

## Summary of Proposed Ordinance relating to School Impact Fees

This summary fulfills Washington State Growth Management Act and King County Code (K.C.C.) 20.18.100 requirements for a “plain language summary.”

The 1990 Growth Management Act (GMA) passed by the Washington State Legislature authorized the collection of impact fees to help fund school construction. Under the GMA, fees may be collected and spent only for school facilities needed to accommodate new student growth, and which are addressed by a capital facilities element of a comprehensive land use plan. King County incorporates the plans prepared by the school districts into the County's Comprehensive Plan. The amount of the impact fee for each district is determined by a formula that was adopted by the King County Council in 1994 through Ordinance 11621, Attachment A. Using the formula, impact fees have been calculated for new single-unit and multi-unit residences.

The State Legislature passed SB 5258 in the 2023 session, amending how impact fees must be calculated by local governments. The effect of the state legislation is to impose lower fees for smaller dwelling units relative to larger ones.

The proposed Ordinance brings King County’s regulations into conformance with this new state legislation. The primary change is impact fees will be calculated for three different housing unit types with two sub-categories, totaling six categories, compared with the existing two categories for each school district. The categories are 1) single detached units with three or more bedrooms, 2) single detached units with two or fewer bedrooms or, 3) duplex-houseplex-townhouse units with three or more bedroom, 4) duplex-houseplex-townhouse units with two or fewer bedrooms, 5) apartment units with two or more bedrooms, and 6) apartment units with one bedroom or less. The proposed Ordinance also changes the timing of fee payment for housing associated with a new preliminary plat to the time a complete building permit application is filed. Finally, the proposed Ordinance changes the school capital facility/impact fee update from an annual to a biennial cycle.

Ordinance Section	King County Code Section	Current Code	Proposed Change	Intent/Rationale
1	K.C.C. 21A.06.1260	Establishes definition for "student factor". This includes requiring school districts to use information associated with new housing development constructed five years prior to the date of the impact fee calculation.	<p>Proposes to allow school districts to use information representing a statically valid sample associated with new housing development constructed between five and ten years prior to the date of the impact fee calculation.</p> <p>Proposes to allow districts to use information associated with multi-family unit type for duplex-houseplex-townhouse unit if there is not sufficient information to calculate a student factor for the later use type.</p>	Provides flexibility by proposing to allow a wider range of data to be used when sufficient historic data is not available. Since duplex-houseplex-townhouse and apartments are proposed to be distinct categories, and no longer combined in a "multifamily" category, there is no historic data on which to draw for these new categories. This proposed change provides a way for districts to incorporate statistically valid data into fee development.

Ordinance Section	King County Code Section	Current Code	Proposed Change	Intent/Rationale
2	K.C.C. 21A.28.152	Requires school districts to submit capital facility plans and proposed school impact fees on an annual basis.	<p>School districts are proposed to be required to submit capital facility plans and proposed school impact fees on a biennial basis beginning after the submittal of districts' 2026 capital facility plans.</p> <p>Districts are proposed to be allowed to submit an amendment for the County to consider prior to the next biennial update. Amendments would be considered only once per year unless a school district and the County find an emergency exists.</p>	<p>The new fee structure will require significant work by the districts and a biennial update schedule reduces annual expenditure for district staff resources in the collection and analysis of data, calculating impact fees, and writing and approval of district capital facility plans.</p> <p>Including an annual option provides flexibility to districts.</p> <p>The proposed biennial schedule also provides greater predictability for residential home builders as impact fees may stay constant for a 2-year period.</p>
3	K.C.C. 21A.43.XXX	n/a	Proposes definitions of terms that are utilized to categorize school impact fees by unit type.	The school impact fees are calculated for residential unit types that differ from those defined in K.C.C. 21A.06. This section states which housing unit types are within each impact fee category.
4	K.C.C. 21A.43.030	<p>References an ordinance (11621) that specifies the methodology for how impact fees shall be calculated.</p> <p>Requires the calculation of two separate impact fees per school district: single-family and multi-family residential units.</p>	<p>Proposes to update the impact fee calculation methodology and adds it directly to the code instead of referring to a non-codified ordinance.</p> <p>Proposes the calculation of 6 separate impact fees per school district: 1) single detached units with three or more bedrooms, 2) single detached units with two or fewer bedrooms, 3) duplex-houseplex-townhouse units with three or more bedroom, 4) duplex-houseplex-townhouse units with two or fewer bedrooms, 5) apartment units with two or more bedrooms, and 6) apartment units with one bedroom or less.</p>	<p>Incorporating the impact fee methodology into the code rather than referencing an attachment to a separate ordinance is more transparent and accessible.</p> <p>The proposed new impact fee categories have been developed to align with the impact fee requirements of SB 5258.</p>

Ordinance Section	King County Code Section	Current Code	Proposed Change	Intent/Rationale
5	K.C.C. 21A.43.050	<p>Requires school impact fees to be assessed and half of the fee paid for a plat, planned unit development or urban plan development, at the time of the final approval with the balance paid when the building permit is issued.</p> <p>Requires school impact fee payment for residential permit or mobile home permit when the permit is issued.</p>	<p>Proposes to require all school impact fees to be assessed and paid when the residential building permit is issued.</p> <p>Clarifies that construction of a residential unit associated with a previously approved preliminary plat, or development agreement will be subject to the impact fees as provided for in the development's conditions of approval.</p>	<p>Proposes to change the timing of the payment because the school impact fees need to be based on the number of bedrooms associated with the residential unit, and a developer will likely not know the number of bedrooms for each future unit at the time of preliminary plat.</p> <p>Recognizes school impact fees were assessed and collected for previously approved development.</p>
6	n/a	n/a	Repeals Attachment A of Ordinance 11621.	Attachment A of Ordinance 11621 provides the existing methodology for calculating school impact fees and is proposed to be updated because it is not consistent with SB 5258. Incorporating the impact fee methodology into the code rather than referencing an attachment to a non-codified ordinance is more transparent and accessible.
7	n/a	n/a	n/a	Clarifies that the methodology as approved through the proposed Ordinance will be applied to school district capital facility plans submitted for the update process beginning in 2026.
8	n/a	n/a	Standard King County severability language.	Add to clarify that if part of the ordinance were found to be invalid, the remaining portion of the ordinance would not be affected.