



Snohomish County

Planning and Development Services

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MEMORANDUM

TO: Councilmember Nate Nehring, Council Chair
Councilmember Megan Dunn, Council Vice-Chair
Councilmember Strom Peterson, District 3
Councilmember Jared Mead, District 4
Councilmember Sam Low, District 5

Dave Somers
County Executive

VIA: Michael McCrary, Director
Planning and Development Services

FROM: Eileen Canola, Senior Planner

SUBJECT: Proposed amendments regarding school impact fees for smaller housing units – responding to recent changes in RCW 82.02.060

DATE: February 26, 2025

PURPOSE

The purpose of this memorandum is to inform the County Council that since the Planning Commission hearing on January 28, 2025, on this proposal, changes were made and reflected in the proposed ordinance, that differ from code amendments to Chapter 30.66C of the Snohomish County Code (SCC) that the Planning Commission at its hearing, voted on and recommend that the County Council approve.

The changes to the proposed amendments to Chapter 30.66C SCC were made in response to comments received from the Washington State Department of Commerce on February 20, 2025, as part of the County's 60-day notice for adoption of amendments.

The background information can be found in greater detail in the Planning Commission staff report dated November 13, 2024. However, in summary the proposed amendments to Chapter 30.66C SCC respond to Engrossed Second Substitute Senate Bill (E2SSB) 5258, relating to increasing the supply and affordability of condominium units and townhouses as an option for homeownership, which took effect on July 23, 2023, and amended RCW 82.02.060 by adding language to subsection (1) and adding a new subsection (10):

- RCW 82.02.060(1): Added the following language: "The schedule shall reflect the proportionate impact of new housing units, including multifamily and condominium units, based on the square footage, number of bedrooms, or trips generated, in the housing unit in order to produce a proportionally lower impact fee for smaller housing units."
- RCW 82.02.060(10) was added: "(10) Must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements

of this section to take effect six months after the jurisdiction's next periodic comprehensive plan update required under RCW 36.70A.130.”

COMMERCE GUIDANCE DOCUMENT

The Washington State Department of Commerce is in the process of developing a *Proportional Fee & System Connection Fee Guidance* with the following target dates:

- March / April 2025 - draft guidance out for 30-day public review, and
- May 2025 - finalizing the Commerce guidance document.

Objectives of guidance document are to provide:

- a comprehensive resource for local governments and utility providers in the development of proportional Impact Fees and system development charges, and
- alignment with recent changes in legislation and consideration of local conditions.

CHANGES TO PROPOSED AMENDMENTS SINCE PLANNING COMMISSION HEARING

Since the Planning Commission hearing on January 28, 2025, there were a few changes to the proposed amendments reflected in the proposed ordinance and summarized below. Attachment A to this staff report provides a more detailed comparison between the Planning Commission hearing amendments and those contained in the proposed ordinance.

Summary of changes to proposed amendments:

- SCC 30.66C.040: The proposed amendments to SCC 30.66C.040 in the attached ordinance adds the date of January 1, 2025, for school district capital facilities plans to incorporate the new categories for smaller and larger housing units as contained in Table SCC 30.66C.100(1)(a) of the ordinance. The ordinance also lists out each housing type with the corresponding smaller and larger housing unit, whereas the version at the Planning Commission hearing grouped these categories.
- SCC 30.66C.100: The proposed amendments to SCC 30.66C.100 in the attached ordinance streamline the proposed amendments and clarify that Table SCC 30.66C.100(1)(a) applies to school impact fees adopted after January 1, 2025. Language is also included to reference the intent of RCW 82.02.060 that proposed impact fees using Table SCC 30.66C.100(1)(a) produce a proportionately lower impact fee for smaller residential units.
- New amendments to SCC 30.66C.110: The attached ordinance includes amendments to SCC 30.66C.110 to exempt accessory dwelling units from school impact fees that were not included in the Planning Commission hearing version. Accessory dwelling units are considered subordinate to a single family residence, per SCC 30.28.010, and therefore are not subject to school impact fees.

STAFF RECOMMENDATION

Staff recommends approval of the proposed code amendments and findings contained in the attached ordinance.

cc: Ken Klein, Executive Director
Mike McCrary, PDS Director
David Killingstad, PDS Long Range Planning Manager
Ryan Hembree, Council Legislative Analyst

Attachments:

Attachment A—Changes to proposed code amendments since Planning Commission Hearing

Attachment A: Changes to proposed code amendments since Planning Commission Hearing

