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| Date Created: | 12/2/2024                |
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| Sponsors:     |                          |
| Attachments:  |                          |

1 ..Title

2 AN ORDINANCE relating to school impact fees;  
3 amending Ordinance 10870, Section 292, and K.C.C.  
4 21A.06.1260, Ordinance 11621, Section 89, as amended,  
5 and K.C.C. 21A.28.152, Ordinance 1162, Section 112, as  
6 amended, and K.C.C. 21A.43.030, and Ordinance 11621,  
7 Section 114, as amended, and K.C.C. 21A.43.050, adding a  
8 new section to K.C.C. chapter 21A.43, and repealing  
9 Ordinance 11621.<sup>1</sup>

10 ..Body

11 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

12 SECTION 1. Ordinance 10870, Section 292, and K.C.C. 21A.06.1260 are hereby  
13 amended as follows:

14 Student factor: the number derived by a school district to describe how many  
15 students of each grade span are expected to be generated by a dwelling unit. Student  
16 factors shall be based on district records of average actual student generated rates for ~~((new~~  
17 ~~developments))~~ a statistically valid sample of newly constructed residential units over a  
18 period of ~~((not more than))~~ between five years ~~((prior to))~~ and ten years before the date of  
19 the fee calculation~~((;)).~~ ~~((i))~~If such information is not available in the district, data from

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<sup>1</sup>The base code for this proposed ordinance incorporates changes shown by proposed ordinance 2023-0440, which contains changes to the King County Code proposed to be made as part of the 2024 King County Comprehensive Plan update and as reflected in the engrossed version of the Local Services and Land Use Committee’s recommendation to the full Council from June 2024

20 adjacent districts, districts with similar demographics, or county wide averages must be  
21 used; however, a district may use its calculated student generation rate for the multifamily  
22 stacked units category for the duplex-houseplex-townhouse units if there is insufficient data  
23 in the district to calculate a student factor for duplex-houseplex-townhouse units. Student  
24 factors must be separately determined for ~~((single family and multifamily dwelling units,))~~  
25 each residential unit type identified in K.C.C. 21A.42.030 and for grade spans.

26 SECTION 2. Ordinance 11621, Section 89, as amended, and K.C.C. 21A.28.152  
27 are hereby amended to read as follows:

28 A. Subject to subsection E of this section, ((Θ))on a((n-annual)) biennial basis,  
29 commencing with the update process occurring in 2026 for fees effective on January 1,  
30 2027, each school district shall electronically submit the following materials to the chair  
31 of the school technical review committee created in accordance with K.C.C. 21A.28.154:

- 32 1. The school district's capital facilities plan adopted by the school board that is  
33 consistent with the Growth Management Act;
- 34 2. The school district's enrollment projections over the next six years, its current  
35 enrollment, and actual enrollment from the previous year;
- 36 3. The school district's standard of service, which may include criteria such as  
37 class size, student-teacher ratios, sports field sizes, building requirements, or other  
38 criteria established by state statute or school district policy;
- 39 4. An inventory and evaluation of school district facilities that address the  
40 school district's standard of service; and

41           5. The school district's overall capacity over the next six years, which shall be a  
42 function of the school district's standard of service as measured by the number of students  
43 that can be housed in school district facilities.

44           B. To the extent that the school district's standard of service reveals a deficiency  
45 in its current facilities, the school district's capital facilities plan shall demonstrate a plan  
46 for achieving the standard of service(( $\bar{r}$ )) and shall identify the sources of funding for  
47 building or acquiring the necessary facilities to meet the standard of service.

48           C. Facilities to meet future demand shall be designed to meet the adopted  
49 standards of service. If sufficient funding is not projected to be available to fully fund a  
50 school district capital facilities plan that meets the standard of service, the school  
51 district's capital plan should document the reason for the funding gap.

52           D. In accordance with RCW 82.02.070, if an impact fee ordinance has been  
53 adopted on behalf of a school district, the King County finance and business operations  
54 division, or successor agency, shall send the chair of the committee a report showing the  
55 source and amount of all fees collected, interest earned on behalf of each school district,  
56 the amount of moneys distributed to each school district, and the system improvements  
57 that were financed in whole or in part by impact fees and the amount of moneys  
58 expended as reported by the school district. The chair of the committee shall provide a  
59 copy of each report to the respective school district.

60           E. Each school district shall annually report on their use of moneys to the chair of  
61 the committee showing the capital improvements that were financed in whole or in part  
62 by the impact fees. The chair of the committee shall use the information to confirm

63 expenditures with the department of executive services, finance and business operations  
64 division, and to verify compliance with RCW 82.02.070.

65 F. Following the update process commencing in 2026 and in each year thereafter,  
66 in the event a district desires to amend its capital facilities plan prior to the next biennial  
67 update, the district may propose an amendment to be considered by the county no more  
68 than once per year unless the district's board of directors declares, and the county finds,  
69 that an emergency exists.

