

ORDINANCE NO. 302-2003

RELATING TO DEVELOPMENT IMPACT FEES, REPEALING CHAPTER 4.108 KITSAP COUNTY CODE, "DEVELOPMENT IMPACT FEES FOR TRANSPORTATION AND RECREATION FACILITIES", AND CHAPTER 4.112 KITSAP COUNTY CODE, "DEVELOPMENT IMPACT FEES FOR PUBLIC SCHOOL FACILITIES", AND ADDING A NEW CHAPTER 4.110, "IMPACT FEES", TO THE KITSAP COUNTY CODE

BE IT ORDAINED:

The Kitsap County Board of Commissioners makes the following findings:

1. New growth and development activity in Kitsap County including, but not limited to new residential, commercial, retail, office, and industrial development will create additional demand and need for public facilities in the County.
2. Kitsap County is authorized by Chapter 82.02 RCW to require new growth and development within Kitsap County to pay a proportionate share of the cost of new facilities to serve such new growth and development through the imposition of impact fees;
3. Impact fees imposed pursuant to Chapter 82.02 RCW must be based upon a showing that new development activity creates additional demand and need for public facilities, that the impact fees do not exceed a proportionate share of the costs of such additional public facilities, and that the fees are spent for facilities reasonably related to the new development;
4. The County is authorized by Chapter 82.02 RCW to impose impact fees for system improvement costs previously incurred by Kitsap County to the extent that new growth and development will be served by the previously constructed improvements;
5. Impact fees may be collected and spent for public facilities that are included within a capital facilities plan element of a comprehensive plan;
6. RCW 58.17.110 and RCW 58.17.060 require the Board and administrative personnel to make written findings that public facilities such as roads, streets, parks, recreation, open spaces, schools, and school grounds are adequate before approving proposed subdivisions, dedications, short plats, and short subdivisions;
7. New growth and development should pay a proportionate share of the cost of new facilities needed to serve the new growth and development.
8. The Board finds that it is in the public interest, and consistent with the intent and purposes of the Growth Management Act, Chapter 17, Laws of 1990, 1st Ex. Sess., RCW 36.70A et seq., and Chapter 32, Laws of 1991, 1st Sp. Sess., for local governments within and including Kitsap County to adopt impact fee ordinances which are uniform to the greatest extent practicable;

9. The Bremerton School District, Kitsap County, Washington, No. 100-C, is duly authorized to provide public education for residents of Kitsap County;

10. The Central Kitsap School District, Kitsap County, Washington, No. 401, is duly authorized to provide public education for residents of Kitsap County;

11. The North Kitsap School District, Kitsap County, Washington, No. 400, is duly authorized to provide public education for residents of Kitsap County;

12. The South Kitsap School District, Kitsap County, Washington, No. 402, is duly authorized to provide public education for residents of Kitsap County;

13. Kitsap County is authorized by Chapter 82.02 RCW to impose impact fees on behalf of and for the benefit of District No. 100-C, District No. 401, District No. 400, and District No. 402;

14. The County Treasurer serves as the treasurer for District No. 100-C, District No. 401, District No. 400, and District No. 402;

15. Kitsap County and District No. 100-C, District No. 401, District No. 400, District No. 402 are authorized by Chapter 39.34 RCW to enter into interlocal agreements for cooperative action, and Kitsap County and District No. 100-C, District No. 401, District No. 400, and District No. 402 wish to enter into interlocal agreements for the collection, expenditure, and reporting of school impact fees;

16. Kitsap County has conducted extensive studies documenting the procedures for measuring the impact of new developments on public facilities, including the Roads Study, Parks Study, and the Schools Studies. These studies are incorporated into this title by reference as follows:

- A. "Rate Study for Impact Fees for Roads," Kitsap County, dated May 16, 2003.
- B. "Rate Study for Impact Fees for Parks and Recreation Facilities," Kitsap County dated May 16, 2003.
- C. "Rate Study for Impact Fees for Bremerton Schools," Kitsap County, dated May 16, 2003;
- D. "Rate Study for Impact Fees for Central Kitsap Schools," Kitsap County, dated May 16, 2003;
- E. "Rate Study for Impact Fees for North Kitsap Schools," Kitsap County, dated May 16, 2003; and
- F. "Rate Study for Impact Fees for South Kitsap Schools," Kitsap County, dated May 16, 2003.

