yards, and grading permit for greater than 100,000 cubic yards (engineering fees, lines 6,7,13) are proposed to be eliminated as there are very few of these applications. It is proposed instead that the City roll these applications into the immediately preceding fee service levels (grading plan review for 10,001 to 100,000 cubic yards and grading permit for 10,000 to 100,000 cubic yards, engineering fees, lines 5 and 12, respectively).

Council Question 2. Maintain and/or improve accessibility to affordable housing choices.

Based on discussions with City staff, we propose the City maintain the following fees at current levels with adjustments for inflation going forward.

- Mobile home permit (2021: \$150.00).

Council Question 3. Maintain accessibility to City services by keeping costs for appeals low.

Based on discussions with City staff, we propose the City maintain the following fees at current levels with adjustments for inflation going forward.

- Appeal of Administrative Decisions (2021: \$530.00).
- Appeal of EIS Adequacy (2021: \$530.00).
- Appeal of Hearing Examiner or Planning Commission Decision (2021: \$530.00).
- Appeal of SEPA Determination (2021: \$530.00).

Affordable Housing - Other

You asked us to research affordable housing initiatives or policies of other jurisdictions.

- The City of Bellevue discounts building permit fees for new single-family residence projects by 85%. If the City of Bainbridge Island were to adopt a similar policy, assuming the average new single-

family residential project is valued at \$800,000 and the City sees about 25 new SFR projects in any given year¹, implementing this policy would result in an estimated reduction in building permit revenue of about \$308,000 per year.²

- The City of Kirkland waives fees for bonus or additional units or floor area for construction of affordable housing. We did not attempt to estimate the fiscal impact of this policy as these conditions are quite specific to, and can vary significantly by, each multi-family construction project.

Council Question 4. Developers should pay for the full cost of services the City is providing.

Based on discussions with City staff, we propose that the City revise other fees, except those noted above, to proposed cost-of-service by the year 2024 (see attached fee worksheet, blue shaded fees).

Council Question 5. Encourage green building and use of renewable energy.

The Council's discussion of green energy focused mainly on solar energy, although the intent was likely broader and included other types of green energy. Solar energy building permits are processed using the same building permit fee schedule for all building projects. Between 2016 to 2018, there have been a total of 17 solar permits issued (13 residential and 4 commercial), with an average permit fee collected of between \$500 to \$700.

The City could incentivize use of solar by exempting building permits as long as the solar project applicant receives an approved electrical permit. For example, the City of Kirkland and Bellevue exempt building permits provided the applicant receives an electrical permit.

As another example, the City of Redmond assesses a Green Building Non-Attainment fee, which assesses an additional fee equal to 50% of the total permit fee when a builder converts their project from a green building to a non-green building.

Phase-in fee increases and Revenue impact

FCS GROUP worked collaboratively with City staff to prepare a 3-year phase-in strategy to achieve cost-of-service based fees by 2024. This phase-in strategy included the following parameters:

Parameter #1: Implement the following 3-year phase in strategy:

- 2022 – current fee plus 33% of the fee increase
- 2023 – current fee plus 66% of the fee increase
- 2024 – current fee plus 100% of the fee increase

Parameter #2: Ignore a 3-year phase in strategy if:

- Received Council direction on fee adjustments (ie, fee adjustments identified in Council Questions 1-3 above)

Should the City implement the 3-year phase-in strategy as developed and included herein, the estimated revenue impact is about \$563,000 over the 2022-2024 planning period (\$345,000 in 2022, \$188,000 in 2023,

¹ 25 units is based on the City's historical number of permits issued for building projects with a valuation of between \$500,000 to \$1.0 million.

² Assumes building and plan check fees of \$14,510 for each new SFR project. An 85% discount would equate to a reduction in revenues of \$12,334 per project, or \$308,338 annually, assuming 25 units of new single family residential homes constructed annually.

and \$30,000 in 2024). This revenue estimate is based upon the proposed permit fees for each year 2022 through 2024 and the estimated number of applications, by permit fee, for each year. The remaining difference in 2024 of \$30,300 for Planning fees is the result of maintaining several fees at 2021 levels with adjustments for inflation through 2024, as Council directed.

Table 1: Estimated Revenue Impact from 3-year phase-in

		2022	2023	2024	2022-2024 Total
Planning Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 853,508	\$ 879,602	\$ 906,492	\$ 2,639,602
	Forecasted Revenue - City Proposed Phase In	\$ 584,034	\$ 729,958	\$ 876,192	\$ 2,190,184
	Difference	\$ (269,474)	\$ (149,644)	\$ (30,300)	\$ (449,418)
Building Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 222,110	\$ 228,650	\$ 235,540	\$ 686,300
	Forecasted Revenue - City Proposed Phase In	\$ 179,093	\$ 207,339	\$ 235,540	\$ 621,972
	Difference	\$ (43,017)	\$ (21,311)	\$ -	\$ (64,328)
Engineering Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 58,329	\$ 60,389	\$ 61,510	\$ 180,228
	Forecasted Revenue - City Proposed Phase In	\$ 25,964	\$ 43,838	\$ 61,510	\$ 131,312
	Difference	\$ (32,365)	\$ (16,551)	\$ -	\$ (48,916)
Total	Forecasted Revenue - FCS GROUP Proposed COS	\$ 1,133,947	\$ 1,168,641	\$ 1,203,542	\$ 3,506,130
	Forecasted Revenue - City Proposed Phase In	\$ 789,091	\$ 981,135	\$ 1,173,242	\$ 2,943,468
	Difference	\$ (344,856)	\$ (187,506)	\$ (30,300)	\$ (562,662)



Planning and Community Development Cost of Service Fee Study

City Council Study Session #2

December 7, 2021

John Ghilarducci, Principal
Matt Hobson, Project Manager
Martin Chaw, Project Manager
Paul Quinn, Project Consultant



Agenda

- ◆ **Follow-up to Council questions**
- ◆ **Additional questions / direction to consultants**
- ◆ **Next steps**



Affordability for Homeowner

Keep fees affordable for the typical homeowner

◆ **Maintain the following fees at current levels:**

- Reasonable Use Exception – single family residence (2021: \$3,816.00)
- Tree removal/vegetation maintenance permit (2021: \$180.00)
- Tree removal/vegetation maintenance permit (after the fact) (2021: \$500.00)

◆ **Eliminate:**

- Grading Plan Review 100 cubic yards or less (2021: \$23.50)
- Grading Permit 100 cubic yards or less (2021: \$23.50 & \$37.00)



Affordable Housing

Maintain and/or improve accessibility to affordable housing choices

- ◆ **Maintain the following fees at current levels:**
 - Mobile home permit (2021: \$150.00)



Appeals

Maintain accessibility to City services by keeping costs for appeals low

- ◆ **Maintain the following fees at current levels:**
 - Appeal of Administrative Decisions (2021: \$530.00)
 - Appeal of EIS Adequacy (2021: \$530.00)
 - Appeal of Hearing Examiner or Planning Commission Decision (2021: \$530.00)
 - Appeal of SEPA Determination (2021: \$530.00)



Cost of Service Fees

Developers should pay for the full cost of services the City is providing

- ◆ **Full cost of services fees assessed upon all remaining areas**



Green Energy

Encourage green building and use of renewable energy

◆ **Solar Permits**

- Building permits not required
- Electrical permit still required
 - City of Kirkland
 - City of Bellevue

◆ **Green Building Non-Attainment Fee**

- Fee is assessed when a green building project is changed to non-green
- Fee is 50% of total permit fee
 - City of Redmond



Cost of Service Fees

- ◆ **Cost of service fees identified for each fee service**

- Calculated COS fees represent maximum fee City may assess
- Council policy choice to assess cost of service or a lesser amount
- In collaboration with City staff, prepared a 3-year phase-in strategy to gradually adjust fees from current levels, starting to 2022 to cost of service by 2024

Line	Fee Name	Current Fee	2024 Target Fee with Inflation	Difference	% Difference	City Proposed Fees (2022 - 2024)		
						2022	2023	2024
9	Boundary Line Adjustment	\$ 954.00	\$ 2,130.00	\$ 1,176.00	123%	Current fee + 33% of Difference	Current fee + 66% of Difference	Current Fee + 100% of Difference
						\$ 1,346.00	\$ 1,738.00	\$ 2,130.00

- ◆ **See attached exhibits for detail**

- Exhibit A: Proposed 3-year phase-in for each fee service (2022-2024)
- Exhibit B: Identified cost of service fees with inflationary adjustments (2022-2024)



Estimated Revenue Impact

		2022-2024			
		2022	2023	2024	Total
Planning Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 853,508	\$ 879,602	\$ 906,492	\$ 2,639,602
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Engineering Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 58,329	\$ 60,389	\$ 61,510	\$ 180,228
	Forecasted Revenue - City Proposed Phase In	\$ 25,964	\$ 43,838	\$ 61,510	\$ 131,312
	Difference	\$ (32,365)	\$ (16,551)	\$ -	\$ (48,916)
Total	Forecasted Revenue - FCS GROUP Proposed COS	\$ 1,133,947	\$ 1,168,641	\$ 1,203,542	\$ 3,506,130
	Forecasted Revenue - City Proposed Phase In	\$ 789,091	\$ 981,135	\$ 1,173,242	\$ 2,943,468
	Difference	\$ (344,856)	\$ (187,506)	\$ (30,300)	\$ (562,662)



Next Steps

- ◆ **Council Discussion**
- ◆ **Other Questions (if any)**
- ◆ **Direction / Next Steps**



Questions



Contact FCS GROUP:
(425) 867-1802
www.fcsgroup.com

EXHIBIT A - PROPOSED 3-YEAR PHASE IN 2022-2024
Proposed Land Use Fees (effective January 1, 2022)

Line	Fee Name	Current Fee	2024 Target Fee			City Proposed Fees (2022 - 2024)			
			with Inflation	Difference	% Difference	2022	2023	2024	
							Current Fee + 33% of Difference	Current fee + 66% of Difference	Current Fee + 100% of Difference
1	Administrative Code Interpretation	\$ 382.00	\$ 2,410.00	\$ 2,028.00	531%	\$ 1,058.00	\$ 1,734.00	\$ 2,410.00	
2	Affordable Housing - Optional Fee In Lieu	\$ 36.00							
3	Agricultural Conditional Use	\$ 1,080.00	\$ 3,900.00	\$ 2,820.00	261%	\$ 2,020.00	\$ 2,960.00	\$ 3,900.00	
4	Agricultural Retail Plan	\$ 191.00	\$ 2,010.00	\$ 1,819.00	952%	\$ 797.00	\$ 1,404.00	\$ 2,010.00	
5	Appeal of Administrative Decisions	\$ 530.00	\$ 8,440.00	\$ 7,910.00	1492%	\$ 530.00	\$ 550.00	\$ 570.00	
6	Appeal of EIS Adequacy	\$ 530.00	\$ 8,440.00	\$ 7,910.00	1492%	\$ 530.00	\$ 550.00	\$ 570.00	
7	Appeal of Hearing Examiner or Planning Commission Decision	\$ 530.00	\$ 8,440.00	\$ 7,910.00	1492%	\$ 530.00	\$ 550.00	\$ 570.00	
8	Appeal of SEPA Determination	\$ 530.00	\$ 8,440.00	\$ 7,910.00	1492%	\$ 530.00	\$ 550.00	\$ 570.00	
9	Boundary Line Adjustment	\$ 954.00	\$ 2,130.00	\$ 1,176.00	123%	\$ 1,346.00	\$ 1,738.00	\$ 2,130.00	
10	Comprehensive Plan Amendment - Site Specific	\$ 1,526.00	\$ 8,910.00	\$ 7,384.00	484%	\$ 3,987.00	\$ 6,449.00	\$ 8,910.00	
11	Comprehensive Plan Amendment - Not Site Specific	\$ 265.00	\$ 8,530.00	\$ 8,265.00	3119%	\$ 3,020.00	\$ 5,775.00	\$ 8,530.00	
12	Conditional Use Permit - Minor	\$ 4,770.00	\$ 3,840.00	\$ (930.00)	-19%	\$ 3,616.00	\$ 3,724.00	\$ 3,840.00	
13	Conditional Use Permit - Specified Cemeteries	\$ 1,097.00							
14	Conditional Use Permit - Major	\$ 10,494.00	\$ 21,240.00	\$ 10,746.00	102%	\$ 14,076.00	\$ 17,658.00	\$ 21,240.00	
15	Consultation	\$ 180.00	\$ 800.00	\$ 620.00	344%	\$ 387.00	\$ 593.00	\$ 800.00	
16	Critical Areas - Buffer Enhancement Plan Review	\$ 1,526.00	\$ 3,500.00	\$ 1,974.00	129%	\$ 2,184.00	\$ 2,842.00	\$ 3,500.00	
17	Critical Areas - Site Investigation	\$ 180.00	\$ 620.00	\$ 440.00	244%	\$ 327.00	\$ 473.00	\$ 620.00	
18	Critical Areas - Major	\$ 1,526.00	\$ 3,760.00	\$ 2,234.00	146%	\$ 2,271.00	\$ 3,015.00	\$ 3,760.00	
19	Critical Areas - Minor	\$ -	\$ 1,860.00	\$ 1,860.00	na	\$ 1,751.00	\$ 1,804.00	\$ 1,860.00	
20	Geologically Hazardous Area - Third Party Review Deposit	\$ -	\$ 630.00	\$ 630.00	na	\$ 598.00	\$ 616.00	\$ 630.00	
21	Reasonable Use Exception - Single Family Residence	\$ 3,816.00	\$ 10,390.00	\$ 6,574.00	172%	\$ 3,816.00	\$ 3,930.00	\$ 4,050.00	
22	Reasonable Use Exception - All Other	\$ 6,106.00	\$ 13,940.00	\$ 7,834.00	128%	\$ 8,717.00	\$ 11,329.00	\$ 13,940.00	
23	SEPA Review (no EIS)	\$ 763.00	\$ 1,740.00	\$ 977.00	128%	\$ 1,089.00	\$ 1,414.00	\$ 1,740.00	
24	SEPA Review (with EIS)	\$ 763.00	\$ 330.00	\$ (433.00)	-57%	\$ 309.00	\$ 319.00	\$ 330.00	
25	EIS Addendum	\$ 763.00	\$ 330.00	\$ (433.00)	-57%	\$ 309.00	\$ 319.00	\$ 330.00	
26	EIS Supplement	\$ 763.00	\$ 330.00	\$ (433.00)	-57%	\$ 309.00	\$ 319.00	\$ 330.00	
27	Large Lot Subdivision	\$ 16,027.00	\$ 18,700.00	\$ 2,673.00	17%	\$ 16,918.00	\$ 17,809.00	\$ 18,700.00	
28	Large Lot Subdivision - Minor	\$ 360.00	\$ 2,330.00	\$ 1,970.00	547%	\$ 1,017.00	\$ 1,673.00	\$ 2,330.00	
29	Legislative Review of Development Regulations	\$ 3,053.00	\$ 20,360.00	\$ 17,307.00	567%	\$ 8,821.00	\$ 14,592.00	\$ 20,360.00	
30	Long Subdivision	\$ 17,363.00	\$ 34,330.00	\$ 16,967.00	98%	\$ 23,018.00	\$ 28,675.00	\$ 34,330.00	
31	Long Subdivision - per lot	\$ 1,145.00							
32	Long Subdivision - Minor Alteration	\$ 360.00	\$ 2,970.00	\$ 2,610.00	725%	\$ 1,230.00	\$ 2,100.00	\$ 2,970.00	
33	Long Subdivision - Minor Replat or Amendment	\$ 1,336.00	\$ 5,330.00	\$ 3,994.00	299%	\$ 2,667.00	\$ 3,999.00	\$ 5,330.00	
34	Long Subdivision - Major Replat or Amendment	\$ 8,586.00							
35	Minor Adjustment	\$ 900.00	\$ 4,290.00	\$ 3,390.00	377%	\$ 2,030.00	\$ 3,160.00	\$ 4,290.00	
36	Major Adjustment	\$ 2,160.00							
37	Open Space Review	\$ 265.00	\$ 1,860.00	\$ 1,595.00	602%	\$ 797.00	\$ 1,328.00	\$ 1,860.00	
38	Pre-Application Conference - Minor Land Use Permits	\$ 500.00	\$ 3,030.00	\$ 2,530.00	506%	\$ 1,343.00	\$ 2,187.00	\$ 3,030.00	
39	Pre-Application Conference - All Other Land Use Permits	\$ 1,000.00	\$ 3,030.00	\$ 2,030.00	203%	\$ 1,677.00	\$ 2,353.00	\$ 3,030.00	
40	Pre-Application Conference (DRB) - Meeting & Committee Meeting	\$ 250.00	\$ 980.00	\$ 730.00	292%	\$ 493.00	\$ 737.00	\$ 980.00	
41	Pre-Application Conference - Meeting & Public Participation Meeting	\$ 250.00	\$ 980.00	\$ 730.00	292%	\$ 493.00	\$ 737.00	\$ 980.00	
42	Removal of Landmark Tree Permit	\$ 180.00	\$ 1,910.00	\$ 1,730.00	961%	\$ 757.00	\$ 1,333.00	\$ 1,910.00	
43	Renoticing Fee	\$ 200.00	\$ 420.00	\$ 220.00	110%	\$ 273.00	\$ 347.00	\$ 420.00	
44	Rezone	\$ 3,053.00	\$ 8,910.00	\$ 5,857.00	192%	\$ 5,005.00	\$ 6,958.00	\$ 8,910.00	
45	Shoreline - Buoy (Programmatic Review)	\$ 450.00	\$ 1,600.00	\$ 1,150.00	256%	\$ 833.00	\$ 1,217.00	\$ 1,600.00	
46	Shoreline - Exemption without SEPA	\$ 572.00	\$ 1,600.00	\$ 1,028.00	180%	\$ 915.00	\$ 1,257.00	\$ 1,600.00	
47	Shoreline - Exemption with SEPA	\$ 1,908.00	\$ 2,050.00	\$ 142.00	7%	\$ 1,955.00	\$ 2,003.00	\$ 2,050.00	
48	Shoreline - Substantial Development Permit	\$ 6,869.00							
49	Shoreline - Substantial Development Permit for Enlargement of Existing Structure	\$ 4,579.00							
50	Shoreline - Conditional Use Permit	\$ 8,014.00	\$ 11,430.00	\$ 3,416.00	43%	\$ 9,153.00	\$ 10,291.00	\$ 11,430.00	
51	Shoreline - Conditional Use Permit for Enlargement of Existing Structure	\$ 5,342.00							
52	Shoreline - Administrative Variance	\$ 5,724.00							
53	Shoreline - Variance	\$ 8,014.00	\$ 11,600.00	\$ 3,586.00	45%	\$ 9,209.00	\$ 10,405.00	\$ 11,600.00	
54	Shoreline - Clearing Permit	\$ 180.00	\$ 1,620.00	\$ 1,440.00	800%	\$ 660.00	\$ 1,140.00	\$ 1,620.00	
56	Short Subdivision - 3 to 4 Lots	\$ 6,063.00							
57	Short Subdivision - 5 to 9 Lots	\$ 7,632.00							
58	Short Subdivision - Minor Plat Amendment	\$ 763.00	\$ 2,450.00	\$ 1,687.00	221%	\$ 1,325.00	\$ 1,888.00	\$ 2,450.00	
59	Short Subdivision - Major Plat Amendment	\$ 3,339.00							
60	Short Subdivision - Minor Alteration	\$ 360.00	\$ 2,090.00	\$ 1,730.00	481%	\$ 937.00	\$ 1,513.00	\$ 2,090.00	
61	Sign Permit	\$ 50.00	\$ 780.00	\$ 730.00	1460%	\$ 293.00	\$ 537.00	\$ 780.00	
62	Site Assessment Review	\$ 400.00							
63	Site Plan Review - Minor	\$ 3,816.00	\$ 10,090.00	\$ 6,274.00	164%	\$ 5,907.00	\$ 7,999.00	\$ 10,090.00	
64	Site Plan Review - Major	\$ 8,586.00	\$ 18,600.00	\$ 10,014.00	117%	\$ 11,924.00	\$ 15,262.00	\$ 18,600.00	
65	Temporary Construction Staging	\$ 720.00	\$ 1,600.00	\$ 880.00	122%	\$ 1,013.00	\$ 1,307.00	\$ 1,600.00	
66	Tree Removal/Vegetation Maintenance Permit	\$ 180.00	\$ 1,420.00	\$ 1,240.00	689%	\$ 180.00	\$ 190.00	\$ 200.00	
67	Tree Removal/Vegetation Maintenance Permit (after-the-fact)	\$ 500.00	\$ 1,600.00	\$ 1,100.00	220%	\$ 500.00	\$ 520.00	\$ 540.00	
68	Variance - Minor	\$ 3,434.00	\$ 6,720.00	\$ 3,286.00	96%	\$ 4,529.00	\$ 5,625.00	\$ 6,720.00	
69	Variance - Major Single Family Residential (Hearing Examiner) (may make minor; in process)	\$ 5,724.00							
70	Variance - Major All Other (Hearing Examiner)	\$ 10,303.00	\$ 21,240.00	\$ 10,937.00	106%	\$ 13,948.00	\$ 17,595.00	\$ 21,240.00	
71	Variance - Sign	\$ 382.00	\$ 1,220.00	\$ 838.00	219%	\$ 661.00	\$ 941.00	\$ 1,220.00	
72	Wireless Facilities - Eligible Facility Request	\$ 185.00	\$ 1,600.00	\$ 1,415.00	765%	\$ 657.00	\$ 1,128.00	\$ 1,600.00	
73	Wireless Facilities - Small Wireless Facility	\$ 500.00	\$ 600.00	\$ 100.00	20%	\$ 533.00	\$ 567.00	\$ 600.00	
74	Wireless Facilities - New Poles	\$ 1,000.00	\$ 1,160.00	\$ 160.00	16%	\$ 1,053.00	\$ 1,107.00	\$ 1,160.00	
75	Wireless Facilities - Site Fee for Locating on City Property	\$ 270.00	\$ 320.00	\$ 50.00	19%	\$ 287.00	\$ 303.00	\$ 320.00	
76	Wireless Communication Facility	\$ 370.00	\$ 1,140.00	\$ 770.00	208%	\$ 627.00	\$ 883.00	\$ 1,140.00	
77	Zoning Verification Letter	\$ 100.00	\$ 960.00	\$ 860.00	860%	\$ 387.00	\$ 673.00	\$ 960.00	
78	NEW FEE - Support for Wetland Consultant Review	\$ -	\$ 630.00	\$ 630.00	na	\$ 598.00	\$ 616.00	\$ 630.00	
79	NEW FEE - Arborist Review (in the field of dead/hazardous trees)	\$ -	\$ 300.00	\$ 300.00	na	\$ 279.00	\$ 287.00	\$ 300.00	
80	NEW FEE - Minor or Major Revision to Permit Under Review, as Determine by Director	\$ -	\$ 3,580.00	\$ 3,580.00	na	\$ 3,379.00	\$ 3,480.00	\$ 3,580.00	
81	NEW FEE - Reasonable Use Exception - All Other w/ SEPA Review	\$ -	\$ 9,100.00	\$ 9,100.00	na	\$ 8,580.00	\$ 8,838.00	\$ 9,100.00	
82	NEW FEE - Short Subdivision - 2 Lots w/ SEPA	\$ -	\$ 7,630.00	\$ 7,630.00	na	\$ 7,190.00	\$ 7,406.00	\$ 7,630.00	
83	NEW FEE - Short Subdivision - 3 to 4 Lots w/ SEPA	\$ -	\$ 11,530.00	\$ 11,530.00	na	\$ 10,867.00	\$ 11,193.00	\$ 11,530.00	
84	NEW FEE - FEMA Review	\$ -	\$ 550.00	\$ 550.00	na	\$ 515.00	\$ 531.00	\$ 550.00	
85	NEW FEE - Shoreline - Administrative Review	\$ -	\$ 8,980.00	\$ 8,980.00	na	\$ 8,467.00	\$ 8,721.00	\$ 8,980.00	
86	NEW FEE - Reasonable Use Exception - Single Family Residence w/ SEPA Review	\$ -	\$ 9,100.00	\$ 9,100.00	na	\$ 8,580.00	\$ 8,838.00	\$ 9,100.00	
87	REPLACEMENT - Major Adjustment/Amendment	\$ -	\$ 21,240.00	\$ 21,240.00	na	\$ 20,024.00	\$ 20,624.00	\$ 21,240.00	
88	REPLACEMENT - Short Subdivision - 2 Lots	\$ -	\$ 7,000.00	\$ 7,000.00	na	\$ 6,603.00	\$ 6,801.00	\$ 7,000.00	
89	REPLACEMENT - Short Subdivision - 3 to 4 Lots	\$ -	\$ 10,920.00	\$ 10,920.00	na	\$ 10,290.00	\$ 10,599.00	\$ 10,920.00	
90	REPLACEMENT - Adjustment/Revision to Approved Shoreline Permit	\$ -	\$ 3,580.00	\$ 3,580.00	na	\$ 3,379.00	\$ 3,480.00	\$ 3,580.00	
91	REPLACEMENT - Shoreline - Administrative Conditional Use Permit	\$ -	\$ 8,980.00	\$ 8,980.00	na	\$ 8,467.00	\$ 8,721.00	\$ 8,980.00	

Prepared by FCS GROUP, 12/01/2021

Estimated 3-year (2022-2024) fee revenue with Phase-In 2,190,184

	2024 Target fee phased in over 3 years
	Fee maintained at current levels for affordability to SFR and mobile home projects
	Fee being reduced from current levels.
	New fee or replacement fee; 2024 Target fee phased in over 3 years

EXHIBIT A (continued)

Proposed Engineering Fees (effective January 1, 2022)

						City Proposed Fees (2022 - 2024)			
						2022	2023	2024	
Line	Fee Name	Historical Annual Volume	Current Fee	2024 Target Fee with Inflation	Difference	% Difference	Current fee + 33% of Difference	Current fee + 66% of Difference	Current Fee + 100% of Difference
1	Grading - Plan Review for 50 CY or less	0	\$ -						
2	Grading - Plan Review for 51 to 100 CY	0	\$ 23.50						
3	Grading - Plan Review for 101 to 1,000 CY	6	\$ 37.00	\$ 1,510.00	\$ 1,473.00	3981%	\$ 528.00	\$ 1,019.00	\$ 1,510.00
4	Grading - Plan Review for 1,001 to 10,000 CY	0	\$ 49.25	\$ 3,100.00	\$ 3,050.75	6194%	\$ 1,066.00	\$ 2,083.00	\$ 3,100.00
5	Grading - Plan Review for 10,001 to 100,000 CY	8	\$ 171.75	\$ 5,530.00	\$ 5,358.25	3120%	\$ 1,958.00	\$ 3,744.00	\$ 5,530.00
6	Grading - Plan Review for 100,001 to 200,000 CY	0	\$ 336.00						
7	Grading - Plan Review for > 200,000 CY	0	\$ 402.25						
8	Grading - Permit for 50 CY or less	0	\$ 23.50						
9	Grading - Permit for 51 to 100 CY	9	\$ 37.00						
10	Grading - Permit for 101 to 1,000 CY	8	\$ 194.50	\$ 860.00	\$ 665.50	342%	\$ 416.00	\$ 638.00	\$ 860.00
11	Grading - Permit for 1,001 to 10,000 CY	3	\$ 252.50	\$ 3,460.00	\$ 3,207.50	1270%	\$ 1,322.00	\$ 2,391.00	\$ 3,460.00
12	Grading - Permit for 10,001 to 100,000 CY	1	\$ 655.00	\$ 5,190.00	\$ 4,535.00	692%	\$ 2,167.00	\$ 3,678.00	\$ 5,190.00
13	Grading - Permit > 100,000 CY	0	\$ 919.00						
14	REPLACEMENT FEE Grading - Plan Review for 0 to 100 CY	27	\$ -	\$ 1,100.00	\$ 1,100.00	na	\$ 1,041.00	\$ 1,072.00	\$ 1,100.00
15	REPLACEMENT FEE Grading - Plan Review per CY >100,000 CY	0	\$ -	\$ 0.05	\$ 0.05	na	\$ 0.05	\$ 0.05	\$ 0.05
16	REPLACEMENT FEE Grading - Permit per CY >100,000 CY	0	\$ -	\$ 0.05	\$ 0.05	na	\$ 0.05	\$ 0.05	\$ 0.05
17	REPLACEMENT FEE Grading - Plan Review/Permit Issuance Fee >100,000 CY	0	\$ -	\$ 420.00	\$ 420.00	na	\$ 392.00	\$ 404.00	\$ 420.00
18	REPLACEMENT FEE Grading - Permit for 0 to 100CY	9	\$ -	\$ 520.00	\$ 520.00	na	\$ 495.00	\$ 510.00	\$ 520.00
19	NEW FEE - Plat Utility Engineering Review Base 1	7	\$ -	\$ 5,450.00	\$ 5,450.00	na	\$ 5,140.00	\$ 5,294.00	\$ 5,450.00
20	NEW FEE - Plat Utility Engineering Review Base 2	2	\$ -	\$ 16,360.00	\$ 16,360.00	na	\$ 15,420.00	\$ 15,882.00	\$ 16,360.00
21	NEW FEE - Plat Utility Engineering Review Base 3	2	\$ -	\$ 27,270.00	\$ 27,270.00	na	\$ 25,709.00	\$ 26,481.00	\$ 27,270.00

Prepared by FCS GROUP. 12/01/2021

Estimated 3-year (2022-2024) fee revenue with Phase-In

621,972

2024 Target fee phased in over 3 years
Fee maintained at current levels for affordability to SFR and mobile home projects
Fee being reduced from current levels.
New fee or replacement fee; 2024 Target fee phased in over 3 years

EXHIBIT A (continued)
Proposed Building Fees (effective January 1, 2022)

								City Proposed Fees (2022 - 2024)			
								2022	2023	2024	
Line	Fee Name	Historical Annual Volume	Current Fee	2024 Target Fee with Inflation	Difference	% Difference	Current fee + 33% of Difference	Current fee + 66% of Difference	Current Fee + 100% of Difference		
1	Enforcement	0	\$ 180.00	\$ 153.00	\$ (27.00)	-15%	\$ 145.00	\$ 149.00	\$ 153.00		
2	Mobile Home Permit	0	\$ 150.00	\$ 1,780.00	\$ 1,630.00	1087%	\$ 150.00	\$ 155.00	\$ 160.00		
3	Wells, Exempt - Building Connection Fee	0	\$ 500.00	Fee being phased out; no activity							
4	Mechanical - Permit Issuance	151	\$ 23.50	\$ 273.00	\$ 249.50	1062%	\$ 107.00	\$ 190.00	\$ 273.00		
5	Mechanical - Each Additional Permit Issuance	0	\$ 7.25	\$ 142.00	\$ 134.75	1859%	\$ 52.00	\$ 97.00	\$ 142.00		
6	Mechanical - Furnace up to 100,000 BTU/h	0	\$ 14.80	\$ 44.00	\$ 29.20	197%	\$ 25.00	\$ 34.00	\$ 44.00		
7	Mechanical - Furnace > 100,000 BTU/h	0	\$ 18.20	\$ 44.00	\$ 25.80	142%	\$ 27.00	\$ 35.00	\$ 44.00		
8	Mechanical - Installation of each floor furnace, including vent	0	\$ 14.80	\$ 44.00	\$ 29.20	197%	\$ 25.00	\$ 34.00	\$ 44.00		
9	Mechanical - Installation of each suspended heater	0	\$ 14.80	\$ 44.00	\$ 29.20	197%	\$ 25.00	\$ 34.00	\$ 44.00		
10	Mechanical - Installation of each appliance vent	0	\$ 7.25	\$ 44.00	\$ 36.75	507%	\$ 19.00	\$ 32.00	\$ 44.00		
11	Mechanical - Repair or addition	0	\$ 13.70	\$ 44.00	\$ 30.30	221%	\$ 24.00	\$ 34.00	\$ 44.00		
12	Mechanical - Boiler or compressor up to 100,000 BTU/h	0	\$ 14.70	\$ 44.00	\$ 29.30	199%	\$ 24.00	\$ 34.00	\$ 44.00		
13	Mechanical - Boiler or compressor 100,001 to 500,000 BTU/h	0	\$ 27.15	\$ 131.00	\$ 103.85	383%	\$ 62.00	\$ 96.00	\$ 131.00		
14	Mechanical - Boiler or compressor 500,001 to 1,000,000 BTU/h	0	\$ 37.25	\$ 131.00	\$ 93.75	252%	\$ 68.00	\$ 100.00	\$ 131.00		
15	Mechanical - Boiler or compressor 1,000,001 to 1,750,000 BTU/h	0	\$ 55.45	\$ 131.00	\$ 75.55	136%	\$ 81.00	\$ 106.00	\$ 131.00		
16	Mechanical - Boiler or compressor > 1,750,000 BTU/h	0	\$ 92.65	\$ 131.00	\$ 38.35	41%	\$ 105.00	\$ 118.00	\$ 131.00		
17	Mechanical - Air Handlers up to 10,000 cfm	0	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
18	Mechanical - Air Handlers > 10,000 cfm	0	\$ 18.10	\$ 44.00	\$ 25.90	143%	\$ 27.00	\$ 35.00	\$ 44.00		
19	Mechanical - Evaporative coolers	0	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
20	Mechanical - Ventilation fan to single duct	0	\$ 7.25	\$ 44.00	\$ 36.75	507%	\$ 19.00	\$ 32.00	\$ 44.00		
21	Mechanical - Ventilation system not part of any heating or AC	0	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
22	Mechanical - Hood installation	0	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
23	Mechanical - Domestic-type incinerator	0	\$ 18.20	\$ 44.00	\$ 25.80	142%	\$ 27.00	\$ 35.00	\$ 44.00		
24	Mechanical - Commercial or Industrial-type incinerator	0	\$ 14.50	Fee being phased out; no activity							
25	Mechanical - All other pieces of equipment	151	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
26	Mechanical - Inspections outside of normal business hours	0	\$ 49.50	\$ 295.00	\$ 245.50	496%	\$ 131.00	\$ 213.00	\$ 295.00		
27	Mechanical - Reinspections	0	\$ 49.50	\$ 131.00	\$ 81.50	165%	\$ 77.00	\$ 104.00	\$ 131.00		
28	Mechanical - Inspections for which no fee is specified	0	\$ 49.50	\$ 131.00	\$ 81.50	165%	\$ 77.00	\$ 104.00	\$ 131.00		
29	Mechanical - Additional plan review	0	\$ 49.50	\$ 131.00	\$ 81.50	165%	\$ 77.00	\$ 104.00	\$ 131.00		
30	Plumbing - Permit Issuance	37	\$ 23.50	\$ 273.00	\$ 249.50	1062%	\$ 107.00	\$ 190.00	\$ 273.00		
31	Plumbing - Each additional permit issuance	0	\$ 7.25	\$ 142.00	\$ 134.75	1859%	\$ 52.00	\$ 97.00	\$ 142.00		
32	Plumbing - Fixtures and vents on one trap	37	\$ 9.80	\$ 44.00	\$ 34.20	349%	\$ 21.00	\$ 33.00	\$ 44.00		
33	Plumbing - Repair or alteration of drainage or vent piping	0	\$ 4.75	\$ 44.00	\$ 39.25	826%	\$ 18.00	\$ 31.00	\$ 44.00		
34	Plumbing - Sewers, disposal systems, and interceptors: building sewer	0	\$ 24.65	\$ 131.00	\$ 106.35	431%	\$ 60.00	\$ 96.00	\$ 131.00		
35	Plumbing - Sewers, disposal systems, and interceptors: cess pool	0	\$ 37.25	\$ 131.00	\$ 93.75	252%	\$ 68.00	\$ 100.00	\$ 131.00		
36	Plumbing - Sewers, disposal systems, and interceptors: private sewage system	0	\$ 74.50	\$ 131.00	\$ 56.50	76%	\$ 93.00	\$ 112.00	\$ 131.00		
37	Plumbing - Sewers, disposal systems, and interceptors: industrial waste pretreatment interceptor	0	\$ 19.90	\$ 131.00	\$ 111.10	558%	\$ 57.00	\$ 94.00	\$ 131.00		
38	Plumbing - Sewers, disposal systems, and interceptors: rainwater system	0	\$ 9.80	\$ 1,800.00	\$ 1,790.20	18267%	\$ 606.00	\$ 1,203.00	\$ 1,800.00		
39	Plumbing - Water piping installation	0	\$ 4.75	\$ 229.00	\$ 224.25	4721%	\$ 79.00	\$ 154.00	\$ 229.00		
40	Plumbing - Water heater installation, including vent	0	\$ 12.30	\$ 44.00	\$ 31.70	258%	\$ 23.00	\$ 33.00	\$ 44.00		
41	Plumbing - Gas piping system of one to five outlets	0	\$ 6.15	\$ 229.00	\$ 222.85	3624%	\$ 80.00	\$ 155.00	\$ 229.00		
42	Plumbing - Gas piping system, each outlet over five	0	\$ 1.10	Fee being phased out; process included in other fees							
43	Plumbing - Lawn sprinkler including backflow device	0	\$ 14.80	Replaced by #58 and #59.							
44	Plumbing - Atmospheric-type vacuum breakers, one to five	0	\$ 12.30	Replaced by #58 and #59.							
45	Plumbing - Atmospheric-type vacuum breakers, over five	0	\$ 2.25	Replaced by #58 and #59.							
46	Plumbing - Backflow protection device other than atmospheric-type <= 2"	0	\$ 12.30	Replaced by #58 and #59.							
47	Plumbing - Backflow protection device other than atmospheric-type >2"	0	\$ 24.65	Replaced by #58 and #59.							
48	Plumbing - Public Pool	0	\$ 91.25	Fee deleted; assess hourly rate							
49	Plumbing - Public Spa	0	\$ 60.75	Fee deleted; assess hourly rate							
50	Plumbing - Private Pool	0	\$ 60.75	Fee deleted; assess hourly rate							
51	Plumbing - Private Spa	0	\$ 30.25	Fee deleted; assess hourly rate							
52	Plumbing - All other pieces of equipment	0	\$ 9.80	\$ 130.00	\$ 120.20	1227%	\$ 49.00	\$ 128.00	\$ 130.00		
53	Plumbing - Inspections outside of normal business hours	0	\$ 49.50	\$ 300.00	\$ 250.50	506%	\$ 132.00	\$ 297.00	\$ 300.00		
54	Plumbing - Reinspections	0	\$ 49.50	\$ 150.00	\$ 100.50	203%	\$ 83.00	\$ 149.00	\$ 150.00		
55	Plumbing - Inspections for which no fee is specified	0	\$ 49.50	\$ 150.00	\$ 100.50	203%	\$ 83.00	\$ 149.00	\$ 150.00		
56	Plumbing - Additional plan review	0	\$ 49.50	\$ 150.00	\$ 100.50	203%	\$ 83.00	\$ 149.00	\$ 150.00		
57	Plumbing - Sewers, disposal systems, and interceptors: rainwater system w/ Easement	0	\$ 9.80	\$ 2,590.00	\$ 2,580.20	26329%	\$ 861.00	\$ 2,564.00	\$ 2,590.00		
58	REPLACEMENT FEE - Plumbing system with atmospheric-type vacuum breakers	0	\$ -	\$ 907.00	\$ 907.00	na	\$ 855.00	\$ 881.00	\$ 907.00		
59	REPLACEMENT FEE - Plumbing system with all other types of backflow protection devices	0	\$ -	\$ 1,810.00	\$ 1,810.00	na	\$ 1,710.00	\$ 1,760.00	\$ 1,810.00		
60	Demolition Permit	33	\$ 50.00	\$ 58.00	\$ 8.00	16%	\$ 53.00	\$ 58.00	\$ 58.00		