70 NEW SECTION. SECTION 3. There is hereby added to K.C.C. 21A.43 a new  
71 section to read as follows:

72 Except as otherwise provided in K.C.C. chapter 21A.06, the following definitions  
73 shall apply for purposes of this chapter:

74 A. "Apartment" units shall have the same meaning as that term is defined in  
75 K.C.C. chapter 21A.06 except that it does not include a townhouse.

76 B. "Duplex-houseplex-townhouse" units shall have the meaning as duplex,  
77 houseplex, townhouse, and cottage housing as each of these terms are defined  
78 individually in K.C.C. chapter 21A.06.

79 C. "Dwelling unit type" shall mean apartment units, duplex/houseplex/townhouse  
80 units, and single detached units set forth in K.C.C. 21A.43.030.B.

81 D. "Single detached units" shall mean single detached residences and mobile  
82 home units.

83 SECTION 4. Ordinance 11621, Section 112, as amended, and K.C.C.  
84 21A.43.030 are hereby amended to read as follows:

85 A. The fee for each district shall be calculated based on the formula set out in  
86 ~~((Attachment A to Ordinance 11621))~~ subsection F. of this section.

87 B. Separate fees shall be calculated for the following dwelling unit types: single  
88 detached ~~((and multiunit residential))~~ units ~~((and))~~ with three or more bedrooms, single  
89 detached units with two or fewer bedrooms, duplex-houseplex-townhouse units with  
90 three or more bedrooms, duplex-houseplex-townhouse units with two or fewer bedrooms,  
91 apartment units with two or more bedrooms, and apartment units with one bedroom or  
92 less. ~~((s))~~ Separate student generation rates shall be determined by the district for each  
93 ~~((type of residential unit. For purposes of this chapter, "single detached units" means~~  
94 ~~single detached residences, and "multiunit units" means duplexes, houseplexes, cottage~~  
95 ~~housing, townhouses, and apartments))~~ dwelling unit type listed in this subsection.

96 C. The fee shall be calculated on a district-by-district basis using the appropriate  
97 factors and data to be supplied by the district, as indicated in ~~((Attachment A to~~  
98 ~~Ordinance 11621))~~ subsection F of this section. The fee calculations shall be made on a  
99 district-wide basis to assure maximum utilization of all school facilities in the district  
100 used currently or within the last two years for instructional purposes.

101 D. The formula in ~~((Attachment A to Ordinance 11621))~~ subsection F. of this  
102 section also provides a credit for the anticipated tax contributions that would be made by  
103 the development based on historical levels of voter support for bond issues in the school  
104 district.

105 E. The formula in ~~((Attachment A to Ordinance 11621))~~ subsection F. of this  
106 section also provides for a credit for school facilities or sites actually provided by a  
107 developer that the school district finds to be acceptable.

108 F. The fee for each dwelling unit type shall be calculated based on the following  
109 formula:

110 IF:

111 A = (Student Factor for Dwelling Unit Type and grade span) X (site cost per  
112 student for sites for facilities in that grade span) = Full cost Fee for site  
113 acquisition cost

114 B = (Student factor for Dwelling Unit Type and grade span) X (school  
115 construction cost per student for facilities in that grade span) X (ratio of  
116 district's square footage of permanent facilities to total square footage of  
117 facilities) = Full cost Fee for school construction

118 C = (Student Factor for Dwelling Unit Type and grade span) X (relocatable  
119 facilities cost per student for facilities in that grade span) X (ratio of district's  
120 square footage of relocatable facilities to total square footage of facilities) =  
121 Full cost Fee for facilities construction

122 D = (Student Factor for Dwelling Unit Type and grade span "CCA") X (SPI  
123 Square Ft per student factor) X (SCAP %) = SCAP, and

124 A1, B1, C1, D1 means the A, B, C, D for elementary grade spans

125 A2, B2, C2, D2 means the A, B, C, D for middle/junior high grade spans

126 A3, B3, C3, D3 means the A, B, C, D for high school grade spans

127 TC = Tax payment credit = (The net present value of the Average Assessed Value  
128 in District for Unit Type) X (Current School District Capital Property Tax  
129 Levy Rate), using a 10-year discount period and current interest rate (based on  
130 the Bond Buyer Twenty Bond General Obligation Bond Index)

131 FC = Facilities Credit = The per-dwelling-unit value of any site or facilities  
132 provided directly by the development

133 THEN the unfunded need (UN) = A1 + A2 + A3 + B1 + B2 + B3 + C1 + C2 + C3 - (D1-  
134 D2-D3) - TC

135 AND the developer fee obligation (F) = UN ÷ 2

136 AND the net fee obligation (NF) = F - FC

137 WHERE:

138 1. Student factor is defined in K.C.C. 21A.06.1260. The district student factors  
139 must be separately determined for each Dwelling Unit Type identified in K.C.C.  
140 21A.42.030, and for grade spans;

