

School Impact Fees for Small Housing Units

By: Planning and Development Services February 2025



Purpose

Propose amendments to Chapter 30.66C Snohomish County Code (SCC) to conform with amendments to state law, Revised Code of Washington (RCW) 82.02.060 by Engrossed Second Substitute Senate Bill (E2SSB) 5258

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5258

Chapter 337, Laws of 2023

68th Legislature 2023 Regular Session

CONDOMINIUMS AND TOWNHOUSES-CONSTRUCTION AND SALE-VARIOUS PROVISIONS

EFFECTIVE DATE: July 23, 2023—Except for section 9, which takes effect January 1, 2024.

Passed by the Senate April 21, 2023 Yeas 49 Nays 0 CERTIFICATE



Changes in State Law

E2SSB 5258, relating to increasing the supply and affordability of condominium units and townhouses as an option for homeownership took effect July 23, 2023, amending RCW 82.02.060:

- RCW 82.02.060(1): Added "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) 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 – In development

Washington State Department of Commerce is in the process of developing a *Proportional Fee & System Connection Fee Guidance*

- March / April 2025 draft guidance out for 30-day review
- May 2025 target for finalizing the Commerce guidance document

Objectives of guidance document:

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

GMA – Planning Goals RCW 36.70A.020

Planning Goal 4 "Housing. Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

Planning Goal 12 "Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards."



Authority and Development for County Impact Fee Program

State law (RCW 82.02.050 - .110 and WAC 365-196-850) authorizes counties and cities to establish impact fee program to:

- Ensure that adequate facilities are available to serve new growth and development.
- Promote orderly growth; new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development.
- Ensure that impact fees are imposed through established procedures.



County's Impact Fee Program

Snohomish County's School Impact Fee Program

- Contained in Chapter 30.66C Snohomish County Code (SCC)
- On biennial basis: school districts update their capital facilities plans (CFPs); and school impact fees are updated accordingly
- In 2024, 11 school districts submitted their CFPs and Council is considering these along with updated school impact fee table along with County budget ordinances.



Current Dwelling Types and Smaller Residential *Units* for School Impact Fees

Table 30.66C.100(1) School Impact Mitigation Fees

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
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Note: Only the Multi-family dwelling type separates out smaller units.



Summary of Proposed Amendments

Amend the following section of Chapter 30.66C SCC:

- SCC 30.66C.040, Minimum requirements for district capital facilities plans. To ensure that after January 1, 2025, support data and information for the development of school impact fees and the school districts' capital facilities plans reflect the dwelling types and number of smaller dwelling units in Table 30.66C.100(1)" School Impact Mitigation Fees".
- SCC 30.66C.100, Fee required. to add a new Table 30.66C.100(1))a) to be effective after January 1, 2025, that separates smaller residential units into distinct categories for each of the dwelling types (single family, multifamily, and townhouse/duplex). The multifamily dwelling unit category of one bedroom was changed to one bedroom or less. Add language that proposed school impact fees should result in proportionately lower impact fees for smaller residential units as intended by RCW 82.02.060
- SCC 30.66.110 to exempt accessory dwelling units from school impact fees.



Changes to Proposed Amendments Since Planning Commission Hearing

- 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.



Proposed Amendments to SCC 30.66C.040

30.66C.040 Minimum requirements for district capital facilities plans.

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 submitted after January 1, 2025, shall contain data and analysis necessary and sufficient to meet the requirements of the GMA and Appendix F of the comprehensive plan including expected student generation rates from the following residential unit types:

- 1. single-family two bedrooms or less;
- single family three bedrooms or more;
- duplexes and townhomes two bedrooms or less;
- duplexes and townhomes three bedrooms or more;
- 5. multi-family one bedroom or less; and
- multi-family two bedrooms or more.

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.



Proposed Amendments to SCC 30.66C.100

- Adds a subsection (7) to state that all new or updated school district capital facilities plans shall calculate impact fees based on the Table 30.66C.100(1)(a) and references the desired outcome in RCW 82.02.060 of smaller fees for smaller residential units.
- Provides for smaller housing units in the header in new Table 30.66C.100(1)(a)

Table 30.66C.100(1)(a) School Impact Mitigation Fees Adopted After January 1, 2025

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



Proposed Amendments to SCC 30.66C.110

Adds accessory dwelling units as exempt from school impact fees.

30.66C.110 Impact fee schedule - exemptions.

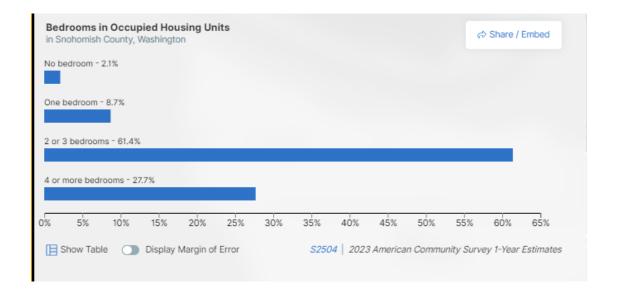
- (1) The council may, on a case-by-case basis, grant exemptions to the application of the fee schedule for low-income housing as defined in SCC 30.91H.220 and in accordance with the conditions specified under RCW 82.02.060(2). To qualify for the exemption, the developer shall submit a petition to the 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.
- (2) Accessory dwelling units. Accessory dwelling units both detached and attached are exempt from school impact fees.



Data to support Bedroom categories

King County's draft amendments indicates a similar breakdown for the Single-Family dwelling type

Source: ACS 1-Year Estimates Public Use Microdata Sample 2023		
Weight used: WGTP		
Selected Geographies	Total	
-> Total		336964
-> Total -> Total 0 bedrooms		8597
-> Total -> Total 1 bedroom		32461
-> Total -> Total 2 bedrooms		79046
-> Total -> Total 3 or more bedrooms		216860
-> Total -> Total N/A (GQ)		0





Outreach

School districts and school district consultants

Master Builders Association

Snohomish County Tomorrow – Planning Advisory Committee (PAC)

Early public input opportunity – draft amendments on Active Code Project web page



Next Steps







Complete 60-day notice to State
Department of Commerce for adoption



Planning Commission Hearing held on January 28, 2025



Questions

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Recently adopted amendments to school impact fee table and adoption of 11 school district CFPs

• 2024-1943 - Amended Ordinance 24-082