Prepared by FCS GROUP. 12/01/2021

Estimated 3-year (2022-2024) fee revenue with Phase-In

131,312

2024 Target fee phased in over 3 years
Fee maintained at current levels for affordability to SFR and mobile home projects
Fee being reduced from current levels.
New fee or replacement fee; 2024 Target fee phased in over 3 years

EXHIBIT B - CALCULATED COST OF SERVICE FEES 2022-2024
Proposed Land Use Fees (effective January 1, 2022)

Line	Fee Name	Historical Annual			Inflation Adjusted Fees (2022 - 2024)			2024 Target Fee with Inflation
		Volume	Current Fee	2021 COS Fee	Target Fee in 2022	Target fee in 2023	Target fee in 2024	
1	Administrative Code Interpretation	4	\$ 382.00	\$ 2,210.00	\$ 2,210.00	\$ 2,280.00	\$ 2,410.00	\$ 2,410.00
2	Affordable Housing - Optional Fee In Lieu	0	\$ 36.00	Fee Deleted	Fee being phased out; process is included in other fees			
3	Agricultural Conditional Use	0	\$ 1,080.00	\$ 3,570.00	\$ 3,680.00	\$ 3,790.00	\$ 3,900.00	\$ 3,900.00
4	Agricultural Retail Plan	0	\$ 191.00	\$ 1,840.00	\$ 1,900.00	\$ 1,960.00	\$ 2,010.00	\$ 2,010.00
5	Appeal of Administrative Decisions	0	\$ 530.00	\$ 7,720.00	\$ 7,950.00	\$ 8,190.00	\$ 8,440.00	\$ 8,440.00
6	Appeal of EIS Adequacy	0	\$ 530.00	\$ 7,720.00	\$ 7,950.00	\$ 8,190.00	\$ 8,440.00	\$ 8,440.00
7	Appeal of Hearing Examiner or Planning Commission Decision	2	\$ 530.00	\$ 7,720.00	\$ 7,950.00	\$ 8,190.00	\$ 8,440.00	\$ 8,440.00
8	Appeal of SEPA Determination	0	\$ 530.00	\$ 7,720.00	\$ 7,950.00	\$ 8,190.00	\$ 8,440.00	\$ 8,440.00
9	Boundary Line Adjustment	17	\$ 954.00	\$ 1,950.00	\$ 2,010.00	\$ 2,070.00	\$ 2,130.00	\$ 2,130.00
10	Comprehensive Plan Amendment - Site Specific	1	\$ 1,526.00	\$ 8,150.00	\$ 8,390.00	\$ 8,640.00	\$ 8,910.00	\$ 8,910.00
11	Comprehensive Plan Amendment - Not Site Specific	0	\$ 265.00	\$ 7,810.00	\$ 8,040.00	\$ 8,280.00	\$ 8,530.00	\$ 8,530.00
12	Conditional Use Permit - Minor	1	\$ 4,770.00	\$ 3,510.00	\$ 3,620.00	\$ 3,730.00	\$ 3,840.00	\$ 3,840.00
13	Conditional Use Permit - Specified Cemeteries	0	\$ 1,097.00	Fee Deleted	Fee being phased out; no activity			
14	Conditional Use Permit - Major	2	\$ 10,494.00	\$ 19,440.00	\$ 20,020.00	\$ 20,620.00	\$ 21,240.00	\$ 21,240.00
15	Consultation	60	\$ 180.00	\$ 730.00	\$ 750.00	\$ 770.00	\$ 800.00	\$ 800.00
16	Critical Areas - Buffer Enhancement Plan Review	1	\$ 1,526.00	\$ 3,200.00	\$ 3,300.00	\$ 3,400.00	\$ 3,500.00	\$ 3,500.00
17	Critical Areas - Site Investigation	0	\$ 180.00	\$ 570.00	\$ 590.00	\$ 610.00	\$ 620.00	\$ 620.00
18	Critical Areas - Major	0	\$ 1,526.00	\$ 3,440.00	\$ 3,540.00	\$ 3,650.00	\$ 3,760.00	\$ 3,760.00
19	Critical Areas - Minor	0	\$ -	\$ 1,700.00	\$ 1,750.00	\$ 1,800.00	\$ 1,860.00	\$ 1,860.00
20	Geologically Hazardous Area - Third Party Review Deposit	0	\$ -	\$ 580.00	\$ 600.00	\$ 620.00	\$ 630.00	\$ 630.00
21	Reasonable Use Exception - Single Family Residence	1	\$ 3,816.00	\$ 9,510.00	\$ 9,800.00	\$ 10,090.00	\$ 10,390.00	\$ 10,390.00
22	Reasonable Use Exception - All Other	0	\$ 6,106.00	\$ 12,760.00	\$ 13,140.00	\$ 13,530.00	\$ 13,940.00	\$ 13,940.00
23	SEPA Review (no EIS)	4	\$ 763.00	\$ 1,590.00	\$ 1,640.00	\$ 1,690.00	\$ 1,740.00	\$ 1,740.00
24	SEPA Review (with EIS)	0	\$ 763.00	\$ 300.00	\$ 310.00	\$ 320.00	\$ 330.00	\$ 330.00
25	EIS Addendum	0	\$ 763.00	\$ 300.00	\$ 310.00	\$ 320.00	\$ 330.00	\$ 330.00
26	EIS Supplement	0	\$ 763.00	\$ 300.00	\$ 310.00	\$ 320.00	\$ 330.00	\$ 330.00
27	Large Lot Subdivision	0	\$ 16,027.00	\$ 17,110.00	\$ 17,620.00	\$ 18,150.00	\$ 18,700.00	\$ 18,700.00
28	Large Lot Subdivision - Minor	1	\$ 360.00	\$ 2,130.00	\$ 2,190.00	\$ 2,260.00	\$ 2,330.00	\$ 2,330.00
29	Legislative Review of Development Regulations	0	\$ 3,053.00	\$ 18,630.00	\$ 19,190.00	\$ 19,770.00	\$ 20,360.00	\$ 20,360.00
30	Long Subdivision	2	\$ 17,363.00	\$ 31,420.00	\$ 32,360.00	\$ 33,330.00	\$ 34,330.00	\$ 34,330.00
31	Long Subdivision - per lot	30	\$ 1,145.00	Fee Deleted	Level of effort captured in long subdivision fee (#30,32,33)			
32	Long Subdivision - Minor Alteration	0	\$ 360.00	\$ 2,720.00	\$ 2,800.00	\$ 2,880.00	\$ 2,970.00	\$ 2,970.00
33	Long Subdivision - Minor Replat or Amendment	0	\$ 1,336.00	\$ 4,880.00	\$ 5,030.00	\$ 5,180.00	\$ 5,330.00	\$ 5,330.00
34	Long Subdivision - Major Replat or Amendment	0	\$ 8,586.00	Fee Deleted	Replaced by #87, Major Adjustment/Amendment			
35	Minor Adjustment	6	\$ 900.00	\$ 3,930.00	\$ 4,050.00	\$ 4,170.00	\$ 4,290.00	\$ 4,290.00
36	Major Adjustment	1	\$ 2,160.00	Fee Deleted	Replaced by #87, Major Adjustment/Amendment			
37	Open Space Review	0	\$ 265.00	\$ 1,700.00	\$ 1,750.00	\$ 1,800.00	\$ 1,860.00	\$ 1,860.00
38	Pre-Application Conference - Minor Land Use Permits	40.4	\$ 500.00	\$ 2,770.00	\$ 2,850.00	\$ 2,940.00	\$ 3,030.00	\$ 3,030.00
39	Pre-Application Conference - All Other Land Use Permits	12.4	\$ 1,000.00	\$ 2,770.00	\$ 2,850.00	\$ 2,940.00	\$ 3,030.00	\$ 3,030.00
40	Pre-Application Conference (DRB) - Meeting & Committee Meeting	1	\$ 250.00	\$ 900.00	\$ 930.00	\$ 960.00	\$ 980.00	\$ 980.00
41	Pre-Application Conference - Meeting & Public Participation Meeting	12	\$ 250.00	\$ 900.00	\$ 930.00	\$ 960.00	\$ 980.00	\$ 980.00
42	Removal of Landmark Tree Permit	0	\$ 180.00	\$ 1,750.00	\$ 1,800.00	\$ 1,850.00	\$ 1,910.00	\$ 1,910.00
43	Renoticing Fee	1	\$ 200.00	\$ 380.00	\$ 390.00	\$ 400.00	\$ 420.00	\$ 420.00
44	Rezoning	0	\$ 3,053.00	\$ 8,150.00	\$ 8,390.00	\$ 8,640.00	\$ 8,910.00	\$ 8,910.00
45	Shoreline - Buoy (Programmatic Review)	3	\$ 450.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
46	Shoreline - Exemption without SEPA	30	\$ 572.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
47	Shoreline - Exemption with SEPA	6	\$ 1,908.00	\$ 1,880.00	\$ 1,940.00	\$ 2,000.00	\$ 2,050.00	\$ 2,050.00
48	Shoreline - Substantial Development Permit	6	\$ 6,869.00	Fee Deleted	Replaced by #85, Shoreline Admin Review			
49	Shoreline - Substantial Development Permit for Enlargement of Existing Structure	0	\$ 4,579.00	Fee Deleted	Replaced by #91, Shoreline Conditional Use Permit Administrative			
50	Shoreline - Conditional Use Permit	1	\$ 8,014.00	\$ 10,460.00	\$ 10,770.00	\$ 11,090.00	\$ 11,430.00	\$ 11,430.00
51	Shoreline - Conditional Use Permit for Enlargement of Existing Structure	0	\$ 5,342.00	Fee Deleted	Replaced by #91, Shoreline Conditional Use Permit Administrative			
52	Shoreline - Administrative Variance	1	\$ 5,724.00	Fee Deleted	Replaced by #85, Shoreline Admin Review			
53	Shoreline - Variance	1	\$ 8,014.00	\$ 10,620.00	\$ 10,940.00	\$ 11,270.00	\$ 11,600.00	\$ 11,600.00
54	Shoreline - Clearing Permit	1	\$ 180.00	\$ 1,480.00	\$ 1,520.00	\$ 1,570.00	\$ 1,620.00	\$ 1,620.00
55	Short Subdivision - 3 to 4 Lots	7	\$ 6,063.00	Fee Deleted	Replaced by fees #88 & #89, 2 Lots & 3 to 4 Lots			
56	Short Subdivision - 5 to 9 Lots	0	\$ 7,632.00	Fee Deleted	Replaced by fees #88 & #89, 2 Lots & 3 to 4 Lots			
57	Short Subdivision - Minor Plat Amendment	0	\$ 763.00	\$ 2,240.00	\$ 2,310.00	\$ 2,380.00	\$ 2,450.00	\$ 2,450.00
58	Short Subdivision - Major Plat Amendment	0	\$ 3,339.00	Fee Deleted	Replaced by #87, Major Adjustment/Amendment			
59	Short Subdivision - Minor Alteration	3	\$ 360.00	\$ 1,910.00	\$ 1,970.00	\$ 2,030.00	\$ 2,090.00	\$ 2,090.00
60	Sign Permit	16.6	\$ 50.00	\$ 710.00	\$ 730.00	\$ 750.00	\$ 780.00	\$ 780.00
61	Site Assessment Review	0	\$ 400.00	Fee Deleted	Fee being phased out; process is included in other fees			
62	Site Plan Review - Minor	4	\$ 3,816.00	\$ 9,230.00	\$ 9,510.00	\$ 9,800.00	\$ 10,090.00	\$ 10,090.00
63	Site Plan Review - Major	2	\$ 8,586.00	\$ 17,020.00	\$ 17,530.00	\$ 18,060.00	\$ 18,600.00	\$ 18,600.00
64	Temporary Construction Staging	0	\$ 720.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
65	Tree Removal/Vegetation Maintenance Permit	5	\$ 180.00	\$ 1,300.00	\$ 1,340.00	\$ 1,380.00	\$ 1,420.00	\$ 1,420.00
66	Tree Removal/Vegetation Maintenance Permit (after-the-fact)	2	\$ 500.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
67	Variance - Minor	3	\$ 3,434.00	\$ 6,150.00	\$ 6,330.00	\$ 6,520.00	\$ 6,720.00	\$ 6,720.00
68	Variance - Major Single Family Residential (Hearing Examiner) (may make minor; in process)	0	\$ 5,724.00	Fee Deleted	Fee being phased out; process is included in other fees			
69	Variance - Major All Other (Hearing Examiner)	0	\$ 10,303.00	\$ 19,440.00	\$ 20,020.00	\$ 20,620.00	\$ 21,240.00	\$ 21,240.00
70	Variance - Sign	0	\$ 382.00	\$ 1,120.00	\$ 1,150.00	\$ 1,180.00	\$ 1,220.00	\$ 1,220.00
71	Wireless Facilities - Eligible Facility Request	3	\$ 185.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
72	Wireless Facilities - Small Wireless Facility	0	\$ 500.00	\$ 550.00	\$ 570.00	\$ 590.00	\$ 600.00	\$ 600.00
73	Wireless Facilities - New Poles	0	\$ 1,000.00	\$ 1,060.00	\$ 1,090.00	\$ 1,120.00	\$ 1,160.00	\$ 1,160.00
74	Wireless Facilities - Site Fee for Locating on City Property	0	\$ 270.00	\$ 290.00	\$ 300.00	\$ 310.00	\$ 320.00	\$ 320.00
75	Wireless Communication Facility	0	\$ 370.00	\$ 1,040.00	\$ 1,070.00	\$ 1,100.00	\$ 1,140.00	\$ 1,140.00
76	Zoning Verification Letter	5	\$ 100.00	\$ 880.00	\$ 910.00	\$ 940.00	\$ 960.00	\$ 960.00
77	NEW FEE - Support for Wetland Consultant Review	1	\$ -	\$ 580.00	\$ 600.00	\$ 620.00	\$ 630.00	\$ 630.00
78	NEW FEE - Arborist Review (in the field of dead/hazardous trees)	20	\$ -	\$ 270.00	\$ 280.00	\$ 290.00	\$ 300.00	\$ 300.00
79	NEW FEE - Minor or Major Revision to Permit Under Review, as Determine by Director	5	\$ -	\$ 3,280.00	\$ 3,380.00	\$ 3,480.00	\$ 3,580.00	\$ 3,580.00
80	NEW FEE - Reasonable Use Exception - All Other w/ SEPA Review	0	\$ -	\$ 8,330.00	\$ 8,580.00	\$ 8,840.00	\$ 9,100.00	\$ 9,100.00
81	NEW FEE - Short Subdivision - 2 Lots w/ SEPA	3	\$ -	\$ 6,980.00	\$ 7,190.00	\$ 7,410.00	\$ 7,630.00	\$ 7,630.00
82	NEW FEE - Short Subdivision - 3 to 4 Lots w/ SEPA	0	\$ -	\$ 10,550.00	\$ 10,870.00	\$ 11,200.00	\$ 11,530.00	\$ 11,530.00
83	NEW FEE - FEMA Review	28	\$ -	\$ 500.00	\$ 520.00	\$ 540.00	\$ 550.00	\$ 550.00
84	NEW FEE - Shoreline - Administrative Review	7	\$ -	\$ 8,220.00	\$ 8,470.00	\$ 8,720.00	\$ 8,980.00	\$ 8,980.00
85	NEW FEE - Reasonable Use Exception - Single Family Residence w/ SEPA Review	3	\$ -	\$ 8,330.00	\$ 8,580.00	\$ 8,840.00	\$ 9,100.00	\$ 9,100.00
86	REPLACEMENT - Major Adjustment/Amendment	1	\$ -	\$ 19,440.00	\$ 20,020.00	\$ 20,620.00	\$ 21,240.00	\$ 21,240.00
87	REPLACEMENT - Short Subdivision - 2 Lots	7	\$ -	\$ 6,410.00	\$ 6,600.00	\$ 6,800.00	\$ 7,000.00	\$ 7,000.00
88	REPLACEMENT - Short Subdivision - 3 to 4 Lots	0	\$ -	\$ 9,990.00	\$ 10,290.00	\$ 10,600.00	\$ 10,920.00	\$ 10,920.00
89	REPLACEMENT - Adjustment/Revision to Approved Shoreline Permit	0	\$ -	\$ 3,280.00	\$ 3,380.00	\$ 3,480.00	\$ 3,580.00	\$ 3,580.00
90	REPLACEMENT - Shoreline - Administrative Conditional Use Permit	0	\$ -	\$ 8,220.00	\$ 8,470.00	\$ 8,720.00	\$ 8,980.00	\$ 8,980.00

Prepared by FCS GROUP, 12/01/2021

Estimated 3-year (2022-2024) fee revenue at Cost of Service

2,639,602

EXHIBIT B (Continued)
Proposed Engineering Fees (effective January 1, 2022)

Line	Fee Name	Historical Annual			Inflation Adjusted Fees (2022 - 2024)			2024 Target Fee with Inflation
		Volume	Current Fee	2021 COS Fee	Target Fee in 2022	Target fee in 2023	Target fee in 2024	
1	Grading - Plan Review for 50 CY or less	0	\$ -	Fee Deleted	No fee for 100CY or less, target benefit to the typical HO.			
2	Grading - Plan Review for 51 to 100 CY	0	\$ 23.50	Fee Deleted	No fee for 100CY or less, target benefit to the typical HO.			
3	Grading - Plan Review for 101 to 1,000 CY	6	\$ 37.00	\$ 1,380.00	\$ 1,420.00	\$ 1,460.00	\$ 1,510.00	\$ 1,510.00
4	Grading - Plan Review for 1,001 to 10,000 CY	0	\$ 49.25	\$ 2,840.00	\$ 2,930.00	\$ 3,020.00	\$ 3,100.00	\$ 3,100.00
5	Grading - Plan Review for 10,001 to 100,000 CY	8	\$ 171.75	\$ 5,060.00	\$ 5,210.00	\$ 5,370.00	\$ 5,530.00	\$ 5,530.00
6	Grading - Plan Review for 100,001 to 200,000 CY	0	\$ 336.00	Fee Deleted	Fee deleted; combined with Grading/Plan Review for 10,001 to 100,000CY			
7	Grading - Plan Review for > 200,000 CY	0	\$ 402.25	Fee Deleted	Fee deleted; combined with Grading/Plan Review for 10,001 to 100,000CY			
8	Grading - Permit for 50 CY or less	0	\$ 23.50	Fee Deleted	No fee for 100CY or less, target benefit to the typical HO.			
9	Grading - Permit for 51 to 100 CY	9	\$ 37.00	Fee Deleted	No fee for 100CY or less, target benefit to the typical HO.			
10	Grading - Permit for 101 to 1,000 CY	8	\$ 194.50	\$ 790.00	\$ 810.00	\$ 830.00	\$ 860.00	\$ 860.00
11	Grading - Permit for 1,001 to 10,000 CY	3	\$ 252.50	\$ 3,170.00	\$ 3,270.00	\$ 3,370.00	\$ 3,460.00	\$ 3,460.00
12	Grading - Permit for 10,001 to 100,000 CY	1	\$ 655.00	\$ 4,750.00	\$ 4,890.00	\$ 5,040.00	\$ 5,190.00	\$ 5,190.00
13	Grading - Permit > 100,000 CY	0	\$ 919.00	Fee Deleted	Fee deleted; combined with Grading Permit Review for 10,001 to 100,000CY			
14	REPLACEMENT FEE Grading - Plan Review for 0 to 100 CY	27	\$ -	\$ 1,010.00	\$ 1,040.00	\$ 1,070.00	\$ 1,100.00	\$ 1,100.00
15	REPLACEMENT FEE Grading - Plan Review per CY >100,000 CY	0	\$ -	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
16	REPLACEMENT FEE Grading - Permit per CY >100,000 CY	0	\$ -	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
17	REPLACEMENT FEE Grading - Plan Review/Permit Issuance Fee >100,000 CY	0	\$ -	\$ 380.00	\$ 390.00	\$ 400.00	\$ 420.00	\$ 420.00
18	REPLACEMENT FEE Grading - Permit for 0 to 100CY	9	\$ -	\$ 480.00	\$ 490.00	\$ 500.00	\$ 520.00	\$ 520.00
19	NEW FEE - Plat Utility Engineering Review Base 1	7	\$ -	\$ 4,990.00	\$ 5,140.00	\$ 5,290.00	\$ 5,450.00	\$ 5,450.00
20	NEW FEE - Plat Utility Engineering Review Base 2	2	\$ -	\$ 14,970.00	\$ 15,420.00	\$ 15,880.00	\$ 16,360.00	\$ 16,360.00
21	NEW FEE - Plat Utility Engineering Review Base 3	2	\$ -	\$ 24,960.00	\$ 25,710.00	\$ 26,480.00	\$ 27,270.00	\$ 27,270.00

Prepared by FCS GROUP. 12/01/2021

Estimated 3-year (2022-2024) Fee revenue at Cost of Service

686,300

EXHIBIT B (Continued)
Proposed Building Fees (effective January 1, 2022)

Line	Fee Name	Historical Annual			Inflation Adjusted Fees (2022 - 2024)			2024 Target Fee with Inflation
		Volume	Current Fee	2021 COS Fee	Target Fee in 2022	Target fee in 2023	Target fee in 2024	
1	Enforcement	0	\$ 180.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 153.00	\$ 153.00
2	Mobile Home Permit	0	\$ 150.00	\$ 1,630.00	\$ 1,680.00	\$ 1,730.00	\$ 1,781.00	\$ 1,781.00
3	Wells, Exempt - Building Connection Fee	0	\$ 500.00	Fee Deleted	Fee being phased out; no activity			
4	Mechanical - Permit Issuance	151	\$ 23.50	\$ 250.00	\$ 260.00	\$ 270.00	\$ 273.00	\$ 273.00
5	Mechanical - Each Additional Permit Issuance	0	\$ 7.25	\$ 130.00	\$ 134.00	\$ 138.00	\$ 142.00	\$ 142.00
6	Mechanical - Furnace upto 100,000 BTU/h	0	\$ 14.80	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
7	Mechanical - Furnace > 100,000 BTU/h	0	\$ 18.20	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
8	Mechanical - Installation of each floor furnace, including vent	0	\$ 14.80	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
9	Mechanical - Installation of each suspended heater	0	\$ 14.80	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
10	Mechanical - Installation of each appliance vent	0	\$ 7.25	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
11	Mechanical - Repair or addition	0	\$ 13.70	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
12	Mechanical - Boiler or compressor upto 100,000 BTU/h	0	\$ 14.70	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
13	Mechanical - Boiler or compressor 100,001 to 500,000 BTU/h	0	\$ 27.15	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
14	Mechanical - Boiler or compressor 500,001 to 1,000,000 BTU/h	0	\$ 37.25	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
15	Mechanical - Boiler or compressor 1,000,001 to 1,750,000 BTU/h	0	\$ 55.45	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
16	Mechanical - Boiler or compressor > 1,750,000 BTU/h	0	\$ 92.65	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
17	Mechanical - Air Handlers up to 10,000 cfm	0	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
18	Mechanical - Air Handlers > 10,000 cfm	0	\$ 18.10	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
19	Mechanical - Evaporative coolers	0	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
20	Mechanical - Ventilation fan to single duct	0	\$ 7.25	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
21	Mechanical - Ventilation system not part of any heating or AC	0	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
22	Mechanical - Hood installation	0	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
23	Mechanical - Domestic-type incinerator	0	\$ 18.20	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
24	Mechanical - Commercial or Industrial-type incinerator	0	\$ 14.50	Fee Deleted	Fee being phased out; no activity			
25	Mechanical - All other pieces of equipment	151	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
26	Mechanical - Inspections outside of normal business hours	0	\$ 49.50	\$ 270.00	\$ 280.00	\$ 290.00	\$ 295.00	\$ 295.00
27	Mechanical - Reinspections	0	\$ 49.50	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
28	Mechanical - Inspections for which no fee is specified	0	\$ 49.50	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
29	Mechanical - Additional plan review	0	\$ 49.50	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
30	Plumbing - Permit Issuance	37	\$ 23.50	\$ 250.00	\$ 258.00	\$ 266.00	\$ 273.00	\$ 273.00
31	Plumbing - Each additional permit issuance	0	\$ 7.25	\$ 130.00	\$ 134.00	\$ 138.00	\$ 142.00	\$ 142.00
32	Plumbing - Fixtures and vents on one trap	37	\$ 9.80	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
33	Plumbing - Repair or alteration of drainage or vent piping	0	\$ 4.75	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
34	Plumbing - Sewers, disposal systems, and interceptors: building sewer	0	\$ 24.65	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
35	Plumbing - Sewers, disposal systems, and interceptors: cess pool	0	\$ 37.25	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
36	Plumbing - Sewers, disposal systems, and interceptors: private sewage system	0	\$ 74.50	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
37	Plumbing - Sewers, disposal systems, and interceptors: industrial waste pretreatment interceptor	0	\$ 19.90	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
38	Plumbing - Sewers, disposal systems, and interceptors: rainwater system	0	\$ 9.80	\$ 1,650.00	\$ 1,700.00	\$ 1,750.00	\$ 1,803.00	\$ 1,803.00
39	Plumbing - Water piping installation	0	\$ 4.75	\$ 210.00	\$ 216.00	\$ 222.00	\$ 229.00	\$ 229.00
40	Plumbing - Water heater installation, including vent	0	\$ 12.30	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
41	Plumbing - Gas piping system of one to five outlets	0	\$ 6.15	\$ 210.00	\$ 216.00	\$ 222.00	\$ 229.00	\$ 229.00
42	Plumbing - Gas piping system, each outlet over five	0	\$ 1.10	Fee Deleted	Fee being phased out; process included in other fees			
43	Plumbing - Lawn sprinkler including backflow device	0	\$ 14.80	Fee Deleted	Replaced by #58 and #59.			
44	Plumbing - Atmospheric-type vacuum breakers, one to five	0	\$ 12.30	Fee Deleted	Replaced by #58 and #59.			
45	Plumbing - Atmospheric-type vacuum breakers, over five	0	\$ 2.25	Fee Deleted	Replaced by #58 and #59.			
46	Plumbing - Backflow protection device other than atmospheric-type <= 2"	0	\$ 12.30	Fee Deleted	Replaced by #58 and #59.			
47	Plumbing - Backflow protection device other than atmospheric-type >2"	0	\$ 24.65	Fee Deleted	Replaced by #58 and #59.			
48	Plumbing - Public Pool	0	\$ 91.25	Fee Deleted	Fee deleted; assess hourly rate			
49	Plumbing - Public Spa	0	\$ 60.75	Fee Deleted	Fee deleted; assess hourly rate			
50	Plumbing - Private Pool	0	\$ 60.75	Fee Deleted	Fee deleted; assess hourly rate			
51	Plumbing - Private Spa	0	\$ 30.25	Fee Deleted	Fee deleted; assess hourly rate			
52	Plumbing - All other pieces of equipment	0	\$ 9.80	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
53	Plumbing - Inspections outside of normal business hours	0	\$ 49.50	\$ 270.00	\$ 278.00	\$ 286.00	\$ 295.00	\$ 295.00
54	Plumbing - Reinspections	0	\$ 49.50	\$ 140.00	\$ 144.00	\$ 148.00	\$ 153.00	\$ 153.00
55	Plumbing - Inspections for which no fee is specified	0	\$ 49.50	\$ 140.00	\$ 144.00	\$ 148.00	\$ 153.00	\$ 153.00
56	Plumbing - Additional plan review	0	\$ 49.50	\$ 140.00	\$ 144.00	\$ 148.00	\$ 153.00	\$ 153.00
57	Plumbing - Sewers, disposal systems, and interceptors: rainwater system w/ Easement	0	\$ 9.80	\$ 2,370.00	\$ 2,440.00	\$ 2,510.00	\$ 2,590.00	\$ 2,590.00
58	REPLACEMENT FEE - Plumbing system with atmospheric-type vacuum breakers	0	\$ -	\$ 830.00	\$ 850.00	\$ 880.00	\$ 907.00	\$ 907.00
59	REPLACEMENT FEE - Plumbing system with all other types of backflow protection devices	0	\$ -	\$ 1,660.00	\$ 1,710.00	\$ 1,760.00	\$ 1,814.00	\$ 1,814.00
60	Demolition Permit	33	\$ 50.00	\$ 53.00	\$ 55.00	\$ 57.00	\$ 58.00	\$ 58.00

Prepared by FCS GROUP. 12/01/2021

Estimated 3-year (2022-2024) fee revenue at Cost of Service

180,228

To: Dewayne Pitts, COBI Finance Director **Date:** December 01, 2021
From: Martin Chaw, FCS GROUP
CC: John Ghilarducci, Matt Hobson, Paul Quinn FCS GROUP
RE: City of Bainbridge Island Development Services Fee Study – Council Follow-up Questions

At the September 21 Council Meeting, FCS GROUP presented the results of the subject fee study. During this meeting, Council members asked several questions, answers to which are addressed below. For convenience, we have grouped their questions into the following 7 responses.

Council Question 1. Keep fees affordable for the typical homeowner.

Based on discussions with City staff, we propose the City maintain the following fees at current levels with adjustments for inflation going forward.

- Reasonable Use Exception – single family residence (2021: \$3,816.00).
- Tree removal/vegetation maintenance permit (2021: \$180.00).
- Tree removal/vegetation maintenance permit (after the fact) (2021: \$500.00).

Our study also proposes to eliminate the following Grading Plan Review and Grading Permit fees as these projects are generally smaller in scale and generally utilized for single-family projects.

- Grading Plan Review 50 cubic yards or less (2021: no charge).
- Grading Plan Review 51-100 cubic yards (2021: \$23.50).
- Grading Permit for 50 cubic yards or less (2021: \$23.50).
- Grading Permit for 51-100 cubic yards (2021: \$37.00).

Council will also note that grading plan review fees for 100,001 to 200,000 cubic yards, grading plan review fees for greater and 200,000 cubic yards, and grading permit for greater than 100,000 cubic yards (engineering fees, lines 6,7,13) are proposed to be eliminated as there are very few of these applications. It is proposed instead that the City roll these applications into the immediately preceding fee service levels (grading plan review for 10,001 to 100,000 cubic yards and grading permit for 10,000 to 100,000 cubic yards, engineering fees, lines 5 and 12, respectively).

Council Question 2. Maintain and/or improve accessibility to affordable housing choices.

Based on discussions with City staff, we propose the City maintain the following fees at current levels with adjustments for inflation going forward.

- Mobile home permit (2021: \$150.00).

Council Question 3. Maintain accessibility to City services by keeping costs for appeals low.

Based on discussions with City staff, we propose the City maintain the following fees at current levels with adjustments for inflation going forward.

- Appeal of Administrative Decisions (2021: \$530.00).
- Appeal of EIS Adequacy (2021: \$530.00).
- Appeal of Hearing Examiner or Planning Commission Decision (2021: \$530.00).
- Appeal of SEPA Determination (2021: \$530.00).

Affordable Housing - Other

You asked us to research affordable housing initiatives or policies of other jurisdictions.

- The City of Bellevue discounts building permit fees for new single-family residence projects by 85%. If the City of Bainbridge Island were to adopt a similar policy, assuming the average new single-

family residential project is valued at \$800,000 and the City sees about 25 new SFR projects in any given year¹, implementing this policy would result in an estimated reduction in building permit revenue of about \$308,000 per year.²

- The City of Kirkland waives fees for bonus or additional units or floor area for construction of affordable housing. We did not attempt to estimate the fiscal impact of this policy as these conditions are quite specific to, and can vary significantly by, each multi-family construction project.

Council Question 4. Developers should pay for the full cost of services the City is providing.

Based on discussions with City staff, we propose that the City revise other fees, except those noted above, to proposed cost-of-service by the year 2024 (see attached fee worksheet, blue shaded fees).

Council Question 5. Encourage green building and use of renewable energy.

The Council's discussion of green energy focused mainly on solar energy, although the intent was likely broader and included other types of green energy. Solar energy building permits are processed using the same building permit fee schedule for all building projects. Between 2016 to 2018, there have been a total of 17 solar permits issued (13 residential and 4 commercial), with an average permit fee collected of between \$500 to \$700.

The City could incentivize use of solar by exempting building permits as long as the solar project applicant receives an approved electrical permit. For example, the City of Kirkland and Bellevue exempt building permits provided the applicant receives an electrical permit.

As another example, the City of Redmond assesses a Green Building Non-Attainment fee, which assesses an additional fee equal to 50% of the total permit fee when a builder converts their project from a green building to a non-green building.

Phase-in fee increases and Revenue impact

FCS GROUP worked collaboratively with City staff to prepare a 3-year phase-in strategy to achieve cost-of-service based fees by 2024. This phase-in strategy included the following parameters:

Parameter #1: Implement the following 3-year phase in strategy:

- 2022 – current fee plus 33% of the fee increase
- 2023 – current fee plus 66% of the fee increase
- 2024 – current fee plus 100% of the fee increase

Parameter #2: Ignore a 3-year phase in strategy if:

- Received Council direction on fee adjustments (ie, fee adjustments identified in Council Questions 1-3 above)

Should the City implement the 3-year phase-in strategy as developed and included herein, the estimated revenue impact is about \$563,000 over the 2022-2024 planning period (\$345,000 in 2022, \$188,000 in 2023,

¹ 25 units is based on the City's historical number of permits issued for building projects with a valuation of between \$500,000 to \$1.0 million.

² Assumes building and plan check fees of \$14,510 for each new SFR project. An 85% discount would equate to a reduction in revenues of \$12,334 per project, or \$308,338 annually, assuming 25 units of new single family residential homes constructed annually.

and \$30,000 in 2024). This revenue estimate is based upon the proposed permit fees for each year 2022 through 2024 and the estimated number of applications, by permit fee, for each year. The remaining difference in 2024 of \$30,300 for Planning fees is the result of maintaining several fees at 2021 levels with adjustments for inflation through 2024, as Council directed.