141 2. The "Construction Cost Allocation" or "CCA" means the maximum cost per  
142 square foot of construction that the state will recognize for purposes of the School  
143 Construction Assistance Program. This amount is established by the state legislature in  
144 the biennium budget;

145 3. "School Construction Assistance Program" or "SCAP" funding means the  
146 anticipated funding the district expects to receive from the state toward a capacity project  
147 included in the formula;

148 4. SPI square footage per student means the space allocations per grade span  
149 determined by WAC 180-27-035; and

150 5. The district is to provide its own site and facilities standards and projected  
151 costs to be used in the formula, consistent with the requirements of this ordinance.

152 SECTION 5. Ordinance 1162, Section 114, as amended, and K.C.C. 21A.43.050  
153 are hereby amended to read as follows:

154           A. In school districts where impact fees have been adopted by county ordinance  
155 and except as provided in K.C.C. 21A.43.080, the county shall collect impact fees, based  
156 on the schedules in each ordinance establishing the fee to be collected for the district,  
157 from any applicant seeking ~~((development approval from the county where such~~  
158 ~~development activity requires final plat approval or the issuance of))~~ a residential  
159 building permit or a manufactured home permit and the fee for the lot or unit has not  
160 been previously paid. The fee shall be calculated based on the district's impact fee  
161 schedule adopted in accordance with K.C.C. Title 27 and in effect at the time a complete  
162 building permit application is filed, except for fees deferred pursuant to subsection C. of  
163 this section. Approval shall not be granted and a permit shall not be issued until the  
164 required school impact fees in the district's impact fee schedule contained in K.C.C. Title  
165 27 have been paid.

166           B. ~~((For a plat applied for on or after the effective date of the ordinance adopting~~  
167 ~~the fee for the district in question receiving final approval, fifty percent of the impact fees~~  
168 ~~due on the plat shall be assessed and collected from the applicant at the time of final~~  
169 ~~approval, using the impact fee schedules in effect when the plat was approved. The~~  
170 ~~balance of the assessed fee shall be allocated to the dwelling units in the project, and shall~~  
171 ~~be collected when the building permits are issued. Residential developments proposed~~  
172 ~~for short plats shall be governed by subsection D. of this section.~~

173           C. ~~If, on the effective date of an ordinance adopting an impact fee for a district, a~~  
174 ~~plat has already received preliminary approval, such plat shall not be required to pay fifty~~  
175 ~~percent of the impact fees at the time of final approval, but the impact fees shall be~~  
176 ~~assessed and collected from the lot owner at the time the building permits are issued,~~



177 using the impact fee schedules in effect at the time of building permit application. If, on  
178 the effective date of a district's ordinance, an applicant has applied for preliminary plat  
179 approval, but has not yet received such an approval, the applicant shall follow the  
180 procedures in subsection B. of this section.

181 ~~D. For existing lots or lots not covered by subsection B. of this section,~~  
182 ~~application for single detached and multiunit residential building permits, manufactured~~  
183 ~~home permits, and site plan approval for manufactured home communities, the total~~  
184 ~~amount of the impact fees shall be assessed and collected from the applicant when the~~  
185 ~~building permit is issued, using the impact fee schedules in effect at the time of permit~~  
186 ~~application.~~

187 ~~E. Any application))~~ Notwithstanding K.C.C. 21A43.050, the impact fee for the  
188 construction of any dwelling units, for which payment of impact fees was a condition of  
189 approval for preliminary plat ((approval or rezone that has been approved subject to  
190 conditions requiring the payment of impact fees established in accordance with this  
191 chapter)) or development agreement, shall be ((required to pay the fee)) in accordance  
192 with the condition of approval of the preliminary plat or development agreement.

193 ~~((F.))~~ C. In lieu of impact fee payment under subsections A. through E. of this  
194 section, each applicant for a single detached residential construction permit may request  
195 deferral of impact fee collection for up to the first twenty single detached residential  
196 construction building permits per year. Applicants shall be identified by their contractor  
197 registration numbers. Deferred payment of impact fees shall occur either at the time of  
198 final permit inspection by the department of local services, permitting division, or  
199 eighteen months after the building permit is issued, whichever is earlier.

200            SECTION 6. Ordinance 11621, Attachment A is hereby repealed.

201            SECTION 7. This ordinance applies to the capital facilities plans submitted for  
202 the update process commencing in 2026 and to plans submitted thereafter and the  
203 resulting fee schedules adopted in accordance with K.C.C. Title 27.

204            SECTION 8. Severability. If any provision of this ordinance or its application to  
205 any person or circumstance is held invalid, the remainder of the ordinance or the  
206 application of the provision to other persons or circumstances is not affected.