

Kraig Chalem

From: Laura Keehan <lkeehan@ci.olympia.wa.us>
Sent: Wednesday, April 17, 2024 3:25 PM
To: Kraig Chalem
Cc: Zulaika Kim; Arthur Saint
Subject: RE: County Case #2023100649 West Olympia 24th Ave Plat-- Olympia Parks Mitigation Fee
Attachments: Transmittal Memo-West Olympia Plat SEPA Fee.pdf; SEPA Analysis- West Olympia- 24th Ave Plat-2024.pdf

Oops, so sorry, I accidentally sent over the attachments for a different project. Here are the attachments for the West Olympia Plat. -Laura

From: Laura Keehan
Sent: Wednesday, April 17, 2024 3:19 PM
To: kraig.chalem@co.thurston.wa.us
Cc: Zulaika Kim <zkim@ci.olympia.wa.us>; Arthur Saint <arthur.saint@co.thurston.wa.us>
Subject: County Case #2023100649 West Olympia 24th Ave Plat-- Olympia Parks Mitigation Fee

Hi Kraig,

Zulaika reached out to let me know you needed the Parks SEPA Mitigation Fee analysis ASAP since this will be going to hearing next week. I've attached my transmittal memo and the enclosed analysis for you.

Let me know if you have any questions—thanks!

Laura Keehan

Parks Planning and Design Manager
Olympia Parks, Arts and Recreation
She/Her Pronouns
360.570.5855 | lkeehan@ci.olympia.wa.us

An email to and from this address is a public record and subject to disclosure.

**The Municipal Parks and Open Space Impacts of the
West Olympia Plat – 24th Avenue NW**

**An Analysis by the City of Olympia Parks, Arts and Recreation Department
April 17, 2024**

PROJECT DESCRIPTION

The City of Olympia has received notice of a 34-lot single-family housing subdivision on 11.28 acres. This project is located at 2000 24th Avenue NW, Olympia, WA 98502. It is located within the Urban Growth Area of the City of Olympia. Local occupancy rates provided by the Thurston Regional Planning Council indicate that this development will provide housing for 85 new residents.

PERTINENT PLANNING DOCUMENTS

This analysis is based upon Olympia’s *2022 Parks, Arts & Recreation Plan*, the *2014 Olympia Comprehensive Plan* and the *City of Olympia 2024-2029 Capital Facilities Plan*.

REQUEST FOR SEPA MITIGATION FEES

Pursuant to the State Environmental Policy Act (SEPA) and the jointly adopted plans and policies of the City of Olympia and Thurston County, the City of Olympia seeks payment of specific mitigation fees as a condition of approval of this residential development. Payment of such fees would mitigate the probable significant adverse impact of increasing demands upon existing parks, recreation, and open space facilities of the municipal area created by this project. These fees would be used to avoid overburdening existing public facilities and in maintaining the existing Level of Service (LOS). This analysis has been prepared to ensure that a fair and proportionate fee is charged, and that this mitigation has a direct relationship to the facility needs created by this particular residential project.

To ensure that such fees would be used to mitigate project impacts, they will be expended within ten years of collection for park land or new recreational facilities that will be utilized by future residents of the “West Olympia Plat” project. These fees do not mitigate any existing LOS deficiencies; they only prevent further erosion of the existing LOS.

SITE AND AREA RECONNAISSANCE

Olympia Parks, Arts and Recreation Department staff performed a site reconnaissance of the property proposed for this development and reviewed the site plan drawings. Staff also reviewed the inventory and proximity of existing Community Park, Neighborhood Park, and Open Space Network facilities in the vicinity of the proposed ‘West Olympia Plat’ project.

EXISTING AREA RECREATIONAL FACILITIES

At this time, the closest developed park to the proposed 'West Olympia Plat' project is Burri Park, located at 2415 Burbank Ave. NW, approximately 1.0 miles traveling distance south of the project. It is 2.3 acres in size and offers a swing set, ½ court basketball, play field, picnic tables and gravel walking loop. Yauger Park is located at 3100 Capital Mall Dr. SW, approximately 3.2 miles traveling distance southwest of the project. It is 40.5 acres in size and offers playground equipment, a skate park, community gardens, softball fields, horseshoe pits, a picnic shelter and restrooms, and walking trails throughout.