Table 1: Estimated Revenue Impact from 3-year phase-in

		2022	2023	2024	2022-2024 Total
Planning Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 853,508	\$ 879,602	\$ 906,492	\$ 2,639,602
	Forecasted Revenue - City Proposed Phase In	\$ 584,034	\$ 729,958	\$ 876,192	\$ 2,190,184
	Difference	\$ (269,474)	\$ (149,644)	\$ (30,300)	\$ (449,418)
Building Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 222,110	\$ 228,650	\$ 235,540	\$ 686,300
	Forecasted Revenue - City Proposed Phase In	\$ 179,093	\$ 207,339	\$ 235,540	\$ 621,972
	Difference	\$ (43,017)	\$ (21,311)	\$ -	\$ (64,328)
Engineering Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 58,329	\$ 60,389	\$ 61,510	\$ 180,228
	Forecasted Revenue - City Proposed Phase In	\$ 25,964	\$ 43,838	\$ 61,510	\$ 131,312
	Difference	\$ (32,365)	\$ (16,551)	\$ -	\$ (48,916)
Total	Forecasted Revenue - FCS GROUP Proposed COS	\$ 1,133,947	\$ 1,168,641	\$ 1,203,542	\$ 3,506,130
	Forecasted Revenue - City Proposed Phase In	\$ 789,091	\$ 981,135	\$ 1,173,242	\$ 2,943,468
	Difference	\$ (344,856)	\$ (187,506)	\$ (30,300)	\$ (562,662)



Planning and Community Development Cost of Service Fee Study

City Council Study Session #2

December 7, 2021

John Ghilarducci, Principal
Matt Hobson, Project Manager
Martin Chaw, Project Manager
Paul Quinn, Project Consultant



Agenda

- ◆ **Follow-up to Council questions**
- ◆ **Additional questions / direction to consultants**
- ◆ **Next steps**



Affordability for Homeowner

Keep fees affordable for the typical homeowner

- ◆ **Maintain the following fees at current levels:**
 - Reasonable Use Exception – single family residence (2021: \$3,816.00)
 - Tree removal/vegetation maintenance permit (2021: \$180.00)
 - Tree removal/vegetation maintenance permit (after the fact) (2021: \$500.00)

- ◆ **Eliminate:**
 - Grading Plan Review 100 cubic yards or less (2021: \$23.50)
 - Grading Permit 100 cubic yards or less (2021: \$23.50 & \$37.00)



Affordable Housing

Maintain and/or improve accessibility to affordable housing choices

- ◆ **Maintain the following fees at current levels:**
 - Mobile home permit (2021: \$150.00)



Appeals

Maintain accessibility to City services by keeping costs for appeals low

- ◆ **Maintain the following fees at current levels:**
 - Appeal of Administrative Decisions (2021: \$530.00)
 - Appeal of EIS Adequacy (2021: \$530.00)
 - Appeal of Hearing Examiner or Planning Commission Decision (2021: \$530.00)
 - Appeal of SEPA Determination (2021: \$530.00)



Cost of Service Fees

Developers should pay for the full cost of services the City is providing

- ◆ **Full cost of services fees assessed upon all remaining areas**



Green Energy

Encourage green building and use of renewable energy

◆ **Solar Permits**

- Building permits not required
- Electrical permit still required
 - City of Kirkland
 - City of Bellevue

◆ **Green Building Non-Attainment Fee**

- Fee is assessed when a green building project is changed to non-green
- Fee is 50% of total permit fee
 - City of Redmond



Cost of Service Fees

- ◆ **Cost of service fees identified for each fee service**

- Calculated COS fees represent maximum fee City may assess
- Council policy choice to assess cost of service or a lesser amount
- In collaboration with City staff, prepared a 3-year phase-in strategy to gradually adjust fees from current levels, starting to 2022 to cost of service by 2024

Line	Fee Name	Current Fee	2024 Target Fee with Inflation	Difference	% Difference	City Proposed Fees (2022 - 2024)		
						2022	2023	2024
9	Boundary Line Adjustment	\$ 954.00	\$ 2,130.00	\$ 1,176.00	123%	Current fee + 33% of Difference	Current fee + 66% of Difference	Current Fee + 100% of Difference
						\$ 1,346.00	\$ 1,738.00	\$ 2,130.00

- ◆ **See attached exhibits for detail**

- Exhibit A: Proposed 3-year phase-in for each fee service (2022-2024)
- Exhibit B: Identified cost of service fees with inflationary adjustments (2022-2024)



Estimated Revenue Impact

		2022-2024			
		2022	2023	2024	Total
Planning Fees	Forecasted Revenue - FCS GROUP Proposed COS	\$ 853,508	\$ 879,602	\$ 906,492	\$ 2,639,602
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	Forecasted Revenue - City Proposed Phase In	\$ 789,091	\$ 981,135	\$ 1,173,242	\$ 2,943,468
	Difference	\$ (344,856)	\$ (187,506)	\$ (30,300)	\$ (562,662)



Next Steps

- ◆ **Council Discussion**
- ◆ **Other Questions (if any)**
- ◆ **Direction / Next Steps**



Questions

Contact FCS GROUP:
(425) 867-1802
www.fcsgroup.com

EXHIBIT A - PROPOSED 3-YEAR PHASE IN 2022-2024
Proposed Land Use Fees (effective January 1, 2022)

Line	Fee Name	Current Fee	2024 Target Fee				City Proposed Fees (2022 - 2024)		
			with Inflation	Difference	% Difference	2022	2023	2024	
						Current fee + 33% of Difference	Current fee + 66% of Difference	Current Fee + 100% of Difference	
1	Administrative Code Interpretation	\$ 382.00	\$ 2,410.00	\$ 2,028.00	531%	\$ 1,058.00	\$ 1,734.00	\$ 2,410.00	
2	Affordable Housing - Optional Fee In Lieu	\$ 36.00							
3	Agricultural Conditional Use	\$ 1,080.00	\$ 3,900.00	\$ 2,820.00	261%	\$ 2,020.00	\$ 2,960.00	\$ 3,900.00	
4	Agricultural Retail Plan	\$ 191.00	\$ 2,010.00	\$ 1,819.00	952%	\$ 797.00	\$ 1,404.00	\$ 2,010.00	
5	Appeal of Administrative Decisions	\$ 530.00	\$ 8,440.00	\$ 7,910.00	1492%	\$ 530.00	\$ 550.00	\$ 570.00	
6	Appeal of EIS Adequacy	\$ 530.00	\$ 8,440.00	\$ 7,910.00	1492%	\$ 530.00	\$ 550.00	\$ 570.00	
7	Appeal of Hearing Examiner or Planning Commission Decision	\$ 530.00	\$ 8,440.00	\$ 7,910.00	1492%	\$ 530.00	\$ 550.00	\$ 570.00	
8	Appeal of SEPA Determination	\$ 530.00	\$ 8,440.00	\$ 7,910.00	1492%	\$ 530.00	\$ 550.00	\$ 570.00	
9	Boundary Line Adjustment	\$ 954.00	\$ 2,130.00	\$ 1,176.00	123%	\$ 1,346.00	\$ 1,738.00	\$ 2,130.00	
10	Comprehensive Plan Amendment - Site Specific	\$ 1,526.00	\$ 8,910.00	\$ 7,384.00	484%	\$ 3,987.00	\$ 6,449.00	\$ 8,910.00	
11	Comprehensive Plan Amendment - Not Site Specific	\$ 265.00	\$ 8,530.00	\$ 8,265.00	3119%	\$ 3,020.00	\$ 5,775.00	\$ 8,530.00	
12	Conditional Use Permit - Minor	\$ 4,770.00	\$ 3,840.00	\$ (930.00)	-19%	\$ 3,616.00	\$ 3,724.00	\$ 3,840.00	
13	Conditional Use Permit - Specified Cemeteries	\$ 1,097.00							
14	Conditional Use Permit - Major	\$ 10,494.00	\$ 21,240.00	\$ 10,746.00	102%	\$ 14,076.00	\$ 17,658.00	\$ 21,240.00	
15	Consultation	\$ 180.00	\$ 800.00	\$ 620.00	344%	\$ 387.00	\$ 593.00	\$ 800.00	
16	Critical Areas - Buffer Enhancement Plan Review	\$ 1,526.00	\$ 3,500.00	\$ 1,974.00	129%	\$ 2,184.00	\$ 2,842.00	\$ 3,500.00	
17	Critical Areas - Site Investigation	\$ 180.00	\$ 620.00	\$ 440.00	244%	\$ 327.00	\$ 473.00	\$ 620.00	
18	Critical Areas - Major	\$ 1,526.00	\$ 3,760.00	\$ 2,234.00	146%	\$ 2,271.00	\$ 3,015.00	\$ 3,760.00	
19	Critical Areas - Minor	\$ -	\$ 1,860.00	\$ 1,860.00	na	\$ 1,751.00	\$ 1,804.00	\$ 1,860.00	
20	Geologically Hazardous Area - Third Party Review Deposit	\$ -	\$ 630.00	\$ 630.00	na	\$ 598.00	\$ 616.00	\$ 630.00	
21	Reasonable Use Exception - Single Family Residence	\$ 3,816.00	\$ 10,390.00	\$ 6,574.00	172%	\$ 3,816.00	\$ 3,930.00	\$ 4,050.00	
22	Reasonable Use Exception - All Other	\$ 6,106.00	\$ 13,940.00	\$ 7,834.00	128%	\$ 8,717.00	\$ 11,329.00	\$ 13,940.00	
23	SEPA Review (no EIS)	\$ 763.00	\$ 1,740.00	\$ 977.00	128%	\$ 1,089.00	\$ 1,414.00	\$ 1,740.00	
24	SEPA Review (with EIS)	\$ 763.00	\$ 330.00	\$ (433.00)	-57%	\$ 309.00	\$ 319.00	\$ 330.00	
25	EIS Addendum	\$ 763.00	\$ 330.00	\$ (433.00)	-57%	\$ 309.00	\$ 319.00	\$ 330.00	
26	EIS Supplement	\$ 763.00	\$ 330.00	\$ (433.00)	-57%	\$ 309.00	\$ 319.00	\$ 330.00	
27	Large Lot Subdivision	\$ 16,027.00	\$ 18,700.00	\$ 2,673.00	17%	\$ 16,918.00	\$ 17,809.00	\$ 18,700.00	
28	Large Lot Subdivision - Minor	\$ 360.00	\$ 2,330.00	\$ 1,970.00	547%	\$ 1,017.00	\$ 1,673.00	\$ 2,330.00	
29	Legislative Review of Development Regulations	\$ 3,053.00	\$ 20,360.00	\$ 17,307.00	567%	\$ 8,821.00	\$ 14,592.00	\$ 20,360.00	
30	Long Subdivision	\$ 17,363.00	\$ 34,330.00	\$ 16,967.00	98%	\$ 23,018.00	\$ 28,675.00	\$ 34,330.00	
31	Long Subdivision - per lot	\$ 1,145.00							
32	Long Subdivision - Minor Alteration	\$ 360.00	\$ 2,970.00	\$ 2,610.00	725%	\$ 1,230.00	\$ 2,100.00	\$ 2,970.00	
33	Long Subdivision - Minor Replat or Amendment	\$ 1,336.00	\$ 5,330.00	\$ 3,994.00	299%	\$ 2,667.00	\$ 3,999.00	\$ 5,330.00	
34	Long Subdivision - Major Replat or Amendment	\$ 8,586.00							
35	Minor Adjustment	\$ 900.00	\$ 4,290.00	\$ 3,390.00	377%	\$ 2,030.00	\$ 3,160.00	\$ 4,290.00	
36	Major Adjustment	\$ 2,160.00							
37	Open Space Review	\$ 265.00	\$ 1,860.00	\$ 1,595.00	602%	\$ 797.00	\$ 1,328.00	\$ 1,860.00	
38	Pre-Application Conference - Minor Land Use Permits	\$ 500.00	\$ 3,030.00	\$ 2,530.00	506%	\$ 1,343.00	\$ 2,187.00	\$ 3,030.00	
39	Pre-Application Conference - All Other Land Use Permits	\$ 1,000.00	\$ 3,030.00	\$ 2,030.00	203%	\$ 1,677.00	\$ 2,353.00	\$ 3,030.00	
40	Pre-Application Conference (DRB) - Meeting & Committee Meeting	\$ 250.00	\$ 980.00	\$ 730.00	292%	\$ 493.00	\$ 737.00	\$ 980.00	
41	Pre-Application Conference - Meeting & Public Participation Meeting	\$ 250.00	\$ 980.00	\$ 730.00	292%	\$ 493.00	\$ 737.00	\$ 980.00	
42	Removal of Landmark Tree Permit	\$ 180.00	\$ 1,910.00	\$ 1,730.00	961%	\$ 757.00	\$ 1,333.00	\$ 1,910.00	
43	Renoticing Fee	\$ 200.00	\$ 420.00	\$ 220.00	110%	\$ 273.00	\$ 347.00	\$ 420.00	
44	Rezone	\$ 3,053.00	\$ 8,910.00	\$ 5,857.00	192%	\$ 5,005.00	\$ 6,958.00	\$ 8,910.00	
45	Shoreline - Buoy (Programmatic Review)	\$ 450.00	\$ 1,600.00	\$ 1,150.00	256%	\$ 833.00	\$ 1,217.00	\$ 1,600.00	
46	Shoreline - Exemption without SEPA	\$ 572.00	\$ 1,600.00	\$ 1,028.00	180%	\$ 915.00	\$ 1,257.00	\$ 1,600.00	
47	Shoreline - Exemption with SEPA	\$ 1,908.00	\$ 2,050.00	\$ 142.00	7%	\$ 1,955.00	\$ 2,003.00	\$ 2,050.00	
48	Shoreline - Substantial Development Permit	\$ 6,869.00							
49	Shoreline - Substantial Development Permit for Enlargement of Existing Structure	\$ 4,579.00							
50	Shoreline - Conditional Use Permit	\$ 8,014.00	\$ 11,430.00	\$ 3,416.00	43%	\$ 9,153.00	\$ 10,291.00	\$ 11,430.00	
51	Shoreline - Conditional Use Permit for Enlargement of Existing Structure	\$ 5,342.00							
52	Shoreline - Administrative Variance	\$ 5,724.00							
53	Shoreline - Variance	\$ 8,014.00	\$ 11,600.00	\$ 3,586.00	45%	\$ 9,209.00	\$ 10,405.00	\$ 11,600.00	
54	Shoreline - Clearing Permit	\$ 180.00	\$ 1,620.00	\$ 1,440.00	800%	\$ 660.00	\$ 1,140.00	\$ 1,620.00	
56	Short Subdivision - 3 to 4 Lots	\$ 6,063.00							
57	Short Subdivision - 5 to 9 Lots	\$ 7,632.00							
58	Short Subdivision - Minor Plat Amendment	\$ 763.00	\$ 2,450.00	\$ 1,687.00	221%	\$ 1,325.00	\$ 1,888.00	\$ 2,450.00	
59	Short Subdivision - Major Plat Amendment	\$ 3,339.00							
60	Short Subdivision - Minor Alteration	\$ 360.00	\$ 2,090.00	\$ 1,730.00	481%	\$ 937.00	\$ 1,513.00	\$ 2,090.00	
61	Sign Permit	\$ 50.00	\$ 780.00	\$ 730.00	1460%	\$ 293.00	\$ 537.00	\$ 780.00	
62	Site Assessment Review	\$ 400.00							
63	Site Plan Review - Minor	\$ 3,816.00	\$ 10,090.00	\$ 6,274.00	164%	\$ 5,907.00	\$ 7,999.00	\$ 10,090.00	
64	Site Plan Review - Major	\$ 8,586.00	\$ 18,600.00	\$ 10,014.00	117%	\$ 11,924.00	\$ 15,262.00	\$ 18,600.00	
65	Temporary Construction Staging	\$ 720.00	\$ 1,600.00	\$ 880.00	122%	\$ 1,013.00	\$ 1,307.00	\$ 1,600.00	
66	Tree Removal/Vegetation Maintenance Permit	\$ 180.00	\$ 1,420.00	\$ 1,240.00	689%	\$ 180.00	\$ 190.00	\$ 200.00	
67	Tree Removal/Vegetation Maintenance Permit (after-the-fact)	\$ 500.00	\$ 1,600.00	\$ 1,100.00	220%	\$ 500.00	\$ 520.00	\$ 540.00	
68	Variance - Minor	\$ 3,434.00	\$ 6,720.00	\$ 3,286.00	96%	\$ 4,529.00	\$ 5,625.00	\$ 6,720.00	
69	Variance - Major Single Family Residential (Hearing Examiner) (may make minor; in process)	\$ 5,724.00							
70	Variance - Major All Other (Hearing Examiner)	\$ 10,303.00	\$ 21,240.00	\$ 10,937.00	106%	\$ 13,948.00	\$ 17,595.00	\$ 21,240.00	
71	Variance - Sign	\$ 382.00	\$ 1,220.00	\$ 838.00	219%	\$ 661.00	\$ 941.00	\$ 1,220.00	
72	Wireless Facilities - Eligible Facility Request	\$ 185.00	\$ 1,600.00	\$ 1,415.00	765%	\$ 657.00	\$ 1,128.00	\$ 1,600.00	
73	Wireless Facilities - Small Wireless Facility	\$ 500.00	\$ 600.00	\$ 100.00	20%	\$ 533.00	\$ 567.00	\$ 600.00	
74	Wireless Facilities - New Poles	\$ 1,000.00	\$ 1,160.00	\$ 160.00	16%	\$ 1,053.00	\$ 1,107.00	\$ 1,160.00	
75	Wireless Facilities - Site Fee for Locating on City Property	\$ 270.00	\$ 320.00	\$ 50.00	19%	\$ 287.00	\$ 303.00	\$ 320.00	
76	Wireless Communication Facility	\$ 370.00	\$ 1,140.00	\$ 770.00	208%	\$ 627.00	\$ 883.00	\$ 1,140.00	
77	Zoning Verification Letter	\$ 100.00	\$ 960.00	\$ 860.00	860%	\$ 387.00	\$ 673.00	\$ 960.00	
78	NEW FEE - Support for Wetland Consultant Review	\$ -	\$ 630.00	\$ 630.00	na	\$ 598.00	\$ 616.00	\$ 630.00	
79	NEW FEE - Arborist Review (in the field of dead/hazardous trees)	\$ -	\$ 300.00	\$ 300.00	na	\$ 279.00	\$ 287.00	\$ 300.00	
80	NEW FEE - Minor or Major Revision to Permit Under Review, as Determine by Director	\$ -	\$ 3,580.00	\$ 3,580.00	na	\$ 3,379.00	\$ 3,480.00	\$ 3,580.00	
81	NEW FEE - Reasonable Use Exception - All Other w/ SEPA Review	\$ -	\$ 9,100.00	\$ 9,100.00	na	\$ 8,580.00	\$ 8,838.00	\$ 9,100.00	
82	NEW FEE - Short Subdivision - 2 Lots w/ SEPA	\$ -	\$ 7,630.00	\$ 7,630.00	na	\$ 7,190.00	\$ 7,406.00	\$ 7,630.00	
83	NEW FEE - Short Subdivision - 3 to 4 Lots w/ SEPA	\$ -	\$ 11,530.00	\$ 11,530.00	na	\$ 10,867.00	\$ 11,193.00	\$ 11,530.00	
84	NEW FEE - FEMA Review	\$ -	\$ 550.00	\$ 550.00	na	\$ 515.00	\$ 531.00	\$ 550.00	
85	NEW FEE - Shoreline - Administrative Review	\$ -	\$ 8,980.00	\$ 8,980.00	na	\$ 8,467.00	\$ 8,721.00	\$ 8,980.00	
86	NEW FEE - Reasonable Use Exception - Single Family Residence w/ SEPA Review	\$ -	\$ 9,100.00	\$ 9,100.00	na	\$ 8,580.00	\$ 8,838.00	\$ 9,100.00	
87	REPLACEMENT - Major Adjustment/Amendment	\$ -	\$ 21,240.00	\$ 21,240.00	na	\$ 20,024.00	\$ 20,624.00	\$ 21,240.00	
88	REPLACEMENT - Short Subdivision - 2 Lots	\$ -	\$ 7,000.00	\$ 7,000.00	na	\$ 6,603.00	\$ 6,801.00	\$ 7,000.00	
89	REPLACEMENT - Short Subdivision - 3 to 4 Lots	\$ -	\$ 10,920.00	\$ 10,920.00	na	\$ 10,290.00	\$ 10,599.00	\$ 10,920.00	
90	REPLACEMENT - Adjustment/Revision to Approved Shoreline Permit	\$ -	\$ 3,580.00	\$ 3,580.00	na	\$ 3,379.00	\$ 3,480.00	\$ 3,580.00	
91	REPLACEMENT - Shoreline - Administrative Conditional Use Permit	\$ -	\$ 8,980.00	\$ 8,980.00	na	\$ 8,467.00	\$ 8,721.00	\$ 8,980.00	

Prepared by FCS GROUP, 12/01/2021

Estimated 3-year (2022-2024) fee revenue with Phase-In 2,190,184

	2024 Target fee phased in over 3 years
	Fee maintained at current levels for affordability to SFR and mobile home projects
	Fee being reduced from current levels.
	New fee or replacement fee; 2024 Target fee phased in over 3 years

EXHIBIT A (continued)

Proposed Engineering Fees (effective January 1, 2022)

						City Proposed Fees (2022 - 2024)			
						2022	2023	2024	
Line	Fee Name	Historical Annual Volume	Current Fee	2024 Target Fee with Inflation	Difference	% Difference	Current fee + 33% of Difference	Current fee + 66% of Difference	Current Fee + 100% of Difference
1	Grading - Plan Review for 50 CY or less	0	\$ -						
2	Grading - Plan Review for 51 to 100 CY	0	\$ 23.50						
3	Grading - Plan Review for 101 to 1,000 CY	6	\$ 37.00	\$ 1,510.00	\$ 1,473.00	3981%	\$ 528.00	\$ 1,019.00	\$ 1,510.00
4	Grading - Plan Review for 1,001 to 10,000 CY	0	\$ 49.25	\$ 3,100.00	\$ 3,050.75	6194%	\$ 1,066.00	\$ 2,083.00	\$ 3,100.00
5	Grading - Plan Review for 10,001 to 100,000 CY	8	\$ 171.75	\$ 5,530.00	\$ 5,358.25	3120%	\$ 1,958.00	\$ 3,744.00	\$ 5,530.00
6	Grading - Plan Review for 100,001 to 200,000 CY	0	\$ 336.00						
7	Grading - Plan Review for > 200,000 CY	0	\$ 402.25						
8	Grading - Permit for 50 CY or less	0	\$ 23.50						
9	Grading - Permit for 51 to 100 CY	9	\$ 37.00						
10	Grading - Permit for 101 to 1,000 CY	8	\$ 194.50	\$ 860.00	\$ 665.50	342%	\$ 416.00	\$ 638.00	\$ 860.00
11	Grading - Permit for 1,001 to 10,000 CY	3	\$ 252.50	\$ 3,460.00	\$ 3,207.50	1270%	\$ 1,322.00	\$ 2,391.00	\$ 3,460.00
12	Grading - Permit for 10,001 to 100,000 CY	1	\$ 655.00	\$ 5,190.00	\$ 4,535.00	692%	\$ 2,167.00	\$ 3,678.00	\$ 5,190.00
13	Grading - Permit > 100,000 CY	0	\$ 919.00						
14	REPLACEMENT FEE Grading - Plan Review for 0 to 100 CY	27	\$ -	\$ 1,100.00	\$ 1,100.00	na	\$ 1,041.00	\$ 1,072.00	\$ 1,100.00
15	REPLACEMENT FEE Grading - Plan Review per CY >100,000 CY	0	\$ -	\$ 0.05	\$ 0.05	na	\$ 0.05	\$ 0.05	\$ 0.05
16	REPLACEMENT FEE Grading - Permit per CY >100,000 CY	0	\$ -	\$ 0.05	\$ 0.05	na	\$ 0.05	\$ 0.05	\$ 0.05
17	REPLACEMENT FEE Grading - Plan Review/Permit Issuance Fee >100,000 CY	0	\$ -	\$ 420.00	\$ 420.00	na	\$ 392.00	\$ 404.00	\$ 420.00
18	REPLACEMENT FEE Grading - Permit for 0 to 100CY	9	\$ -	\$ 520.00	\$ 520.00	na	\$ 495.00	\$ 510.00	\$ 520.00
19	NEW FEE - Plat Utility Engineering Review Base 1	7	\$ -	\$ 5,450.00	\$ 5,450.00	na	\$ 5,140.00	\$ 5,294.00	\$ 5,450.00
20	NEW FEE - Plat Utility Engineering Review Base 2	2	\$ -	\$ 16,360.00	\$ 16,360.00	na	\$ 15,420.00	\$ 15,882.00	\$ 16,360.00
21	NEW FEE - Plat Utility Engineering Review Base 3	2	\$ -	\$ 27,270.00	\$ 27,270.00	na	\$ 25,709.00	\$ 26,481.00	\$ 27,270.00

Prepared by FCS GROUP. 12/01/2021

Estimated 3-year (2022-2024) fee revenue with Phase-In

621,972

2024 Target fee phased in over 3 years
Fee maintained at current levels for affordability to SFR and mobile home projects
Fee being reduced from current levels.
New fee or replacement fee; 2024 Target fee phased in over 3 years

EXHIBIT A (continued)
Proposed Building Fees (effective January 1, 2022)

								City Proposed Fees (2022 - 2024)			
								2022	2023	2024	
Line	Fee Name	Historical Annual Volume	Current Fee	2024 Target Fee with Inflation	Difference	% Difference	Current fee + 33% of Difference	Current fee + 66% of Difference	Current Fee + 100% of Difference		
1	Enforcement	0	\$ 180.00	\$ 153.00	\$ (27.00)	-15%	\$ 145.00	\$ 149.00	\$ 153.00		
2	Mobile Home Permit	0	\$ 150.00	\$ 1,780.00	\$ 1,630.00	1087%	\$ 150.00	\$ 155.00	\$ 160.00		
3	Wells, Exempt - Building Connection Fee	0	\$ 500.00	Fee being phased out; no activity							
4	Mechanical - Permit Issuance	151	\$ 23.50	\$ 273.00	\$ 249.50	1062%	\$ 107.00	\$ 190.00	\$ 273.00		
5	Mechanical - Each Additional Permit Issuance	0	\$ 7.25	\$ 142.00	\$ 134.75	1859%	\$ 52.00	\$ 97.00	\$ 142.00		
6	Mechanical - Furnace up to 100,000 BTU/h	0	\$ 14.80	\$ 44.00	\$ 29.20	197%	\$ 25.00	\$ 34.00	\$ 44.00		
7	Mechanical - Furnace > 100,000 BTU/h	0	\$ 18.20	\$ 44.00	\$ 25.80	142%	\$ 27.00	\$ 35.00	\$ 44.00		
8	Mechanical - Installation of each floor furnace, including vent	0	\$ 14.80	\$ 44.00	\$ 29.20	197%	\$ 25.00	\$ 34.00	\$ 44.00		
9	Mechanical - Installation of each suspended heater	0	\$ 14.80	\$ 44.00	\$ 29.20	197%	\$ 25.00	\$ 34.00	\$ 44.00		
10	Mechanical - Installation of each appliance vent	0	\$ 7.25	\$ 44.00	\$ 36.75	507%	\$ 19.00	\$ 32.00	\$ 44.00		
11	Mechanical - Repair or addition	0	\$ 13.70	\$ 44.00	\$ 30.30	221%	\$ 24.00	\$ 34.00	\$ 44.00		
12	Mechanical - Boiler or compressor up to 100,000 BTU/h	0	\$ 14.70	\$ 44.00	\$ 29.30	199%	\$ 24.00	\$ 34.00	\$ 44.00		
13	Mechanical - Boiler or compressor 100,001 to 500,000 BTU/h	0	\$ 27.15	\$ 131.00	\$ 103.85	383%	\$ 62.00	\$ 96.00	\$ 131.00		
14	Mechanical - Boiler or compressor 500,001 to 1,000,000 BTU/h	0	\$ 37.25	\$ 131.00	\$ 93.75	252%	\$ 68.00	\$ 100.00	\$ 131.00		
15	Mechanical - Boiler or compressor 1,000,001 to 1,750,000 BTU/h	0	\$ 55.45	\$ 131.00	\$ 75.55	136%	\$ 81.00	\$ 106.00	\$ 131.00		
16	Mechanical - Boiler or compressor > 1,750,000 BTU/h	0	\$ 92.65	\$ 131.00	\$ 38.35	41%	\$ 105.00	\$ 118.00	\$ 131.00		
17	Mechanical - Air Handlers up to 10,000 cfm	0	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
18	Mechanical - Air Handlers > 10,000 cfm	0	\$ 18.10	\$ 44.00	\$ 25.90	143%	\$ 27.00	\$ 35.00	\$ 44.00		
19	Mechanical - Evaporative coolers	0	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
20	Mechanical - Ventilation fan to single duct	0	\$ 7.25	\$ 44.00	\$ 36.75	507%	\$ 19.00	\$ 32.00	\$ 44.00		
21	Mechanical - Ventilation system not part of any heating or AC	0	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
22	Mechanical - Hood installation	0	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
23	Mechanical - Domestic-type incinerator	0	\$ 18.20	\$ 44.00	\$ 25.80	142%	\$ 27.00	\$ 35.00	\$ 44.00		
24	Mechanical - Commercial or Industrial-type incinerator	0	\$ 14.50	Fee being phased out; no activity							
25	Mechanical - All other pieces of equipment	151	\$ 10.65	\$ 44.00	\$ 33.35	313%	\$ 22.00	\$ 33.00	\$ 44.00		
26	Mechanical - Inspections outside of normal business hours	0	\$ 49.50	\$ 295.00	\$ 245.50	496%	\$ 131.00	\$ 213.00	\$ 295.00		
27	Mechanical - Reinspections	0	\$ 49.50	\$ 131.00	\$ 81.50	165%	\$ 77.00	\$ 104.00	\$ 131.00		
28	Mechanical - Inspections for which no fee is specified	0	\$ 49.50	\$ 131.00	\$ 81.50	165%	\$ 77.00	\$ 104.00	\$ 131.00		
29	Mechanical - Additional plan review	0	\$ 49.50	\$ 131.00	\$ 81.50	165%	\$ 77.00	\$ 104.00	\$ 131.00		
30	Plumbing - Permit Issuance	37	\$ 23.50	\$ 273.00	\$ 249.50	1062%	\$ 107.00	\$ 190.00	\$ 273.00		
31	Plumbing - Each additional permit issuance	0	\$ 7.25	\$ 142.00	\$ 134.75	1859%	\$ 52.00	\$ 97.00	\$ 142.00		
32	Plumbing - Fixtures and vents on one trap	37	\$ 9.80	\$ 44.00	\$ 34.20	349%	\$ 21.00	\$ 33.00	\$ 44.00		
33	Plumbing - Repair or alteration of drainage or vent piping	0	\$ 4.75	\$ 44.00	\$ 39.25	826%	\$ 18.00	\$ 31.00	\$ 44.00		
34	Plumbing - Sewers, disposal systems, and interceptors: building sewer	0	\$ 24.65	\$ 131.00	\$ 106.35	431%	\$ 60.00	\$ 96.00	\$ 131.00		
35	Plumbing - Sewers, disposal systems, and interceptors: cess pool	0	\$ 37.25	\$ 131.00	\$ 93.75	252%	\$ 68.00	\$ 100.00	\$ 131.00		
36	Plumbing - Sewers, disposal systems, and interceptors: private sewage system	0	\$ 74.50	\$ 131.00	\$ 56.50	76%	\$ 93.00	\$ 112.00	\$ 131.00		
37	Plumbing - Sewers, disposal systems, and interceptors: industrial waste pretreatment interceptor	0	\$ 19.90	\$ 131.00	\$ 111.10	558%	\$ 57.00	\$ 94.00	\$ 131.00		
38	Plumbing - Sewers, disposal systems, and interceptors: rainwater system	0	\$ 9.80	\$ 1,800.00	\$ 1,790.20	18267%	\$ 606.00	\$ 1,203.00	\$ 1,800.00		
39	Plumbing - Water piping installation	0	\$ 4.75	\$ 229.00	\$ 224.25	4721%	\$ 79.00	\$ 154.00	\$ 229.00		
40	Plumbing - Water heater installation, including vent	0	\$ 12.30	\$ 44.00	\$ 31.70	258%	\$ 23.00	\$ 33.00	\$ 44.00		
41	Plumbing - Gas piping system of one to five outlets	0	\$ 6.15	\$ 229.00	\$ 222.85	3624%	\$ 80.00	\$ 155.00	\$ 229.00		
42	Plumbing - Gas piping system, each outlet over five	0	\$ 1.10	Fee being phased out; process included in other fees							
43	Plumbing - Lawn sprinkler including backflow device	0	\$ 14.80	Replaced by #58 and #59.							
44	Plumbing - Atmospheric-type vacuum breakers, one to five	0	\$ 12.30	Replaced by #58 and #59.							
45	Plumbing - Atmospheric-type vacuum breakers, over five	0	\$ 2.25	Replaced by #58 and #59.							
46	Plumbing - Backflow protection device other than atmospheric-type <= 2"	0	\$ 12.30	Replaced by #58 and #59.							
47	Plumbing - Backflow protection device other than atmospheric-type >2"	0	\$ 24.65	Replaced by #58 and #59.							
48	Plumbing - Public Pool	0	\$ 91.25	Fee deleted; assess hourly rate							
49	Plumbing - Public Spa	0	\$ 60.75	Fee deleted; assess hourly rate							
50	Plumbing - Private Pool	0	\$ 60.75	Fee deleted; assess hourly rate							
51	Plumbing - Private Spa	0	\$ 30.25	Fee deleted; assess hourly rate							
52	Plumbing - All other pieces of equipment	0	\$ 9.80	\$ 130.00	\$ 120.20	1227%	\$ 49.00	\$ 128.00	\$ 130.00		
53	Plumbing - Inspections outside of normal business hours	0	\$ 49.50	\$ 300.00	\$ 250.50	506%	\$ 132.00	\$ 297.00	\$ 300.00		
54	Plumbing - Reinspections	0	\$ 49.50	\$ 150.00	\$ 100.50	203%	\$ 83.00	\$ 149.00	\$ 150.00		
55	Plumbing - Inspections for which no fee is specified	0	\$ 49.50	\$ 150.00	\$ 100.50	203%	\$ 83.00	\$ 149.00	\$ 150.00		
56	Plumbing - Additional plan review	0	\$ 49.50	\$ 150.00	\$ 100.50	203%	\$ 83.00	\$ 149.00	\$ 150.00		
57	Plumbing - Sewers, disposal systems, and interceptors: rainwater system w/ Easement	0	\$ 9.80	\$ 2,590.00	\$ 2,580.20	26329%	\$ 861.00	\$ 2,564.00	\$ 2,590.00		
58	REPLACEMENT FEE - Plumbing system with atmospheric-type vacuum breakers	0	\$ -	\$ 907.00	\$ 907.00	na	\$ 855.00	\$ 881.00	\$ 907.00		
59	REPLACEMENT FEE - Plumbing system with all other types of backflow protection devices	0	\$ -	\$ 1,810.00	\$ 1,810.00	na	\$ 1,710.00	\$ 1,760.00	\$ 1,810.00		
60	Demolition Permit	33	\$ 50.00	\$ 58.00	\$ 8.00	16%	\$ 53.00	\$ 58.00	\$ 58.00		

Prepared by FCS GROUP. 12/01/2021

Estimated 3-year (2022-2024) fee revenue with Phase-In

131,312

2024 Target fee phased in over 3 years
Fee maintained at current levels for affordability to SFR and mobile home projects
Fee being reduced from current levels.
New fee or replacement fee; 2024 Target fee phased in over 3 years

EXHIBIT B - CALCULATED COST OF SERVICE FEES 2022-2024
Proposed Land Use Fees (effective January 1, 2022)

