

Skagit County Board of County Commissioners
Public Hearing: Impact Fee Schedule Proposed Updates
May 8, 2018

Commissioners: **Ken Dahlstedt, Chair**
 Ron Wesen
 Lisa Janicki

Staff: **Hal Hart, Planning Director**
 Ryan Walters, Assistant Planning Director

Public Hearing
Commenter: **Bill Nutting, Mount Vernon School District**

Chair Ken Dahlstedt: With that, we'll move right into the next session. Hal?

Hal Hart: Sure.

Ryan Walters: This is an update to our impact fee schedule. We collect impact fees on new development to cover the cost of development on public facilities and public services. We currently collect impact fees for the City of Mount Vernon, the City of Sedro-Woolley, the Mount Vernon School District, and the Sedro-Woolley School District. We take the amount of money that they themselves calculate is the appropriate amount to cover impacts on their facilities. We incorporate their plans into our plan and then we adopt their fee schedule into our fee schedule. Mount Vernon School District recently updated their calculations and they updated their plan. We updated our plan with their plan at the end of last year and now we are coming back to get their impact fee schedule integrated into our impact fee schedule.

Their impact fees right now are \$6658 for a single-family residence, \$875 for a multi-family residence. There's no impact fee on commercial because commercial development doesn't create impacts on schools. Their proposed change is to \$9421 on a single-family residence and \$1134 on a multi-family residence, and the ordinance in front of you would make *only* that change to the fee schedule. Everything else on the impact fee schedule would remain the same.

The County itself doesn't have any impact fees. We do not adopt impact fees for county roads or other services the County provides. We only do it on behalf of two of the Cities and two school districts that have asked us to do so. And we do have an administration fee to cover the cost of our collection and disbursement. And then we have interlocal agreements with three of those four entities to handle the administration of disbursement to the taxing entity and any refunds that might occur if you don't build the project or if some fee was calculated in error.

So I think we have at least one person here from Mount Vernon School District to provide comment, and we provided public notice of this. Anyone else is perfectly welcome to comment if you would like.

Commissioner Ron Wesen: Ryan, you mentioned we are collecting for the Cities. Those are Cities' urban growth area that they come to the County for a permit. It's not –

Mr. Walters: Correct.

Commissioner Wesen: – us getting building permits or anything inside the City. It's because it's the Mount Vernon urban growth area, the Sedro-Woolley urban growth area. We do the permits. We collect the fees that they set up.

Mr. Walters: Yes, if you think of them as concentric circles within the City, the City issues the permits and issues its own fees, including impact fees, within the urban growth area excluding the City. We do the permits and we collect the fees *for* the Cities – transmit those fees to the Cities – and the Cities are supposed to be spending those fees on building out infrastructure for – ultimately for annexation of the urban growth area.

Commissioner Lisa Janicki: And in this instance we're talking about the school district that lies – the Mount Vernon School District – outside of the City limits.

Mr. Walters: Right. Inside a City the City would handle all of this but outside the City –

Commissioner Janicki: It's whatever the boundaries are of the school district, not the UGA.

Mr. Walters: Right.

Commissioner Janicki: That was just – okay.

Commissioner Wesen: Thank you.

Chair Dahlstedt: So this is a public hearing. Anyone wishing to testify is welcome to come up to the podium. State your name and who you represent for the record. Bill, do you – great.

Bill Nutting: Thank you. So my name is Bill Nutting. I'm the Assistant Superintendent for the Mount Vernon School District. Unfortunately our Superintendent, Dr. Carl Bruner, couldn't be here this morning so sends his regards. Mr. Walters' summary and your questions and answers really took my summary, so I'm not compelled to – or have the need to say anything else. But I appreciate the opportunity to be here this morning.

Chair Dahlstedt: So, Bill, it's because the district is really growing as well, too, that you have these challenges. If maybe you could just share a little bit about that.

Mr. Nutting: You bet. We last – prior to November of 2017 we had last updated the capital facilities plan in 2014, and in those four years our enrollment had increased by approximately 4.1%. We are projecting continued enrollment growth by another 6.3% between now and 2023, so the impact fees would help offset the cost of construction that's driven by that new growth. And again, we're talking about the growth in the county in terms of our time here this morning.

Chair Dahlstedt: And would it be fair to say that currently the way the State has set this up you're almost a school behind before you're able to start collecting adequate fees for the future?

Mr. Nutting: Yeah, that is very true. We're very fortunate right now to be at the beginning phases of our capital projects work that was funded by a recent construction bond. Our first new elementary, which is one of several projects funded by that bond, is scheduled to open this September. That's up on East Division, called Rowley Elementary School. Right behind that, this summer Madison Elementary School will be demolished and rebuilt right on East Fir. But even

when those two elementary school projects are finished we will still have a number of unhoused students, if you will, housed in portables. But to your point, Commissioner Dahlstedt, that represents being behind and trying to always catch up with our capital facilities efforts.

Chair Dahlstedt: We can never have an ounce of prevention. We always have to have a pound of cure. So thank you. Any other questions for Bill while we – before we let him escape?

Commissioner Janicki: No.

Mr. Nutting: Well, thank you very much.

Commissioner Janicki: We appreciate you being here.

Chair Dahlstedt: Anyone else wishing to testify regarding the impact fees?

(silence)

Chair Dahlstedt: Hearing none –

Commissioner Janicki: I move we close the public hearing.

Commissioner Wesen: I second that.

Chair Dahlstedt: Okay, it's been moved and seconded to close the public hearing. All in favor, signify by saying "aye."

All Commissioners: Aye.

Chair Dahlstedt: The public hearing's closed (gavel). Commissioners, what is your pleasure?

Commissioner Janicki: I move we approve the ordinance updating the impact fee schedule as presented.

Commissioner Wesen: I second that.

Chair Dahlstedt: It's been moved and seconded to approve the ordinance as proposed and outlined by Commissioner Janicki. All in favor, signify by saying "aye."

All Commissioners: Aye.

Chair Dahlstedt: Opposed, same sign.

(silence)

Chair Dahlstedt: The motion carries (gavel).

(end of this agenda item)