17. In developing the impact fees contained in this ordinance for public facilities, Kitsap County has provided adjustments for past and future taxes paid or to be paid by the new development which are earmarked or proratable to the same new public facilities that will serve the new development.

NOW, THEREFORE, pursuant to Chapter 82.02 RCW, the Board adopts this ordinance to impose impact fees for roads, parks, and schools.

REPEALER, Section 1. Chapter 4.108 Kitsap County Code, "Development Impact Fees for Transportation and Recreation Facilities", adopted by Ordinance 143-1992, is repealed, except that all impact fees imposed pursuant to that chapter shall remain an obligation on the property until paid in full.

REPEALER, Section 2. Chapter 4.112 Kitsap County Code, "Development Impact Fees for Public School Facilities", adopted by Ordinance 143-1992, is repealed, except that all impact fees imposed pursuant to that chapter shall remain an obligation on the property until paid in full.

NEW CHAPTER, Section 3. A new chapter 4.110, "Impact Fees", is added to the Kitsap County Code as follows:

PART I GENERAL PROVISIONS

Sections:

- 4.110.010 Definitions
- 4.110.020 Imposition of impact fees.
- 4.110.030 Exemptions
- 4.110.040 Credits
- 4.110.050 Tax adjustments
- 4.110.060 Appeals
- 4.110.070 Impact fee accounts for roads and parks
- 4.110.080 Interlocal agreements with school districts and impact fee accounts for schools
- 4.110.090 Refunds
- 4.110.100 Use of funds
- 4.110.110 Administrative guidelines and fees
- 4.110.120 Review

PART II IMPACT FEE RATES

Sections:

- 4.110.200 Road Impact Fee
- 4.110.210 Park Impact Fee
- 4.110.220 School Impact Fee
- 4.110.230 Independent Fee calculations

PART III MISCELLANEOUS PROVISIONS

- 4.110.300 Existing authority unimpaired
- 4.110.310 Rule of construction

PART I GENERAL PROVISIONS

Section 4.110.010 Definitions.

For purposes of this chapter, the following terms shall have the following meanings unless the context clearly requires otherwise. Terms not otherwise defined herein shall be defined pursuant to RCW 82.02.090 and, if not defined in RCW 82.02.090, shall be given their usual and customary meaning.

A "Building Permit" means an official document or certification which is issued by the County and which authorizes the construction, alteration, enlargement, conversion, reconstruction, remodeling, rehabilitation, erection, demolition, moving or repair of a building or structure.

B "Capital Facilities Plan" means the capital facilities plan element of a comprehensive plan adopted by the County pursuant to Chapter 36.70A RCW and such plan as amended.

C "Department" means the Department of Community Development

D "Development" or "Development Activity" means any construction, expansion, or change in the use of a building or structure that creates additional demand and need for public facilities, and requires a site development activity permit or certificate of occupancy.

E "Director" means the Director of the Department of Community Development or the Director's designee.

F "District No. 100-C" means the Bremerton School District No. 100-C, Kitsap County, Washington.

G. District No. 401" means the Central Kitsap School District No. 401, Kitsap County, Washington.

H. "District No. 400" means the North Kitsap School District No. 400, Kitsap County, Washington.

I. "District No. 402" means the South Kitsap School District No. 402, Kitsap County, Washington.

J. "Dwelling Unit" means a single unit providing complete and independent living facilities for one or more persons, including permanent facilities for living, sleeping, eating, cooking, and sanitation needs.

K. "Encumber" means to reserve, set aside, or otherwise earmark the impact fees in order to pay for commitments, contractual obligations, or other liabilities incurred for public facilities.

L. "Feepayer" is a person, corporation, partnership, incorporated association, or any other similar entity, or department or bureau of any governmental entity or municipal corporation which begins a development activity that creates the demand for additional system improvements and requires the issuance of a site development activity permit or certificate of occupancy. "Feepayer" includes an applicant for an impact fee credit.