Line	Fee Name	Historical Annual			Inflation Adjusted Fees (2022 - 2024)			2024 Target Fee with Inflation
		Volume	Current Fee	2021 COS Fee	Target Fee in 2022	Target fee in 2023	Target fee in 2024	
1	Administrative Code Interpretation	4	\$ 382.00	\$ 2,210.00	\$ 2,210.00	\$ 2,280.00	\$ 2,410.00	\$ 2,410.00
2	Affordable Housing - Optional Fee In Lieu	0	\$ 36.00	Fee Deleted	Fee being phased out; process is included in other fees			
3	Agricultural Conditional Use	0	\$ 1,080.00	\$ 3,570.00	\$ 3,680.00	\$ 3,790.00	\$ 3,900.00	\$ 3,900.00
4	Agricultural Retail Plan	0	\$ 191.00	\$ 1,840.00	\$ 1,900.00	\$ 1,960.00	\$ 2,010.00	\$ 2,010.00
5	Appeal of Administrative Decisions	0	\$ 530.00	\$ 7,720.00	\$ 7,950.00	\$ 8,190.00	\$ 8,440.00	\$ 8,440.00
6	Appeal of EIS Adequacy	0	\$ 530.00	\$ 7,720.00	\$ 7,950.00	\$ 8,190.00	\$ 8,440.00	\$ 8,440.00
7	Appeal of Hearing Examiner or Planning Commission Decision	2	\$ 530.00	\$ 7,720.00	\$ 7,950.00	\$ 8,190.00	\$ 8,440.00	\$ 8,440.00
8	Appeal of SEPA Determination	0	\$ 530.00	\$ 7,720.00	\$ 7,950.00	\$ 8,190.00	\$ 8,440.00	\$ 8,440.00
9	Boundary Line Adjustment	17	\$ 954.00	\$ 1,950.00	\$ 2,010.00	\$ 2,070.00	\$ 2,130.00	\$ 2,130.00
10	Comprehensive Plan Amendment - Site Specific	1	\$ 1,526.00	\$ 8,150.00	\$ 8,390.00	\$ 8,640.00	\$ 8,910.00	\$ 8,910.00
11	Comprehensive Plan Amendment - Not Site Specific	0	\$ 265.00	\$ 7,810.00	\$ 8,040.00	\$ 8,280.00	\$ 8,530.00	\$ 8,530.00
12	Conditional Use Permit - Minor	1	\$ 4,770.00	\$ 3,510.00	\$ 3,620.00	\$ 3,730.00	\$ 3,840.00	\$ 3,840.00
13	Conditional Use Permit - Specified Cemeteries	0	\$ 1,097.00	Fee Deleted	Fee being phased out; no activity			
14	Conditional Use Permit - Major	2	\$ 10,494.00	\$ 19,440.00	\$ 20,020.00	\$ 20,620.00	\$ 21,240.00	\$ 21,240.00
15	Consultation	60	\$ 180.00	\$ 730.00	\$ 750.00	\$ 770.00	\$ 800.00	\$ 800.00
16	Critical Areas - Buffer Enhancement Plan Review	1	\$ 1,526.00	\$ 3,200.00	\$ 3,300.00	\$ 3,400.00	\$ 3,500.00	\$ 3,500.00
17	Critical Areas - Site Investigation	0	\$ 180.00	\$ 570.00	\$ 590.00	\$ 610.00	\$ 620.00	\$ 620.00
18	Critical Areas - Major	0	\$ 1,526.00	\$ 3,440.00	\$ 3,540.00	\$ 3,650.00	\$ 3,760.00	\$ 3,760.00
19	Critical Areas - Minor	0	\$ -	\$ 1,700.00	\$ 1,750.00	\$ 1,800.00	\$ 1,860.00	\$ 1,860.00
20	Geologically Hazardous Area - Third Party Review Deposit	0	\$ -	\$ 580.00	\$ 600.00	\$ 620.00	\$ 630.00	\$ 630.00
21	Reasonable Use Exception - Single Family Residence	1	\$ 3,816.00	\$ 9,510.00	\$ 9,800.00	\$ 10,090.00	\$ 10,390.00	\$ 10,390.00
22	Reasonable Use Exception - All Other	0	\$ 6,106.00	\$ 12,760.00	\$ 13,140.00	\$ 13,530.00	\$ 13,940.00	\$ 13,940.00
23	SEPA Review (no EIS)	4	\$ 763.00	\$ 1,590.00	\$ 1,640.00	\$ 1,690.00	\$ 1,740.00	\$ 1,740.00
24	SEPA Review (with EIS)	0	\$ 763.00	\$ 300.00	\$ 310.00	\$ 320.00	\$ 330.00	\$ 330.00
25	EIS Addendum	0	\$ 763.00	\$ 300.00	\$ 310.00	\$ 320.00	\$ 330.00	\$ 330.00
26	EIS Supplement	0	\$ 763.00	\$ 300.00	\$ 310.00	\$ 320.00	\$ 330.00	\$ 330.00
27	Large Lot Subdivision	0	\$ 16,027.00	\$ 17,110.00	\$ 17,620.00	\$ 18,150.00	\$ 18,700.00	\$ 18,700.00
28	Large Lot Subdivision - Minor	1	\$ 360.00	\$ 2,130.00	\$ 2,190.00	\$ 2,260.00	\$ 2,330.00	\$ 2,330.00
29	Legislative Review of Development Regulations	0	\$ 3,053.00	\$ 18,630.00	\$ 19,190.00	\$ 19,770.00	\$ 20,360.00	\$ 20,360.00
30	Long Subdivision	2	\$ 17,363.00	\$ 31,420.00	\$ 32,360.00	\$ 33,330.00	\$ 34,330.00	\$ 34,330.00
31	Long Subdivision - per lot	30	\$ 1,145.00	Fee Deleted	Level of effort captured in long subdivision fee (#30,32,33)			
32	Long Subdivision - Minor Alteration	0	\$ 360.00	\$ 2,720.00	\$ 2,800.00	\$ 2,880.00	\$ 2,970.00	\$ 2,970.00
33	Long Subdivision - Minor Replat or Amendment	0	\$ 1,336.00	\$ 4,880.00	\$ 5,030.00	\$ 5,180.00	\$ 5,330.00	\$ 5,330.00
34	Long Subdivision - Major Replat or Amendment	0	\$ 8,586.00	Fee Deleted	Replaced by #87, Major Adjustment/Amendment			
35	Minor Adjustment	6	\$ 900.00	\$ 3,930.00	\$ 4,050.00	\$ 4,170.00	\$ 4,290.00	\$ 4,290.00
36	Major Adjustment	1	\$ 2,160.00	Fee Deleted	Replaced by #87, Major Adjustment/Amendment			
37	Open Space Review	0	\$ 265.00	\$ 1,700.00	\$ 1,750.00	\$ 1,800.00	\$ 1,860.00	\$ 1,860.00
38	Pre-Application Conference - Minor Land Use Permits	40.4	\$ 500.00	\$ 2,770.00	\$ 2,850.00	\$ 2,940.00	\$ 3,030.00	\$ 3,030.00
39	Pre-Application Conference - All Other Land Use Permits	12.4	\$ 1,000.00	\$ 2,770.00	\$ 2,850.00	\$ 2,940.00	\$ 3,030.00	\$ 3,030.00
40	Pre-Application Conference (DRB) - Meeting & Committee Meeting	1	\$ 250.00	\$ 900.00	\$ 930.00	\$ 960.00	\$ 980.00	\$ 980.00
41	Pre-Application Conference - Meeting & Public Participation Meeting	12	\$ 250.00	\$ 900.00	\$ 930.00	\$ 960.00	\$ 980.00	\$ 980.00
42	Removal of Landmark Tree Permit	0	\$ 180.00	\$ 1,750.00	\$ 1,800.00	\$ 1,850.00	\$ 1,910.00	\$ 1,910.00
43	Renoticing Fee	1	\$ 200.00	\$ 380.00	\$ 390.00	\$ 400.00	\$ 420.00	\$ 420.00
44	Rezoning	0	\$ 3,053.00	\$ 8,150.00	\$ 8,390.00	\$ 8,640.00	\$ 8,910.00	\$ 8,910.00
45	Shoreline - Buoy (Programmatic Review)	3	\$ 450.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
46	Shoreline - Exemption without SEPA	30	\$ 572.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
47	Shoreline - Exemption with SEPA	6	\$ 1,908.00	\$ 1,880.00	\$ 1,940.00	\$ 2,000.00	\$ 2,050.00	\$ 2,050.00
48	Shoreline - Substantial Development Permit	6	\$ 6,869.00	Fee Deleted	Replaced by #85, Shoreline Admin Review			
49	Shoreline - Substantial Development Permit for Enlargement of Existing Structure	0	\$ 4,579.00	Fee Deleted	Replaced by #91, Shoreline Conditional Use Permit Administrative			
50	Shoreline - Conditional Use Permit	1	\$ 8,014.00	\$ 10,460.00	\$ 10,770.00	\$ 11,090.00	\$ 11,430.00	\$ 11,430.00
51	Shoreline - Conditional Use Permit for Enlargement of Existing Structure	0	\$ 5,342.00	Fee Deleted	Replaced by #91, Shoreline Conditional Use Permit Administrative			
52	Shoreline - Administrative Variance	1	\$ 5,724.00	Fee Deleted	Replaced by #85, Shoreline Admin Review			
53	Shoreline - Variance	1	\$ 8,014.00	\$ 10,620.00	\$ 10,940.00	\$ 11,270.00	\$ 11,600.00	\$ 11,600.00
54	Shoreline - Clearing Permit	1	\$ 180.00	\$ 1,480.00	\$ 1,520.00	\$ 1,570.00	\$ 1,620.00	\$ 1,620.00
55	Short Subdivision - 3 to 4 Lots	7	\$ 6,063.00	Fee Deleted	Replaced by fees #88 & #89, 2 Lots & 3 to 4 Lots			
56	Short Subdivision - 5 to 9 Lots	0	\$ 7,632.00	Fee Deleted	Replaced by fees #88 & #89, 2 Lots & 3 to 4 Lots			
57	Short Subdivision - Minor Plat Amendment	0	\$ 763.00	\$ 2,240.00	\$ 2,310.00	\$ 2,380.00	\$ 2,450.00	\$ 2,450.00
58	Short Subdivision - Major Plat Amendment	0	\$ 3,339.00	Fee Deleted	Replaced by #87, Major Adjustment/Amendment			
59	Short Subdivision - Minor Alteration	3	\$ 360.00	\$ 1,910.00	\$ 1,970.00	\$ 2,030.00	\$ 2,090.00	\$ 2,090.00
60	Sign Permit	16.6	\$ 50.00	\$ 710.00	\$ 730.00	\$ 750.00	\$ 780.00	\$ 780.00
61	Site Assessment Review	0	\$ 400.00	Fee Deleted	Fee being phased out; process is included in other fees			
62	Site Plan Review - Minor	4	\$ 3,816.00	\$ 9,230.00	\$ 9,510.00	\$ 9,800.00	\$ 10,090.00	\$ 10,090.00
63	Site Plan Review - Major	2	\$ 8,586.00	\$ 17,020.00	\$ 17,530.00	\$ 18,060.00	\$ 18,600.00	\$ 18,600.00
64	Temporary Construction Staging	0	\$ 720.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
65	Tree Removal/Vegetation Maintenance Permit	5	\$ 180.00	\$ 1,300.00	\$ 1,340.00	\$ 1,380.00	\$ 1,420.00	\$ 1,420.00
66	Tree Removal/Vegetation Maintenance Permit (after-the-fact)	2	\$ 500.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
67	Variance - Minor	3	\$ 3,434.00	\$ 6,150.00	\$ 6,330.00	\$ 6,520.00	\$ 6,720.00	\$ 6,720.00
68	Variance - Major Single Family Residential (Hearing Examiner) (may make minor; in process)	0	\$ 5,724.00	Fee Deleted	Fee being phased out; process is included in other fees			
69	Variance - Major All Other (Hearing Examiner)	0	\$ 10,303.00	\$ 19,440.00	\$ 20,020.00	\$ 20,620.00	\$ 21,240.00	\$ 21,240.00
70	Variance - Sign	0	\$ 382.00	\$ 1,120.00	\$ 1,150.00	\$ 1,180.00	\$ 1,220.00	\$ 1,220.00
71	Wireless Facilities - Eligible Facility Request	3	\$ 185.00	\$ 1,460.00	\$ 1,500.00	\$ 1,550.00	\$ 1,600.00	\$ 1,600.00
72	Wireless Facilities - Small Wireless Facility	0	\$ 500.00	\$ 550.00	\$ 570.00	\$ 590.00	\$ 600.00	\$ 600.00
73	Wireless Facilities - New Poles	0	\$ 1,000.00	\$ 1,060.00	\$ 1,090.00	\$ 1,120.00	\$ 1,160.00	\$ 1,160.00
74	Wireless Facilities - Site Fee for Locating on City Property	0	\$ 270.00	\$ 290.00	\$ 300.00	\$ 310.00	\$ 320.00	\$ 320.00
75	Wireless Communication Facility	0	\$ 370.00	\$ 1,040.00	\$ 1,070.00	\$ 1,100.00	\$ 1,140.00	\$ 1,140.00
76	Zoning Verification Letter	5	\$ 100.00	\$ 880.00	\$ 910.00	\$ 940.00	\$ 960.00	\$ 960.00
77	NEW FEE - Support for Wetland Consultant Review	1	\$ -	\$ 580.00	\$ 600.00	\$ 620.00	\$ 630.00	\$ 630.00
78	NEW FEE - Arborist Review (in the field of dead/hazardous trees)	20	\$ -	\$ 270.00	\$ 280.00	\$ 290.00	\$ 300.00	\$ 300.00
79	NEW FEE - Minor or Major Revision to Permit Under Review, as Determine by Director	5	\$ -	\$ 3,280.00	\$ 3,380.00	\$ 3,480.00	\$ 3,580.00	\$ 3,580.00
80	NEW FEE - Reasonable Use Exception - All Other w/ SEPA Review	0	\$ -	\$ 8,330.00	\$ 8,580.00	\$ 8,840.00	\$ 9,100.00	\$ 9,100.00
81	NEW FEE - Short Subdivision - 2 Lots w/ SEPA	3	\$ -	\$ 6,980.00	\$ 7,190.00	\$ 7,410.00	\$ 7,630.00	\$ 7,630.00
82	NEW FEE - Short Subdivision - 3 to 4 Lots w/ SEPA	0	\$ -	\$ 10,550.00	\$ 10,870.00	\$ 11,200.00	\$ 11,530.00	\$ 11,530.00
83	NEW FEE - FEMA Review	28	\$ -	\$ 500.00	\$ 520.00	\$ 540.00	\$ 550.00	\$ 550.00
84	NEW FEE - Shoreline - Administrative Review	7	\$ -	\$ 8,220.00	\$ 8,470.00	\$ 8,720.00	\$ 8,980.00	\$ 8,980.00
85	NEW FEE - Reasonable Use Exception - Single Family Residence w/ SEPA Review	3	\$ -	\$ 8,330.00	\$ 8,580.00	\$ 8,840.00	\$ 9,100.00	\$ 9,100.00
86	REPLACEMENT - Major Adjustment/Amendment	1	\$ -	\$ 19,440.00	\$ 20,020.00	\$ 20,620.00	\$ 21,240.00	\$ 21,240.00
87	REPLACEMENT - Short Subdivision - 2 Lots	7	\$ -	\$ 6,410.00	\$ 6,600.00	\$ 6,800.00	\$ 7,000.00	\$ 7,000.00
88	REPLACEMENT - Short Subdivision - 3 to 4 Lots	0	\$ -	\$ 9,990.00	\$ 10,290.00	\$ 10,600.00	\$ 10,920.00	\$ 10,920.00
89	REPLACEMENT - Adjustment/Revision to Approved Shoreline Permit	0	\$ -	\$ 3,280.00	\$ 3,380.00	\$ 3,480.00	\$ 3,580.00	\$ 3,580.00
90	REPLACEMENT - Shoreline - Administrative Conditional Use Permit	0	\$ -	\$ 8,220.00	\$ 8,470.00	\$ 8,720.00	\$ 8,980.00	\$ 8,980.00

Prepared by FCS GROUP, 12/01/2021

Estimated 3-year (2022-2024) fee revenue at Cost of Service

2,639,602

EXHIBIT B (Continued)
Proposed Engineering Fees (effective January 1, 2022)

Line	Fee Name	Historical Annual			Inflation Adjusted Fees (2022 - 2024)			2024 Target Fee with Inflation
		Volume	Current Fee	2021 COS Fee	Target Fee in 2022	Target fee in 2023	Target fee in 2024	
1	Grading - Plan Review for 50 CY or less	0	\$ -	Fee Deleted	No fee for 100CY or less, target benefit to the typical HO.			
2	Grading - Plan Review for 51 to 100 CY	0	\$ 23.50	Fee Deleted	No fee for 100CY or less, target benefit to the typical HO.			
3	Grading - Plan Review for 101 to 1,000 CY	6	\$ 37.00	\$ 1,380.00	\$ 1,420.00	\$ 1,460.00	\$ 1,510.00	\$ 1,510.00
4	Grading - Plan Review for 1,001 to 10,000 CY	0	\$ 49.25	\$ 2,840.00	\$ 2,930.00	\$ 3,020.00	\$ 3,100.00	\$ 3,100.00
5	Grading - Plan Review for 10,001 to 100,000 CY	8	\$ 171.75	\$ 5,060.00	\$ 5,210.00	\$ 5,370.00	\$ 5,530.00	\$ 5,530.00
6	Grading - Plan Review for 100,001 to 200,000 CY	0	\$ 336.00	Fee Deleted	Fee deleted; combined with Grading/Plan Review for 10,001 to 100,000CY			
7	Grading - Plan Review for > 200,000 CY	0	\$ 402.25	Fee Deleted	Fee deleted; combined with Grading/Plan Review for 10,001 to 100,000CY			
8	Grading - Permit for 50 CY or less	0	\$ 23.50	Fee Deleted	No fee for 100CY or less, target benefit to the typical HO.			
9	Grading - Permit for 51 to 100 CY	9	\$ 37.00	Fee Deleted	No fee for 100CY or less, target benefit to the typical HO.			
10	Grading - Permit for 101 to 1,000 CY	8	\$ 194.50	\$ 790.00	\$ 810.00	\$ 830.00	\$ 860.00	\$ 860.00
11	Grading - Permit for 1,001 to 10,000 CY	3	\$ 252.50	\$ 3,170.00	\$ 3,270.00	\$ 3,370.00	\$ 3,460.00	\$ 3,460.00
12	Grading - Permit for 10,001 to 100,000 CY	1	\$ 655.00	\$ 4,750.00	\$ 4,890.00	\$ 5,040.00	\$ 5,190.00	\$ 5,190.00
13	Grading - Permit > 100,000 CY	0	\$ 919.00	Fee Deleted	Fee deleted; combined with Grading Permit Review for 10,001 to 100,000CY			
14	REPLACEMENT FEE Grading - Plan Review for 0 to 100 CY	27	\$ -	\$ 1,010.00	\$ 1,040.00	\$ 1,070.00	\$ 1,100.00	\$ 1,100.00
15	REPLACEMENT FEE Grading - Plan Review per CY >100,000 CY	0	\$ -	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
16	REPLACEMENT FEE Grading - Permit per CY >100,000 CY	0	\$ -	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
17	REPLACEMENT FEE Grading - Plan Review/Permit Issuance Fee >100,000 CY	0	\$ -	\$ 380.00	\$ 390.00	\$ 400.00	\$ 420.00	\$ 420.00
18	REPLACEMENT FEE Grading - Permit for 0 to 100CY	9	\$ -	\$ 480.00	\$ 490.00	\$ 500.00	\$ 520.00	\$ 520.00
19	NEW FEE - Plat Utility Engineering Review Base 1	7	\$ -	\$ 4,990.00	\$ 5,140.00	\$ 5,290.00	\$ 5,450.00	\$ 5,450.00
20	NEW FEE - Plat Utility Engineering Review Base 2	2	\$ -	\$ 14,970.00	\$ 15,420.00	\$ 15,880.00	\$ 16,360.00	\$ 16,360.00
21	NEW FEE - Plat Utility Engineering Review Base 3	2	\$ -	\$ 24,960.00	\$ 25,710.00	\$ 26,480.00	\$ 27,270.00	\$ 27,270.00

Prepared by FCS GROUP. 12/01/2021

Estimated 3-year (2022-2024) Fee revenue at Cost of Service

686,300

EXHIBIT B (Continued)
Proposed Building Fees (effective January 1, 2022)

Line	Fee Name	Historical Annual			Inflation Adjusted Fees (2022 - 2024)			2024 Target Fee with Inflation
		Volume	Current Fee	2021 COS Fee	Target Fee in 2022	Target fee in 2023	Target fee in 2024	
1	Enforcement	0	\$ 180.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 153.00	\$ 153.00
2	Mobile Home Permit	0	\$ 150.00	\$ 1,630.00	\$ 1,680.00	\$ 1,730.00	\$ 1,781.00	\$ 1,781.00
3	Wells, Exempt - Building Connection Fee	0	\$ 500.00	Fee Deleted	Fee being phased out; no activity			
4	Mechanical - Permit Issuance	151	\$ 23.50	\$ 250.00	\$ 260.00	\$ 270.00	\$ 273.00	\$ 273.00
5	Mechanical - Each Additional Permit Issuance	0	\$ 7.25	\$ 130.00	\$ 134.00	\$ 138.00	\$ 142.00	\$ 142.00
6	Mechanical - Furnace upto 100,000 BTU/h	0	\$ 14.80	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
7	Mechanical - Furnace > 100,000 BTU/h	0	\$ 18.20	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
8	Mechanical - Installation of each floor furnace, including vent	0	\$ 14.80	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
9	Mechanical - Installation of each suspended heater	0	\$ 14.80	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
10	Mechanical - Installation of each appliance vent	0	\$ 7.25	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
11	Mechanical - Repair or addition	0	\$ 13.70	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
12	Mechanical - Boiler or compressor upto 100,000 BTU/h	0	\$ 14.70	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
13	Mechanical - Boiler or compressor 100,001 to 500,000 BTU/h	0	\$ 27.15	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
14	Mechanical - Boiler or compressor 500,001 to 1,000,000 BTU/h	0	\$ 37.25	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
15	Mechanical - Boiler or compressor 1,000,001 to 1,750,000 BTU/h	0	\$ 55.45	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
16	Mechanical - Boiler or compressor > 1,750,000 BTU/h	0	\$ 92.65	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
17	Mechanical - Air Handlers up to 10,000 cfm	0	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
18	Mechanical - Air Handlers > 10,000 cfm	0	\$ 18.10	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
19	Mechanical - Evaporative coolers	0	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
20	Mechanical - Ventilation fan to single duct	0	\$ 7.25	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
21	Mechanical - Ventilation system not part of any heating or AC	0	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
22	Mechanical - Hood installation	0	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
23	Mechanical - Domestic-type incinerator	0	\$ 18.20	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
24	Mechanical - Commercial or Industrial-type incinerator	0	\$ 14.50	Fee Deleted	Fee being phased out; no activity			
25	Mechanical - All other pieces of equipment	151	\$ 10.65	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
26	Mechanical - Inspections outside of normal business hours	0	\$ 49.50	\$ 270.00	\$ 280.00	\$ 290.00	\$ 295.00	\$ 295.00
27	Mechanical - Reinspections	0	\$ 49.50	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
28	Mechanical - Inspections for which no fee is specified	0	\$ 49.50	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
29	Mechanical - Additional plan review	0	\$ 49.50	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
30	Plumbing - Permit Issuance	37	\$ 23.50	\$ 250.00	\$ 258.00	\$ 266.00	\$ 273.00	\$ 273.00
31	Plumbing - Each additional permit issuance	0	\$ 7.25	\$ 130.00	\$ 134.00	\$ 138.00	\$ 142.00	\$ 142.00
32	Plumbing - Fixtures and vents on one trap	37	\$ 9.80	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
33	Plumbing - Repair or alteration of drainage or vent piping	0	\$ 4.75	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
34	Plumbing - Sewers, disposal systems, and interceptors: building sewer	0	\$ 24.65	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
35	Plumbing - Sewers, disposal systems, and interceptors: cess pool	0	\$ 37.25	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
36	Plumbing - Sewers, disposal systems, and interceptors: private sewage system	0	\$ 74.50	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
37	Plumbing - Sewers, disposal systems, and interceptors: industrial waste pretreatment interceptor	0	\$ 19.90	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
38	Plumbing - Sewers, disposal systems, and interceptors: rainwater system	0	\$ 9.80	\$ 1,650.00	\$ 1,700.00	\$ 1,750.00	\$ 1,803.00	\$ 1,803.00
39	Plumbing - Water piping installation	0	\$ 4.75	\$ 210.00	\$ 216.00	\$ 222.00	\$ 229.00	\$ 229.00
40	Plumbing - Water heater installation, including vent	0	\$ 12.30	\$ 40.00	\$ 41.00	\$ 42.00	\$ 44.00	\$ 44.00
41	Plumbing - Gas piping system of one to five outlets	0	\$ 6.15	\$ 210.00	\$ 216.00	\$ 222.00	\$ 229.00	\$ 229.00
42	Plumbing - Gas piping system, each outlet over five	0	\$ 1.10	Fee Deleted	Fee being phased out; process included in other fees			
43	Plumbing - Lawn sprinkler including backflow device	0	\$ 14.80	Fee Deleted	Replaced by #58 and #59.			
44	Plumbing - Atmospheric-type vacuum breakers, one to five	0	\$ 12.30	Fee Deleted	Replaced by #58 and #59.			
45	Plumbing - Atmospheric-type vacuum breakers, over five	0	\$ 2.25	Fee Deleted	Replaced by #58 and #59.			
46	Plumbing - Backflow protection device other than atmospheric-type <= 2"	0	\$ 12.30	Fee Deleted	Replaced by #58 and #59.			
47	Plumbing - Backflow protection device other than atmospheric-type >2"	0	\$ 24.65	Fee Deleted	Replaced by #58 and #59.			
48	Plumbing - Public Pool	0	\$ 91.25	Fee Deleted	Fee deleted; assess hourly rate			
49	Plumbing - Public Spa	0	\$ 60.75	Fee Deleted	Fee deleted; assess hourly rate			
50	Plumbing - Private Pool	0	\$ 60.75	Fee Deleted	Fee deleted; assess hourly rate			
51	Plumbing - Private Spa	0	\$ 30.25	Fee Deleted	Fee deleted; assess hourly rate			
52	Plumbing - All other pieces of equipment	0	\$ 9.80	\$ 120.00	\$ 124.00	\$ 128.00	\$ 131.00	\$ 131.00
53	Plumbing - Inspections outside of normal business hours	0	\$ 49.50	\$ 270.00	\$ 278.00	\$ 286.00	\$ 295.00	\$ 295.00
54	Plumbing - Reinspections	0	\$ 49.50	\$ 140.00	\$ 144.00	\$ 148.00	\$ 153.00	\$ 153.00
55	Plumbing - Inspections for which no fee is specified	0	\$ 49.50	\$ 140.00	\$ 144.00	\$ 148.00	\$ 153.00	\$ 153.00
56	Plumbing - Additional plan review	0	\$ 49.50	\$ 140.00	\$ 144.00	\$ 148.00	\$ 153.00	\$ 153.00
57	Plumbing - Sewers, disposal systems, and interceptors: rainwater system w/ Easement	0	\$ 9.80	\$ 2,370.00	\$ 2,440.00	\$ 2,510.00	\$ 2,590.00	\$ 2,590.00
58	REPLACEMENT FEE - Plumbing system with atmospheric-type vacuum breakers	0	\$ -	\$ 830.00	\$ 850.00	\$ 880.00	\$ 907.00	\$ 907.00
59	REPLACEMENT FEE - Plumbing system with all other types of backflow protection devices	0	\$ -	\$ 1,660.00	\$ 1,710.00	\$ 1,760.00	\$ 1,814.00	\$ 1,814.00
60	Demolition Permit	33	\$ 50.00	\$ 53.00	\$ 55.00	\$ 57.00	\$ 58.00	\$ 58.00

Prepared by FCS GROUP. 12/01/2021

Estimated 3-year (2022-2024) fee revenue at Cost of Service

180,228

City of Bainbridge Island

FULL COST DEVELOPMENT FEE STUDY

FINAL REPORT
November 12, 2021

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FCS GROUP
Solutions-Oriented Consulting

November 12, 2021

DeWayne Pitts, Finance Director
City of Bainbridge Island
280 Madison Avenue North
Bainbridge Island, WA 98110

Subject: Full Cost Development Fee Study

Dear DeWayne:

Attached is our final report on the results of the Full Cost Development Fee Study. We want to thank you and staff from the City for your assistance and participation in both gathering information and discussing the various issues. If you have any questions, please feel free to contact Martin at (425) 274-2853.

Yours very truly,



John Ghilarducci
President and Principal



Martin Chaw
Project Manager



Matt Hobson
Technical Advisor



Paul Quinn
Project Consultant

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APPENDICES

Appendix A – 2019 Time Estimating Form

Appendix B – 2019 Employee Timesheets

Appendix C – Fees reviewed

Section I. INTRODUCTION

In 2020, the Planning and Community Development Department (PCD or Department) of the City of Bainbridge Island (City) initiated a cost-of-service study for its plan review and permit services related to building, land use planning, and development engineering-related activities. The City engaged FCS GROUP to perform the cost-of-service and fee study. The study identifies the labor and non-labor resources that support development permit services. It also establishes the full cost of service and cost recovery level for these services. The technical results of the study provide a rational and defensible foundation for changes to fees that support the City’s cost recovery and other development goals.

The approach used to conduct the study included:

- Working with City management and staff who are involved with permit and non-permit related services for building, land use planning, and development engineering services,
- Analyzing 2019 financial documentation and data associated with development related services and fees,
- Working with City staff to both analyze the existing fees and estimate the direct labor time needed to provide each permit service,
- Reviewing the direct and indirect labor estimates, non-labor and overhead cost allocations, and historical permit data that support the technical results of the study,
- Forecasting permit volumes and fee revenue based on existing and recommended fee levels,
- Reviewing the cost of service and cost recovery for each permit service with City staff,
- Presenting the cost-of-service analysis and cost recovery results to the City Council.

The process used for collecting and analyzing the data required active participation by City staff. We want to take the opportunity to recognize the time, participation, and effort that the City project team devoted to the study and for scheduling and organizing the meetings.

I.A. DEVELOPMENT SERVICES BACKGROUND

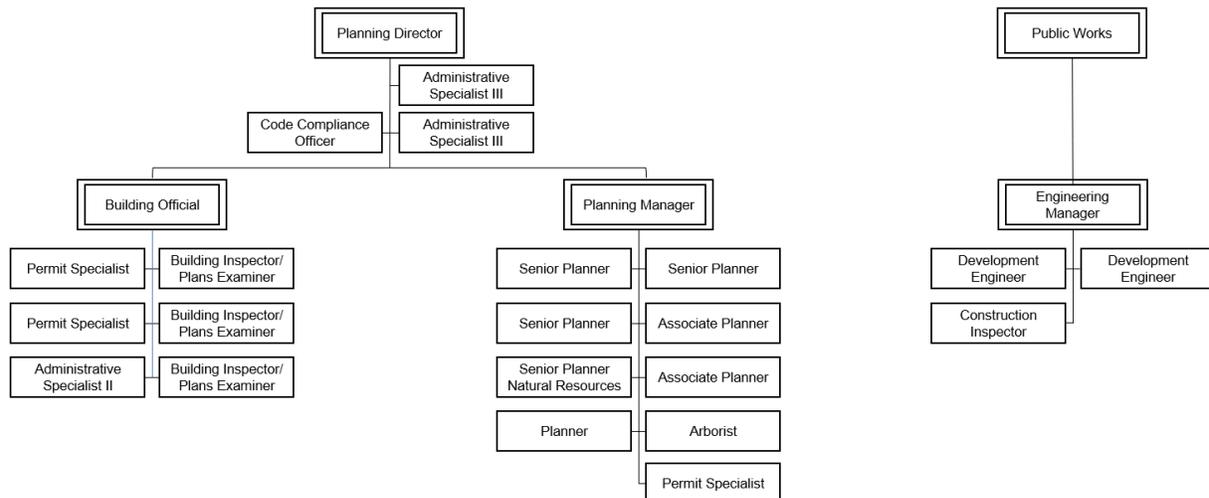
The City provides plan review, inspection, and environmental review on permits for construction and land development. This process ensures that development within the City aligns with local, regional, and state plans, rules, and regulations. These services also ensure that public infrastructure is available to support development.

The City provides these services with a team of staff from the Planning and Community Development Department and the Public Works Department. The Planning and Community Development Department is organized into five divisions: administrative, building, current planning, long-range planning, and code enforcement. The Development Engineering division within the Public Works Department supports engineering-related review and inspections for permit services.

The permitting services provided by the City are supported by fees paid by permit applicants as well as other resources from the City’s General Fund. The City maintains an enterprise fund “Building & Development Fund” or “Fund 407” to account for permit-related revenues and expenditures.

Department expenditures unrelated to permit services are accounted for within the General Fund and are not supported by permit fees. **Exhibit 1** details the Department’s organizational structure and the four staff that work on development engineering permits as published in the City’s 2021-2022 adopted budget.

Exhibit 1
Department Organizational Chart



I.B. COST BASIS FOR DEVELOPMENT FEES

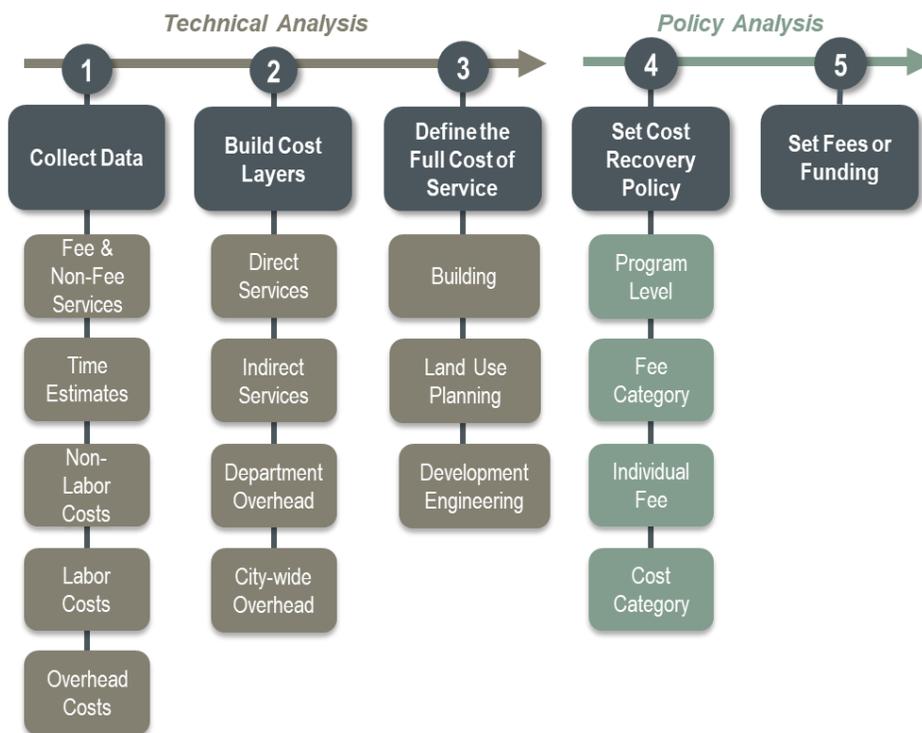
Development permit fees are regulated by the State of Washington through RCW 82.20.020 which states that a city may “collect reasonable fees from an applicant for a permit or other governmental approval to cover the cost...of processing applications, inspecting and reviewing plans, or preparing detailed statements [related to SEPA reviews]”. The cost basis for fees reviewed in the study is primarily supported by actual financial activity in 2019 related to labor and non-labor expenses for the Community Development Department and the Development Engineering Division within the Public Works Department. Personnel expenditures for 2019 are adjusted to reflect the current organizational structure for the Department. The study also relies on the following regulatory and industry publications to establish a cost basis for fees:

- “Performance Audit Report of Eight Counties’ Building Permit and Inspection Fees” by Washington State Auditor. Report No. 1002634. Published December 29, 2009.
- International Conference of Building Officials Uniform Building Code
- International Conference of Building Officials Uniform Administrative Code

Section II. METHODOLOGY

To determine the cost of service and the appropriate fees, a defined task plan was followed as outlined below in **Exhibit 2**. The methodology identifies both the labor and non-labor resources that are required to perform the services and analyzes the cost of service for each of the permit and non-permit services performed by City staff. The analysis provides the City’s elected officials, management, and City staff the cost basis for its services and fees.

Exhibit 2
Cost of Service Methodology



The following sections summarize the assumptions and methodology that support each step in the cost-of-service analysis.

II.A. STEP 1: COLLECT DATA

II.A.1. Identify Fee and Non-Fee Services

The first part of the study process identifies the plan review and permit services to be evaluated. In addition to establishing the framework for the study, this step also provides the opportunity to review the existing permit services and identify potential efficiencies and/or consolidations in the fee schedule. During this step, City staff also provided a list of public and applicant services for which no fee is assessed. The cost of these services was also evaluated during the study process.

Based on the fee schedules and discussions with staff, three permit service groups were established: building, land use planning, and development engineering. **Appendix C-1** lists the existing building

services that were evaluated within the study. In total, City staff identified 57 building fees to review. Of these fees, seven were excluded and five fees were consolidated into two new fees. The excluded and consolidated fees are detailed in **Appendix C-2**.

The study also included 84 land use planning fees, which are detailed in **Appendix C-3**. Through the review process, City staff recommended five existing permit fee services to exclude from the fee study as well as an additional seven permit fee services to be consolidated. The excluded and consolidated permit services are detailed in **Appendix C-4**. City staff also identified eight new land use planning fee services to be evaluated within the study.

The study also included 16 development engineering fees, which are detailed in **Appendix C-5**. Through the review process, City staff recommended to consolidate seven permit services and introduce three new permit services. These fees are detailed in **Appendix C-6**.

II.A.2. Identify Staff Time Requirements for Services

With the fee services identified, the data collection effort focused on gathering financial and time data from all staff involved in development services and activities. City staff provided two sets of timekeeping records for each staff member for 2019. The first data set included total work hours, leave hours, and paid hours for each employee. The second data set provided detailed work hours by activity for each employee. These two data sets were used as the basis for establishing the total number of annual work hours available and the distribution of work hours by activity. **Appendix A** provides an example of the timesheet used to estimate work activities. Each work activity was organized into the following broad categories.

- **Direct Services** – Services provided as the result of a project, permit application, or specific related activity and that are often tied to a specific permit service (e.g. plan review). Direct services also include services provided directly for or to the public that are not fee-related (e.g., code enforcement and long-term planning). Staff time spent on non-fee related activities are not eligible to be recovered from permit fees.
- **Indirect Services** – Services provided to support direct services (e.g. customer service or administrative duties) and that cannot be assigned to a specific project, application, or activity. Staff time assigned to indirect services is then allocated between fee and non-fee services based on the proportion of direct service hours assigned to fee and non-fee services. City staff reviewed the work activities in 2019 and the following activities were assigned as indirect services:
 - » Public Information and Customer Service – Time spent assisting customers and the public with information and questions about Department services.
 - » Training and Certification – Time spent receiving training.
 - » General Administration & Management – Time spent on general office tasks, such as organizational management, supervision, internal meetings/calls/e-mails, filing, and other miscellaneous activities.
 - » Breaks – Two 15-minute breaks per day.
- **Overhead Services** – Department and Citywide general management and administrative time.
 - » The Department overhead expenses include the labor and non-labor expenses for the Department’s Administrative and Code Enforcement divisions that are not specifically assigned to direct services. Administrative overhead expenses are allocated to building, land use planning, and development engineering direct services in proportion to total direct service hours. Code Enforcement overhead expenses are allocated to building, land use

planning, and development engineering direct services in proportion to reported code enforcement support to each permit category.