Planning Commission Hearing Version	Ordinance Version
<p>30.66C.040 Minimum requirements for district capital facilities plans.</p> <p>To be eligible for school impact fees, districts must submit capital facilities plans to then county pursuant to the procedure established by this chapter. District capital facilities plans shall contain data and analysis necessary and sufficient to meet the requirements of the GMA and Appendix F of the comprehensive plan <u>including expected student generation rates from the following residential unit types:</u></p> <ul style="list-style-type: none"> • <u>single-family, duplexes, and townhomes: two bedrooms or less, and three bedrooms or more; and</u> • <u>multifamily: one bedroom or less, and two bedrooms or more.</u> <p>The plans must provide sufficient detail to allow computation of school impact fees according to the formula contained in SCC 30.66C.045. Additional elements may be contained within a school district capital facilities plan, provided that any such additional elements are consistent with those mandatory elements outlined in Appendix F.</p>	<p>30.66C.040 Minimum requirements for district capital facilities plans.</p> <p>To be eligible for school impact fees, districts must submit capital facilities plans to the county pursuant to the procedure established by this chapter. District capital facilities plans <u>submitted after January 1, 2025,</u> shall contain data and analysis necessary and sufficient to meet the requirements of the GMA and Appendix F of the comprehensive plan <u>including expected student generation rates from the following residential unit types:</u></p> <ol style="list-style-type: none"> 1. <u>single-family - two bedrooms or less;</u> 2. <u>single family - three bedrooms or more;</u> 3. <u>duplexes and townhomes - two bedrooms or less;</u> 4. <u>duplexes and townhomes - three bedrooms or more;</u> 5. <u>multi-family - one bedroom or less; and</u> 6. <u>multi-family - two bedrooms or more.</u> <p>The plans must provide sufficient detail to allow computation of school impact fees according to the formula contained in SCC 30.66C.045. Additional elements may be contained within a school district capital facilities plan, provided that any such additional elements are consistent with those mandatory elements outlined in Appendix F.</p>
<p>30.66C.100 Fee required.</p> <p>(1) Each development, as a condition of approval, shall be subject to the school impact fee established pursuant to this chapter. The school impact fee shall be calculated in accordance with the formula established in SCC 30.66C.045.</p> <p>(2) The fees listed in Table 30.66C.100(1) represent one-half of the amount calculated by each school district in its respective capital facilities plan in accordance with the formula identified in SCC 30.66C.045.</p> <p>(3) The payment of school impact fees will be required prior to issuance of building permits, except as provided in SCC 30.66C.200(2). The amount of the fee due shall be based on the fee schedule in effect at the time of filing a complete application for development. For building permit applications received by the department more than five years after the filing of a complete application for development, the amount of the fee due shall be based on the fee schedule in effect at the time of building permit application.</p> <p>(4) The department shall maintain and provide to the public upon request a table summarizing the schedule of school impact fees for each school district within the county.</p> <p>(5) The fees set forth in Table 30.66C.100(1) apply to developments that vest to county development regulations from January 1, 2025, to December 31, 2026.</p> <p>(6) Building permits submitted after January 1, 1999, for which prior plat approval has been obtained under chapter 30.66C SCC as codified prior to January 1, 1999, shall be subject to the school impact fees established pursuant to this chapter, as set forth in this section, except as provided in SCC 30.66C.010(2).</p> <p>7) <u>Beginning with the expiration of the CFPs that are effective on January 1, 2025, subsequent updates of participating school districts' CFPs shall calculate separate impact fees for the following dwelling unit types: two-bedrooms or less single family; two-bedrooms or less duplex and townhome units; three bedrooms or more single family; three bedrooms or more duplex and townhome units; one bedroom or less multi-family units; two bedrooms or more multifamily units as required by Table 30.66C.100(1)(a).</u></p> <p><u>The effective date of Table 30.66C.100(1a) is January 1, 2027, to be used for school impact fees based on the County's biennial update to school district capital facilities plans in 2026.</u></p>	<p>30.66C.100 Fee required.</p> <p>(1) Each development, as a condition of approval, shall be subject to the school impact fee established pursuant to this chapter. The school impact fee shall be calculated in accordance with the formula established in SCC 30.66C.045.</p> <p>(2) The fees listed in Table 30.66C.100(1) represent one-half of the amount calculated by each school district in its respective capital facilities plan in accordance with the formula identified in SCC 30.66C.045.</p> <p>(3) The payment of school impact fees will be required prior to issuance of building permits, except as provided in SCC 30.66C.200(2). The amount of the fee due shall be based on the fee schedule in effect at the time of filing a complete application for development. For building permit applications received by the department more than five years after the filing of a complete application for development, the amount of the fee due shall be based on the fee schedule in effect at the time of building permit application.</p> <p>(4) The department shall maintain and provide to the public upon request a table summarizing the schedule of school impact fees for each school district within the county.</p> <p>(5) The fees set forth in Table 30.66C.100(1) apply to developments that vest to county development regulations from January 1, 2025, to December 31, 2026.</p> <p>(6) Building permits submitted after January 1, 1999, for which prior plat approval has been obtained under chapter 30.66C SCC as codified prior to January 1, 1999, shall be subject to the school impact fees established pursuant to this chapter, as set forth in this section, except as provided in SCC 30.66C.010(2).</p> <p>(7) <u>After January 1, 2025, to produce a proportionally lower impact fee for smaller housing units and further implement the requirements of RCW 82.02.060, all new or updated capital facilities plans shall calculate separate impact fees for the following dwelling types: single family two bedrooms or less; single family three bedrooms or more; duplex and townhome two bedrooms or less; duplex and townhome three bedrooms or more; multi-family one bedroom or less; multi-family two bedrooms or more as required by Table 30.66C.100(1)(a).</u></p>