M. "Gross Floor Area" means the total square footage of livable area of any dwelling unit and the gross leasable area square footage of any non-residential building, structure, or use, including accessory uses.

N. "Hearing Examiner" means the Examiner who acts on behalf of the Board in considering and applying land use regulatory codes as provided under Chapter

2.10 of the Kitsap County Code. Where appropriate, "Hearing Examiner" also refers to the office of the hearing examiner.

O. "Impact Fee" means a payment of money imposed by Kitsap County on development activity pursuant to this chapter in order to pay for the public facilities needed to serve new growth and development. "Impact fee" does not include a reasonable permit fee, an application fee, the administrative fee for collecting and handling school impact fees, or the cost of reviewing independent fee calculations.

P. "Impact Fee Account" or "Account" means the account(s) established for each service area for each type of public facility for which impact fees are collected. The Accounts shall be established pursuant to KCC 4.110.070 and .080 and comply with the requirements of RCW 82.02.070.

Q. "Independent Fee Calculation" means the road impact calculation, park impact calculation, school impact calculation, and/or economic documentation prepared by a feepayer, to support the imposition of an impact fee other than by the use of the rates listed in Part II, or the calculations prepared by the Director or the School District where none of the fee categories or fee amounts in Part II accurately describe or capture the impacts of the new development on public facilities.

R. "Interest" means the money earned from investing unexpended impact fees at the average interest rate earned in an impact fee account in the last fiscal year.

S. "Interlocal Agreement" or "Agreement" means an executed legal instrument that structures a binding relationship between Kitsap County and other public agencies as defined in and authorized by RCW 39.34.

T. "ITE Land Use Code" means the classification code number assigned to a type of land use by the Institute of Transportation Engineers in the 6th Edition of Trip Generation.

U. "Low-income housing" means:

- (1) an owner-occupied housing unit affordable to households whose household income is less than 80% of the Kitsap County median income, adjusted for household size, as determined by the United States Department of Housing and Urban Development (HUD), or
- (2) a renter-occupied housing unit affordable to households whose income is less than 60% of the Kitsap County median income, adjusted for household size, as determined by HUD.

In the event that HUD no longer publishes median income figures for Kitsap County, the County may use or determine such other method as it may choose to determine the Kitsap County median income, adjusted for household size. The Director will make a determination of sales prices or rents that meet the affordability requirements of this section. An applicant for a low-income housing exemption may be a public housing agency, a private non-profit housing developer, or a private developer.

V. "Certificate of Occupancy" means the certificate issued by Kitsap County where a development activity results in a change in use of the pre-existing structure, or the creation of a new use where none previously existed.

W. "Open Space" means for the purposes of this title public land that:

- (1) conserves or enhances natural, cultural or scenic resources;
- (2) protects streams, stream corridors, wetlands, natural shorelines and aquifers;
- (3) protects soil resources and unique or critical wildlife and native plant habitat;
- (4) promotes conservation principles by example or by offering educational opportunities;
- (5) enhances the value of parks, forests, wildlife preserves, nature reservations and other open spaces; or
- (6) preserves historic and/or archaeological sites.

X. "Owner" means the owner of record of real property, or a person with an unrestricted written option to purchase property; provided that, if the real property is being purchased under a recorded real estate contract, the purchaser shall be considered the owner of the real property.

Y. "Parks" means public parks, open space, and recreational facilities, including but not limited to ball fields, golf courses, athletic fields, soccer fields, swimming pools, tennis courts, volleyball courts, neighborhood parks, community parks, trails, passive public access, water access, and environmental education facilities.

Z. "Parks Study" means the "Rate Study for Impact Fees for Parks and Recreation Facilities," Kitsap County dated May 16, 2003.

AA. "Project Improvements" mean site improvements and facilities that are planned and designed to provide service for a particular development or users of the project, and are not system improvements. No improvement or facility included in a capital facilities plan adopted by the Board shall be considered a project improvement.