- » Citywide overhead expenses include labor and non-labor expenses from other City Departments/Divisions that provide administrative support for permit services. These Departments include Executive, Legal, Human Resources, City Clerk, Information Technology, and Facilities. The allocation of these expenses to permit services is discussed in Section II.B. of the report.

The combined annual work hours for direct services that support permit services and non-fee services for each employee in 2019 were then compared to, and reconciled with, the timekeeping data for each employee's reported work hours for the year. An annual summary of direct service hours that support permit fee services and non-fee services is outlined in **Exhibit 3**. Direct service hours across the City organization totaled 26,844 in 2019. Permit fee direct services accounted for 14,745 of these hours or approximately 55 percent of direct service hours. The remaining direct service hours (12,099 or 45 percent) supported non-permit fee services such as long-range planning and code development. The distribution of direct service hours between permit fee and non-fee services varied by service category:

- Permit fee direct services account for 89 percent of all Building direct service hours.
- Permit fee direct services account for 37 percent of all Land Use direct service hours.
- Permit fee direct services account for 52 percent of all Development Engineering direct service hours.

Exhibit 3 Direct Service Hours by Category and Division

Permit Fee Direct Service Hours

Development Service Category	Division					Total Permit Fee Direct Service Hours
	Land Use		Development		Public Works	
	Building	Planning	Engineering	Administration		
Building	6,897	966	837	41	10	8,750
Land Use Planning	268	3,014	633	678	150	4,743
Development Engineering	-	12	1,166	-	75	1,252
Administration	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Total	7,165	3,991	2,635	719	235	14,745

Non-Fee Direct Service Hours

Development Service Category	Division					Total Non-Fee Direct Service Hours
	Land Use		Development		Public Works	
	Building	Planning	Engineering	Administration		
Building	593	83	24	399	-	1,099
Land Use Planning	275	5,042	180	2,502	10	8,009
Development Engineering	-	55	962	119	-	1,136
Administration	309	32	-	80	30	451
Public Works	-	-	24	178	1,202	1,405
Total	1,177	5,212	1,190	3,278	1,242	12,099

Total Direct Service Hours

Development Service Category	Division					Total Direct Service Hours
	Land Use		Development		Public Works	
	Building	Planning	Engineering	Administration		
Building	7,490	1,048	861	440	10	9,849
Land Use Planning	543	8,056	813	3,180	160	12,751
Development Engineering	-	67	2,128	119	75	2,389
Administration	309	32	-	80	30	451
Public Works	-	-	24	178	1,202	1,405
Total	8,341	9,203	3,825	3,997	1,477	26,844

II.A.3. Staff Time Requirements for Individual Permit Services

Staff focus groups were conducted to identify the processing times for individual permit services. City staff identified the time required to process permit applications, review plan documents, write staff reports, conduct inspections, prepare Council and Hearing Examiner presentations, and finalize post-issuance documentation. Time estimates provided by City staff varied by the permit service and by position class and represent the average or expected work time to complete an individual permit service. City staff met several times to discuss, identify, review, and revise the estimates for each fee service.

Individual permit work time estimates were then multiplied by the average annual permit volumes from 2015 to 2019 as a check to the annual direct service time estimates provided by City staff as described in Section II.A.2. The difference in annual time between the two methodologies presumably accounts for work performed by staff in support of permit services that was not explicitly identified by City staff in the focus groups. This time is defined as “implicit support” throughout the report.

II.B. STEP 2: BUILD COST LAYERS

The next stage in the process was to develop an analytical model for calculating the costs related to development service categories. The design and structure for the analytical model were based on the services and activities identified in Step 1. Costs were also itemized into four time categories: direct, indirect, department overhead, and Citywide overhead. Costs were then itemized between labor and non-labor components.

II.B.1. Labor Costs

To build the labor cost layer, the staff time allocations for each activity (i.e. direct, indirect, and overhead) were multiplied by each staff member’s loaded hourly rate. The loaded hourly rate for one staff member equals the person’s annual salary and benefits divided by the available work hours (i.e. total annual hours minus leave) in 2019. The allocation of Department overhead and Citywide overhead labor expenses is discussed below.

II.B.1.a Department Overhead Labor

Department overhead labor expenses for the Department Director and two Administrative Specialists are allocated to the development service categories in proportion to total direct service hours: Building (37 percent), Land Use Planning (48 percent), and Development Engineering (9 percent). The Administrative Specialists also supports the Public Works Department (5 percent).

Overhead labor expenses for the Code Compliance Officer are allocated to the development service categories in proportion to the reported hours that the Officer supports each category: Building (49 percent), Land Use Planning (9 percent), and Development Engineering (20 percent). The Code Compliance Officer also supports the Public Works Department (22 percent).

II.B.1.b Citywide Overhead Labor

Citywide overhead labor expenses include portions of salary and benefit expenses from several Departments/Divisions that provide administrative support for permit services. Historically, these expenses have been distributed to the Building and Development Fund based on several internal cost allocation measures such as FTEs and Council agenda items. FCS GROUP reviewed the cost

allocation metrics with City staff and determined that the allocated salary and benefit expenses from the Finance, Information Technology, and Facilities departments would be included in the analysis as fee-eligible expenses. These labor expenses are allocated to the development categories based on FTEs: Building (33 percent), Land Use Planning (48 percent), and Development Engineering (19 percent).

Some overhead expenses that have been historically allocated to the Building and Development Fund were not included in the analysis. The cost allocation measures used by the City for these expenses tend to correlate to overall development activities instead of fee-related development activities. The allocated salary and benefit expenses from the Executive and Legal Departments were not included in the cost-of-service analysis. Even though these overhead expenses were excluded from the analysis, it is likely that a portion of these expenses do support fee-related services. FCS GROUP was unable to determine a reasonable allocation at this time. We do recommend that the City evaluate its existing cost allocation measures and financial recording processes in the future to identify the share of these overhead expenses that support fee-related and non-fee related development services. For example, Legal Department services could be allocated based upon tracked hours legal staff spend on specific projects for the Department and Executive Department services could be allocated based upon the number of City Council agenda items that are attributable to specific projects for the Department.

II.B.2. Non-Labor Costs

After the labor costs for each staff member and each service were calculated, the non-labor costs were analyzed. The Department accounts for non-labor costs for building, land use planning, and development engineering services separately. Each non-labor account was analyzed and reviewed with City staff to determine the appropriate allocation.

II.B.2.a Building

Most of the building division's non-labor costs support permit review and inspection services (e.g., supplies and training) and are allocated to permit fee and non-fee services in proportion to reported direct service hours. Contract expenses to conduct third-party reviews of building plans are allocated 100 percent to permit fee services.

II.B.2.b Land Use Planning

Training, supplies, advertising, membership dues, and intergovernmental non-labor expenses are allocated in proportion to reported direct service hours. Contract expenses to support comprehensive long-range planning are allocated 100 percent to non-fee services.

II.B.2.c Development Engineering

The City provided non labor expenses that were directly related to fee activities. As such, they are allocated 100 percent to fee services.

II.B.2.d Department Overhead Non-Labor

Administrative division non-labor expenses were allocated to the development service categories in proportion to total direct service hours: Building (37 percent), Land Use Planning (48 percent), and Development Engineering (99 percent). The Administrative division also supports the Public Works Department (5 percent).

Overhead non-labor expenses for the Code Compliance division are allocated to the development service categories in proportion to the reported hours that the Officer supports each category: Building (49 percent), Land Use Planning (9 percent), and Development Engineering (20 percent). The Code Compliance Officer also supports the Public Works Department (22 percent).

II.B.2.e Citywide Overhead Non-Labor

Similar to Citywide overhead labor expenses, non-labor expenses have been historically distributed to the Building and Development Fund based on several internal cost allocation measures such as FTEs and Council agenda items. FCS GROUP reviewed the cost allocation metrics with City staff and determined that the following overhead expenses would be included in the analysis:

- Allocated telephone/fax and insurance expenses from Facilities.
- Allocated interfund rent expenses from Planning, Public Works, Finance, and Information Technology.

These non-labor expenses are allocated to the development categories based on FTEs: Building (33 percent), Land Use Planning (48 percent), and Development Engineering (19 percent).

Contracted legal expenses and the allocated cost of interfund rent expenses to the Building and Development Fund from the Executive and Legal departments were excluded from the analysis. We do recommend that the City evaluate its existing cost allocation measures and financial recording processes in the future to identify the share of these overhead expenses that support fee-related and non-fee related development services.

II.C. STEP 3: DEFINE THE FULL COST OF SERVICE

The cost of service was calculated for the building, land use planning, and development engineering service categories. The cost of service was also calculated for individual permit fee services within each of these categories.

II.C.1. Cost of Service by Development Service Category

After establishing the different cost layers, the full cost of service was calculated for building, land use planning, and development engineering permit fee services. The full cost of service includes labor and non-labor costs for direct permit fee services as well as the allocated share of indirect service and overhead expenses.

The cost-of-service analysis was compared to the 2019 actual expenses for the Building and Development Fund. FCS GROUP coordinated with City staff to identify potential reasons for differences in the cost of service and how costs have historically been allocated to the Building and Development Fund. Recommendations and adjustments to these cost allocations are included in Section IV “Recommended Cost Recovery Strategies.”

II.C.2. Cost of Service by Individual Permit Services

Fully loaded hourly rates were calculated for each City staff member. Fully loaded hourly rates differ from the loaded hourly rates defined in Section II.B.1:

- **Loaded hourly rates** divide a staff member’s annual salaries and benefit costs by available work hours.

- **Fully loaded hourly rates** divide a staff member’s annual salaries and benefit costs plus a proportionate share of non-labor and overhead expenses by available work hours. The methodology for the fully loaded hourly rate is outlined in **Exhibit 4**.

Exhibit 5 details the fully loaded hourly rate calculation for a Planner as an example. In this example, direct labor expenses for the planner are based on the staff member’s annual salary and benefit costs divided by available work hours (\$54.33 per hour). Direct service non-labor (\$6.45 per hour), indirect service labor (\$53.28 per hour), overhead labor (\$21.19 per hour), and overhead non-labor (\$20.73 per hour) rates are then layered on top of the loaded hourly rate to generate the fully loaded hourly rate (\$155.99 per hour).

The fully loaded hourly rates were then applied to the time estimates provided by City staff to perform individual fee services to determine the cost of service for each fee service. This unit cost estimate was then adjusted by an implicit support multiplier to estimate the total cost of service. As discussed in the previous section, implicit support accounts for annual worktime identified by staff in support of permit services that was not explicitly identified for individual permit services by City staff during the focus group interviews.

Exhibit 4
Fully Loaded Hourly Rate Components

	Labor	Non-Labor
Direct Service	Based on employee's total salary and benefits divided by annual work hours	Based on allocation of non-labor costs to permit fee category divided by direct service fee hours within the permit fee category
Indirect Service	Based on indirect service labor costs allocated to the permit fee category divided by the direct service hours within the permit fee category	Based on indirect service non-labor costs allocated to the permit fee category divided by direct service hours within the permit fee category
Overhead Service	Based on overhead labor costs allocated to the permit fee category divided by direct service hours within the permit fee category	Based on overhead non-labor costs allocated to the permit fee category divided by direct service hours within the permit fee category

Exhibit 5
Fully Loaded Hourly Rate for Planner Position (Example)

Component	Allocated Cost	Divided by	Hourly Rate
Direct Service Labor for Planner	\$ 98,952	1,821 work hours	\$ 54.33
Direct Service Non-Labor	30,570	4,743 direct service hours	6.45
Indirect Service Labor	252,706	4,743 direct service hours	53.28
Indirect Service Non-Labor	-	4,743 direct service hours	-
Overhead Labor	100,521	4,743 direct service hours	21.19
Overhead Non-Labor	98,338	4,743 direct service hours	20.73
Total			\$ 155.99

II.D. STEP 4: SET COST RECOVERY POLICY

Once the full cost of service is identified and the fully loaded hourly rates are established, the next step is to identify the cost recovery levels and to establish cost recovery objectives. Overall cost recovery levels for development services were determined by comparing each fee category’s total cost of service to the respective permit fee revenue in 2019. Cost recovery levels for individual fees were also determined by comparing the costs of the various services to the individual fees charged

(e.g. percentage of full costs compared to revenue generated). Each fee category's cost of service provides a general cost estimate, and the cost recovery levels might also be affected by these estimates. When services cost more than the revenue generated, funding from the General Fund or other funds is needed to cover the gap between costs and revenues.

Cost recovery objectives can be based on a variety of factors, including the public versus private benefit provided by the service. For this reason, the target cost recovery policy for a fee service is a decision generally made by City Council. If a permit has a public benefit, it might be more appropriately supported by the General Fund. Conversely, if a permit has mostly private benefits, it might be more appropriately supported 100 percent by fees. Permits and applications that have a mix of public and private benefits might be supported by a combination of fees and the General Fund.

II.E. STEP 5: SET FEES

The final step of the cost of service and fee analysis was to calculate the fees and potential revenues based on the cost recovery policies. Section IV of the report summarizes the proposed fee adjustments and projected annual permit revenue over the next five years.

Section III. COST OF SERVICE AND RECOVERY ANALYSIS

Based on the methodology described in the previous section, the estimated 2019 full cost of service and cost recovery levels were determined for building, land use planning, and development engineering fee services. The analysis shows the cost of service by permit service category and individual permit service. **Exhibit 6** details the direct service labor expenses for each permit service category.

The cost-of-service study focuses on City expenses that are eligible to assess permit fees to applicants. The direct service labor expenses that are eligible for fee recovery are itemized in the first table of **Exhibit 6**. The second table itemizes direct service labor expenses for non-fee services. The expense detail between the first and second tables are added and summarized in the third and last table, to produce total direct service labor expenses for development services – whether fee or non-fee related.

**Exhibit 6
Direct Service Labor Costs by Category and Division**

Permit Fee Direct Service Labor Cost

Development Service Category	Division					Total Permit Fee Direct Service Hours
	Building	Land Use Planning	Development Engineering	Administration	Public Works	
Building	\$ 432,510	\$ 58,753	\$ 57,915	\$ 2,655	\$ 894	\$ 552,726
Land Use Planning	17,690	168,386	48,454	54,546	13,406	302,481
Development Engineering	-	930	79,411	-	6,703	87,043
Administration	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Total	\$ 450,200	\$ 228,069	\$ 185,779	\$ 57,201	\$ 21,003	\$ 942,251

Non-Fee Direct Service Labor Cost

Development Service Category	Division					Total Non-Fee Direct Service Hours
	Building	Land Use Planning	Development Engineering	Administration	Public Works	
Building	\$ 44,985	\$ 5,734	\$ 1,711	\$ 26,035	\$ -	\$ 78,464
Land Use Planning	16,379	350,523	14,962	177,399	894	560,156
Development Engineering	-	3,564	73,844	6,998	-	84,407
Administration	17,753	2,113	-	4,827	2,681	27,373
Public Works	-	-	1,711	10,497	107,468	119,675
Total	\$ 79,116	\$ 361,935	\$ 92,227	\$ 225,755	\$ 111,042	\$ 870,076

Total Direct Service Labor Cost

Development Service Category	Division					Total Direct Service Hours
	Building	Land Use Planning	Development Engineering	Administration	Public Works	
Building	\$ 477,495	\$ 64,487	\$ 59,625	\$ 28,690	\$ 894	\$ 631,190
Land Use Planning	34,069	518,909	63,416	231,945	14,300	862,638
Development Engineering	-	4,494	153,255	6,998	6,703	171,450
Administration	17,753	2,113	-	4,827	2,681	27,373
Public Works	-	-	1,711	10,497	107,468	119,675
Total	\$ 529,316	\$ 590,003	\$ 278,007	\$ 282,956	\$ 132,045	\$ 1,812,327

III.A. BUILDING PERMIT SERVICES

As shown in **Exhibit 7**, the full cost of building permit fee services is estimated at \$1,110,119. Within the building fee services, direct services were about 55 percent of the full cost of service, while indirect services were 26 percent of the full cost of service. Department and Citywide overhead costs represented the remaining 19 percent of the full cost of service. The total of the estimated shares of expenses to each cost layer may not add to 100 percent due to rounding.

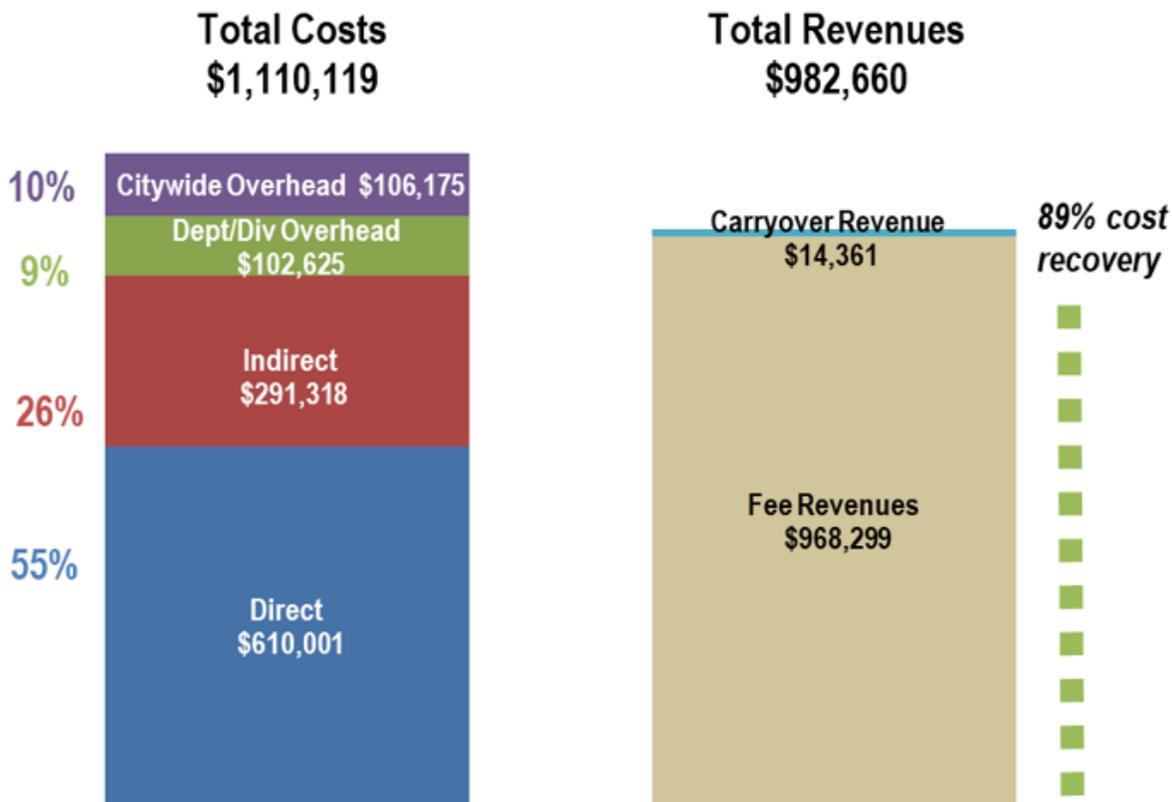
Exhibit 7
2019 Full Cost of Service for Building Permit Fee Services

<i>Building</i>		Annual Cost Components		Total Costs	% of Total Costs
		Labor Costs	Non-Labor Costs		
Direct Costs	Total Direct Services	\$ 552,726	\$ 13,667	\$ 566,393	51%
	Contract Services		\$ 43,608	\$ 43,608	4%
Subtotal Direct Costs		\$ 552,726	\$ 57,275	\$ 610,001	55%
Indirect Costs	Public Information & Customer Service	\$ 95,700	\$ 2,505	\$ 98,205	9%
	Training & Certification	21,639	491	22,130	2%
	General Administration & Management	76,646	1,665	78,311	7%
	Breaks	34,099	907	35,006	3%
	Engineering Indirect Cost Adjustment	57,667	-	57,667	5%
Subtotal Indirect Costs		285,750	5,568	\$ 291,318	26%
Overhead Costs	Department Administration OH - Fee Related	\$ 76,840	\$ 25,784	\$ 102,625	9%
	Citywide OH - Fee Related	46,967	59,208	106,175	10%
		-	-	-	-
Subtotal Overhead Costs		\$ 123,808	\$ 84,992	\$ 208,800	19%
Total Building Costs		\$ 962,285	\$ 147,835	\$ 1,110,119	100%

Exhibit 8 compares the cost-of-service results from **Exhibit 7** with the revenue generated from permit fee services. Permit fee revenue in 2019 generated \$968,299, resulting in an overall cost recovery rate of 89 percent compared to building permit service expenditures.

Most revenue from building permits is determined by the value of construction. Periods of relatively strong development and/or major construction projects will result in higher than normal revenue. Conversely, periods of low development will result in lower than normal revenue levels. A single multi-family or commercial construction project will generate substantial permit fee revenue. For example, a multi-family residential project in 2017 generated \$122,000 in permit fees – equivalent to 11 percent of all building permit revenue that year. While major construction projects generate significant permit revenue, they do not occur every year and should not be relied upon as a recurring revenue source to offset the cost of the City’s fee services. Due to the impact of the ebb and flow of development activity on permit revenue, we recommend that the City evaluate building revenues over a multi-year period before considering significant changes to its building valuation fee schedule.

Exhibit 8
2019 Cost Recovery for Building Permit Fee Services



III.A.1. Individual Building Permit Services

In addition to the building fee services that are based on construction value, the City also provides building, mechanical, and plumbing permit services that are fixed or assessed on an hourly basis. Based on the time estimates for each permit service as well as loaded-hourly rates for each employee, the full cost of service for these permit services was calculated. The cost of service for each permit was then compared to the current fee to determine cost recovery levels. The cost of service for all but one of these permit services exceeded existing fee levels. Cost recovery levels ranged from 1 percent to 141 percent.

The estimated time and cost of service for many of these permit services are small relative to valuation-based building permit services. As a result, the cost recovery rate when measured as a percentage for these permit services may suggest significant differences between existing fees and cost of service; however, the actual difference in dollars may be relatively minor. As an example, the cost of service for new furnace inspection is \$38.72 while the existing fee is \$14.80.

The current cost recovery level for the building, mechanical, and plumbing permit services that are assessed a fixed fee or hourly rate are shown in **Exhibit 9**.

Exhibit 9
2019 Cost of Service and Cost Recovery by Individual Building Fee

Permit Service	Work Time (in hours)	Current Fee	Cost of Service	Cost Recovery (%)
Enforcement	1.00	\$ 180.00	\$ 127.74	141%
Mobile Home Permit	13.00	150.00	1,536.80	10%
Mechanical - Permit Issuance	2.00	23.50	238.49	10%
Mechanical - Each Additional Permit Issuance	1.00	7.25	121.15	6%
Mechanical - Furnace upto 100,000 BTU/h	0.33	14.80	38.72	38%
Mechanical - Furnace > 100,000 BTU/h	0.33	18.20	38.72	47%
Mechanical - Installation of each floor furnace, including vent	0.33	14.80	38.72	38%
Mechanical - Installation of each suspended heater	0.33	14.80	38.72	38%
Mechanical - installation of each appliance vent	0.33	7.25	38.72	19%
Mechanical - Repair or addition	0.33	13.70	38.72	35%
Mechanical - Boiler or compressor upto 100,000 BTU/h	0.33	14.70	38.72	38%
Mechanical - Boiler or compressor 100,001 to 500,000 BTU/h	1.00	27.15	117.33	23%
Mechanical - Boiler or compressor 500,001 to 1,000,000 BTU/h	1.00	37.25	117.33	32%
Mechanical - Boiler or compressor 1,000,001 to 1,750,000 BTU/h	1.00	55.45	117.33	47%
Mechanical - Boiler or compressor > 1,750,000 BTU/h	1.00	92.65	117.33	79%
Mechanical - Air Handlers up to 10,000 cfm	0.33	10.65	38.72	28%
Mechanical - Air Handlers > 10,000 cfm	0.33	18.10	38.72	47%
Mechanical - Evaporative coolers	0.33	10.65	38.72	28%
Mechanical - Ventilation fan to single duct	0.33	7.25	38.72	19%
Mechanical - Ventilation system not part of any heating or AC	0.33	10.65	38.72	28%
Mechanical - Hood installation	0.33	10.65	38.72	28%
Mechanical - Domestic-type incinerator	0.33	18.20	38.72	47%
Mechanical - All other pieces of equipment	0.33	10.65	38.72	28%
Mechanical - Inspections outside of normal business hours	2.00	49.50	255.48	19%
Mechanical - Reinspections	1.00	49.50	117.33	42%
Mechanical - Inspections for which no fee is specified	1.00	49.50	117.33	42%
Mechanical - Additional plan review	1.00	49.50	117.33	42%
Plumbing - Permit Issuance	2.00	23.50	238.49	10%
Plumbing - Each additional permit issuance	1.00	7.25	121.15	6%
Plumbing - Fixtures and vents on one trap	0.33	9.80	38.72	25%
Plumbing - Repair or alteration of drainage or vent piping	0.33	4.75	38.72	12%
Plumbing - Sewers, disposal systems, and interceptors: building sewer	1.00	24.65	117.33	21%
Plumbing - Sewers, disposal systems, and interceptors: cess pool	1.00	37.25	117.33	32%
Plumbing - Sewers, disposal systems, and interceptors: private sewage system	1.00	74.50	117.33	63%
Plumbing - Sewers, disposal systems, and interceptors: industrial waste pretreatment interce	1.00	19.90	117.33	17%
Plumbing - Sewers, disposal systems, and interceptors: rainwater system	10.00	9.80	1,557.60	1%
Plumbing - Water piping installation	1.66	4.75	194.77	2%
Plumbing - Water heater installation, including vent	0.33	12.30	38.72	32%
Plumbing - Gas piping system of one to five outlets	1.66	6.15	194.77	3%
Plumbing - All other pieces of equipment	1.00	9.80	117.33	8%
Plumbing - Inspections outside of normal business hours	2.00	49.50	255.48	19%
Plumbing - Reinspections	1.00	49.50	127.74	39%
Plumbing - Inspections for which no fee is specified	1.00	49.50	127.74	39%
Plumbing - Additional plan review	1.00	49.50	127.74	39%
Plumbing - Sewers, disposal systems, and interceptors: rainwater system w/ Easement	25.00	9.80	2,234.31	0%
REPLACEMENT FEE - Plumbing system with atmospheric-type vacuum breakers	5.00	REPLACEMENT	783.25	0%
REPLACEMENT FEE - Plumbing system with all other types of backflow protection devices	10.00	REPLACEMENT	1,566.49	0%

III.B. LAND USE PLANNING REVIEW SERVICES

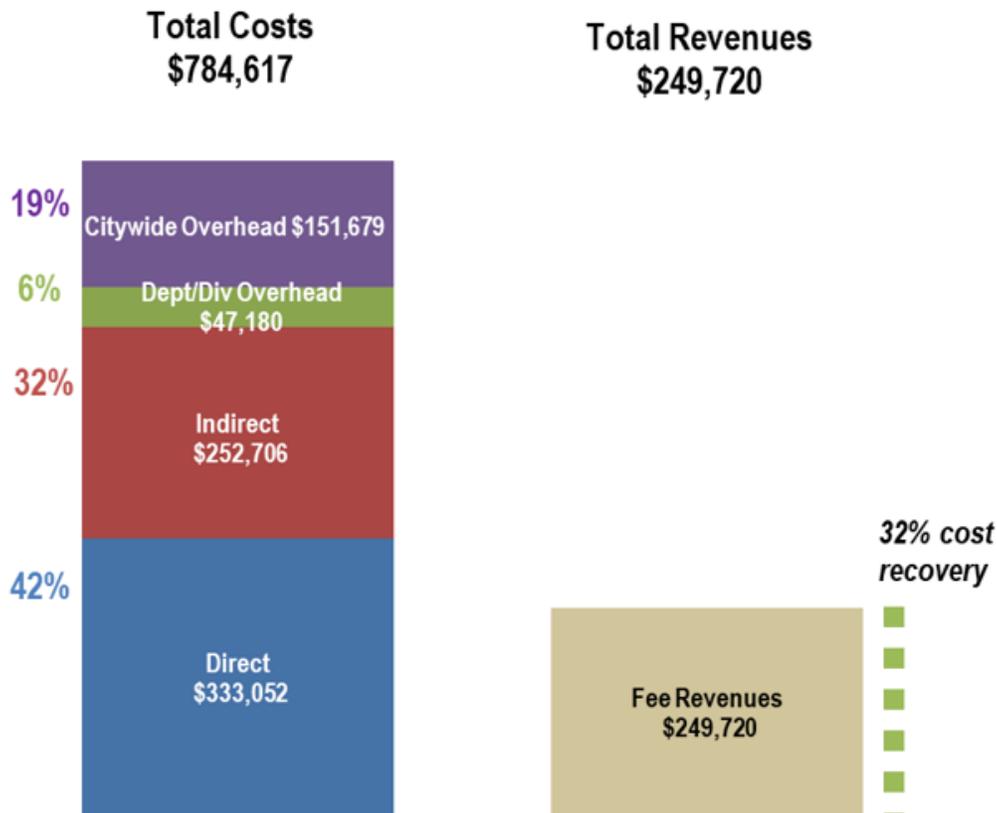
As shown in **Exhibit 10**, the full cost of land use planning permit services is estimated at \$784,617. Direct services were about 42 percent of the full cost of service, while indirect services were 32 percent of the full cost of service. Department and Citywide overhead costs represented the remaining 25 percent of the full cost of service. The total of the estimated shares of expenses to each cost layer may not add to 100 percent due to rounding.

Exhibit 10
2019 Full Cost of Service for Land Use Planning Services

<i>Land Use Planning</i>		Annual Cost Components		Total Costs	% of Total Costs
		Labor Costs	Non-Labor Costs		
Direct Costs	Total Direct Services	\$ 302,481	\$ 30,570	\$ 333,052	42%
	Contract Services		\$ -	\$ -	-
Subtotal Direct Costs		\$ 302,481	\$ 30,570	\$ 333,052	42%
Indirect Costs	Public Information & Customer Service	\$ 90,381	\$ -	\$ 90,381	12%
	Training & Certification	15,493	-	15,493	2%
	General Administration & Management	80,676	-	80,676	10%
	Breaks	22,567	-	22,567	3%
	Engineering Indirect Cost Adjustment	43,588	-	43,588	6%
Subtotal Indirect Costs		252,706	-	\$ 252,706	32%
Overhead Costs	Department Administration OH - Fee Related	\$ 33,425	\$ 13,756	\$ 47,180	6%
	Citywide OH - Fee Related	67,096	84,583	151,679	19%
Subtotal Overhead Costs		\$ 100,521	\$ 98,338	\$ 198,859	25%
Total Land Use Planning Costs		\$ 655,708	\$ 128,909	\$ 784,617	100%

Exhibit 11 compares the cost-of-service results in **Exhibit 10** with the 2019 revenues for land use planning services. In 2019, permit revenue totaled \$249,720 compared to \$784,617 in fee-related expenditures, resulting in an overall cost recovery rate of approximately 32 percent.

Exhibit 11
2019 Cost Recovery for Land Use Planning Fee Services



III.B.1. Individual Land Use Planning Permit Review Services

The full cost of service for individual land use planning permit review services is based on the time estimates for each permit service, the fully loaded-hourly rates for each employee, and implicit support costs. The cost of service for each service was then compared to the current fee to determine cost recovery levels. Fees for four permit services exceeded the cost of service. The remaining permit services are assessed fees below cost of service or are new fees proposed as part of this study. The cost recovery level for each land use planning fee is shown in **Exhibit 12**.

A summary of cost recovery levels for common land use planning review permit services is listed below:

- Boundary Line Adjustment: 56 percent.
- Consultation: 28 percent.
- Minor Adjustment: 26 percent.
- Pre-Application Conference (minor): 21 percent.
- Pre-Application Conference (all other): 41 percent.
- Shoreline Exemption (without SEPA): 45 percent.
- Sign Permit: 8 percent.

Exhibit 12
2019 Cost of Service and Cost Recovery by Individual Planning Fee

Permit Service	Work Time (in hours)	Current Fee	Total Cost of Service	Cost Recovery (%)
Administrative Code Interpretation	8.50	\$ 382	\$ 2,080.77	18%
Agricultural Conditional Use	13.00	1,080	3,364.27	32%
Agricultural Retail Plan	6.75	191	1,730.72	11%
Appeal of Administrative Decisions	34.75	530	7,277.34	7%
Appeal of EIS Adequacy	34.75	530	7,277.34	7%
Appeal of Hearing Examiner or Planning Commission Decision	34.75	530	7,277.34	7%
Appeal of SEPA Determination	34.75	530	7,277.34	7%
Boundary Line Adjustment	8.50	954	1,839.72	52%
Comprehensive Plan Amendment - Site Specific	29.00	1,526	7,679.33	20%
Comprehensive Plan Amendment - Not Site Specific	28.00	265	7,360.03	4%
Conditional Use Permit - Minor	12.00	4,770	3,310.86	144%
Conditional Use Permit - Major	70.00	10,494	18,319.44	57%
Consultation	2.25	180	685.64	26%
Critical Areas - Buffer Enhancement Plan Review	11.25	1,526	3,016.49	51%
Critical Areas - Site Investigation	2.00	180	535.93	34%
Critical Areas - Major	12.00	1,526	3,239.33	47%
Critical Areas - Minor	6.50	-	1,607.05	0%
Geologically Hazardous Area - Third Party Review Deposit	2.00	-	549.46	0%
Reasonable Use Exception - Single Family Residence	34.00	3,816	8,961.01	43%
Reasonable Use Exception - All Other	44.00	6,106	12,031.13	51%
SEPA Review (no EIS)	6.50	763	1,495.29	51%
SEPA Review (with EIS)	1.00	763	284.19	268%
EIS Addendum	1.00	763	284.19	268%
EIS Supplement	1.00	763	284.19	268%
Large Lot Subdivision	65.65	16,027	16,124.31	99%
Large Lot Subdivision - Minor	12.75	360	2,005.63	18%
Legislative Review of Development Regulations	72.00	3,053	17,556.77	17%
Long Subdivision	117.50	17,363	29,618.35	59%
Long Subdivision - Minor Alteration	13.25	360	2,565.20	14%
Long Subdivision - Minor Replat or Amendment	21.00	1,336	4,602.61	29%
Minor Adjustment	16.00	900	3,703.50	24%
Open Space Review	6.00	265	1,598.69	17%
Pre-Application Conference - Minor Land Use Permits	10.00	500	2,609.25	19%
Pre-Application Conference - All Other Land Use Permits	10.00	1,000	2,609.25	38%
Pre-Application Conference (DRB) - Meeting & Committee Meeting	4.50	250	850.29	29%
Pre-Application Conference - Meeting & Public Participation Meeting	4.50	250	850.29	29%
Removal of Landmark Tree Permit	6.75	180	1,649.21	11%
Renoticing Fee	2.25	200	357.11	56%
Rezone	29.00	3,053	7,679.33	40%
Shoreline - Buoy (Programmic Review)	5.50	450	1,379.13	33%
Shoreline - Exemption without SEPA	5.50	572	1,379.13	41%
Shoreline - Exemption with SEPA	7.00	1,908	1,773.81	108%
Shoreline - Conditional Use Permit	38.95	8,014	9,860.28	81%
Shoreline - Variance	39.95	8,014	10,013.81	80%
Shoreline - Clearing Permit	6.25	180	1,396.56	13%
Short Subdivision - Minor Plat Amendment	9.50	763	2,107.68	36%
Short Subdivision - Minor Alteration	8.25	360	1,797.56	20%
Sign Permit	2.50	50	666.96	7%
Site Plan Review - Minor	31.00	3,816	8,698.64	44%
Site Plan Review - Major	60.58	8,586	16,039.31	54%
Temporary Construction Staging	5.50	720	1,379.13	52%
Tree Removal/Vegetation Maintenance Permit	5.00	180	1,229.78	15%
Tree Removal/Vegetation Maintenance Permit (after-the-fact)	5.50	500	1,379.13	36%
Variance - Minor	23.25	3,434	5,796.96	59%
Variance - Major All Other (Hearing Examiner)	70.00	10,303	18,319.44	56%
Variance - Sign	4.00	382	1,058.37	36%
Wireless Facilities - Eligible Facility Request	5.50	185	1,379.13	13%
Wireless Communication Facility	4.00	370	1,055.94	35%
Zoning Verification Letter	3.00	100	832.61	12%
NEW FEE - Support for Wetland Consultant Review	2.00	NEW FEE	549.46	
NEW FEE - Arborist Review (in the field of dead/hazardous trees)	1.00	NEW FEE	251.52	
NEW FEE - Minor or Major Revision to Permit Under Review, as Determine by Director	12.00	NEW FEE	3,089.38	
NEW FEE - Reasonable Use Exception - All Other w/ SEPA Review	30.50	NEW FEE	7,849.97	
NEW FEE - Short Subdivision - 2 Lots w/ SEPA	26.25	NEW FEE	6,577.25	
NEW FEE - Short Subdivision - 3 to 4 Lots w/ SEPA	37.25	NEW FEE	9,946.77	
NEW FEE - FEMA Review	1.75	NEW FEE	468.08	
NEW FEE - Shoreline - Administrative Review	29.75	NEW FEE	7,750.85	
NEW FEE - Reasonable Use Exception - Single Family Residence w/ SEPA Review	30.50	NEW FEE	7,849.97	
REPLACEMENT - Short Subdivision - 2 Lots	24.25	REPLACEMENT	6,044.36	
REPLACEMENT - Short Subdivision - 3 to 4 Lots	35.25	REPLACEMENT	9,413.87	
REPLACEMENT - Major Adjustment/Amendment	85.13	REPLACEMENT	21,753.18	
REPLACEMENT - Adjustment/Revision to Approved Shoreline Permit	12.00	REPLACEMENT	3,089.38	
REPLACEMENT - Shoreline - Conditional Use Permit Administrative	29.75	REPLACEMENT	7,750.85	

III.C. DEVELOPMENT ENGINEERING PERMIT SERVICES

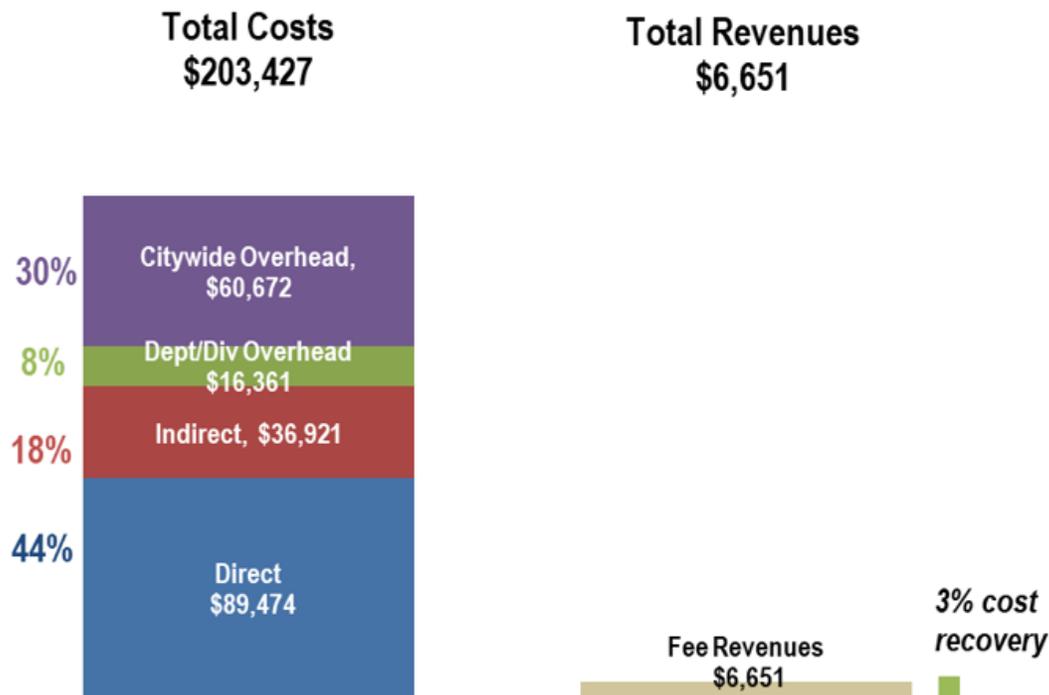
As shown in **Exhibit 13**, the full cost of development engineering permit services is estimated at \$203,427. Direct services were about 44 percent of the full cost of service, while indirect services were 18 percent of the full cost of service. Department and Citywide overhead costs represented the remaining 38 percent of the full cost of service. The total of the estimated shares of expenses to each cost layer may not add to 100 percent due to rounding.