DEVELOPER-PROVIDED RECREATIONAL FACILITIES

The developer does not propose to provide recreational park facilities on site.

PROPOSED MITIGATION FEE WAIVERS

Because the project does not propose to provide recreational facilities on site there are no mitigation fee waivers.

NEED FOR SEPA-BASED MITIGATION

Since the City of Olympia has assumed the primary responsibility for providing municipal recreation areas and public open space within the City and its urban growth area and has adopted target outcome ratios for such facilities, continuing population growth creates a need to expand these facilities. Accordingly, the joint Comprehensive Plan and the City's Capital Facility Plan envision acquisition of land and development of such facilities within the City and its urban growth area. To mitigate the impact of residential development within the urban growth area, and to ensure fair and broad-based sharing of costs, Olympia seeks implementation of the joint plan through SEPA-based mitigation fees based upon adopted Levels of Service Standards (LOS's) and associated facility costs.

As residential development occurs, the population using existing public recreation facilities and open spaces increases. This increasing use will eventually exceed the capacity of those facilities and degrade both the facilities and quality of the recreational experience. To mitigate this impact, Olympia seeks payment of mitigation fees as necessary to maintain certain LOS's currently being provided within the City and its urban growth area. These LOS's are defined in terms of park acres per 1,000 population.

The proposed fee is based upon three factors: the adopted LOS for three types of recreation facilities (Neighborhood Parks, Community Parks, and Open Space Parks); the estimated cost of these new facilities; and avoiding placing the burden upon new residents of correcting any existing deficiency. These are the same three types of facilities that the City is responsible for providing in both the incorporated and unincorporated parts of the urban growth area.

A random sample survey of Olympia area residents was prepared by ETC Institute for the City of Olympia. The intent of this survey was to gather information on community recreation issues, preferences and needs. The survey analysis revealed that residents within the urban growth area utilized public recreation facilities located within the urban growth area and within the city limits

without discrimination. The City of Olympia offers a wide variety of parks that people use without charge. People enjoy and use Olympia's parks because they meet their needs for recreation, physical and mental health, and social interaction. The skate court, interactive fountain, scenic and passive open spaces, and parks with athletic fields attract users from both the City and its urban growth area. Olympia parks welcome residents and non-residents alike.

FEE CALCULATION

The requested mitigation fee is based upon the following specific impact assessment:

NEIGHBORHOOD PARKS

The *Parks, Arts and Recreation Plan* defines Neighborhood Parks as a combination of playground and open areas designed for non-supervised, non-organized recreation activities. Typically, facilities found in a Neighborhood Park include a children's playground, picnic areas, a restroom, and open grass areas for passive and active use. Amenities may also include tennis courts, basketball courts, skate courts, public art, and community gardens. Examples of Neighborhood Parks are Friendly Grove Park, Sunrise Park and Lions Park. The Level of Service Standard for neighborhood parks is 1.21 acres per 1,000 residents, or .00121 acres/person. The *Parks, Arts and Recreation Plan* calls for development of five neighborhood parks by 2041. These neighborhood parks are to be owned and managed by the City.

Olympia's experience and the ETC Institute survey confirms that users commonly travel farther than the nearest site in order to take advantage of the variety of neighborhood parks available in the City. Consistent with this pattern of use, the City proposes a mitigation fee based upon maintaining the current ratio of parks to population, rather than based on the need for a particular neighborhood park within one-half to one mile of any particular development. This approach avoids charging new residents to correct existing deficiencies and avoids any capricious variation in fees based on park site acquisition decisions.

As new housing is developed in this area, it will inevitably create a need for additional Neighborhood Parks. Recent cost estimates for Neighborhood Parks put the cost of land at \$105,771 per acre and development at \$572,987 per acre. This represents a total land acquisition and park development cost of \$678,758/acre.