AB. "Public Facilities" means the following capital facilities owned or operated by Kitsap County or other governmental entities: (1) public streets and roads, (2) publicly owned parks, open space, and recreation facilities; and (3) public school facilities.

AC. "Residential" or "Residential Development" means all types of construction intended for human habitation. This shall include, but is not limited to, single-family, duplex, triplex, other multifamily development, mobile homes and manufactured homes.

AD. "Road" means a public street or road, or similar right-of-way including avenue, place, way, drive, lane, boulevard, highway, bridge and other thoroughfare, except an alley, which enables motor vehicles, transit vehicles, bicycles and pedestrians to travel between destinations, and affords the principal means of access to abutting property. A road includes the right-of-way, road base, paved surface, and associated appurtenances such as traffic signals, street and road lights, curb, gutter and sidewalk, and storm drains.

AE. "Road Study" means the "Rate Study for Impact Fees for Roads," Kitsap County, dated May 16, 2003.

AF. "School District" means one of the following Districts in Kitsap County, Washington or reference to any of these districts: Bremerton School District No. 100-C, the Central Kitsap School District No. 401, the North Kitsap School

District No. 400, or the South Kitsap School District No. 402, Kitsap County, Washington.

AG. "School Study" or "Schools Studies" means the "Rate Study for Impact Fees for Bremerton Schools," Kitsap County, dated May 16, 2003, the "Rate Study for Impact Fees for Central Kitsap Schools," Kitsap County, dated May 16, 2003, the "Rate Study for Impact Fees for North Kitsap Schools," Kitsap County, dated May 16, 2003, and/or the "Rate Study for Impact Fees for South Kitsap Schools," Kitsap County, dated May 16, 2003.

AH. "Service Area" means a geographic area identified in the park study, road study, or school study in which a defined set of public facilities provides service to development within the area.

AI. "Site Development Activity Permit" means all documents submitted as part of a Site Development Permit application, including but not limited to, drainage plans, grading plans, erosion and sedimentation control plans, hydrological analyses, geotechnical reports, soils investigation reports, and design analyses related to a land development project.

AJ. "State" means the State of Washington.

AK. "System Improvements" means public facilities that are included in Kitsap County's capital facilities plan and are designed to provide service to service areas within the community at large, in contrast to project improvements.

Section 4.110.020 Imposition of impact fees.

A. The County shall collect impact fees, based on the rates in Part II, from any applicant proposing any development activity within the County, where such development activity requires the issuance of a site development activity permit or certificate of occupancy. This shall include, but is not limited to, the development of residential, commercial, retail, office, and industrial land, and includes the expansion of existing uses that creates a demand for additional public facilities, as well as a change in existing use that creates a demand for additional public facilities.

B. For a change in use of an existing building or dwelling unit, including any alteration, expansion, replacement or new accessory building, the impact fee shall be the applicable impact fee for the land use category of the new use, less any impact fee previously paid for the land use category of the prior use. If no impact fee was required for the prior use, the impact fee for the new use shall be reduced by an amount equal to the current impact fee rate for the prior use.

C. For mixed use developments, impact fees shall be imposed for the proportionate share of each land use based on the applicable measurement in the impact fee rates set forth in Part II.

D. Impact fees shall not be collected from the following developments because they create no demand for additional public facilities, or their impacts are de minimus and not worth the cost of collecting an impact fee:

1. Alteration or expansion of an existing structure that does not add any residential units or expand the gross floor area of nonresidential structures by more than one hundred (100) square feet;
2. Miscellaneous improvements, including, but not limited to, fences, walls, signs, and residential swimming pools;