Exhibit 13
2019 Full Cost of Service for Development Engineering

<i>Development Engineering</i>		Annual Cost Components		Total Costs	% of Total Costs
		Labor Costs	Non-Labor Costs		
Direct Costs	Total Direct Services	\$ 87,043	\$ 2,431	\$ 89,474	44%
	Contract Services		\$ -	\$ -	-
Subtotal Direct Costs		\$ 87,043	\$ 2,431	\$ 89,474	44%
Indirect Costs	Public Information & Customer Service	\$ 49,423	\$ -	\$ 49,423	24%
	Training & Certification	8,981	-	8,981	4%
	General Administration & Management	67,448	-	67,448	33%
	Breaks	12,324	-	12,324	6%
	Engineering Indirect Cost Adjustment	(101,255)	-	(101,255)	-50%
Subtotal Indirect Costs		36,921	-	\$ 36,921	18%
Overhead Costs	Department Administration OH - Fee Related	\$ 12,627	\$ 3,734	\$ 16,361	8%
	Citywide OH - Fee Related	26,839	33,833	60,672	30%
	-	-	-	-	-
Subtotal Overhead Costs		\$ 39,465	\$ 37,567	\$ 77,032	38%
Total Development Engineering Costs		\$ 163,429	\$ 39,998	\$ 203,427	100%

Exhibit 14 compares the cost-of-service results from **Exhibit 13** with the 2019 revenues for development engineering permit services. In 2019, permit revenue totaled \$6,651 compared to \$203,427 in fee-related expenditures, resulting in an overall cost recovery rate of approximately 3 percent. The cost recovery rate is discussed in the next section and is largely attributed to permit review services performed by development engineers for which no fee is assessed to applicants.

Exhibit 14
2019 Cost Recovery for Development Engineering Permit Services



III.C.1. Individual Development Engineering Permit Services

Based on the time estimates for each fee service as well as loaded-hourly rate data for each employee, the full cost of service for individual development engineering permit services were calculated. The cost of service for each service was then compared to the current fee to determine cost recovery levels. No existing fees exceed their full cost of service. The current cost recovery level for each fee is shown in **Exhibit 15**.

III.C.1.a Grading Permit and Plan Review

The City is proposing to consolidate the grading permit and plan review fees. The existing fee structure is based on suggested fee structure outlined in the 1997 Uniform Administrative Code. Fees are based on tiers of cubic yards, ranging 0 to 50 cubic yards, 51 to 100 cubic yards, 101 to 1,000 cubic yards, 1001 to 10,000 cubic yards, 10,001 to 100,000 cubic yards, 100,001 to 200,000 cubic yards, and 200,000+ cubic yards.

In practice, the City does not differentiate workload for projects up to 100 cubic yards and rarely permits projects over 100,000 cubic yards. As a result, the City is proposing to consolidate the grading permit and plan review services for the first 100 cubic yards and as well as for any project over 100,000 cubic yards.

III.C.1.b Plat Utility Review

Plat utility reviews are performed by Development Engineering staff for land use projects (e.g., subdivisions, commercial and multi-family developments) in between the initial approval and final plat application. Development Engineering staff review and approve the utility plans, serve as the

City’s construction manager during construction, and ultimately inspect, approve, and close-out utility work such as drainage, sanitary sewer, and traffic measures. This work is not accounted for in the City’s land use or building permit fees nor is it included in the time estimates provided by City staff for preliminary subdivision and site plan reviews.

Plat utility reviews account for 58 percent of annual permit service time from Development Engineering staff – about 679 hours per year. To evaluate the cost of service for plat utility reviews, FCS GROUP interviewed Development Engineering staff. Plat utility reviews were organized into three review types:

- Tier 1: Short Plat (2 to 4 lots) and relevant commercial projects
- Tier 2: Subdivision (5 to 15 lots) and relevant commercial projects)
- Tier 3: Subdivision (15+ lots) and large Commercial Development Projects

Staff provided plan review and inspection time estimates to complete each review type – 31 hours for Tier 1, 93 hours for Tier 2, and 155 hours for Tier 3.

Exhibit 15
2019 Cost of Service and Cost Recovery by Individual Development Engineering Fee

Permit Service	Work Time (in hours)	Current Fee	Cost of Service	Cost Recovery (%)
Grading - Plan Review for 101 to 1,000 CY	8.50	37.00	1,328.88	3%
Grading - Plan Review for 1,001 to 10,000 CY	16.50	49.25	2,726.99	2%
Grading - Plan Review for 10,001 to 100,000 CY	28.50	171.75	4,857.85	4%
Grading - Permit for 101 to 1,000 CY	5.00	194.50	761.02	26%
Grading - Permit for 1,001 to 10,000 CY	20.00	252.50	3,044.08	8%
Grading - Permit for 10,001 to 100,000 CY	30.00	655.00	4,566.11	14%
REPLACEMENT FEE Grading - Plan Review for 0 to 100 CY	6.50	REPLACEMENT	973.73	
REPLACEMENT FEE Grading - Plan Review per CY >100,000 CY	0.00	REPLACEMENT	0.04	
REPLACEMENT FEE Grading - Permit per CY >100,000 CY	0.00	REPLACEMENT	0.05	
REPLACEMENT FEE Grading - Plan Review/Permit Issuance Fee >100,000 CY	3.00	REPLACEMENT	363.46	
REPLACEMENT FEE Grading - Permit for 0 to 100CY	3.00	REPLACEMENT	456.61	
NEW FEE - Plat Utility Engineering Review Base 1	31.00	NEW FEE	4,794.69	
NEW FEE - Plat Utility Engineering Review Base 2	93.00	NEW FEE	14,384.07	
NEW FEE - Plat Utility Engineering Review Base 3	155.00	NEW FEE	23,973.45	

Section IV. RECOMMENDED COST RECOVERY STRATEGIES

City staff and FCS GROUP reviewed the preliminary results of the study, comparative fees from benchmark communities, and historical permit revenue data to establish proposed fees for individual development permit services. The purpose of this section is to summarize the proposed fee adjustments.

IV.A. GUIDING PRINCIPLES FOR COST RECOVERY

The fee adjustments were developed based on a set of three guiding principles related to cost recovery:

- The City is seeking to recover the full cost of providing development permit-related services through applicant fees.
 - Due to the cyclical nature of development, permit revenue may exceed the cost of service in a particular year. This net revenue can be used to support permit-related services during low development cycles.
- The cost of service for building, land use planning, and development engineering are independently supported by their respective permit review fees.
- The proposed fee adjustments consider comparative fees for similar permit review services provided by neighboring jurisdictions.

IV.B. PROPOSED COST RECOVERY POLICY

Based on discussions with City staff and the guiding principles described above, the following cost recovery policy is recommended for setting fees for individual development services:

The City establishes fees to sustainably recover the full cost of providing development services. The City's approach to fee setting for individual services are evaluated based on several factors, including:

- The cost of issuing the permit.
- Fees for similar services in comparable cities.
- Ensuring that fees do not discourage applicants from the permitting process.

IV.C. FEE SURVEY

A fee survey was conducted for several services in comparable jurisdictions including Bothell, Issaquah, Kenmore, Mercer Island, and Shoreline. Some of the City's fee services do not have "like-for-like" comparisons in other jurisdictions. Comparable cities may also provide similar fee services; however, the fee structure is different from the City's fee structure (e.g., charging a fixed fee versus an hourly rate). As a result, the survey provides a general benchmark to the City's existing fees.

Exhibit 18 illustrates the comparative survey for the building permit and plan review fees for a new single-family home. The fees are based on \$750,000 construction value. The City’s proposed building permit and plan review fees are generally aligned with those of comparable cities. The average building permit and plan review fees for the comparative cities is \$9,304 compared to \$9,119 assessed by the City. Permit and plan review fees range from \$8,010 (Kenmore) to \$11,458 (Bothell).

Exhibit 16
Comparative Building Permit and Plan Review Fees for New Single-Family Home

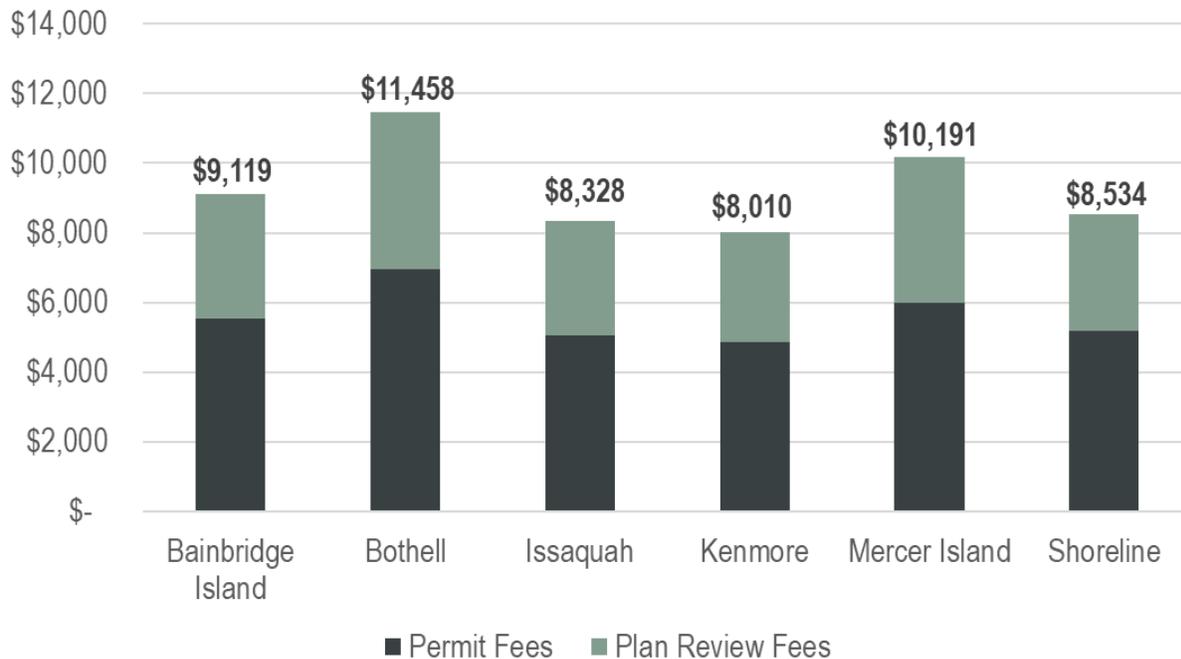


Exhibit 17 details the comparative fee survey for select land use planning and development engineering fees. The planning fees were selected based on the most common permits and applications received by the City from 2015 to 2019 and compared against the cost of service study results. Generally, the City’s surveyed fees were lower compared to those assessed by benchmark cities. Examples include:

- Boundary Line Adjustment: City assesses \$954 compared to \$963 (Bothell), \$4,200 (Issaquah), \$619 (Kenmore), \$4,935 (Mercer Island), and \$1,648 (Shoreline)
- Short Subdivision including final plat: City assesses \$6,063 compared to \$11,150 (Bothell), \$10,000 (Issaquah), \$2,326 (Kenmore), \$19,740 (Mercer Island), and \$9,203 (Shoreline).

**Exhibit 17
Comparative Land Use Planning Review Fees**

Permit Service	Bainbridge		Bothell	Issaquah	Kenmore	Mercer Island	Shoreline
	Bainbridge Island (existing)	Island (Cost of Service)					
Boundary Line Adjustment	\$ 954.00	\$ 1,839.72	\$ 963.00	\$ 4,200.00	\$ 619.00	\$ 4,934.95	\$ 1,648.00
Consultation	180.00	685.64	N/A	N/A	N/A	N/A	N/A
Minor Adjustment	900.00	3,703.50	762.00	2,000.00	2,663.00	14,100.00	Hourly
Pre-Application Conference - Minor Land Use Permits	500.00	2,609.25	747.00	2,500.00	-	704.85	483.00
Pre-Application Conference - All Other Land Use Permits	1,000.00	2,609.25	747.00	2,500.00	-	704.85	483.00
Shoreline - Exemption without SEPA	572.00	1,379.13	1,823.00	500.00	860.00	2,820.39	516.00
Short Subdivision - 2 Lots	6,063.00	6,044.36	11,150.00	10,000.00	2,326.00	19,739.81	9,203.00
Sign Permit	50.00	666.96	223.00	500.00	N/A	50.00	436.00
Grading Plan Review - 15,000 Cubic Yards	61.50	4,857.85	4,115.00	2,000.00	1,861.83	718.00	1,756.00
Grading Permit - 15,000 Cubic Yards	357.99	4,566.11					6,180.00

Notes:

- Bainbridge's existing short subdivision fee represents two to four lots. This is to be replaced with a 2 lot fee and a 3 to 4 lot fee*
- Bothell grading permit assumes one acre of disturbed area*
- Issaquah grading permit assumes one - two acres of area to be graded*
- Kenmore grading permit assumes one acre of disturbed area*
- Shoreline grading permit is hourly - amount shown is hourly rate (\$206) x hours required indicated by Bainbridge staff (30)*

IV.D. PROPOSED ADJUSTMENTS TO FEES

The following fee adjustments were reviewed with City staff and are recommended for implementation. It is estimated that these adjustments would generate approximately \$726,000 in additional annual revenue to the Building and Development Fund based on forecasted permit volumes: \$468,000 in land use planning review fees, \$210,000 in development engineering review fees, and \$49,000 in building permit fixed fees. Valuation-based building permit and plan review fees are expected to decrease slightly from existing levels to align with cost of service and anticipated building development.

- Effective immediately, increase all building permit fees (excluding those based on valuation) and land use planning review fees to the 2019 cost of service plus a three percent annual inflationary adjustment to account for assumed cost increases in 2020 and 2021. The total inflationary adjustment is 6.09 percent (see **Exhibits 19 to 21** for a detailed list of fee adjustments).
- Annually thereafter, increase all building permit fees (excluding those based on valuation), land use planning review fees, and development engineering fees on an annual basis consistent with annual adjustments to the City’s labor contracts.
- Effective immediately, revise the City’s building valuation fee schedule to itemize the base and variable fees by construction valuation tier as detailed below in **Exhibit 18**, consistent with the Uniform Building Code:

Exhibit 18
Uniform Building Code Building Valuation Fee Schedule

TOTAL VALUATION	FEE
\$1.00 to \$500.00	\$29.38
\$500.01 to 2,000.00	\$29.38 for the first \$500.00 plus \$3.81 for each additional \$100.00, or fraction thereof, to and including \$2,000.00
\$2,001.01 to 25,000.00	\$86.56 for the first \$2,000.00 plus \$17.50 for each additional \$1,000.00, or fraction thereof, to and including \$25,000.00
\$25,000.01 to \$50,000.00	\$489.69 for the first \$25,000.00 plus \$12.63 for each additional \$1,000.00, or fraction thereof, to and including \$50,000.00
\$50,000.01 to \$100,000.00	\$804.69 for the first \$50,000.00 plus \$8.75 for each additional \$1,000.00, or fraction thereof, to and including \$100,000.00
\$100,000.01 to \$500,000.00	\$1,242.19 for the first \$100,000.00 plus \$7.00 for each additional \$1,000.00, or fraction thereof, to and including \$500,000.00
\$500,000.01 to \$1,000,000.00	\$4,042.19 for the first \$500,000.00 plus \$5.94 for each additional \$1,000.00, or fraction thereof, to and including \$1,000,000.00
\$1,000,000.01 and up	\$7,010.94 for the first \$1,000,000.00 plus \$4.56 for each additional \$1,000.00, or fraction thereof

- Include language in the City’s fee schedule that states how building valuation is determined and updated by the City. FCS GROUP recommends “Building permit fees are based on valuation, which is determined from the type of construction and square footage, or from a contractor’s bid. The City updates the construction/square footage factors each year based on square foot construction cost data from the International Code Council.” The ICC updates valuations/SF twice per year in February and August. For the City’s budget process, we suggest referencing the August update of the previous year when setting building valuation for the upcoming budget year (e.g., 2021 adopted budget based on August 2020 ICC building valuation).
- Implement the following adjustments to Development Engineering Fees.
 - » Consolidate the grading permit and planning fees as outlined in III.C.1.a
 - » Introduce the three-tiered fee structure for plat utility review fees within the Development Engineering fee schedule.
 - » Due to the degree of changes in Development Engineering fees, FCS GROUP compared overall projected fee revenues from the proposed grading and plat utility review fees based on cost of service and anticipated permit volumes. If individual permit services were assessed fees based on cost of service in 2019, the Development Engineering permit category would have achieved a cost recovery rate above 100 percent. To ensure that overall revenues do not exceed overall eligible expenses, we recommend setting 2021 Development Engineering fees to 98 percent of 2019 cost of service plus a three percent annual inflationary adjustment to account for assumed cost increases in 2020 and 2021. These adjustments would balance overall Development Engineering revenue and eligible expenses in 2021.
- Establish building hourly rate at \$125 per hour (based on average hourly rate for building permit services rounded down to the nearest \$5 increment).
- Establish land use hourly rate at \$165 per hour (based on average hourly rate for land use planning permit review services rounded down to the nearest \$5 increment).
- Establish development engineering hourly rate at \$160 per hour (based on average hourly rate for development engineering review rounded down to the nearest \$5 increment).

- Implement the following adjustments to cost allocations.
 - Direct Labor: Adjust the cost allocations for Department staff based on the timesheets.
 - Direct Non-Labor: Establish these allocations based upon the results of this study.
 - Citywide Overhead: We suggest the City consider updating its overhead charges through a Citywide indirect cost allocation plan, with annual updates to this plan consistent with industry best practices.
 - Executive cost allocations to Fund 407 could be based on those City agenda items tied to an active development permit/review. As long-term planning activities, City land use policy decision making, and code updates are not a fee recoverable cost, these costs should be allocated to the General Fund. If the decision is made to budget these costs in Fund 407, then a corresponding transfer from the General Fund to Fund 407 could be made.
 - Legal Department costs allocated to Fund 407 could reflect the level of legal support/review of active permit applications. The City already maintains discrete financial accounting codes for different forms of legal support (e.g., advice, litigation, and hearing examiner). We suggest the City leverage these accounting codes to organize legal expenses.

Exhibit 19
Proposed Building, Mechanical, and Plumbing Permit Fee Adjustments

Permit Service	Current Fee	Target Fee	\$ Difference
Enforcement	\$ 180.00	\$ 135.52	\$ (44.48)
Mobile Home Permit	150.00	1,630.39	1,480.39
Mechanical - Permit Issuance	23.50	253.01	229.51
Mechanical - Each Additional Permit Issuance	7.25	128.53	121.28
Mechanical - Furnace upto 100,000 BTU/h	14.80	41.08	26.28
Mechanical - Furnace > 100,000 BTU/h	18.20	41.08	22.88
Mechanical - Installation of each floor furnace, including vent	14.80	41.08	26.28
Mechanical - Installation of each suspended heater	14.80	41.08	26.28
Mechanical - installation of each appliance vent	7.25	41.08	33.83
Mechanical - Repair or addition	13.70	41.08	27.38
Mechanical - Boiler or compressor upto 100,000 BTU/h	14.70	41.08	26.38
Mechanical - Boiler or compressor 100,001 to 500,000 BTU/h	27.15	124.48	97.33
Mechanical - Boiler or compressor 500,001 to 1,000,000 BTU/h	37.25	124.48	87.23
Mechanical - Boiler or compressor 1,000,001 to 1,750,000 BTU/h	55.45	124.48	69.03
Mechanical - Boiler or compressor > 1,750,000 BTU/h	92.65	124.48	31.83
Mechanical - Air Handlers up to 10,000 cfm	10.65	41.08	30.43
Mechanical - Air Handlers > 10,000 cfm	18.10	41.08	22.98
Mechanical - Evaporative coolers	10.65	41.08	30.43
Mechanical - Ventilation fan to single duct	7.25	41.08	33.83
Mechanical - Ventilation system not part of any heating or AC	10.65	41.08	30.43
Mechanical - Hood installation	10.65	41.08	30.43
Mechanical - Domestic-type incinerator	18.20	41.08	22.88
Mechanical - All other pieces of equipment	10.65	41.08	30.43
Mechanical - Inspections outside of normal business hours	49.50	271.04	221.54
Mechanical - Reinspections	49.50	124.48	74.98
Mechanical - Inspections for which no fee is specified	49.50	124.48	74.98
Mechanical - Additional plan review	49.50	124.48	74.98
Plumbing - Permit Issuance	23.50	253.01	229.51
Plumbing - Each additional permit issuance	7.25	128.53	121.28
Plumbing - Fixtures and vents on one trap	9.80	41.08	31.28
Plumbing - Repair or alteration of drainage or vent piping	4.75	41.08	36.33
Plumbing - Sewers, disposal systems, and interceptors: building sewer	24.65	124.48	99.83
Plumbing - Sewers, disposal systems, and interceptors: cess pool	37.25	124.48	87.23
Plumbing - Sewers, disposal systems, and interceptors: private sewage system	74.50	124.48	49.98
Plumbing - Sewers, disposal systems, and interceptors: industrial waste pretreatment interceptor	19.90	124.48	104.58
Plumbing - Sewers, disposal systems, and interceptors: rainwater system	9.80	1,652.46	1,642.66
Plumbing - Water piping installation	4.75	206.64	201.89
Plumbing - Water heater installation, including vent	12.30	41.08	28.78
Plumbing - Gas piping system of one to five outlets	6.15	206.64	200.49
Plumbing - All other pieces of equipment	9.80	124.48	114.68
Plumbing - Inspections outside of normal business hours	49.50	271.04	221.54
Plumbing - Reinspections	49.50	135.52	86.02
Plumbing - Inspections for which no fee is specified	49.50	135.52	86.02
Plumbing - Additional plan review	49.50	135.52	86.02
Plumbing - Sewers, disposal systems, and interceptors: rainwater system w/ Easement	9.80	2,370.38	2,360.58
REPLACEMENT FEE - Plumbing system with atmospheric-type vacuum breakers	REPLACEMENT	830.95	
REPLACEMENT FEE - Plumbing system with all other types of backflow protection devices	REPLACEMENT	1,661.89	

Note: Target fees are presented in 2021 dollars.

Exhibit 20
Proposed Land Use Planning Permit Review Fee Adjustments

Permit Service	Current	Target	\$
	Fee	Fee	Difference
Administrative Code Interpretation	\$ 382	\$ 2,210	\$ 1,828
Agricultural Conditional Use	1,080	3,570	2,490
Agricultural Retail Plan	191	1,840	1,649
Appeal of Administrative Decisions	530	7,720	7,190
Appeal of EIS Adequacy	530	7,720	7,190
Appeal of Hearing Examiner or Planning Commission Decision	530	7,720	7,190
Appeal of SEPA Determination	530	7,720	7,190
Boundary Line Adjustment	954	1,950	996
Comprehensive Plan Amendment - Site Specific	1,526	8,150	6,624
Comprehensive Plan Amendment - Not Site Specific	265	7,810	7,545
Conditional Use Permit - Minor	4,770	3,510	(1,260)
Conditional Use Permit - Major	10,494	19,440	8,946
Consultation	180	730	550
Critical Areas - Buffer Enhancement Plan Review	1,526	3,200	1,674
Critical Areas - Site Investigation	180	570	390
Critical Areas - Major	1,526	3,440	1,914
Critical Areas - Minor	-	1,700	1,700
Geologically Hazardous Area - Third Party Review Deposit	-	580	580
Reasonable Use Exception - Single Family Residence	3,816	9,510	5,694
Reasonable Use Exception - All Other	6,106	12,760	6,654
SEPA Review (no EIS)	763	1,590	827
SEPA Review (with EIS)	763	300	(463)
EIS Addendum	763	300	(463)
EIS Supplement	763	300	(463)
Large Lot Subdivision	16,027	17,110	1,083
Large Lot Subdivision - Minor	360	2,130	1,770
Legislative Review of Development Regulations	3,053	18,630	15,577
Long Subdivision	17,363	31,420	14,057
Long Subdivision - Minor Alteration	360	2,720	2,360
Long Subdivision - Minor Replat or Amendment	1,336	4,880	3,544
Minor Adjustment	900	3,930	3,030
Open Space Review	265	1,700	1,435
Pre-Application Conference - Minor Land Use Permits	500	2,770	2,270
Pre-Application Conference - All Other Land Use Permits	1,000	2,770	1,770
Pre-Application Conference (DRB) - Meeting & Committee Meeting	250	900	650
Pre-Application Conference - Meeting & Public Participation Meeting	250	900	650
Removal of Landmark Tree Permit	180	1,750	1,570
Renoticing Fee	200	380	180
Rezone	3,053	8,150	5,097
Shoreline - Buoy (Programmic Review)	450	1,460	1,010
Shoreline - Exemption without SEPA	572	1,460	888
Shoreline - Exemption with SEPA	1,908	1,880	(28)
Shoreline - Conditional Use Permit	8,014	10,460	2,446
Shoreline - Variance	8,014	10,620	2,606
Shoreline - Clearing Permit	180	1,480	1,300
Short Subdivision - Minor Plat Amendment	763	2,240	1,477
Short Subdivision - Minor Alteration	360	1,910	1,550
Sign Permit	50	710	660
Site Plan Review - Minor	3,816	9,230	5,414
Site Plan Review - Major	8,586	17,020	8,434
Temporary Construction Staging	720	1,460	740
Tree Removal/Vegetation Maintenance Permit	180	1,300	1,120
Tree Removal/Vegetation Maintenance Permit (after-the-fact)	500	1,460	960
Variance - Minor	3,434	6,150	2,716
Variance - Major All Other (Hearing Examiner)	10,303	19,440	9,137
Variance - Sign	382	1,120	738
Wireless Facilities - Eligible Facility Request	185	1,460	1,275
Wireless Communication Facility	370	1,120	750
Zoning Verification Letter	100	880	780
NEW FEE - Support for Wetland Consultant Review	NEW FEE	580	
NEW FEE - Arborist Review (in the field of dead/hazardous trees)	NEW FEE	270	
NEW FEE - Minor or Major Revision to Permit Under Review, as Determine by Director	NEW FEE	3,280	
NEW FEE - Reasonable Use Exception - All Other w/ SEPA Review	NEW FEE	8,330	
NEW FEE - Short Subdivision - 2 Lots w/ SEPA	NEW FEE	6,980	
NEW FEE - Short Subdivision - 3 to 4 Lots w/ SEPA	NEW FEE	10,550	
NEW FEE - FEMA Review	NEW FEE	500	
NEW FEE - Shoreline - Administrative Review	NEW FEE	8,220	
NEW FEE - Reasonable Use Exception - Single Family Residence w/ SEPA Review	NEW FEE	8,330	
REPLACEMENT - Short Subdivision - 2 Lots	REPLACEMENT	6,410	
REPLACEMENT - Short Subdivision - 3 to 4 Lots	REPLACEMENT	9,990	
REPLACEMENT - Major Adjustment/Amendment	REPLACEMENT	19,440	
REPLACEMENT - Adjustment/Revision to Approved Shoreline Permit	REPLACEMENT	3,280	
REPLACEMENT - Shoreline - Conditional Use Permit Administrative	REPLACEMENT	8,220	

Note: Target fees are presented in 2021 dollars.

Exhibit 21
Proposed Development Engineering Permit Fee Adjustments

Permit Service	Current Fee	Target Fee	\$ Difference
Grading - Plan Review for 101 to 1,000 CY	37.00	1,383	1,346
Grading - Plan Review for 1,001 to 10,000 CY	49.25	2,839	2,790
Grading - Plan Review for 10,001 to 100,000 CY	171.75	5,057	4,886
Grading - Permit for 101 to 1,000 CY	194.50	792	598
Grading - Permit for 1,001 to 10,000 CY	252.50	3,169	2,917
Grading - Permit for 10,001 to 100,000 CY	655.00	4,754	4,099
REPLACEMENT FEE Grading - Plan Review for 0 to 100 CY	REPLACEMENT	1,014	
REPLACEMENT FEE Grading - Plan Review per CY >100,000 CY	REPLACEMENT	0.05	
REPLACEMENT FEE Grading - Permit per CY >100,000 CY	REPLACEMENT	0.05	
REPLACEMENT FEE Grading - Plan Review/Permit Issuance Fee >100,000 CY	REPLACEMENT	378	
REPLACEMENT FEE Grading - Permit for 0 to 100CY	REPLACEMENT	475	
NEW FEE - Plat Utility Engineering Review Base 1	NEW FEE	4,992	
NEW FEE - Plat Utility Engineering Review Base 2	NEW FEE	14,975	
NEW FEE - Plat Utility Engineering Review Base 3	NEW FEE	24,958	

Note: Target fees are presented in 2021 dollars.

IV.E. REVENUE FORECAST WITH PROPOSED ADJUSTMENTS

As part of the fee study, FCS GROUP developed a revenue forecast tool for the City that projects annual fee revenue and eligible development expenses over a five-year period to evaluate the impact of the fee changes on the City’s cost recovery goal.

- The forecast assumes building permit volumes for projects under \$5 million based on average annual permit volume from 2015 to 2019. The timing and construction value for building projects over \$5 million were estimated based on planned projects (e.g., Wintergreen Townhomes).
- Construction valuation is adjusted annually by an assumed three percent cost inflation for each year of the forecast.
- Land use and development engineering fee revenues are estimated based on the proposed fee adjustments and average annual permit volume from 2015 to 2019.
- Eligible expenses are based on the cost-of-service study and are adjusted by an assumed three percent cost inflation for each year of the forecast.
- Land use, development engineering, and non-valuation building fees are adjusted annually by three percent from 2022 to 2025.

Exhibit 22 details the revenue and cost recovery forecast through 2025. The City’s development cost recovery level is projected to remain near full cost recovery over that time period. The cost recovery rate is projected at 113 percent in 2021 -- three major building permit projects (Wyatt and Madison, Messenger House, and Wintergreen Townhomes) are forecast this year which are estimated to generate approximately \$285,000 in building fee revenue. The City’s cost recovery level is estimated at 99 percent to 100 percent from 2022 to 2025.

Exhibit 22
Revenue and Cost Recovery Forecast

Financial Forecast	2021	2022	2023	2024	2025
Building					
Revenues	\$ 1,473,543	\$ 1,216,681	\$ 1,245,476	\$ 1,275,136	\$ 1,305,686
Expenditures	1,177,726	1,213,057	1,249,449	1,286,933	1,325,541
Cost Recovery	125%	100%	100%	99%	99%
Land Use Planning					
Revenues	\$ 829,032	\$ 853,903	\$ 879,520	\$ 905,906	\$ 933,083
Expenditures	832,400	857,372	883,093	909,586	936,874
Cost Recovery	100%	100%	100%	100%	100%
Development Engineering					
Revenues	\$ 215,816	\$ 222,290	\$ 228,959	\$ 235,828	\$ 242,902
Expenditures	215,816	222,290	228,959	235,828	242,902
Cost Recovery	100%	100%	100%	100%	100%
All Permit Services					
Revenues	\$ 2,518,390	\$ 2,292,874	\$ 2,353,955	\$ 2,416,869	\$ 2,481,671
Expenditures	2,225,941	2,292,720	2,361,501	2,432,346	2,505,317
Cost Recovery	113%	100%	100%	99%	99%

IV.F. BUILDING & DEVELOPMENT FUND COST RECOVERY POLICIES

IV.F.1. Background

The City accounts for permit service expenses and revenues in an enterprise fund (Building & Development Fund) separate from the City's General Fund. Enterprise funds are used by state and local governments to account for business-type activities where services are primarily funded through user charges. Enterprise fund accounting enables a public agency to maintain separate financial reporting for business-type activities, assess financial stewardship of these activities, and determine appropriate adjustments to user fees.

Permit fee revenue is the primary revenue source for the Building & Development Fund. When permit revenue does not cover all expenses, the City transfers revenue from the General Fund to offset the deficit. Historically, permit fees have not been set to recover 100 percent of the cost of permit services, so the General Fund transfer has been needed each year.

IV.F.2. Full Cost Recovery and Fund Management

By transitioning to full cost recovery for permit services, the transfer from the General Fund will likely not be required or, if it is required, will be at a lower level than in previous years. To maintain full cost recovery into the future, we recommend that the City consider establishing financial policies and practices that:

- Ensure that fees are adjusted each year to account for anticipated cost increases.
- Define an annual working capital reserve for the Building & Development Fund. We recommend a minimum reserve level equivalent to 90 days operating expenses.
 - » Some cities establish a “core staffing reserve” which sets aside reserve funding to ensure that capable staff is available to serve customers on demand during a development downturn and a subsequent rebound in permitting activity. Reserve levels generally range from six months to two years of core staffing funding.
- Continue tracking and reporting on deferred permit revenue (e.g., pre-paid liabilities).
- Define the types and timing of cost containment strategies when development activity decreases below expected levels. These strategies may include the use of financial reserves, delayed hiring, adjustments to non-labor expenses, or a transfer from the General Fund.
- Re-assess the cost of service of development fees every three to five years to reflect changes in staffing requirements, planning code, technology, and new services.

APPENDIX A – 2019 TIME ESTIMATING FORM

Time Estimation Form

Name		Title	Associate Planner
Department	Planning and Community Development	Division	

Annual Regular Labor Annual Hours **2,080**

Plus: Annual Overtime + Annual Hours **0**

Total Annual Labor = Annual Hours **2,080**
= Regular + Overtime Hours

Less: Annual Leave
Holidays, actual vacation, comp time, actual sick leave, and any other regular leave.