Attachment A: Changes to proposed code amendments since Planning Commission Hearing

Planning Commission Hearing Version					Ordinance Version				
SCHOOL DISTRICT	SINGLE FAMILY per dwelling unit	MULTI-FAMILY 1-BEDROOM per dwelling unit	MULTI-FAMILY 2+ BEDROOMS per dwelling unit	DUPLEXES AND TOWNHOMES per dwelling unit	SCHOOL DISTRICT	SINGLE FAMILY per dwelling unit	MULTI-FAMILY 1-BEDROOM per dwelling unit	MULTI-FAMILY 2+ BEDROOMS per dwelling unit	DUPLEXES AND TOWNHOMES per dwelling unit
Arlington No. 16	\$544	\$0	\$0	\$441	Arlington No. 16	\$544	\$0	\$0	\$441
Edmonds No. 15	\$0	\$0	\$0	\$0	Edmonds No. 15	\$0	\$0	\$0	\$0
Everett No. 2	\$12,556	\$0	\$4,257	\$4,257	Everett No. 2	\$12,556	\$0	\$4,257	\$4,257
Granite Falls No.	\$6,368	\$0	\$3,160	\$3,160	Granite Falls No.	\$6,368	\$0	\$3,160	\$3,160
Lake Stevens No. 4	\$13,730	\$0	\$741	\$2,627	Lake Stevens No. 4	\$13,730	\$0	\$741	\$2,627
Lakewood No. 306	\$0	\$0	\$0	\$0	Lakewood No. 306	\$0	\$0	\$0	\$0
Monroe No. 103	\$0	\$0	\$0	\$0	Monroe No. 103	\$0	\$0	\$0	\$0
Mukilteo No. 6	\$0	\$1,148	\$2,985	\$0	Mukilteo No. 6	\$0	\$1,148	\$2,985	\$0
Northshore No. 417	\$15,159	\$0	\$254	\$5,414	Northshore No. 417	\$15,159	\$0	\$254	\$5,414
Snohomish No. 201	\$5,361	\$0	\$1,357	\$5,462	Snohomish No. 201	\$5,361	\$0	\$1,357	\$5,462
Sultan No. 311	\$14,002	\$0	\$7,161	\$7,161	Sultan No. 311	\$14,002	\$0	\$7,161	\$7,161

SCHOOL DISTRICT	SINGLE FAMILY, 2 BEDROOMS OR LESS PER DWELLING UNIT	SINGLE FAMILY, 3 BEDROOMS OR MORE PER DWELLING UNIT	DUPLEXES, AND TOWNHOMES 2 BEDROOMS OR LESS PER DWELLING UNIT	DUPLEXES, AND TOWNHOMES 3 BEDROOMS OR MORE PER DWELLING UNIT	MULTI-FAMILY 1 BEDROOM OR LESS PER DWELLING UNIT	MULTI-FAMILY 2 BEDROOMS OR MORE PER DWELLING UNIT

SCHOOL DISTRICT	SINGLE FAMILY, 2 BEDROOMS OR LESS PER DWELLING UNIT	SINGLE FAMILY, 3 BEDROOMS OR MORE PER DWELLING UNIT	DUPLEXES, AND TOWNHOMES 2 BEDROOMS OR LESS PER DWELLING UNIT	DUPLEXES, AND TOWNHOMES 3 BEDROOMS OR MORE PER DWELLING UNIT	MULTI-FAMILY 1 BEDROOM OR LESS PER DWELLING UNIT	MULTI-FAMILY 2 BEDROOMS OR MORE PER DWELLING UNIT

Attachment A: Changes to proposed code amendments since Planning Commission Hearing

Planning Commission Hearing Version	Ordinance Version
<p>30.66C.110 Impact fee schedule - exemptions. The council may, on a case-by-case basis, grant exemptions to the application of the fee schedule for low-income housing as defined in SCC 30.91H.220 and in accordance with the conditions specified under RCW 82.02.060(2). To qualify for the exemption, the developer shall submit a petition to the director for consideration by the council prior to application for building permit. Conditions for such approvals shall meet the requirements of RCW 82.02.060(2) and include a requirement for a covenant to assure the project's continued use for low-income housing. The covenant shall be an obligation that runs with the land upon which the housing is located, and shall be recorded against the title of the real property.</p>	<p>30.66C.110 Impact fee schedule - exemptions. <u>(1)</u> The council may, on a case-by-case basis, grant exemptions to the application of the fee schedule for low-income housing as defined in SCC 30.91H.220 and in accordance with the conditions specified under RCW 82.02.060(2). To qualify for the exemption, the developer shall submit a petition to the director for consideration by the council prior to application for building permit. Conditions for such approvals shall meet the requirements of RCW 82.02.060(2) and include a requirement for a covenant to assure the project's continued use for low-income housing. The covenant shall be an obligation that runs with the land upon which the housing is located, and shall be recorded against the title of the real property. <u>(2) Accessory dwelling units. Both detached and attached accessory dwelling units are exempt from school impact fees established in SCC 30.66C.100.</u></p>