The existing ratio of developed Neighborhood Parks per 1,000 population is .78 acres/1,000 residents, or .00078 acres/person. The Level of Service Standard (LOS) for Neighborhood Parks is 1.21 acres per 1,000 population. There is a current deficiency of .43 acres per 1,000 residents (1.21 acres - .78 acres = .43 acres). Adding additional population from the "West Olympia Plat" project without a commensurate proportional increase in neighborhood parks will further lower the LOS, thereby creating a direct adverse impact to existing neighborhood parks. Accordingly, Neighborhood Parks mitigation fees of \$529.43 ($\$678,758 \times .00078 = \529.43) per person would be needed.

COMMUNITY PARKS

Community Parks are parks that are specifically designed to serve a large portion of the community. There are two types of Community Parks: athletic field complexes and sites with unique uses. Athletic field complexes can range in size from 15-80 acres with the optimum size being 30-40 acres. They are designed for organized activities and sports, although individual and family activities are also encouraged. Athletic field complexes serve a large portion of the community, and as a result, they require more in terms of support facilities such as parking, restrooms, picnic shelters, etc. Olympia's three existing athletic field complexes are LBA Park, Yauger Park and Stevens Field. Community Parks may have a waterfront focus, a garden focus, a water feature, etc. Some examples include Heritage Park Fountain, Yashiro Japanese Garden and Percival Landing.

As noted earlier, surveys, research and experience have shown that residents are willing and able to travel across town to visit Community Parks. The *City of Olympia Parks, Arts and Recreation Needs Assessment, 2021* by ETC Institute strongly supports this assertion. This survey of a random sample of residents of Olympia and the Olympia UGA were asked whether they would be willing to travel across town to visit various park types. 64% surveyed said they would be "very likely" or "somewhat likely" to travel this distance to a Community Park. This is true in part because a common key feature in community parks are the variety of ball fields and courts that are provided. Little League and organized sporting leagues and informal groups will use some or all of the ballfields, and a player goes wherever the game is scheduled. Thus, it matters less where the child soccer player or the adult baseball player lives, but rather where a game is scheduled. Much like a transit system or library system that is "area-wide," Community Parks serve the entire Olympia urban growth area. Thus, the service area for Community Parks is defined as being all of Olympia and all of Olympia's urban growth area.

The *Parks, Arts and Recreation Plan* establishes a Level of Service (LOS) for Community Parks of 3.00 acres per 1,000 residents. To meet the 20-year needs forecast, 20 acres of Community Park land is planned for acquisition and 52 acres of Community Park development is planned for Olympia and its growth area. These Community Parks are to be owned and managed by the City.

As new housing is developed in Olympia, it will create a need for additional Community Parks. Recent cost estimates for Community Parks put the cost of land at \$246,561 per acre and development at \$403,865 per acre. This represents a total land acquisition and park development cost of \$650,426/acre.

The developer is not proposing to dedicate land that meets the functions and values of community parks as described in Olympia's planning documents. Nor is it possible to mitigate impacts to community parks by a land dedication on-site. Community Parks are typically quite large and often involve multiple athletic fields. The proposed project is not adjacent to an existing Community Park such that on-site land could be dedicated in an amount that offsets the impact of the proposal. Nor is the developer proposing to dedicate other land that would meet Olympia's requirements for Community Parks. Accordingly, a SEPA-based mitigation fee would mitigate the project's impacts on Community Parks.

The *Parks, Arts and Recreation Plan* indicates that the existing Community Park ratio (acres of developed Community Park per resident) is 2.18 acres per 1,000 residents, or .00218 acres/person. The Community Park Level of Service Standard (LOS) is 3.00 acres of developed Community Parks per 1,000 population. There is a current deficiency of .82 acres per 1,000 residents (3.00 acres – 2.18 acres = .82 acres). Adding additional population from the “West Olympia Plat” project without a commensurate proportional increase in Community Parks will further lower the LOS, thereby creating a direct adverse impact to existing Community Parks. Accordingly, to maintain the existing LOS, Community Park mitigation fees of \$1,417.92 ($\$650,426 \times .00218 = \$1,417.92$) per person would be needed.