Total Leave (Vacation, Personal, Sick, Holiday, etc.) Annual Hours **259**

Total Annual Leave - Annual Hours **259**

Total Available Work Hours = Annual Hours **1,821**

Less: Annual Indirect Support for Direct Services:

Work associated with private development/other direct service but not on a specific application, permit, or client.

a. Public Information & Customer Svc - Annual Hours **500**

Providing general information and assistance (e.g., "counter" time).

b. Training & Certification - Annual Hours **25**

Sustaining or increasing professional credentials.

c. General Administration & Mgt - Annual Hours **350**

General office tasks, supervision, departmental management, etc.

d. Breaks - Annual Hours **114**

Calculated as two 15-minute breaks per day
 If breaks apply to your job, choose "yes" in box above

Yes

d. Other: - Annual Hours

Please specify

Net Annual Labor Related to Direct Services = Annual Hours **832**

Distribution of Project or Permit Related Labor

Enter the percent of time or annual labor hours spent on each of the direct services listed below.

Note that you enter the hours under the department to which the activity/fee is related. (E.g. a building inspector who performs inspections on engineering permits would place time under "Engineering".)

Percentage entries must total 100%.

Annual hour entries should total Net Annual Labor Related to Individual Projects/Permits from Functional Labor Estimate.

Building

	% of Labor	-OR-	Annual Hours
Residential Building Permits/Inspections			-
Residential Building Plan Review	15%		125
Non-Residential Building Permits/Inspections			-
Non-Residential Building Plan Review			-
Stand-alone mechanical plan review and inspections			-
Stand-alone plumbing plan review and inspections			-
All Other Building Fee Services			-
Other Non-Fee Building Services			-

Land Use

	% of Labor	-OR-	Annual Hours
Current Planning Fees	30%		250
Code and Policy Development			-
Long Range Planning			-
Other Non-Fee Planning Services	55%		458

Engineering

	% of Labor	-OR-	Annual Hours
Plan Review			-
Inspections			-
Utility Engineering Review - Permit			-
Utility Engineering Review - City Planning (non-fee)			-
Other Non-Fee Engineering Services			-

Other Activities

	% of Labor	-OR-	Annual Hours
Code enforcement - public investigations			-
Code enforcement - permit investigations (building)			-
Code enforcement - permit investigations (development engineering)			-
Code enforcement - investigations (public works)			-
Other: Please List			-
Total	100%		832

APPENDIX B – 2019 EMPLOYEE TIMESHEETS

	Building Official	Building Inspector	Building Inspector	Building Inspector	Permit Specialist	Permit Specialist
Annual Regular Labor	2,080	2,080	2,080	2,080	2,080	2,080
Annual Overtime	-	-	17	68	20	9
Annual Labor	2,080	2,080	2,097	2,148	2,100	2,089
Annual Leave	296	399	192	339	355	452
Total Available Work Hours	1,784	1,681	1,905	1,810	1,745	1,637
Public Information & Customer Service	100	520	45	290	250	100
Training & Certification	100	80	40	90	20	24
General Administration & Management	500	-	20	380	200	100
Breaks	-	105	118	109	108	102
Net Annual Labor Related to Direct Services	1,084	976	1,682	941	1,168	1,311
Residential Building Permits/Inspections	119	342	1,009	329	58	262
Residential Building Plan Review	90	439	555	235	58	66
Non-Residential Building Permits/Inspection	52	98	34	94		131
Non-Residential Building Plan Review	254	98	17	94		66
Stand-alone mechanical plan review and inspection	90		17	47	175	144
Stand-alone plumbing plan review and inspection	90		17	47	175	144
All Other Building Fee Services	75			47	117	144
Coordinating w/ Other Agencies	10					
Current Planning Fees					58	210
Plan Review						
Inspections						
Utility Engineering Review - Permit						
Other Non-Fee Building Services	239				117	144
Code and Policy Development						
Long Range Planning	15					
Other Non-Fee Planning Services	22				117	
Utility Engineering Review - City Planning (non-fee)						
Other Non-Fee Engineering Services						
Code enforcement - public investigations			17			
Code enforcement - permit investigations (development engineering)	30		17	47		
Code enforcement - investigations (public works)						
Code enforcement - clearing violations						
Legal Department Support						
Public Works Engineering Non-Fee						
Business License Review					292	
Total Direct Hours	1,084	976	1,682	941	1,168	1,311

	Admin Specialist	Planning Manager	Sr Planner	Sr Planner	Associate Planner	Associate Planner
Annual Regular Labor	2,080	2,080	2,080	2,080	2,080	2,080
Annual Overtime	-	-	175	161	2	-
Annual Labor	2,080	2,080	2,255	2,241	2,082	2,080
Annual Leave	288	208	426	443	375	259
Total Available Work Hours	1,792	1,873	1,829	1,798	1,707	1,821
Public Information & Customer Service	500	150	20	824	341	500
Training & Certification		32	27	192	17	25
General Administration & Management		1,450	100	520	-	350
Breaks	112	-	103	102	107	114
Net Annual Labor Related to Direct Services	1,180	241	1,579	160	1,242	832
Residential Building Permits/Inspections	91	72	9	2	12	
Residential Building Plan Review				11	124	125
Non-Residential Building Permits/Inspectio	91	14		2		
Non-Residential Building Plan Review				8	62	
Stand-alone mechanical plan review and inspections						
Stand-alone plumbing plan review and inspections						
All Other Building Fee Services	877			8		
Coordinating w/ Other Agencies						
Current Planning Fees		108	30	19	745	250
Plan Review				5		
Inspections						
Utility Engineering Review - Permit						
Other Non-Fee Building Services				16		
Code and Policy Development		5	1,374	16		
Long Range Planning		5	142	16		
Other Non-Fee Planning Services	121	24	24	48	298	458
Utility Engineering Review - City Planning (non-fee)						
Other Non-Fee Engineering Services				3		
Code enforcement - public investigations		12		2		
Code enforcement - permit investigations (building)				2		
Code enforcement - permit investigations (development engineering)				3		
Code enforcement - investigations (public works)						
Code enforcement - clearing violations						
Legal Department Support						
Public Works Engineering Non-Fee						
Business License Review						
Total Direct Hours	1,180	241	1,579	160	1,242	832

	Associate Planner	Permit Specialist	Associate Planner	Sr Planner	Arborist	Engineer Manager
Annual Regular Labor	2,080	2,080	2,080	2,080	2,080	2,080
Annual Overtime	-	96	-	-	-	-
Annual Labor	2,080	2,176	2,080	2,080	2,080	2,080
Annual Leave	317	341	317	429	288	338
Total Available Work Hours	1,763	1,835	1,763	1,651	1,792	1,742
Public Information & Customer Service	418	600	418	166	500	260
Training & Certification	21	200	21	55	30	80
General Administration & Management	169	135	169	168	50	1,040
Breaks	110	109	110	93	112	-
Net Annual Labor Related to Direct Services	1,044	791	1,044	1,169	1,100	362
Residential Building Permits/Inspections	5	40	5	8		
Residential Building Plan Review	131	40	131	16		
Non-Residential Building Permits/Inspection	-	16	-	2		
Non-Residential Building Plan Review	26	8	26	12		
Stand-alone mechanical plan review and inspection	-	16	-	-		
Stand-alone plumbing plan review and inspection	-	8	-	-		
All Other Building Fee Services	-	16	-	12		
Coordinating w/ Other Agencies	-	-	-	-		
Current Planning Fees	470	237	470	46	638	
Plan Review				7		
Inspections						
Utility Engineering Review - Permit						
Other Non-Fee Building Services		40		23		
Code and Policy Development				837	165	18
Long Range Planning		40		108	110	
Other Non-Fee Planning Services	413	277	413	84	165	72
Utility Engineering Review - City Planning (non-fee)				-		36
Other Non-Fee Engineering Services		40		5		217
Code enforcement - public investigations		16		2		
Code enforcement - permit investigations (building)				2		
Code enforcement - permit investigations (development engineering)				5		18
Code enforcement - investigations (public works)						
Code enforcement - clearing violations					22	
Legal Department Support						
Public Works Engineering Non-Fee						
Business License Review						
Total Direct Hours	1,044	791	1,044	1,169	1,100	362

	Dev Engineer	Dev Engineer	Eng Inspector	Director	Code Officer	Admin Specialist t III	Admin Specialist t III	Survey Program Manager
Annual Regular Labor	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080
Annual Overtime	26	-	75	-	54	195	33	12
Annual Labor	2,106	2,080	2,155	2,080	2,134	2,275	2,113	2,092
Annual Leave	255	383	291	288	250	357	374	464
Total Available Work Hours	1,851	1,697	1,863	1,792	1,884	1,918	1,739	1,629
Public Information & Customer Service	364	312	312	52	235	560	200	50
Training & Certification	56	40	40	12	110	17	19	
General Administration & Management	130	154	208	416	235	752	400	
Breaks	114	106	112	-	114	108	107	101
Net Annual Labor Related to Direct Services	1,187	1,085	1,191	1,312	1,190	482	1,013	1,477
Residential Building Permits/Inspections	24	76	83					
Residential Building Plan Review	107	163	119					
Non-Residential Building Permits/Inspection	24	33	60					
Non-Residential Building Plan Review	59	54	36					
Stand-alone mechanical plan review and inspections								
Stand-alone plumbing plan review and inspections								
All Other Building Fee Services						41		10
Coordinating w/ Other Agencies								
Current Planning Fees	356	217	60	394		82	203	150
Plan Review	191	159	262					75
Inspections	87	79	262					
Utility Engineering Review - Permit	26	56	44					
Other Non-Fee Building Services				66				
Code and Policy Development	36	54		328	119		101	
Long Range Planning				131		338	101	10
Other Non-Fee Planning Services				328	381		608	
Utility Engineering Review - City Planning	107	54	12					
Other Non-Fee Engineering Services	135	140	207					
Code enforcement - public investigations					59	21		10
Code enforcement - permit investigations	12		12		333			
Code enforcement - permit investigations	12		24		119			
Code enforcement - investigations (public)	12		12		178			
Code enforcement - clearing violations								
Legal Department Support								20
Public Works Engineering Non-Fee								1,202
Business License Review								
Total Direct Hours	1,187	1,085	1,191	1,312	1,190	482	1,013	1,477

APPENDIX C – FEES REVIEWED

Appendix C-1

Initial List of Existing and New Building Permit Services

- Enforcement
- Mobile Home Permit
- Wells, Exempt - Building Connection Fee
- Mechanical - Permit Issuance
- Mechanical - Each Additional Permit Issuance
- Mechanical - Furnace up to 100,000 BTU/h
- Mechanical - Furnace > 100,000 BTU/h
- Mechanical - Installation of each floor furnace, including vent
- Mechanical - Installation of each suspended heater
- Mechanical - installation of each appliance vent
- Mechanical - Repair or addition
- Mechanical - Boiler or compressor up to 100,000 BTU/h
- Mechanical - Boiler or compressor 100,001 to 500,000 BTU/h
- Mechanical - Boiler or compressor 500,001 to 1,000,000 BTU/h
- Mechanical - Boiler or compressor 1,000,001 to 1,750,000 BTU/h
- Mechanical - Boiler or compressor > 1,750,000 BTU/h
- Mechanical - Air Handlers up to 10,000 cfm
- Mechanical - Air Handlers > 10,000 cfm
- Mechanical - Evaporative coolers
- Mechanical - Ventilation fan to single duct
- Mechanical - Ventilation system not part of any heating or AC
- Mechanical - Hood installation
- Mechanical - Domestic-type incinerator
- Mechanical - Commercial or Industrial-type incinerator
- Mechanical - All other pieces of equipment
- Mechanical - Inspections outside of normal business hours
- Mechanical - Reinspections
- Mechanical - Inspections for which no fee is specified
- Mechanical - Additional plan review
- Plumbing - Permit Issuance
- Plumbing - Each additional permit issuance
- Plumbing - Fixtures and vents on one trap
- Plumbing - Repair or alteration of drainage or vent piping
- Plumbing - Sewers, disposal systems, and interceptors: building sewer
- Plumbing - Sewers, disposal systems, and interceptors: cess pool
- Plumbing - Sewers, disposal systems, and interceptors: private sewage system
- Plumbing - Sewers, disposal systems, and interceptors: industrial waste pretreatment interceptor
- Plumbing - Sewers, disposal systems, and interceptors: rainwater system
- Plumbing - Water piping installation
- Plumbing - Water heater installation, including vent
- Plumbing - Gas piping system of one to five outlets
- Plumbing - Gas piping system, each outlet over five

- Plumbing - Lawn sprinkler including backflow device
- Plumbing - Atmospheric-type vacuum breakers, one to five
- Plumbing - Atmospheric-type vacuum breakers, over five
- Plumbing - Backflow protection device other than atmospheric-type $\leq 2"$
- Plumbing - Backflow protection device other than atmospheric-type $>2"$
- Plumbing - Public Pool
- Plumbing - Public Spa
- Plumbing - Private Pool
- Plumbing - Private Spa
- Plumbing - All other pieces of equipment
- Plumbing - Inspections outside of normal business hours
- Plumbing - Reinspections
- Plumbing - Inspections for which no fee is specified
- Plumbing - Additional plan review
- Plumbing - Sewers, disposal systems, and interceptors: rainwater system w/ Easement

Appendix C-2

Excluded or Consolidated Building Permit Services

- Excluded Permit Services
 - Wells Exempt – Building Connection Fee
 - Mechanical – Commercial or Industrial Type Incinerator
 - Plumbing – Gas piping system, each outlet over five
 - Plumbing – Public Pool (recommended to be assessed at hourly rate)
 - Plumbing – Public Spa (recommended to be assessed at hourly rate)
 - Plumbing – Private Pool (recommended to be assessed at hourly rate)
 - Plumbing – Private Spa (recommended to be assessed at hourly rate)
- Consolidated Permit Services
 - Plumbing – Lawn sprinkler including backflow device
 - Plumbing - Atmospheric-type vacuum breakers, one to five
 - Plumbing - Atmospheric-type vacuum breakers, over five
 - Plumbing - Backflow protection device other than atmospheric-type $\leq 2"$
 - Plumbing - Backflow protection device other than atmospheric-type $>2"$
- Replacement Services
 - Plumbing – systems with atmospheric-type vacuum breakers
 - Plumbing – systems with all other types of backflow protection devices

Appendix C-3

Initial List of Existing and New Land Use Planning Services

- Administrative Code Interpretation
- Affordable Housing - Optional Fee In Lieu
- Agricultural Conditional Use
- Agricultural Retail Plan
- Appeal of Administrative Decisions
- Appeal of EIS Adequacy
- Appeal of Hearing Examiner or Planning Commission Decision
- Appeal of SEPA Determination
- Boundary Line Adjustment

- Comprehensive Plan Amendment - Site Specific
- Comprehensive Plan Amendment - Not Site Specific
- Conditional Use Permit - Minor
- Conditional Use Permit - Specified Cemeteries
- Conditional Use Permit - Major
- Consultation
- Critical Areas - Buffer Enhancement Plan Review
- Critical Areas - Site Investigation
- Critical Areas - Major
- Critical Areas - Minor
- Geologically Hazardous Area - Third Party Review Deposit
- Reasonable Use Exception - Single Family Residence
- Reasonable Use Exception - All Other
- SEPA Review (no EIS)
- SEPA Review (with EIS)
- EIS Addendum
- EIS Supplement
- Large Lot Subdivision
- Large Lot Subdivision - Minor
- Legislative Review of Development Regulations
- Long Subdivision
- Long Subdivision - Minor Alteration
- Long Subdivision - Minor Replat or Amendment
- Long Subdivision - Major Replat or Amendment
- Minor Adjustment
- Major Adjustment
- Open Space Review
- Pre-Application Conference - Minor Land Use Permits
- Pre-Application Conference - All Other Land Use Permits
- Pre-Application Conference (DRB) - Meeting & Committee Meeting
- Pre-Application Conference - Meeting & Public Participation Meeting
- Removal of Landmark Tree Permit
- Renoticing Fee
- Rezone
- Shoreline - Buoy (Programmatic Review)
- Shoreline - Exemption without SEPA
- Shoreline - Exemption with SEPA
- Shoreline - Substantial Development Permit
- Shoreline - Substantial Development Permit for Enlargement of Existing Structure
- Shoreline - Conditional Use Permit
- Shoreline - Conditional Use Permit for Enlargement of Existing Structure
- Shoreline - Administrative Variance
- Shoreline - Variance
- Shoreline - Clearing Permit
- Short Subdivision - 2 to 4 Lots
- Short Subdivision - 5 to 9 Lots

- Short Subdivision - Minor Plat Amendment
- Short Subdivision - Major Plat Amendment
- Short Subdivision - Minor Alteration
- Sign Permit
- Site Assessment Review
- Site Plan Review - Minor
- Site Plan Review - Major
- Temporary Construction Staging
- Tree Removal/Vegetation Maintenance Permit
- Tree Removal/Vegetation Maintenance Permit (after-the-fact)
- Variance - Minor
- Variance - Major Single Family Residential (Hearing Examiner)
- Variance - Major All Other (Hearing Examiner)
- Variance - Sign
- Wireless Facilities - Eligible Facility Request
- Wireless Facilities - Small Wireless Facility
- Wireless Facilities - New Poles
- Wireless Facilities - Site Fee for Locating on City Property
- Wireless Communication Facility
- Zoning Verification Letter
- NEW FEE - Support for Wetland Consultant Review
- NEW FEE - Arborist Review (in the field of dead/hazardous trees)
- NEW FEE - Minor or Major Revision to Permit Under Review, as Determine by Director
- NEW FEE - Reasonable Use Exception - All Other w/ SEPA Review
- NEW FEE - Short Subdivision - 2 Lots w/ SEPA
- NEW FEE – Short Subdivision – 3 to 3 Lots w/ SPEA
- NEW FEE - FEMA Review
- NEW FEE - Shoreline - Administrative Review
- NEW FEE - Reasonable Use Exception - Single Family Residence w/ SEPA Review

Appendix C-4

Excluded or Consolidated Land Use Planning Services

- Excluded Permit Services
 - Affordable Housing – Optional Fee in Lieu
 - Conditional Use Permit – Specified Cemeteries
 - Short Subdivision – 2 to 4 lots
 - Short Subdivision – 5 to 9 lots
 - Variance – Major Single Family Residential
- Consolidated Permit Services
 - Long Subdivision – Minor Replat or Amendment
 - Long Subdivision – Major Replat or Amendment
 - Shoreline – Substantial Development
 - Shoreline – Substantial Development for Enlargement of Existing Structure
 - Shoreline – Conditional Use for Enlargement of Existing Structure
 - Shoreline – Administrative Variance
 - Short Subdivision – Major Plat Amendment

- Replacement Services
 - Major Adjustment or Amendment
 - Shoreline - Adjustments or Revisions to Approved Permit
 - Shoreline – Administrative Review
 - Short Subdivision – 2 Lots
 - Short Subdivision – 3 to 4 Lots

Appendix C-5

Initial List of Existing and New Development Engineering Permit Services

- Grading - Plan Review for 50 CY or less
- Grading - Plan Review for 51 to 100 CY
- Grading - Plan Review for 101 to 1,000 CY
- Grading - Plan Review for 1,001 to 10,000 CY
- Grading - Plan Review for 10,001 to 100,000 CY
- Grading - Plan Review for 100,001 to 200,000 CY
- Grading - Plan Review for > 200,000 CY
- Grading - Permit for 50 CY or less
- Grading - Permit for 51 to 100 CY
- Grading - Permit for 101 to 1,000 CY
- Grading - Permit for 1,001 to 10,000 CY
- Grading - Permit for 10,001 to 100,000 CY
- Grading - Permit > 100,000 CY
- NEW FEE - Plat Utility Engineering Review (Base 1)
- NEW FEE - Plat Utility Engineering Review (Base 2)
- NEW FEE - Plat Utility Engineering Review (Base 3)

Appendix C-6

Excluded or Consolidated Development Engineering Permit Services

- Excluded Permit Services
 - Site Assessment Review
- Consolidated Permit Services
 - Grading - Plan Review for 50 CY or less
 - Grading - Plan Review for 51 to 100 CY
 - Grading - Plan Review for 100,001 to 200,000 CY
 - Grading - Plan Review for > 200,000 CY
 - Grading - Permit for 50 CY or less
 - Grading - Permit for 51 to 100 CY
 - Grading - Permit > 100,000 CY
- Replacement Services
 - Grading - Plan Review for 0 to 100 CY
 - Grading - Plan Review per CY >100,000 CY
 - Grading - Permit for 0 to 100CY
 - Grading - Permit per CY >100,000 CY
 - Grading - Plan Review/Permit Issuance Fee >100,000 CY



CITY OF
BAINBRIDGE ISLAND

City Council Study Session Agenda Bill

MEETING DATE: December 7, 2021

ESTIMATED TIME: 20 Minutes

AGENDA ITEM: (6:55 PM) Review Draft Ordinance No. 2021-35, Related to Extending and Amending of BIMC 2.16.020.S. Housing Design Demonstration Projects (HDDP) Program - Planning,

SUMMARY: The purpose of this agenda item is for the City Council to consider and discuss the recommendations of the Planning Commission and City staff related to the City's Housing Design Demonstration Project ("HDDP") program. The program is codified in BIMC 2.16.020.S. (see attached Exhibit A to Working Draft of Ordinance No. 2021-35). The current program is set to expire on December 31, 2021, unless the Council takes action to extend it.

This agenda item is also for the Council to consider options related next steps for the HDDP program. Due to the changes that are being recommended to the program by the Planning Commission and City staff as included in the working draft of Ordinance No. 2021-35, it is recommended that the Council hold a public hearing on that revised draft at a future Council meeting to obtain public comment on what is being recommended. City staff recommends that the Council direct the City Manager to prepare an agenda item for the December 14, 2021 Council meeting to set a public hearing for February 8, 2022 on draft Ordinance No. 2021-35. The City Attorney's Office is working with staff from the Department of Planning and Community Development as part of the legal review of the draft ordinance.

Regarding the HDDP in its current form, one option is for the Council to allow the program to expire on December 31, 2021. Because BIMC 2.16.020.S.10. states that the program shall expire on December 31, 2021, if the Council does not take action to extend the program, it will expire on December 31, 2021.

The Planning Commission recommended to extend the program for two years and to revise it. City staff recommends that the program not expire during the period of time that the Council is considering revising the program to avoid any unintended consequences that could occur if the program expires and there is no alternative program to replace it.

To that end, City staff recommends that the Council direct the City Manager to prepare an ordinance for the Council to consider on December 14, 2021 that would extend the program in its current form for two years. If and when the Council takes future action to revise the program, the two-year period could be further considered as well as part of the Council's consideration of revisions to the program via Ordinance No. 2021-35, which is currently a working draft.

The Planning Commission first discussed Ordinance No. 2021-35 at their October 28, 2021 meeting. The Commission then held a public hearing on November 18, 2021 and after closing the public hearing, continued to discuss the HDDP program as a whole, and whether to extend it. The Commission approved a motion to recommend approval of Ordinance No. 2021-35, which would extend the HDDP program for two years, and further recommended the following amendments to the HDDP program:

1. To specify that all required designated affordable housing units serve households at or below low-income (80% Area Median Income), and
2. To replace the Innovative Site Development Scoring Method (Table 2.16.020.S-3) with an "Innovative Site Development" checklist, eliminating the "scoring" and minimum required points for this requirement.

Ordinance No. 2021-35 (working draft) has been revised to integrate the Planning Commission's recommended revisions to the HDDP program (see Exhibit A and Presentation).

As recommended by the Commission, Table 2.16.020.S-3, Innovative Site Development Scoring Method, is shown as deleted in the updated ordinance. Staff converted the site development components described in the table to a checklist as recommended by the Commission (Exhibit A Section S.4.b). The table described allocated site development "points," and HDDP had to "score" at least 25 points (45% of points available). There are 14 separate innovative site development components moving from the table to a checklist, and staff recommends requiring that an HDDP project include at least 50% or 7 sustainable site components to equate the checklist (Exhibit A Section S.4.b) with the existing Table 2.16.020.S-3 (pages 3-7 of Exhibit A). Staff also identified clarifying housekeeping changes that should have been made in 2019 when the program was narrowed, and Exhibit A makes those changes (see Table 2.16.020.S-2, page 4).

The changes above described regarding draft Ordinance No. 2021-35 constitute significant changes to the draft of that ordinance that was considered by the Planning Commission at its public hearing on November 18, 2021. To ensure maximum public participation, and as above described, City staff recommends that the City Council conduct an additional public hearing on the revised ordinance at a future Council meeting.

AGENDA CATEGORY: Ordinance

PROPOSED BY: Planning & Community Development

RECOMMENDED MOTION: Staff Recommendation:

First Motion: I move to direct the City Manager to prepare an ordinance for consideration at the December 14, 2021 City Council meeting to extend the Housing Design Demonstration Projects program in its current form for two years.

Second Motion: I move to direct the City Manager to prepare an agenda item for the December 14, 2021 City Council Meeting to set a public hearing for February 8, 2022 regarding draft Ordinance No. 2021-35.

(Alternative - take no action and allow the existing Housing Design Demonstration Program to expire December 31, 2021.)

STRATEGIC PRIORITY: Green, Well-Planned Community

FISCAL IMPACT:

Amount:	
Ongoing Cost:	
One-Time Cost:	
Included in Current Budget?	

BACKGROUND: The City's Housing Design Demonstration Projects (HDDP) program was originally approved in 2009 as a 3-year Pilot Program in the greater Winslow area (see attached map). Goals of the HDDP program include:

- Promotes green building, sustainable site development, and housing diversity & affordability using development standard flexibility & density incentives, including a density incentive.
- HDDP projects are limited to a 1,600 square foot maximum dwelling unit size for all HDDP units.

The program was revised in 2013 and again in 2016 to reflect updated low-impact development (LID) requirements and extended until 2019. Ordinance No. 2019-32 narrowed the program to only be available for development projects that provide at least 50% of residential units as affordable housing, and extended the HDDP program until December 31, 2021.

On October 12, 2021, the City Council directed the Planning Commission to consider an ordinance to extend the HDDP program for two additional years, until December 31, 2023. The Planning Commission then discussed the extension (Ordinance No. 2021-35) on October 28 and on November 18 held a public hearing and completed a recommendation to the City Council (see summary above).

ATTACHMENTS:

[HDDP Program Summary Presentation.pptx](#)

[Draft Ordinance No. 2021-35 - Extending HDDP Program.docx](#)

[Exhibit A BIMC 2.16.020.S HDDP.docx](#)

[Comp Plan Goals and Polices to support HDDP](#)

FISCAL DETAILS:

Fund Name(s):

Coding:

Ordinance 2021-35 Housing Design Demonstration Project (HDDDP) Program



Ferncliff Village



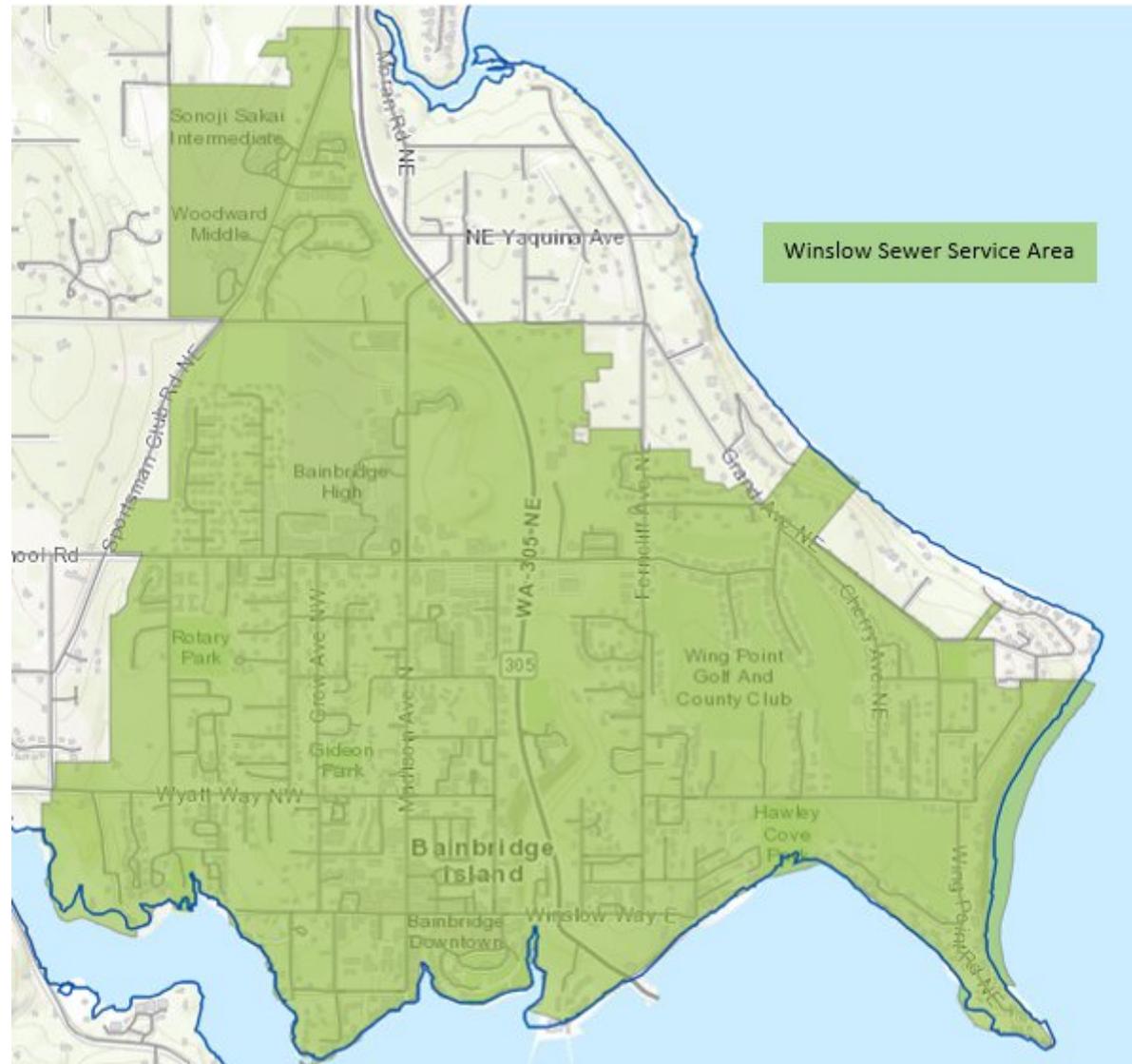
Grow Community

WHAT:

The HDDP Program promotes green building, sustainable site development and affordable housing (50% of project) using development standard and density incentives.

WHERE:

HDDP Program Available to Properties located in Winslow Sewer Service Area



HDDP Program (BIMC 2.16.020.S)

OVERVIEW & HISTORY

- 2009 3-year Pilot Program applies in the greater Winslow area Revised in 2013; Revised in 2016 to reflect LID requirements, extended until 2021.
- Only 2 more HDDP projects allowed (BIMC Section 2.16.020.S.2).
- 10/12 City Council Motion to the Planning Commission to consider a recommendation to extend the HDDP program for 2 additional years.

HDDP Projects to Date							
HDDP Project	Tier	Zone	Max. Base Density	# & Type of Dwelling units	Green Building Certification Requirement	# of Affordable (AH) Units	Status
**Ferncliff Village (HRB)	3	R-3.5	20	40: Single-family (SF) & Townhomes (TH)	Evergreen Sustainable Development	40	Completed
**Grow Community	2	R-14	112	149: SF, Apartments (Apts.), Condos & Townhomes	Built Green 5	0	Mostly Built
Ericksen Urban Cottages	1	MUTC/ Ericksen	0.6 Res. FAR	16 SF	LEED Certified Required, Achieved LEED Platinum	0	Completed
Madrona Townhomes (The Walk)	1	MUTC/ Core	1.0 Res. FAR	52 SF TH & ADUs	LEED Certified	5	Completed
Bainbridge Landing	1	MUTC/ Ferry TD	1.1 Res. FAR	140: SF TH, Apts. & Age-in-Place	LEED Certified or Built Green 4	0	Under Construction
**Wallace Cottages	2	R-4.3	10	19 SF & Age-in-Place	LEED Silver or Built Green 4	2	Under Construction
Madison Place	1	MUTC/ Madison	0.6 Res. FAR	18 SF & Duplexes	LEED Certified or Built Green 4	0	Under Construction
Ericksen Gardens	1	MUTC/ Ericksen	0.6 Res. FAR	5 SF (including 1 ADU)	LEED Certified or Built Green 4	0	Completed
Total HDDP Units Permitted				439	Total Designated AH Units	47 (11%)	
**% of Designated Units Achieved Through HDDP				11 (15%)			

Ordinance 2021-35

PLANNING COMMISSION REVIEW & RECOMMENDATION

- 10/28 Planning Commission discussion extending HDDP program.
- 11/18 Public Hearing Comments: mostly in favor of program extension, one comment for sunseting program.
- 11/18 Planning Commission Recommendation to City Council to EXTEND & REVISE

Working DRAFT Ordinance 2021-35 Exhibit A Integrates PLANNING COMMISSION 11/18 RECOMMENDATION

Planning Commission Recommendation to City Council to EXTEND Program & REVISE BIMC Section 2.16.020.S:

- Extend the HDDP program for 2 additional years (Section S.10).
- Designated Affordable Housing for low-income (80% AMI) households (Table 2.16.020.S-1 & Section S.4.a).
- Delete Innovative Site Development Scoring and Table 2.16.020.S-3 and convert site development components to a checklist (Table 2.16.020.S-1, Delete Table 2.16.020.S-3, Checklist format added to Section S.4.b).

Working DRAFT Ordinance 2021-35 Exhibit A Integrates PLANNING COMMISSION 11/18 RECOMMENDATION

Excerpt Table [2.16.020.Q-1](#): Housing Design Demonstration Project Scoring System

Excerpt Table 2.16.020.Q-1 : Housing Design Demonstration Project Scoring System		
Density Incentives	Requirements to Receive Incentives	
	Green Building and Innovative Site Development	Housing Diversity
Tier 3		
2.5 x Base Density OR Max. Bonus Mixed-Use FAR	LEED Silver, BuiltGreen 4, or Evergreen Sustainable Development	50% affordable housing
	25 Points in <u>Project integrates at least 50% of the listed Innovative Site Development Practices</u>	Home size not larger than 1,600 sq. ft.
NOTE For required affordable housing units:		
Home ownership projects: 50% of r Required affordable house units should <u>must serve low-income households</u> ≤ 80% AMI, (BIMC 18.21.020.A and 18.36.030)		
Rental projects: 50% of required affordable house units should <u>must serve households with an income</u> ≤ 60% AMI.		

Table 2.16 020.5-3 Innovative Site Development Scoring Method

<p>Minimum Site Development Point Requirement</p>	<p>WATER QUALITY & CONSERVATION Projects use methods to decrease water usage and improve stormwater runoff quality through an integrated approach to stormwater management such as greywater use, stormwater collection in cisterns, green roofs and covered parking. All HDDP projects will follow the stormwater manual adopted in Chapter 15.20 BIMC.</p>	<p>LANDSCAPING & OPEN SPACE Project provides well-designed common open space, with at least 5 percent of the gross land area, set aside as open space and designed as an integrated part of the project rather than an isolated element. The common open space must be outside of critical areas and their buffers and required roadside buffers. Appropriate community amenities such as playgrounds, composting and neighborhood gardens promoting the production of locally grown food are encouraged. Resident neighborhood community gardens can be in common open space areas, and shall be appropriately located for solar exposure, and include water availability, soil amenities, and storage for garden tools. Required growing space for neighborhood gardens is 60 square feet per dwelling unit, not including any existing orchard area. Open space dedicated to the public pursuant to the standards of BIMC Sections 17.12.030. A1, A2, A3, A6 & A7 is encouraged.</p>	<p>TRANSPORTATION Project design provides enhanced sensitivity to pedestrian and bicycle travel to promote the people getting around without a car, a reduced carbon footprint, improved health of humans, and lower pollution levels. Project internally preserves existing informal internal connection to external non-motorized facilities, furthering the Island-wide Transportation Plan (IWTP) and using such solutions as woonerfs, green streets, and natural trails and paths. Project reduces reliance on automobiles and trip counts, and promotes alternative transportation, such as integrating parking and charging facilities for electric cars, or bus shelters.</p>																																																																																
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11/18 PC Recommendation to Convert Table to Checklist (Section S.4.b) and Delete Scoring

Ordinance 2021-35

STAFF RECOMMENDATION TO CITY COUNCIL

- If City Council desires to extend HDDP program, move forward with separate ordinance to only extend program.
- If City Council desires to consider additional HDDP program changes recommended by the Planning Commission on 11/18, continue consideration as part of Working DRAFT Ordinance No. 2021-35 in 2022.
- Staff recommends holding a public hearing in 2022 on additional HDDP program changes recommended by the Planning Commission

ORDINANCE NO. 2021-35

AN ORDINANCE of the City of Bainbridge Island, Washington, amending Bainbridge Island Municipal Code Section 2.16.020.S. to extend and revise the Housing Design Demonstration Project program.