3. Demolition or removing of a structure within the County;
4. Replacement of a residential structure with a new residential structure of the same number of dwelling units at the same site or lot when a complete application for a building permit for such replacement is accepted by the County within twenty-four (24) months of the demolition or destruction of the prior residential structure. In the event that the prior residential structure paid an impact fee to the County, there shall be no impact fee charged for the replacement structure regardless of how much time elapses between the demolition or destruction and the application for a building permit for the replacement.
5. Replacement of a non-residential structure with a new non-residential structure of the same size and use at the same site or lot when a complete application for a building permit for such replacement is accepted by the County within twelve (12) months of the demolition or destruction of the prior nonresidential structure. A replacement nonresidential structure shall be interpreted to be the same size as the prior nonresidential structure if the gross floor area of the building will not be increased by more than one hundred (100) square feet.
6. Installation of a mobile home or manufactured home at a site for which the impact fee was paid by or on behalf of another mobile home or manufactured home that has relocated outside the road impact fee service area and/or the same school impact fee service area in which the impact fee was paid.
7. Relocation of a mobile home or manufactured home within the same road impact fee service area and/or the same school impact fee service area in which the impact fee was paid by the mobile home or manufactured home that is being relocated. This provision may not be combined with the provisions of paragraph 4 above to create an additional dwelling unit for which no impact fee is applicable.

E. Impact fees shall be paid at the time the site development activity permit or certificate of occupancy is issued for each unit in the development, using the impact fee rates in effect at the time of permit issuance. In the event that a development requires both a site development activity permit and a certificate of occupancy, the impact fee shall be paid at the time the certificate of occupancy is issued.

F. The Department shall not issue the required site development activity permit or certificate of occupancy unless and until the impact fees set forth in Part II have been paid in the amount that they exceed exemptions or credits provided pursuant to Sections 4.110.030 or 4.110.040.

Section 4.110.030 Exemptions.

A. Except as provided for below, the following shall be exempted from the payment of all impact fees:

1. Low-income rental housing, provided the owner of low-income housing executes and records a lien against the property for a period of ten (10) years guaranteeing that the dwelling unit will continue to be used for low-income housing. The lien against the property shall be subject only to the lien for general taxes. In the event that a rental unit is no longer used for low-income housing, the owner shall pay the County the impact fee from which the owner or any prior

owner was exempt, plus interest. The lien shall run with the land and apply to subsequent owners for a period of ten (10) years.

2. Low-income owner-occupied housing, provided the owner executes and records a covenant on the property providing for a period of ten (10) years that the dwelling unit will continue to be used for low-income housing, and that in the event that the dwelling unit is no longer used for low-income housing, the owner shall pay the County a prorated share of the impact fee from which the owner or any prior owner was exempt, plus interest.

3. Any claim for an exemption for low-income housing must be made no later than the time of application for a building permit or site development activity permit. Any claim not so made shall be deemed waived.

4. Public schools and other public buildings, including, but not limited to, public offices, maintenance facilities, parks and recreation facilities, solid waste dropboxes/transfer stations, and wastewater treatment plants.

B. The amount of impact fees not collected from exempt development set forth in this Section shall be paid from public funds other than impact fee accounts

C. The Director shall be authorized to determine whether a particular development activity falls within an exemption from road or park impact fees identified in this Section, in any other Section, or under other applicable law. Determinations of the Director shall be in writing and shall be subject to the appeals procedures set forth in Section 4.110.060 below.

D. The School District shall be authorized to determine whether a particular development activity falls within an exemption from school impact fees identified in this Section, in any other Section, or under other applicable law. Determinations of the School District shall be in writing and shall be subject to the appeals procedures set forth in Section 4.110.060 below.

Section 4.110.040 Credits.

A. A feepayer can request that a credit or credits for impact fees be awarded to him/her for the value of dedicated land, improvements, or construction provided by the feepayer. Credits will be given only if the land, improvements, and/or the facility constructed are:

1. Included within the capital facilities plan and identified as system improvements that are to be funded, in whole or part, by impact fees;
2. At suitable sites and/or constructed at acceptable quality as determined by the County for roads and parks or the School District for schools; and
3. Are completed, dedicated, or otherwise transferred to the County for roads and parks or the School District for schools prior to the determination and award of a credit as set forth in this Section.

B. No credit shall be given for project improvements.

C. The Director shall determine if requests for credits for road and park impact fees meet the criteria in subsections A or B, above. The School District shall determine if requests for credits for school impact fees meet the criteria in subsections A or B, above. The School District shall forward its determination to the Director.

