



**City of Tacoma  
Tacoma Permit Advisory  
Task Force**

**Memorandum**

**TO:** Mayor Victoria Woodards, Tacoma City Council, and City Manager Elizabeth Pauli

**FROM:** Tacoma Permit Advisory Task Force

**SUBJECT:** Comments on Impact Fee study

**DATE:** July 2, 2021

**CC:** Jennifer Kammerzell, Kurtis Kingsolver, Peter Huffman, Philip Kao, Terry Forslund, Chris Johnson, Lynda Foster

The Tacoma Permit Advisory Task Force (Task Force) convened on April 1, 2021, and May 13, 2021, to discuss City of Tacoma Impact Fees. Jennifer Kammerzell, Principal Engineer, presented to the Task Force. Most if not all of what the Task Force asked in response to the presentation remains yet to be determined as the current phase is a “data gathering and discovery phase”. One overarching question that was not addressed was: why does the City of Tacoma need impact fees?

The City asked for feedback from the Task Force. The purpose of this memo is to provide the requested feedback for consideration by the Planning Commission, the Transportation Commission, City Management and City Council. The Task Force identified several questions that need to be asked and answered and challenges that need to be resolved, prior to the Task Force’s ability to render an opinion of support or not. The following summary is organized in the same high-level categories as presented by the City of Tacoma today and incorporates feedback provided in each of the two meetings on this subject.

The current study is phase 2 of 4 phases for the City of Tacoma to implement impact fees. Phase 3 would be required to answer many of the questions the Task Force identified. Task Force members were asked (Poll), “does the Task Force support the City pursuing phase 3 of Impact Fees in order to answer the outlined questions?”

- 3 answered “Yes, we want the City to do phase 3 of this project”
- 2 answered “No opinion or not enough info to weigh in”
- 7 answered “No, we do not want the City to pursue phase 3 at this time”

Based on the information presented to the Tacoma Permit Advisory Task Force as of the date of this memorandum, the majority (75%) of the Tacoma Permit Advisory Task Force (poll results above) does not support the Impact Fees initiative by the City of Tacoma.

The Tacoma Permit Advisory Task Force welcomes further discussion when the information requested by the questions that comprise the remainder of this memorandum is provided.

## Need

- **Growth Projections**
  - **Transportation, fire service, park, school needs – where, what and when**
  - **Timing of fees collected and delivery of projects**
1. What is the problem the COT is trying to solve by imposing Impact fees on development? The Task Force is looking for specificity with this answer.
  2. What are the projects (the “LIST”) that the City intends to fund with the imposition of Impact Fees? The Task Forces desires to better and fully understand the targeted projects so that an opinion of support or not may be provided. The Task Force is looking for specificity with this response.
  3. The Task Forces desires to avoid adding another layer of taxation. We suggest modifying existing methods of funding instead of implementing impact fees. Given the plan is to have a phased roll out if approved, will the payment of Impact Fees also have a phased or deferred payment plan? The Task Force is concerned about the direct impact to homeowners and businesses that in a non-crisis market did not plan for it and in a crisis market are already struggling and suffering.
  4. Why is the City Fire Department one of the categories that may be funded by the imposition of Impact Fee’s? The Task Force does not understand how the purpose of Impact Fee’s and the service of the Fire Department are related.
  5. With population growth, what other infrastructure needs may be required, that are not able to be funded with impact fees? Would additional taxation be better spent for a more significant need?

## Equity

- **Affordable Housing**
  - **Attainable Housing**
  - **Infill Development**
1. How will the imposition of Impact Fees in the City of Tacoma help or improve our affordable housing crisis? The Task Force believes the imposition of Impact Fees will negatively impact efforts to mitigate the affordable housing crisis.
  2. Why does the City of Tacoma think “Planning for Growth” begins with the imposition of Impact Fees? The Task Force does not.
  3. How will the City of Tacoma ensure uniformity/equity across the City of Tacoma with the imposition of Impact Fees?
  4. What will be the impacts to Infill Development by the imposition of Impact Fees? The Task Force believes Impact Fees are counter intuitive to two other City of Tacoma Initiatives: (1) Homes in Tacoma, and (2) Affordable Housing.

## Funding

- **Other Available Funding Resources**
1. What is the cost for imposing Impact fees on developers in the City of Tacoma?
  2. What other sources of funding exist for the projects impact fees intend to pay for? Has the City considered those funding sources instead?
  3. Has the City of Tacoma done a comprehensive review of all imposed fees on development when considering additional imposed fees on development? The Task Force believes the City needs to look at ALL fees as a whole, when considering additional fees.
  4. Has the City evaluated whether or not the funds generated as a result of Impact Fee’s will be able to fully fund the cost of the projects planned and when they are needed? Based on actual performance of other jurisdictions, the Task Force does not think the fees will adequately fund the needs.

## **Livability**

- **Address Jobs and Workforce**

1. Has the City of Tacoma carefully evaluated the impact to developer interest and project viability in Tacoma with the imposition of Impact Fees? The Task Force believes the impact will be severe.
2. Why does the City consider Traffic a significant issue in Tacoma? The Task Force does not consider traffic congestion in the City of Tacoma as a crisis compared to that of affordable housing and homelessness.
3. Has the City evaluated all the benefits of not imposing Impact Fees? The Task Force desires this information as part of their final analysis.
4. Will Impact Fees help Tacoma to increase jobs, be more livable and affordable and generally a preferred place to live? The Task Force believes that it does not.

## **Other**

1. Will the imposition of Impact Fees mitigate in part or whole the requirements for off-site improvements in the Right-Of-Way for future development? The Task Force needs to understand what the proposed Impact Fees do and do not pay for, in regard to off-site improvements.
2. Will the imposition of Impact Fee's mitigate the need for B & O taxes? Other jurisdictions have one or the other and it appears to the Task Force that Tacoma intends to do both.

## **Final Comment for Commission and Council Consideration**

During a recent Task Force meeting on this subject and after lengthy discussion, the Task Force was asked by the Chair if anyone on the Committee could support the imposition of Impact Fee's, based on what they know so far. The Chair asked for an electronic "raise the hand" as a signal of support.

No hands were raised.

While by no means is this a final opinion or recommendation of the Task Force as of this date, it is worth noting as the subject of Impact Fees begins to make its way through internal review and discussion steps.

The Task Force discussed impact fees on their April 1, 2021 special meeting and their May 13, 2021 meeting. Approved minutes and additional materials for these meetings will be posted online at:  
[https://www.cityoftacoma.org/government/city\\_departments/planning\\_and\\_development\\_services/DevelopmentServices/tacoma\\_permit\\_advisory\\_task\\_force/agendas\\_and\\_minutes](https://www.cityoftacoma.org/government/city_departments/planning_and_development_services/DevelopmentServices/tacoma_permit_advisory_task_force/agendas_and_minutes)