



## Legislation Details (With Text)

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<b>File created:</b>	7/8/2013	<b>In control:</b>	Budget and Fiscal Management Committee
<b>On agenda:</b>		<b>Final action:</b>	9/16/2013
<b>Enactment date:</b>		<b>Enactment #:</b>	17663
<b>Title:</b>	AN ORDINANCE authorizing the King County executive to enter into an interlocal agreement with the city of Seattle to implement a regional program to transfer development rights from rural and resource lands in King County into the city of Seattle.		
<b>Sponsors:</b>	Jane Hague		
<b>Indexes:</b>	Interlocal Agreement, Seattle, City of		
<b>Code sections:</b>			
<b>Attachments:</b>	1. Ordinance 17663.pdf, 2. A. Interlocal Agreement for Regional Transfer Of Development Rights and Tax Increment Financing of Infrastructure by and between the City Of Seattle and King County, revised August 30, 2013., 3. 2013-0305 transmittal letter.docx, 4. 2013-0305 fiscal note.xlsx, 5. A. Interlocal Agreement, 6. Staff Report 07-16-13, 7. 2013-0305 FINAL SR with attachments.pdf, 8. A. Interlocal Agreement for Regional Transfer Of Development Rights and Tax Increment Financing of Infrastructure by and between the City Of Seattle and King County, revised August 30, 2013., 9. 2013-0305 REVISED STAFF REPORT final.docx		

Date	Ver.	Action By	Action	Result
9/16/2013	2	Metropolitan King County Council	Hearing Held	
9/16/2013	2	Metropolitan King County Council	Passed	Pass
9/16/2013	2	Metropolitan King County Council	Hearing Held	
9/3/2013	1	Budget and Fiscal Management Committee	Recommended Do Pass Substitute	Pass
7/16/2013	1	Budget and Fiscal Management Committee	Deferred	
7/8/2013	1	Metropolitan King County Council	Introduced and Referred	

AN ORDINANCE authorizing the King County executive to enter into an interlocal agreement with the city of Seattle to implement a regional program to transfer development rights from rural and resource lands in King County into the city of Seattle.

### STATEMENT OF FACTS:

1. The Washington state Growth Management Act, chapter 36.70A RCW, establishes a policy of directing growth and development into urban areas, protecting rural and resource land and

encouraging the use of innovative tools like transfer of development rights to accomplish these outcomes.

2. The Growth Management Act encourages the conservation of productive agricultural and forest lands and the retention of open space to conserve fish and wildlife habitat and enhance recreational opportunities.

3. King County adopted a transfer of development rights program in 2001 to permanently preserve rural and resource lands by transferring rural development potential into existing incorporated and unincorporated urban areas; since 2001, the King County transfer of development rights program has protected one hundred forty-one thousand seven hundred sixty-five acres of rural and resource lands in unincorporated King County.

4. King County has worked with the city of Seattle to develop a means by which King County transfers of development rights may be used to increase density within the city to achieve conservation of rural farm and forest lands in the unincorporated areas.

5. The city of Seattle, by City Council Ordinance 124172, amended Seattle Municipal Code chapter 23.58 to allow the South Lake Union, Denny/Broad and Commercial Core areas of its downtown to be receiving areas for King County transfers of development rights, subject to an adopted interlocal agreement with King County.

6. The King County transfer of development rights bank currently holds one thousand two hundred six transferrable development rights, purchased from private rural farm and forest landowners, which would be eligible for sale to applicants seeking to take advantage of zoning incentives established by City Council Ordinance 124172. K.C.C. 21A.37.140 requires an interlocal agreement with receiving site cities prior to sale and transfer of transfer of development rights credits from the transfer of development rights bank.

7. The 2011 Washington state Legislature affirmed the value of regional transfers of

development rights by adopting Engrossed Substitute Senate Bill 5253, the Landscape Conservation and Local Infrastructure Program, codified as chapter 39.108 RCW.

8. Chapter 39.108 RCW creates a mechanism for the cities and counties to partner on regional transfer of development rights efforts and urban infrastructure investments to support urban growth simultaneous with rural and resource land conservation.

9. Chapter 39.108 RCW allows cities to accept development rights from county rural and resource lands to increase development capacity inside incorporated urban areas in exchange for cities receiving a portion of county property tax revenue generated from new construction in a designated Local Infrastructure Project Area ("LIPA"). Cities are required to invest these funds in infrastructure projects and public improvements that support the increased development growth in the LIPA.

10. Simultaneous with this ordinance, the Seattle City Council will take action on legislation that designates a LIPA and adopts the attached interlocal agreement.

11. Seattle city developer purchases of rural transfers of development rights for increased urban density are expected to generate approximately \$18,000,000 for land conservation and will protect roughly twenty-five thousand acres of rural farm and forest lands.

12. Development growth in the city's LIPA is expected to reach 40,400,000 new square feet over the next twenty-five years. This new construction will generate as much as \$98,000,000, present value (2012 dollars), in future King County general fund property tax revenue. In exchange for the city accepting eight hundred rural development rights, the county would transfer to the city 17.44 percent, which, based on a present value (2012 dollars), is approximately \$15,700,000, of the new general fund property tax revenue for up to twenty-five years; the county will retain the remaining 82.5 percent, which is approximately \$82,300,000, of the new tax revenue. After twenty-five years the revenue transfer to the city would stop, and the county would begin to

capture the full one hundred percent of its portion of property tax revenue. The city must use all of the revenues it receives from the county to invest in public improvements and infrastructure projects to support the additional urban development.

13. King County and the cities are authorized to enter into an interlocal agreement under chapter 39.34 RCW, the Interlocal Cooperation Act.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The executive is hereby authorized to enter into an interlocal agreement with the city of Seattle, containing language substantially similar to that provided in Attachment A to this ordinance, to implement chapter 39.108 RCW and, thereby, establish a regional program to transfer development rights from lands in King County's designated rural and resource areas into the city of Seattle.