D. The value of a credit for structures, facilities or other improvements that meet the criteria in subsection A shall be established by original receipts provided by the feepayer

for one or more of the same system improvements for which the impact fee is being charged.

E. The value of a credit for land, including right of way, that meet the criteria in subsection A shall be established on a case-by-case basis by an appraiser selected by, or acceptable to the Director for roads or parks impact fees, or the School District for school impact fees. The appraiser must be MAI or must possess other equivalent certification and shall not have a fiduciary or personal interest in the property being appraised. A description of the appraiser's certification shall be included with the appraisal, and the appraiser shall certify that he/she does not have a fiduciary or personal interest in the property being appraised. The feepayer shall pay for the cost of the appraisal.

F. A feepayer can request that a credit or credits for impact fees be awarded to him/her for payments of user fees, debt service payments, taxes or other payments which were paid prior to the date the impact fee is imposed and were earmarked or proratable to the same system improvements for which the impact fee is imposed. For each request for a credit or credits for past tax payments for road or park impact fees, the feepayer shall submit to the Director receipts and a calculation of past tax payments earmarked for or proratable to the particular system improvement for which the impact fee is imposed. For each request for a credit or credits for past tax payments for school impact fees, the feepayer shall submit to the School District receipts and a calculation of past tax payments earmarked for or proratable to the particular system improvement for which the impact fee is imposed.

G. After receiving the receipts for improvements, the appraisal of land value, the receipts and calculations of prior payments earmarked or proratable to the same system improvements for which the impact fee is imposed, and/or the credit determination from a School District pursuant to subsections C, E, and F, the Director shall provide the applicant with a letter or certificate setting forth the dollar amount of the credit, the reason for the credit, the legal description of the site donated where applicable, and the legal description or other adequate description of the project or development to which the credit may be applied. The applicant must sign and date a duplicate copy of such letter or certificate indicating his/her agreement to the terms of the letter or certificate, and return such signed document to the Director before the impact fee credit will be awarded. The failure of the applicant to sign, date, and return such document within sixty (60) calendar days shall nullify the credit.

H. If the amount of the credit is less than the calculated fee amount, the difference remaining shall be chargeable as an impact fee and paid at the time the site development activity permit or certificate of occupancy is issued. In the event the amount of the credit is calculated to be greater than the amount of the impact fee due, the applicant may apply such excess credit toward impact fees imposed on other developments of the applicant's within the same service area, or the applicant may transfer the excess credit to other property within the same service area if such transfer is acceptable to the County, provided that such acceptance shall not be unreasonably withheld.

I. A claim for credit will be processed by the Director using whichever of the following options is selected by the feepayer:

- (1) Claims for credits that are submitted prior to, or with an application for a site development activity permit or certificate of occupancy for which an impact fee will be due will be processed by the Director before payment of the impact fee is

due in order to allow any credit authorized by the Director to reduce the amount of the impact fee; or

(2) Claims for credits that are submitted no later than one year after an application for a site development activity permit or certificate of occupancy for which an impact fee is due shall be processed by the Director after the impact fee is paid in full, and any credit authorized by the Director will be refunded to the owner within one hundred eighty (180) days of receipt of the claim for credits.

J. Claims for credits that are submitted more than one year after an application for a site development activity permit or certificate of occupancy for which an impact fee is due shall be deemed waived.

K. In the event that the County adopts impact fees that are less than the amount determined in the road study, parks study or school studies, and provided that the amount of the reduction is achieved by a discount or similar policy determination to reduce the fee without revising the underlying studies, data, or assumptions, then credits issued pursuant to subsections A through J shall be given only in an amount by which the value of the credit exceeds the full fee amount set forth in the road study, parks study or school studies.

L. Determinations made by the Director pursuant to this Section shall be subject to the appeals procedures set forth in Section 4.110.060 below.

Section 4.110.050 Tax adjustments.

