MEMORANDUM

DATE: June 2, 2026

TO: City Councilmembers

FROM: On behalf of City Manager's Office

RE: 2025 Impact Fee Report

The attached report is provided for information purposes only, there is no City Council action being requested. This report will meet the requirements outlined in the Revised Code of Washington (RCW) 82.02.070 regarding development impact fee collections and uses.

The 2025 Impact Fee report includes Transportation and Parks projects to which impact fees were applied along with the remaining prior year balances and impact fee collections for the year 2025. As of the end of 2025 there is a balance (including interest) of $10.64 million in unspent transportation impact fees and $94,631 in unspent park impact fees.

The impact fee balances result in a potential future liability in accordance with RCW requirements specifying that impact fees be spent within 10 years of collection or offered to be refunded to the current property owner with interest.