WHEREAS, on August 12, 2009, the City Council adopted Ordinance No. 2009-06, establishing a pilot Housing Design Demonstration Project (“HDDP”) program to allow for the development of projects to increase the variety of housing choices available to residents of all economic segments and to encourage sustainable development through the use of development standard incentives; and

WHEREAS, Ordinance No. 2009-06 established a sunset date of August 26, 2012, for the HDDP program; and

WHEREAS, on July 18, 2012, the City Council approved Ordinance No. 2012-09, extending the HDDP program until December 31, 2013, to allow time for the City to further evaluate the program; and

WHEREAS, the City Council convened an Ad Hoc Committee made up of a Planning Commissioner, three City Councilmembers, a member of the Design Review Board, and a representative from the Housing Resources Board to evaluate and make recommendations on the HDDP program; and

WHEREAS, the Ad Hoc Committee recommended changes to the HDDP program, including extending the HDDP program until the end of 2016 to allow time for the construction of approved projects; and

WHEREAS, on December 11, 2013, the City Council adopted those recommendations with the approval of Ordinance No. 2013-25, extending the HDDP program to December 31, 2016; and

WHEREAS, on September 27, 2016, the City Council adopted Ordinance No. 2016-27, extending the HDDP program until December 31, 2019, to allow time to review the program and compare it to other affordable housing tools the City may choose to utilize, as envisioned by the draft 2016 Comprehensive Plan; and

WHEREAS, on February 28, 2017, the City Council adopted Ordinance No. 2017-01, approving the 2016 Comprehensive Plan; and

WHEREAS, the 2016 Comprehensive Plan includes several policies related to promotion of sustainable development and affordable housing; and

WHEREAS, the purpose of the existing HDDP program is to allow the development of housing design demonstration projects that increase the variety of housing choices available to residents across underserved portions of the socioeconomic spectrum, promote compact, low-

impact development where it is most appropriate, and encourage high quality and innovation in building design, site development, and “green” building practices; and

WHEREAS, the Affordable Housing Task Force was created by the City Council on May 9, 2017, and was instructed to make recommendations for specific actions, programs, and strategies the City of Bainbridge Island and the City Council can take in the near-term to improve access to affordable housing across the economic spectrum; and

WHEREAS, the City’s Affordable Housing Task Force issued a final report in July 2018 with many recommendations on how to increase housing affordability and diversity on Bainbridge Island, which include similar goals as the HDDP program described above; and

WHEREAS, on October 1 and 22, 2019, a majority of the City Council indicated support for extending the HDDP program until December 31, 2021; and

WHEREAS, on December 10, 2019, the City Council approved Ordinance No. 2019-32 which narrowed the program to only apply to projects that provided at least 50% of housing units as affordable housing and extended the HDDP program until December 31, 2021; and

WHEREAS, the City continues to work on accomplishing many of the recommendations made by the Affordable Housing Task Force’s final report and to implement City green building standards, and both affordable housing and green building are required as part of the HDDP program; and

WHEREAS, at the time Ordinance No. 2019-32 was approved, the City was working on preliminary design concepts for the Suzuki Affordable Housing project, which was being planned as an HDDP project with more than 50% affordable housing, however development at the Suzuki property was removed by the City Council from the City’s priority affordable housing work list in 2020; and

WHEREAS, although the City has not received any formal development proposals that plan to utilize the HDDP program since the program was extended and narrowed at the end of 2019, there was public comment at the October 12, 2021 City Council meeting that there is at least one affordable housing project in a conceptual phase that would utilize the HDDP program; and

WHEREAS, on October 12, 2021, the City Council voted 6-0 to support a two-year extension of the HDDP program until December 31, 2023 and referred the issue to the Planning Commission for consideration and a recommendation; and

WHEREAS, the Planning Commission discussed this Ordinance No. 2021-35 on October 28, 2021 and held a public hearing on the ordinance on November 18, 2021; and

WHEREAS, after closing the public hearing, the Planning Commission further discussed the HDDP program and voted to recommend approval to the City Council of a revised version of this Ordinance No. 2021-35, extending the HDDP program and making other changes; and

WHEREAS, in recommending approval of Ordinance No. 2021-35 the Planning Commission additionally recommended revising the HDDP program to require that affordable housing be targeted to low-income (or below) households and the convert the Innovative Site Development Scoring Method to a simple checklist; and

WHEREAS, notice was given on November 4, 2021 to the Office of Community Development at the Washington State Department of Commerce in conformance with RCW 36.70A.106 related to this Ordinance No. 2021-35; and

WHEREAS, the City Council considered versions of this Ordinance No. 2021-35 on December 7 and ___, 2021, and desires to revise and extend the HDDP program for two additional years.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Section 2.16.020.S.10. of the Bainbridge Island Municipal Code is hereby amended as shown in Exhibit A.

Section 2. Severability. Should any section, paragraph, sentence, clause, or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. This ordinance shall take effect and be in force five (5) days from its passage and publication as required by law.

PASSED BY THE CITY COUNCIL this ____ day of December, 2021.

APPROVED BY THE MAYOR this _____ day of December, 2021

, Mayor

ATTEST/AUTHENTICATE:

Christine Brown, City Clerk

***** WORKING DRAFT *****

FILED WITH THE CITY CLERK: _____, 2021
PASSED BY THE CITY COUNCIL: _____, 2021
PUBLISHED: _____, 2021
EFFECTIVE DATE: _____, 2021
ORDINANCE NUMBER: 2021-35

EXHIBIT A TO ORDINANCE 2021-35

2.16.020.S. Housing Design Demonstration Projects.

1. Purpose and Goals. The purpose of this subsection S is to allow the development of housing design demonstration projects that increase the variety of housing choices available to residents across underserved portions of the socio-economic spectrum, and to promote compact, low-impact development where it is most appropriate. Further, its purpose is to encourage high quality and innovation in building design, site development, and “green” building practices.

The goals of this program are to increase the housing supply and the choice of housing styles available in the community; to promote socio-economic diversity by adding to the stock of income-qualified housing; to encourage development of smaller homes, at reasonable prices, in neighborhoods attractive to a mix of income and age levels; and to demonstrate that innovative design and building techniques (conserving water and energy, using sustainably sourced materials, limiting environmental impacts) are compatible with market considerations.

2. Applicability. This subsection S is applicable to all properties located within the Winslow sanitary sewer system service area. An application for a housing design demonstration project may be applied to single-family residential subdivisions, mixed-use/multifamily and multifamily developments. Since the purpose is to provide housing projects as demonstrations, the city will accept projects for consideration and approval prior to the sunset date of the ordinance codified in this chapter. The city will limit acceptance of projects outlined in this section to two projects after the effective date of the ordinance codified in this section.

3. Review and Approval Process. Housing design demonstration project applications shall be reviewed as specified in the same manner as other applications for the same type of underlying land use permit (see BIMC 2.16.030 through 2.16.210), with additional review steps done in the order below as outlined in this subsection.

- a. Conceptual Proposal Review. Applicants proposing a demonstration project shall meet with city staff during the conceptual phase to discuss the goals and evaluation parameters of the proposed project. The conceptual proposal review is an informal discussion between the applicant and city staff regarding a proposed project. There are no required application materials for this stage. Applicants shall contact the planning department staff to request a meeting, and the meeting shall be scheduled by staff for no more than three weeks after the request date. The purpose of the conceptual proposal review is to determine if the proposal is eligible to be considered as an application for a housing design demonstration project and to assist the applicant by identifying (i) requirements for submittal, including types of supplemental materials for application; (ii) compliance with applicable city plans, goals, policies, codes, or guidelines and possible revisions to the project that will enhance the proposal with respect to these requirements; (iii) areas of BIMC Title 17, Subdivisions, and BIMC Title 18, Zoning, where the applicant seeks flexibility; and (iv) required plans, studies, reports, and/or other materials specific to the proposal that will provide necessary information for staff and the design review board, and to review the project under the criteria outlined in subsection S.4 of this section.
- b. Public Participation Program. The applicant is required to participate in one or more community meetings, either through (i) the city’s public participation program following the procedures outlined in Resolution Nos. 2010-32 and 2001-11, or (ii) an equivalent public meeting that includes participation by city staff, as approved by the director.
- c. Preapplication Conference. The applicant shall apply for a preapplication conference pursuant to subsection I of this section. Housing design demonstration projects shall be reviewed by both staff and the design review board, pursuant to subsection F of this section. The applicant shall submit an HDDP proposal consistent with the

requirements in the administrative manual. The applicant shall consider input received during the public meetings and conceptual review with city staff in crafting the proposal. The proposal will be evaluated pursuant to subsection S.4 of this section by city staff with the design review board serving in an advisory role, in addition to their review of applicable design guidelines. The director shall prepare written findings of facts, and applicants will receive preliminary notification from the director whether the proposal will qualify as a housing design demonstration project, or feedback about how to improve the proposal to qualify. If the applicant changes the proposal in any significant manner other than a response to feedback from the public meeting, conceptual review, or the preapplication review, an additional preapplication conference may be required.

- d. **Application Submittal.** An applicant may submit a land use permit application (subdivision, site plan and design review, or conditional use permit) for a housing design demonstration project after completion of a required conceptual and preapplication review and notification by the city that the proposal qualifies as a housing design demonstration project. Upon receipt of an application, the director shall provide notice to the applicant and public in accordance with subsection M of this section and commence the application review process. Housing design demonstration projects that require more than one land use permit must utilize the consolidated project review process outlined in BIMC 2.16.170. All housing design demonstration project applications, including subdivisions, shall be reviewed by the design review board and the planning commission at public meetings. The design review board and the planning commission shall make recommendations on all housing design demonstration projects.
- e. **Permit Decision.** The decision to approve or deny a housing design demonstration project shall be made as part of underlying land use permit approval. The decision shall be based upon the decision criteria of the underlying planning permit, and the decision criteria outlined in subsection S.5 of this section. Housing design demonstration project approval conditions shall be included in the final permit approval and shall address any ongoing compliance requirements, including compliance with approved design plans. The city may require that the applicant record covenants to ensure ongoing compliance or maintenance for required project components.
- f. **Building Permit.** The applicant shall submit a building permit that is consistent with all conditions of the land use permit approval. The applicant shall also submit documentation that the project has applied for required certification by a green building rating system, such as Evergreen Sustainable Development, LEED, or BuiltGreen. Proof of ongoing certification shall be required during construction and project certification must be completed prior to final occupancy.
- g. **Living Building Challenge.** For projects pursuing the Living Building Challenge standard of the International Living Building Institute, the applicant must show proof of pursuing ongoing certification during construction for all required elements. After construction, and prior to issuance of the certificate of occupancy, the applicant must show proof of initial project compliance as to the site, materials, indoor quality and beauty/inspiration components of the Living Building Challenge and that the project is likely to achieve the elements of energy and water following 12 months of occupancy as required under Living Building Challenge certification. For those elements of energy and water that require occupancy of the building for 12 months for Living Building Challenge certification, the applicant must submit a report to the city following 12 months of occupancy, demonstrating its progress towards meeting these remaining elements of the Living Building Challenge standard. If certification of those elements has not been achieved, the applicant must provide quarterly reports of progress towards certification of these elements, including additional steps and timeline that will be taken to achieve certification.

4. **Evaluation Method.** Each project will be evaluated for innovation and achievement of the goals of this subsection S of this section using a number of factors. The evaluation factors are divided into three categories. Examples of sustainable development methods do not limit other mechanisms of meeting the evaluation factor. Projects that qualify as housing design demonstration projects are eligible to use the flexible development standard incentives outlined in subsections S.6 and 7 of this section, and are eligible for the residential incentives outlined below and in

subsection S.8 of this section. Tables 2.16.020.S-1, S-2, and S-3 shows how projects are scored ~~evaluated~~ to qualify for the housing design demonstration project program.

Table 2.16.020.S-1: Housing Design Demonstration Project Scoring System		
Density Incentives	Requirements to Receive Incentives	
	Green Building and Innovative Site Development	Housing Diversity
2.5 x Base Density OR Max. Bonus Mixed-Use FAR	<ul style="list-style-type: none"> LEED Silver, BuiltGreen 4, or Evergreen Sustainable Development 25 Points in <u>Project integrates at least 50% of listed Innovative Site Development Practices</u> 	<ul style="list-style-type: none"> 50% affordable housing Home size not larger than 1,600 sq. ft.
<p>NOTE: For required affordable housing units:</p> <ul style="list-style-type: none"> Home ownership projects: 50% of rRequired affordable house units should <u>must serve low-income households, < 80% AMI, (BIMC 18.21.020.A and 18.36.030)</u> Rental projects: 50% of required affordable house units should <u>must serve households with an income < 60% AMI.</u> 		

Table 2.16.020.S-2 Housing Diversity Scoring Method							
NOTE: TABLE SUGGESTED FOR DELETION AS A "HOUSEKEEPING" CHANGE THAT SHOULD HAVE BEEN MADE IN 2019 WHEN HDDP PROGRAM "TIERS" ELIMINATED							
Total Housing Diversity Points Required	Affordable Housing			Unit Size		Unit Type	
		Project includes a number of housing units that are designated affordable for a period of 99 years to the spectrum of income levels as defined by BIMC 18.36.030.16 and 18.21.020.A. Rental housing is encouraged by awarding more points for the creation of rental housing.			Project includes a variety of unit sizes, excluding garages, that provide for a broad mix of income levels and family size. In order to score a point in a unit size range, the project shall provide at least 10% of the total number of units in that range. For example, in a 40-unit development, at least 4 units sized between 1,001 and 1,200 ft ² would be needed to score points in that range.		Unit type: Project includes a variety of housing unit types (i.e., single-family style, townhouse, flat, age in place, ADUs, cottages) or innovative type of housing. In order to score points for different unit types, the project shall provide at least 10% of the total number units of that type. For example, in a 40-unit development of townhomes and duplexes, at least 4 units of townhomes would be needed to score points for having 2 different unit types.
	Affordable Units	Ownership Value	Rental Value	Unit Size Range	Value	Number of Different Unit Types	Value
	10%	10	12	<800 ft ²	1	2	2

Table 2.16.020.S-2 Housing Diversity Scoring Method

NOTE: TABLE SUGGESTED FOR DELETION AS A “HOUSEKEEPING” CHANGE THAT SHOULD HAVE BEEN MADE IN 2019 WHEN HDDP PROGRAM “TIERS” ELIMINATED

		Affordable Housing		Unit Size		Unit Type	
		Project includes a number of housing units that are designated affordable for a period of 99 years to the spectrum of income levels as defined by BIMC 18.36.030.16 and 18.21.020.A. Rental housing is encouraged by awarding more points for the creation of rental housing.		Project includes a variety of unit sizes, excluding garages, that provide for a broad mix of income levels and family size. In order to score a point in a unit size range, the project shall provide at least 10% of the total number of units in that range. For example, in a 40-unit development, at least 4 units sized between 1,001 and 1,200 ft ² would be needed to score points in that range.		Unit type: Project includes a variety of housing unit types (i.e., single-family style, townhouse, flat, age in place, ADUs, cottages) or innovative type of housing. In order to score points for different unit types, the project shall provide at least 10% of the total number units of that type. For example, in a 40-unit development of townhomes and duplexes, at least 4 units of townhomes would be needed to score points for having 2 different unit types.	
	11 – 15%	12	14	801 – 1,000 ft ²	1	3	3
	16 – 20%	14	16	1,001 – 1,200 ft ²	1	4	4
	21 – 25%	16	18	1,201 – 1,400 ft ²	1	5	5
	> than 25%	20	22	1,401 – 1,600 ft ²	1	Min. Pts. Required	
	Minimum % Required		Size Requirement	Min. Pts. Required			
20 pts	50%		Max. home size 1,600 ft ²	NA	NA		

Table 2.16.020.S-3 Innovative Site Development Scoring Method

Minimum Site Development Point Requirement	WATER QUALITY & CONSERVATION		LANDSCAPING & OPEN SPACE			TRANSPORTATION	
	REQUIREMENT	VALUE	% OF OPEN SPACE	VALUE	VALUE IF PUBLIC	TRANSPORTATION COMPONENTS	VALUE
25	Projects use methods to decrease water usage and improve stormwater runoff quality through an integrated approach to stormwater management such as greywater use, stormwater collection in cisterns, green roofs and covered parking. All HDDP projects will follow the stormwater manual adopted in Chapter 15.20 BIMC.		Project provides well designed common open space, with at least 5 percent of the gross land area, set aside as open space and designed as an integrated part of the project rather than an isolated element. The common open space must be outside of critical areas and their buffers and required roadside buffers. Appropriate community amenities such as playgrounds, composting and neighborhood gardens promoting the production of locally grown food are encouraged. Resident neighborhood community gardens can be in common open space areas, and shall be appropriately located for solar exposure, and include water availability, soil amenities, and storage for garden tools. Required growing space for neighborhood gardens is 60 square feet per dwelling unit, not including any existing orchard area. Open space dedicated to the public pursuant to the standards of BIMC Sections 17.12.030. A1, A2, A3, A6 & A7 is encouraged.			Project design provides enhanced sensitivity to pedestrian and bicycle travel to promote the people getting around without a car, a reduced carbon footprint, improved health of humans, and lower pollution levels. Project internally preserves existing informal internal connection to external non-motorized facilities, furthering the Island-wide Transportation Plan (IWTP) and using such solutions as woonerfs, green streets, and natural trails and paths. Project reduces reliance on automobiles and trip counts, and promotes alternative transportation, such as integrating parking and charging facilities for electric cars, or bus shelters.	
	Number of dwelling units that integrate greywater reuse components into building design:					Project preserves, creates or integrates internal and external non-motorized connections.	
	10%	1	5-10%	2	4	Provides public walkways, separated paths, or bike lanes. No points for facilities required by IWTP.	2
	11-20%	2	11-15%	4	6	On-site car sharing program	1 per each car
	21-30%	3	16-20%	6	8	Electric vehicle charging stations for 3% of vehicle parking capacity.	3
	Over 31%	4	21-25%	8	10	Covered, consolidated bike parking for subdivisions	3
	Percentage of total roof area qualifying as "green roofs":		Greater than 25%	10	12	Bus Shelter	2
	15-30%	2	Incorporates neighborhood garden	2			
	Over 31%	4	Preserves tree that qualifies as a "Heritage tree" under City Program. The tree is not otherwise required to be preserved.		2 per tree		
	Project integrates cisterns: % of total roof area directed to cisterns:		All Private yard areas ≤ 20% turf		4		
	15-30%	2	Project landscaping integrates at least 60% native or drought tolerant plants		4		
	Over 31%	4					

- a. Housing Diversity. Evaluation will review:
- i. ~~Unit Type. The project includes a variety of unit types, for example, single-family, townhomes, flats, duplex, cottages, age-in-place or accessory dwelling units;~~
 - ii. Unit Size. ~~HDDP housing units cannot be larger than 1,600 square feet. The project includes a variety of housing unit sizes that provide for a broad mix of income levels and family size; and~~
 - iii. Affordable Housing. The project includes at least 50% of housing units that are affordable to the spectrum of households at or below low-income levels as described in Chapter 18.21 BIMC, Affordable Housing, and BIMC 18.36.030. For rental projects: 50% of required affordable house units must serve households with an income \leq 60% AMI. Designated affordable housing shall remain affordable for 99 years from the time of final inspection on the affordable unit. The applicant shall record covenants that demonstrate how the unit will remain affordable and be managed for 99 years.
- b. Innovative Site Development. All HDDP projects will follow the Department of Ecology's 2012 Stormwater Management Manual for Western Washington, as amended in December 2014. Project must integrate at least 7 (50%) of the 14 sustainable site methods listed across the four sustainable site categories below (water quality and conservation, landscaping, open space, and transportation):
 Evaluation will review:
- i. Water Quality and Conservation. Projects use methods to decrease water usage and improve stormwater runoff quality through an integrated approach to stormwater management such as:
 - (a) Greywater: At least 30 % of dwelling units integrate greywater use.
 - (b) Cisterns: At least 30% of total project roof area stormwater collection is directed to in cisterns.
 - (c) Green Roofs: At least 30% of total project roof area qualifies as a "green" or vegetated roofs.
 - (d) Covered Parking: At least 80% of total project parking spaces are covered (i.e. parking garage, carport) and covered parking. All HDDP projects will follow the Department of Ecology's 2012 Stormwater Management Manual for Western Washington, as amended in December 2014.
 - ii. Landscaping. The project uses low maintenance landscaping ~~and that integrates a high proportion of native plants or drought-tolerant plants that are climate appropriate. The project limits the amount of lawn in private yards in favor of common open space. Projects are encouraged to use cisterns to collect rainwater for irrigation or garden use.~~
 - (a) Native or Drought Tolerant Plants: Project landscaping integrates at least 60% native or drought tolerant plants.
 - (b) Private Yards: All private yard areas within the project designed to have \leq 20% turf/grass.
 - (c) Heritage Trees: Project preserves one or more tree that has been approved as a "Heritage Tree" under the City's program.
 - iii. Common Open Space. The project provides connected common open space area set aside as active open space and designed and integrated into the project. The open space could include active elements such as a neighborhood garden/pea patch and composting facilities, or a playground. Critical areas and their buffers and required roadside buffers do not contribute to "common open space" under the housing design demonstration project program.

- (a) Open Space: Project integrates at least 25% of the lot area as common open space.
 - (b) Neighborhood Garden: Project incorporates a neighborhood garden or pea patch.
- iv. Transportation. The project ~~(A)~~ uses a design that provides enhanced sensitivity to pedestrian and bicycle travel; ~~(B)~~ and internally preserves existing informal, internal connection to external trail(s), or creates new connections where appropriate, to implement the Island-wide Transportation Plan (IWTP); ~~(C)~~ The project design strives to reduce reliance on automobiles and trip counts, and promotes alternative transportation and public transit; ~~(D)~~ minimizes the visual dominance of automobiles throughout the project; or ~~(E)~~
- (a) Electric Vehicle (EV) Charging: The project integrates EV accommodations needs of alternative vehicles through techniques such as parking and charging facilities for at least 10% of vehicle parking capacity electric cars, locating rechargeable electric vehicle (EV) parking in a conspicuous and preferred location close to a main building entrance; and
 - (b) Car Sharing: Project integrates a parking space for a vehicle sharing program, such as Zipcar™.
 - (c) Public Nonmotorized Facilities: Project provides public walkways, sidewalks, separated paths or bike lanes not otherwise required by the IWTP. Facility location and design subject to approval by the Department of Public Works.
 - (d) Covered Bike Parking: The project provides covered, consolidated bike parking.
 - (e) Bus Shelter: The project provides a covered bus shelter(s) for Kitsap Transit and school bus riders. Shelter location and design must be consistent with any Kitsap Transit, City or School District requirements.
- c. Innovative Building Design. The project ~~is~~ will be constructed under a green building certification program that requires third-party verification such as the Evergreen Sustainable Development, Living Building Challenge standard of the International Living Building Institute, Passive House Institute US/International, LEED or the BuiltGreen Program of the Master Builders of King and Snohomish Counties.
5. Approval Criteria. In addition to decision criteria required by the underlying planning permit or approval, an application for a housing design demonstration project may be approved if the following criteria are met:
- a. The applicant clearly demonstrates that the evaluation factors listed in subsection S.4 of this section will be met, as shown in the housing design demonstration project scoring system as evaluated by the planning and public works departments;
 - b. The applicant has demonstrated how relief from specific development standards, including setback reductions, lot coverage and/or design guidelines, is needed to achieve the desired innovative design and the goals of this chapter;
 - c. The project does not adversely impact existing public service levels for surrounding properties;
 - d. The project complies with all other portions of the BIMC, except as modified through this housing design demonstration project process;

- e. If a project will be phased, each phase of a proposed project must contain adequate infrastructure, open space, recreational facilities, landscaping and all other conditions of the project to stand alone if no other subsequent phases are developed; and
- f. The applicant is meeting required housing diversity standards. Management of long-term affordability for designated affordable housing will be monitored through the use of recorded covenants and/or other agreements.

6. Development Standard Incentives for Development Projects in the Mixed-Use Town Center. The applicant may request that development standards from BIMC Titles 17 and 18 be modified as part of a housing design demonstration project. The city will review the request to modify development standards through the project review process outlined in subsection S.3 of this section. Requirements of BIMC Title 16 may not be modified. The following development standards may be modified:

- a. Minimum Lot Dimensions and Size. Reductions in lot size or dimensions are subject to approval by Kitsap County health district.
- b. Maximum Lot Coverage. Maximum lot coverage can be increased above zoning district requirements with no maximum.
- c. Natural Area. For MUTC projects developed under BIMC Title 17, the prescriptive natural area requirements in Table 17.12.070-1 do not apply. Instead, the project shall integrate at least 50 square feet of natural area per unit.
- d. Residential Parking. The parking requirements outlined in BIMC 18.15.020 may be modified to require one parking space for homes under 800 square feet and one and one-half parking spaces for homes between 800 and 1,200 square feet. This reduction may not be combined with any other reductions to result in less than one space per unit, and additional guest parking may be required pursuant to Table 18.15.020-1. A limited number of parking spaces may be designed to accommodate alternative fuel or subcompact vehicles such as Smart™ cars, with parking stall dimensional standards reduced from the standards outlined in BIMC 18.15.020.J. The applicants are encouraged to work with neighboring property owners to ensure street parking is not overburdened. If the project is requesting a reduction in required parking through the housing design demonstration project program, then the development shall integrate at least one guest parking space for every five dwelling units.
- e. Setbacks. Unless required for public safety purposes, such as sight distance, setbacks may be reduced as described below. This section does not supersede lesser setback requirements in the MUTC/HS Road district zones, as outlined in Tables 17.12.070-1 and 18.12.020-2, as applicable.
 - i. Zoning Setback Reductions.
 - (A) Front setback within project: 10 feet.
 - (B) Rear setback within project: minimum of five feet.
 - (C) Side setback within project: minimum of five feet.
 - ii. Subdivision Setback Reductions.
 - (A) All interior subdivision setbacks: zero feet.
 - (B) Building to exterior subdivision boundary: five feet.
 - (C) Building to right-of-way or on-site private access: 10 feet.

- f. Building Height. Buildings within the Mixed-Use Town Center or High School Road districts may achieve a maximum building height not to exceed the optional height outlined in Table 18.12.020-2.
7. Development Standard Incentives for Development Projects in Residential Zones. The applicant may request that development standards from BIMC Title 17 and 18 be modified as part of a housing design demonstration project. The city will review the request to modify development standards through the project review process outlined in subsection S.3 of this section. Requirements of BIMC Title 16 may not be modified. The following development standards may be modified:
- a. Minimum Lot Dimensions and Size. Reductions in lot size or dimensions are subject to approval by Kitsap County health district.
 - b. Maximum Lot Coverage. Maximum lot coverage can be increased above zoning district requirements with no maximum.
 - c. Natural Area. For residentially zoned projects developed under BIMC Title 17, the prescriptive natural area requirements in Table 17.12.070-1 do not apply. Instead, the project shall integrate at least 400 square feet of natural area per unit.
 - d. Residential Parking. The parking requirements outlined in BIMC 18.15.020 may be modified to require one parking space for homes under 800 square feet and one and one-half parking spaces for homes between 800 and 1,200 square feet. This reduction may not be combined with any other reductions to result in less than one space per unit, and additional guest parking may be required pursuant to Table 18.15.020-1. A limited number of parking spaces may be designed to accommodate alternative fuel or subcompact vehicles such as Smart™ cars, with parking stall dimensional standards reduced from the standards outlined in BIMC 18.15.020.J. The applicants are encouraged to work with neighboring property owners to ensure street parking is not overburdened. If the project is requesting a reduction in required parking through the housing design demonstration project, then the development shall integrate at least one guest parking space for every five dwelling units.
 - e. Setbacks. Unless required for public safety purposes, such as sight distance, zoning and subdivision setbacks may be reduced as described below. This section does not supersede lesser setback requirements as outlined in Tables 17.12.070-1 and 18.12.020-1, as applicable. Additional vegetative landscaping screen may be required by the director when reducing setbacks.
 - i. Zoning Setback Reductions.
 - (A) Front setback to on-site access: 10 feet.
 - ii. Subdivision Setback Reductions.
 - (A) All interior subdivision setbacks: zero feet.
 - (B) Building to on-site access: 10 feet.

8. Density Bonus Incentives. An increase in residential base density may be permitted as outlined in Table 2.16.020.S-24.

Table 2.16.020.S-24: Housing Diversity Program Project Density Bonuses
<ul style="list-style-type: none">• 2.5 x Base Density• OR Max. Bonus Mixed-Use FAR (all residential)

9. Housing Project Visit. In order to learn from the innovative design practices used, all projects completed under this subsection S shall allow city staff to conduct occasional site tours. City staff will make a request of the property owner prior to conducting a tour and will not access the properties for tours more than once every three months. The site tours will be limited to the exterior and common grounds of the property and conducted during regular business hours. Visits will be coordinated through the staff and property owner, and the owner will receive written notice no less than two weeks in advance of each visit. Any additional access to private property or at alternative times shall be at the permission and cooperation of the individual homeowner only.

10. Demonstration Period. This subsection S and related provisions of BIMC Titles 2, 17, and 18 shall expire on December 31, 2023 ~~2021~~.

Comprehensive Plan Support for the HDDP Program



COMPREHENSIVE PLAN INTRODUCTION

Guiding Principle #3

Foster diversity with a holistic approach to meeting the needs of the Island and the human needs of its residents consistent with the stewardship of our finite environmental resources.

Guiding Policy 3.1

Ensure a variety of housing choices to meet the needs of present and future residents in all economic segments and promote plans, projects and proposals to create *affordable housing*.

Guiding Principle #5

The use of land on the Island should be based on the principle that the Island's environmental resources are finite and must be maintained at a sustainable level.

Guiding Policy 5.2

Recognize that the sustainable use of the Island's finite land base is served by *green building* practices.

LAND USE ELEMENT

Policy LU 5.1

Winslow is the urban core of the Island while the Neighborhood Centers are smaller-scale mixed-use centers. In order to achieve the *goals* of the GMA this Plan:

- Encourages development in areas where *public facilities* and services exist or can be provided in an efficient and effective manner.
- Provides a vibrant, pedestrian-oriented core.
- Reduces sprawl.
- Provides choice of housing location and lifestyle.
- Maintains and protects environmentally sensitive and resource lands.
- Encourages the retention of open space.
- Maintains and enhances fish and wildlife habitat.

Policy LU 5.5

Implement a *green building code*.

Policy LU 5.8

Adopt *development standards* and program public improvements to encourage walkability within each *designated center* and to the surrounding areas.

LU Action #3 Amend the City's development code to implement green building codes. Utilize lessons learned from communities of comparable environmental and socio-economic characteristics to implement green building codes which address issues such as site sustainability, water use efficiency, energy use efficiency, indoor environmental quality, and the impact on the atmosphere, materials and resources by buildings.

ECONOMIC ELEMENT

DIVERSIFIED ECONOMY

GOAL EC-1

Promote economic vitality, growth and stability.

Bainbridge Island has the opportunity to create a robust, resilient and durable economy by demonstrating early leadership and acknowledging the changes that will affect our economy. Planning for these changes and taking actions that support and encourage a local economy will help reduce community vulnerability to issues such as aging demographics, housing availability, transportation constraints, and *climate change*.

By providing enterprises that both serve and employ local residents, Bainbridge Island will be better able to withstand fluctuations in the larger regional economy. In addition, people who live and work in their community are available to invest time and money in their families, organizations, and community life. A key to a healthy, stable and vital economy is to create and undertake business opportunities that anticipate and respond to conditions that affect our community. This would include identifying emerging needs and markets so that Bainbridge Island businesses benefit from being on the leading edge of change.

Policy EC 3.1

Encourage the use of *green building* materials and techniques in all types of construction, as well as design approaches that are responsive to changing conditions.

JOBS/HOUSING BALANCE

GOAL EC-5

Provide a variety of *affordable housing* choices so that more people who work on Bainbridge Island can live here.

The Housing Element of the *comprehensive plan* provides several options for the development of *affordable housing* on the Island.

Policy EC 5.1

Continue to monitor the progress in implementing the Housing Element and evaluate new ways of providing *affordable housing*.

Policy EC 5.2

In concert with the Housing Element's Goals and Policies, pursue a housing strategy that seeks to accommodate a wide variety of housing options, both in design and affordability, to meet the demands of the full range of the population including service sector employees, retirees, students, artists, farmers and craftspeople.

Policy EC 9.1

Increase availability of housing to enable service sector employees to live on the Island.

ENVIRONMENTAL ELEMENT

Goal EN-4

Encourage sustainable development that maintains diversity of healthy, functioning ecosystems that are essential for maintaining our quality of life and economic viability into the future.

Policy EN 4.1

Employ conservation design methods and principles such as *low impact development* techniques for managing storm and waste water, *green building* materials, high-efficiency heating and lighting systems.

Policy EN 12.2

Facilitate the improvement and convenience of low carbon mass transit and increased car-sharing, cycling, walking and the development of alternative vehicle infrastructure (e.g., charging stations) to reduce *greenhouse gas* emissions.

Policy EN 12.3

Strive for reduced *greenhouse gas* emissions by, among other actions, integrating *climate change* into the city planning process, including *land use* and transportation planning and management, and making *climate change* considerations and meeting *greenhouse gas* emission reduction goals a component of city decision making.

EN Action #2 Integrate sustainability and conservation into regulations.

UTILITIES ELEMENT

Policy U 13.5

Minimize disruption and/or degradation of natural drainage systems, minimize impervious areas by restricting site coverage, and encourage site permeability by retaining natural vegetation and buffers, and specifying use of permeable materials.

Policy U 14.2

Encourage the conservation of electrical energy, especially during periods of peak usage, and encourage energy saving building code strategies, local renewable energy, and other cost effective approaches to meeting the island's energy needs, including distributed energy systems.

HOUSING ELEMENT

GOAL HO-1

Make steady progress toward the following aspirational targets for increasing the diversity of *housing types* and the supply of *affordable housing*.

Policy HO 1.1

Decrease to 20% or less the number of cost burdened families living in rental housing (down from 40%).

Policy HO 1.2

Decrease to 18% or less the number of cost burdened families owning homes (down from 34%).

Policy HO 1.3

Increase rental housing units to at least 11% of total housing units (up from 7%).

Policy HO 1.7

Achieve a jobs-housing balance of .8 (up from 0.59).

GOAL HO-3

Promote and maintain a variety of *housing types* to meet the needs of present and future Bainbridge Island residents at all economic segments in a way that is compatible with the character of the Island and encourages more socio-economic diversity. Partner with community non-profit organizations and local and regional private and public entities in carrying out the following policies.

Policy HO 3.1

Encourage innovative zoning regulations that increase the variety of *housing types* and choices suitable to a range of household sizes and incomes in a way that is compatible with the character of existing neighborhoods. Examples of innovative approaches are *cottage housing* development, *conservation villages*, stacked or common-wall housing, *tiny houses* and *accessory dwelling units*.

Policy HO 3.4

Partner with non-profit housing organizations, churches, the development community, local lending institutions, elected officials and the community at large to assist in meeting *affordable housing goals* and implementing strategies.

Policy HO 3.5

Support the efforts of community non-profit housing organizations and local and regional public and private entities in developing and managing *affordable housing* on Bainbridge Island.

Policy HO 3.6

Develop standards to encourage development of small to mid-size single-family housing units. These provisions may include a framework to permit small-unit housing development such as *tiny houses*, *micro units* and *cottage housing*.

GOAL HO-6

Facilitate the provision of a diverse *affordable housing* stock in all geographic areas of the community.

Policy HO 6.1

Encourage housing created by agencies such as a community land trust.

Policy HO 6.2

In order to provide for permanently *affordable housing* pursue effective strategies to reduce the land cost component of *affordable housing* which may include alternative land use zoning, *density bonuses* and other incentives.

Policy HO 6.3

Maintain an innovative housing program and clarify or adopt new flexible permit processes in all *designated centers* to promote an increase in the supply, diversity and access to housing including *affordable housing*.

Policy HO 6.7

Support the development of *livable neighborhoods*.

GOAL HO-7

Promote and facilitate the provision of rental and for-purchase housing that is affordable to *income-qualified* households with a variety of income levels.

Policy HO 9.5

Consider the options for making City-owned land or air-space available through long-term leases or other mechanisms for the purpose of creating income-qualified housing and support other public entities that wish to use publicly-owned land for this purpose. Take into consideration however, the full range of uses that City-owned properties may serve over the long-term.

HIGH PRIORITY ACTIONS

HO Action #2 Amend the City's development code to facilitate an increase in the diversity of housing types and supply of affordable housing.

HO Action #3 Partner with other jurisdictions, the development community, and non-profit organizations to increase the diversity of housing types and supply of affordable housing.

MEDIUM PRIORITY ACTIONS

HO Action #7 Focus additional city and other financial resources to help increase the supply of affordable housing.

HUMAN SERVICES ELEMENT

HOUSING AND HUMAN SERVICES

GOAL HS-3

Recognize the interrelationship between housing and human services. The human services sector not only provides support services for those living in *affordable housing* but also enables people at risk or in crisis situations to remain in their existing housing.

The Human Services Element complements the Housing Element, which deals primarily with the development, retention and construction of *affordable housing*.

Policy HS 3.2

Promote the creation of a mix of housing alternatives and services for people at different levels of independence.

MEDIUM PRIORITY ACTIONS

HS Action #3

Amend the City's development code and create public/private partnerships to increase the diversity of housing types and supply of affordable housing.

NOTE: Same Action in Housing Element.