Pursuant to and consistent with the requirements of RCW 82.02.060, the Roads Study, Parks Study, and the Schools Studies have provided adjustments for future taxes to be paid by the new development which are earmarked or proratable to the same new public facilities which will serve the new development. The impact fee rates in Part II have been reasonably adjusted for taxes and other revenue sources which are anticipated to be available to fund system improvements, as calculated and documented in the Roads Study, Parks Study, and the Schools Studies.

Section 4.110.060 Appeals

A. Any feepayer may pay the impact fees imposed by this chapter under protest in order to obtain a site development activity permit or certificate of occupancy. No appeal shall be permitted until the impact fees at issue have been paid.

B. Appeals regarding the impact fees imposed on any development activity may only be filed by the feepayer of the property where such development activity will occur.

C. The feepayer must first file a request for review regarding impact fees with the Director, as provided herein:

1. The request shall be in writing on the form provided by the County;
2. The request for review by the Director shall be filed within fourteen (14) calendar days of the feepayer's payment of the impact fees at issue;
3. No administrative fee will be imposed for the request for review by the Director; and
4. The Director shall issue his/her determination in writing.

D. Determinations of the Director with respect to the applicability of the impact fees to a given development activity, the availability or value of a credit, or the Director's decision concerning the independent fee calculation which is authorized in Part II, or the fees

imposed by the Director pursuant to Part II, or any other determination which the Director is authorized to make pursuant to this title, can be appealed to the hearing examiner.

E. If the Director makes a determination on an adjustment, credit, or independent fee calculation contrary to or inconsistent with the determination or analysis prepared by the School District, the School District may appeal the Director's determination to the hearing examiner.

F. Appeals shall be taken within fourteen (14) calendar days of the Director's issuance of a written determination by filing with the department a notice of appeal specifying the grounds thereof. The Director shall transmit to the office of the Hearing Examiner all papers constituting the record for the determination, including where appropriate, the independent fee calculation.

G. The hearing examiner shall fix a time for the hearing of the appeal. Notice of the hearing shall be given to the parties in interest, but need not be posted or published. The staff shall submit a staff report, and the hearing examiner shall hold a de novo hearing on the appeal. At the hearing, any party may appear in person or by agent or attorney.

H. The hearing examiner is authorized to make findings of fact regarding principles of fairness in the applicability of the impact fees to a given development activity, the land use category used, trip generation rates applied, the availability or amount of the credit, or the accuracy or applicability of an independent fee calculation. The decision of the hearing examiner shall be final, except as provided in this Section.

I. The hearing examiner may, so long as such action is in conformance with the provisions of this title, reverse or affirm, in whole or in part, or may modify the determinations of the Director with respect to the amount of the impact fees imposed or the credit awarded upon a determination that it is proper to do so based on principles of fairness, and may make such order, requirements, decision or determination as ought to be made, and to that end shall have the powers which have been granted to the Director by this title.

J. In the event that the County adopts impact fees that are less than the amount determined in the road study, parks study or school studies, and provided that the amount of the reduction is achieved by a discount or similar policy determination to reduce the fee without revising the underlying studies, data, or assumptions, it is the intent of the County that impact fees calculated by an independent fee calculation pursuant to Section 4.110.230 shall not be entitled to any discount or similar policy reducing fees without revising the underlying studies, data or assumptions. In the event of an appeal of such an independent fee calculation the hearing examiner shall consider the full fee amount set forth in the road study, parks study or school studies as the basis on which any other fee amount is determined by the hearing examiner.

K. Where a Hearing Examiner determines that there is a flaw in the impact fee program or that a specific exemption or credit should be awarded on a consistent basis, or that the principles of fairness require amendments to this title, the office of the hearing examiner may advise the Board as to any question or questions that the examiner believes should be reviewed as part of the Board's annual or other periodic review of the fee rates as provided by Section 4.110.120.

L. The action of the Hearing Examiner approving, modifying, or rejecting a decision of the Director, shall be final and conclusive, unless within twenty-one (21) calendar days

from the date of the Hearing Examiner's action any feepayer or school district submits a land use petition to Superior Court for the purpose of review of the action taken.

Section 4.110.070 Impact fee accounts for roads and parks.

