## STAFF REPORT

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| **Agenda Item:** | 8 | **Name:** | Jeff Muhm |
| **Proposed No**.: | 2019-0416 | **Date:** | November 18, 2019 |

**SUBJECT**

Proposed Ordinance 2019-0416 would adopt the 2020 school impact fees and school capital facility plans.

**SUMMARY**

Proposed Ordinance 2019-0416 would update certain school capital facilities plans and implement the collection of impact fees by the County on behalf of the school districts. If approved, the proposed impact fees would go into effect on January 1, 2020. School impact fees are updated every year, after a review by the School Technical Review Committee (STRC) of the districts' capital facilities plans.

**BACKGROUND**

The Washington State Growth Management Act (GMA) authorizes local jurisdictions to collect impact fees as a method of financing public facilities that are necessary as a result of new growth and development. All public facilities that are financed with impact fees are required to be part of the capital facilities element of a jurisdiction’s comprehensive land use plan.

King County administers the School Impact Fee Program by collecting fees from residential developers on behalf of each school district that chooses to participate. The program is voluntary. The fees are calculated every year based on a number of factors including student enrollment rates, changes in district’s building plans, new residential growth, and state reimbursement.

The capital facilities plans are reviewed by the STRC and impact fees based upon those plans are adopted by the King County Council. School Impact fees adopted by King County apply only to new single family and multi-family units in unincorporated areas and do not apply to:

* non-residential development;
* housing exclusively for senior citizens including nursing homes and retirement centers;
* reconstruction, remodeling or replacement of existing dwelling units;
* temporary and transitional housing facilities, including group homes;
* qualified low or moderate income housing;
* temporary dwellings for medical hardship; or
* accessory dwelling units.

King County maintains the impact fees in separate accounts for each school district, which utilize the funds to implement their capital facilities plans. The GMA requires an annual report showing the source and amount of monies collected and the capital improvements financed with the impact fees.

The districts’ capital facilities plans would become part of the capital facilities element in the King County Comprehensive Plan if this ordinance is adopted.

**ANALYSIS**

The following table summarizes the existing and proposed fees by school district, included in Proposed Ordinance 2019-0416.

|  |  |  |
| --- | --- | --- |
| **School District** | **Single Family Fee** | **Multi Family Fee** |
|  | **2019** | **2020** | **2019** | **2020** |
| Auburn | $5,716 | $6,906 | $4,488 | $14,668 |
| Enumclaw | 6,221 | 5,785 | 2,046 | 3,317 |
| Federal Way | 7,221 | 5,035 | 19,454 | 20,768 |
| Fife | 4,946 | 4,531 | 2,043 | 319 |
| Highline | 2,573 | 0 | 3,646 | 0 |
| Issaquah | 15,276 | 14,501 | 4,399 | 9,538 |
| Kent | 5,397 | 5,554 | 2,279 | 2,345 |
| Lake Washington | 12,294 | 13,633 | 624 | 1,388 |
| Northshore | 16,038 | 20,092 | 1,818 | 3,540 |
| Renton | 6,877 | 6,862 | 2,455 | 3,582 |
| Riverview | 8,492 | 10,271 | 2,265 | 5,757 |
| Snoqualmie Valley | 11,360 | 10,826 | 1,700 | 3,432 |
| Tahoma | 6,323 | 7073 | 1,645 | 3,870 |

**Overall Impact Fee Trends**

*Single-family impact fees*

* Six districts increased single-family impact fees: Auburn, Kent, Lake Washington, Northshore, Riverview and Tahoma
* Seven districts decreased single-family impact fees: Enumclaw, Federal Way, Fife, Highline, Snoqualmie Valley

*Multi-family impact fees*

* Eleven districts increased multi-family impact fees: Auburn, Enumclaw, Federal Way, Fife, Issaquah, Kent, Lake Washington, Northshore, Renton, Riverview, Snoqualmie Valley and Tahoma
* Two districts decreased multi-family impact fees: Fife and Highline.

The Highline school district is not eligible to collect impact fees in 2020 because it is projecting steady decreases in both primary and middle school enrollment during the six-year planning period (2019-2024).[[1]](#footnote-1)

The STRC review of the district capital facilities plans determined that the growth rates projected by each district are reasonable and reflect the use of appropriate student generation factors.

**Notice of Public Hearing**

Proposed Ordinance 2019-0416 requires a notice of a public hearing for at least 30 days prior to the public hearing. The Clerk of the Council issued a notice of public hearing on November 1, 2019 for the December 4th, 2019 King County Council meeting at 9:30 a.m.

**INVITED**

* Dwight Dively, Director, Office of Performance, Strategy and Budget
* Jim Chan, Director, Department of Local Services, Permitting Division

**ATTACHMENTS**

1. Proposed Ordinance 2019-0416 (and its attachments)
2. Transmittal Letter
3. Fiscal Note
1. Highline School District No. 401 Capital Facilities Plan, 2019-2024, page 14 [↑](#footnote-ref-1)