



Skagit County Planning & Development Services

DALE PERNULA, AICP *Director*

JACK MOORE, CBCO *Building Official*

Supplemental Staff Report

From: Dale Pernula, AICP, Director

Re: Capital Facilities Plan 2015-2020 Q1 Update

Date: April 13, 2015

This memo addresses the public comments received during the written comment period between March 12 and April 7 and the testimony received at the public hearing April 7, and summarizes the proposed changes to the proposal. Please see the March 12 staff report to the Planning Commission for background on the proposal.

Mandatory collection of impact fees in UGAs

The Department received written comment letters from the cities of Mount Vernon and Sedro-Woolley. Both cities strongly desire to have County code *require* the County to collect impact fees inside the UGA for a city that has properly submitted the required documentation. That was also the holding of the Growth Management Hearings Board litigation between the County and the cities that concluded in the early 2000s.

The Department agrees with Mount Vernon and Sedro-Woolley that, as a matter of good public policy, the County should be collecting impact fees to cover the cost of development within a municipal UGA. The final proposed ordinance has a slight modification to the originally proposed language in SCC 14.30.020 that we believe addresses this issue.

Incorporation by Reference

The Department's general objective in the proposed code changes is to formalize and standardize the process by which the County adopts and collects impact fees for other governments. The existing code simply adopts several sections of Mount Vernon's code by reference; that adoption is problematic in several respects, and we continue to believe that incorporation should be repealed. The Department's proposed alternative is consistent with the terms of the 1997 interlocal agreement that provided that "Skagit County agrees to develop a process for the collection of the City's impact fees (Ordinance No. 2596) for the urban growth area."

School Districts

The County currently collects impact fees for two school districts—La Conner and Conway—that would stop receiving impact fees in this proposal. La Conner has not updated its Capital Facilities Plan since 2001; the 2013 Study and Survey that they submitted to the County is not compliant with the CFP requirements. Conway has a current CFP but has not recalculated its impact fee since 2001 and its CFP has no projects. We will work with the school districts to help them comply in advance of the next Capital Facilities Plan update.

Next Steps

After the Board adopts the proposal, per existing SCC 14.30.020, the County will need to execute interlocal agreements with each jurisdiction before collection of the fees to ensure that fees are collected and distributed properly.