

Impact Fees



Impact fees are paid by applicants for new projects to help fund the costs associated with providing infrastructure to the new development.

Contact: Planner On-call, 425-556-2494

What is an Impact Fee?

Impact fees are one time charges collected by the city of Redmond from new commercial and residential developments. These fees help the City pay for public infrastructure that is needed to accommodate population and employment growth. Impact fees may only be used to pay for new “system improvements”: public facilities that are designed to provide service to the community at large, are reasonably related to the new development, and will benefit the new development. Impact fees may not be used to pay for private facilities that solely benefit the development or to correct existing deficiencies in public infrastructure.

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What can Impact Fees be used for?

Under the Growth Management Act (GMA) impact fees can be used for the following types of capital facilities to serve new development:



Transportation facilities



Parks, open spaces & recreation facilities



School facilities



Fire protection facilities

For example, the City of Redmond impact fees have helped fund portions of the following capital facilities:

- Downtown Park
- Downtown Two-Way Street Conversion
- NE 116th Street Improvements
- Fire Station 17
- Perrigo Park Phase II

Impact Fees for Fire, Parks, Transportation, and Schools are calculated in relation to the proportionate costs of the planned capital projects needed to support the anticipated growth. For example, school impact fees are calculated based on the number of students generated by new development; transportation impact fees are based on trips generated per land use.

Impact fees collected on behalf of the Lake Washington School District are used by the district to pay for school capacity improvements including portables at various locations and design/construction of new schools, including the new North Redmond Elementary School.

More details at redmond.gov/ImpactFees

When are Impact Fees collected?

City Code requires that impact fees be paid before a building permit is issued and construction begins or before the new business opens.

Impact fees for single-family houses may be deferred until sheetrock nailing inspection.



How often are Impact Fee Rates Reviewed by the City Council?

The City Council reviews the Fire, Parks and Transportation impact fees on a periodic basis to ensure that they reflect the current capital improvement program of the City and the current cost of constructing system improvements related to growth.



The City Council also annually reviews proposed updates to School impact fees based on the Lake Washington School District's Capital Facilities Plan.

The money must be earmarked and retained in special interest-bearing accounts and annual reporting on each account including revenues and improvements financed with the revenue is required. An annual report is prepared at year end for the Mayor and Council review.



2017 Impact Fee Allocations



Fire
\$191,799



Parks
\$1,301,892



Transportation
\$2,698,230

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