OPEN SPACE NETWORK

The City pursues acquisition of permanent public Open Space Areas as an urban amenity. The *Olympia Comprehensive Plan* defines Open Space as primarily undeveloped land that is set aside for citizens to enjoy nature and to protect the natural character of Olympia’s landscape. It may include, but is not limited to trails; wetlands; wetland buffers; stream or river corridors and aquatic habitat; forested or upland wildlife areas; ravines; bluffs or other geologically hazardous areas; prairies/meadows; and undeveloped areas within existing parks. Trail development to allow passive recreation such as nature observation and hiking is encouraged in these areas. Examples of the Open Space Network in Olympia are Watershed Park, Grass Lake Nature Park and the Karen Fraser Woodland Trail.

Like Community Parks, surveys, research and experience has shown that residents are willing and able to travel across town to visit Open Spaces. The *City of Olympia Parks, Arts and Recreation Needs Assessment, 2021* by ETC Institute strongly supports this assertion. This survey of a random sample of residents of Olympia and the Olympia UGA were asked whether they would be willing to travel across town to visit various park types. 89% surveyed said they would be “very likely” or “somewhat likely” to travel this distance to an Open Space Park. This is likely because residents are often looking for the special and unique features associated with one Open Space in particular. For instance, Watershed Park provides walking trails in a stream & wetland complex while Squaxin Park provides saltwater beach access and old growth forests. Much like a transit system or library system that is “area-wide”, Open Spaces serve the entire Olympia urban growth area.

The Level of Service Standard (LOS) adopted in the *Parks, Arts and Recreation Plan* for Open Space Areas is 11.19 acres per 1,000 residents, or .01119 acre/resident. To meet the 20-year needs forecast, 12 acres of open space are planned to be added to Olympia and its growth area. These Open Space lands are to be owned and managed by the City.

The developer is not proposing to dedicate land that adequately meets the functions and values of Open Space as described in Olympia’s planning documents. Nor does it appear possible to mitigate impacts to Open Space by a land dedication on-site. The proposed project is not adjacent to an existing Open Space such that on-site land could be dedicated in an amount that offsets the impact of the proposal. Nor is the developer proposing to dedicate other land that

would meet Olympia’s requirements for Open Space. Accordingly, a SEPA-based mitigation fee would mitigate the project’s impacts on Open Space.

With an estimated cost of \$155,653 per acre to acquire and minimally improve such Open Space lands with parking areas, trails, trailheads, etc., Open Space mitigation fees of \$1,741.75 per person (\$155,653 per acre of Open Space Network X .01119 acre per person = \$1,741.75 per person) would be needed.

THURSTON COUNTY PARK IMPACT FEE CREDIT

Thurston County charges park impact fees for new development in Thurston County. Thurston County’s park impact fee for 2024 is \$1,876.29 per single-family dwelling unit. Because the West Olympia Plat project will add 34 new single-family residences, the total County park impact fee will be \$63,793.86. The City of Olympia allows the Thurston County park impact fees to be deducted from the total park SEPA mitigation fee owed to the City.

Total Proposed Fee: As described above, the City proposes that a SEPA-based park mitigation fee be collected to mitigate the direct adverse impacts of the “West Olympia Plat” project on existing City of Olympia parks. To convert the per person mitigation costs of \$3,689.10 per person (\$529.43 for Neighborhood Parks + \$1,417.92 for Community Parks + \$1,741.75 for open spaces = \$3,689.10) described above to fees to be collected in association with this new housing development, the City proposes to use the existing average occupancy for these dwelling types. The Thurston Regional Planning Council has determined that locally, single-family dwelling units have an average occupancy of 2.5 persons/unit. Therefore, the total SEPA Mitigation Fee owed to the City of Olympia for the 34 new units is \$249,779.64 as illustrated in the following table:

<i>Type of Unit</i>	<i># of new units</i>	<i>Occupancy Rate</i>	<i>Fee Per Unit (@ 3,689.10 per Resident)</i>	<i>Subtotal Thurston County Impact Fee (# of units x fee per unit)</i>	<i>Total Olympia SEPA Credit Mitigation Fees</i>
Single-family	34	2.5	\$9,222.75	\$313,573.50	-\$63,793.86 \$249,779.64

Fee Payment: SEPA mitigation fees must be paid to the City of Olympia in a “lump sum” from the developer at the time of water connection permit issuance or building permit issuance.

SUMMARY

The City of Olympia is the primary provider of neighborhood parks, open space and other public recreational facilities for residents of the City and the surrounding urban growth area. To mitigate the impact upon such facilities resulting from this residential development in the unincorporated part of the Olympia Urban Growth Area, the City of Olympia seeks SEPA mitigation fees for parks to be paid to the City as a condition of project approval. This fee would be collected to avoid the overcrowding of existing facilities by maintaining the Level of Service standards for Neighborhood Parks, Community Parks and Open Space Parks. The proposed fee

is grounded upon specific shared goals and SEPA policies, and authority provided by the State Environmental Policy Act. For the "West Olympia Plat" project, the City requests a total payment of \$249,779.64. Absent such payment, the cumulative direct impacts of this residential development will result in a failure to maintain the existing Level of Service standards for parks and recreation facilities within the City and the Urban Growth Area. Lack of mitigation in the form requested will create a significant adverse impact.

NOTICE

"As provided by RCW 36.70B.130, please provide notice to the Olympia Parks, Arts and Recreation Department of any and all decisions regarding this project."

APPENDIX

FOUNDATION FOR MITIGATION

In response to Washington's *Growth Management Act*, Thurston County and its cities have adopted County-wide Planning Policies. Through joint planning, these efforts have resulted in policies that:

- provide for coordinated planning, funding and implementation of parks and open space corridors within urban growth areas,
- envision provision of adequate parks facilities to accommodate growth through early identification and acquisition of appropriate sites,
- provide capital facilities to serve and direct growth within Olympia and its Urban Growth Area as these areas urbanize,
- set forth a framework for urban growth area plans to be adopted jointly by Thurston County and each city.

In general, the *2014 Olympia Comprehensive Plan* and the County-wide Planning Policies impose upon the City of Olympia the duty of providing adequate public parks, recreation and open space facilities within the City and its growth area.

Fee calculations presented in this analysis are supported by the following goals, policies and regulations from the jointly-adopted county-wide planning policies contained in the *Olympia Comprehensive Plan*, the *Thurston County Comprehensive Plan*, and other pertinent state or local regulations such as Thurston County Code 17.09.150.

The goals, policies and regulations that support SEPA mitigation for parks are (a complete copy of these regulations is available on request):

The Olympia Comprehensive Plan

- **Chapter 3 Public Participation and Partners:** GP6, PP6.1, PP6.2, PP6.3
- **Chapter 8 Public Health, Arts, Parks and Recreation:** GR3, PR3.1, PR3.2, PR3.3, PR3.4, PR3.5, PR3.6, PR3.7, GR4, PR4.1, PR4.2, PR4.3, PR4.4, PR4.5
- **Olympia Capital Facilities Plan:** Goal 1, Policy 1.3, Goal 2, Policy 2.1, Policy 2.2, Policy 2.4, Policy 3.4,

The Thurston County Comprehensive Plan

Chapter 6 Capital Facilities

Chapter 9 Natural Environment, G. County, Parks Recreation, and Open Space



April 17, 2024

Kraig Chalem
Senior Planner
Thurston County Community Planning & Economic Development
3000 Pacific Ave SE
Olympia, WA 98501

**Subject: Olympia SEPA Mitigation Fee Determination
"West Olympia Plat- 2000 24th Avenue NW" Project**

Dear Mr. Chalem:

This letter and the enclosure are provided in response to the subdivision application for the "West Olympia Plat- 2000 24th Avenue NW" project.

I have calculated a SEPA-based park mitigation fee per the enclosed analysis, which results in a fee of \$9,222.75 per single-family unit. Since there will be 34 new single-family homes, the subtotal is \$313,573.50. The City of Olympia allows Thurston County's park impact fees to be subtracted from the total owed to the City. **Therefore, the total fee for the 34 new residential units that is owed to the City of Olympia is \$249,779.64.**

If you have any additional questions, please contact me at 360.570.5855 or lkeehan@ci.olympia.wa.us.

Sincerely,

Laura Keehan

Laura Keehan
Planning & Design Manager
Olympia Parks, Arts & Recreation Department

Cc: Zulaika Kim, Olympia Engineering Plans Examiner

Enclosure