A. Impact fee receipts shall be earmarked specifically and deposited in special interest-bearing accounts. The fees received shall be prudently invested in a manner consistent with the investment policies of the County.

B. There are hereby established a separate impact fee account for the fees collected pursuant to this title for each service area for roads and for parks. Funds withdrawn from these accounts must be used in accordance with the provisions of Section 4.110.100. Interest earned on the fees shall be retained in each of the accounts and expended for the purposes for which the impact fees were collected.

C. On an annual basis, the Director of Administrative Services shall provide a report to the Board on each of the impact fee accounts showing the source and amount of all moneys collected, earned, or received, and the system improvements that were financed in whole or in part by impact fees.

D. Impact fees shall be expended or encumbered within six (6) years of receipt, unless the Board identifies in written findings extraordinary and compelling reason or reasons for the County to hold the fees beyond the six (6) year period. Under such circumstances, the Board shall establish the period of time within which the impact fees shall be expended or encumbered.

Section 4.110.080 Interlocal agreements with school districts and impact fee accounts for schools.

A. The Board is authorized to execute, on behalf of the County, an interlocal agreement for the collection, expenditure, and reporting of school impact fees; provided that, such interlocal agreements comply with the provisions of this Section.

B. As a condition of an interlocal agreement, each School District shall establish a School Impact Fee Account with the Office of the County Treasurer, who serves as the Treasurer for the School District. The account shall be an interest-bearing account, and the school impact fees received shall be prudently invested.

C. Pursuant to the interlocal agreement, funds withdrawn from the School Impact Fee Account for each School District must be used in accordance with the provisions of Section 4.110.100. The interest earned shall be retained in this account and expended for the purposes for which the school impact fees were collected.

D. On an annual basis, pursuant to the interlocal agreement, the School District shall provide a report to the Board on the School Impact Fee Account, showing the source and amount of all monies collected by the County, earned, or received by the School District, and the system improvements that were financed in whole or in part by impact fees.

E. Pursuant to the interlocal agreement, school impact fees shall be expended or encumbered within six (6) years of receipt, unless the Board identifies in written findings extraordinary and compelling reason or reasons for the School District to hold the fees beyond the six (6) year period. Under such circumstances, the Board shall establish the period of time within which the impact fees shall be expended or encumbered, after consultation with the School District.

F. Pursuant to the interlocal agreement, the School District shall be responsible for expending the school impact fees in accordance with state law and this chapter.

G. In the event that litigation or other challenges are made of the school impact fees, the School District shall be responsible for responding to such litigation or challenge, including any cost associated with such response.

Section 4.110.090 Refunds.

A. If the County or the School District fails to expend or encumber the impact fees within six (6) years of when the fees were paid, or where extraordinary or compelling reasons exist, such other time periods as established pursuant to Section 4.110.070 or 4.110.080, the current owner of the property on which impact fees have been paid may receive a refund of such fees. In determining whether impact fees have been expended or encumbered, impact fees shall be considered expended or encumbered on a first in, first out basis.

B. The County or School District shall notify potential claimants if the County or School District fails to expend, encumber or extend the use of funds pursuant to subsection A. Notices shall be sent by first class mail deposited with the United States Postal Service at the last known address of such claimants. A potential claimant or claimant must be the owner of the property.

C. Owners seeking a refund of impact fees must submit a written request for a refund of the fees to the Director and/or the School District within one (1) year of the date the right to claim the refund arises or the date that notice is given, whichever is later.

D. Any impact fees for which no application for a refund has been made within this one-year period shall be retained by the County or the School District and expended on the appropriate public facilities.

E. Refunds of impact fees under this Section shall include any interest earned on the impact fees by the County or the School District.

F. When the County seeks to terminate the impact fee program for roads, parks and/or schools, all unexpended or unencumbered funds from any terminated impact fee, including interest earned, shall be refunded pursuant to this Section. Upon the finding that any or all impact fee requirements are to be terminated, the County shall place notice of such termination and the availability of refunds in a newspaper of general circulation at least two (2) times and shall notify all potential claimants by first class mail at the last known address of the claimants. All funds available for refund shall be retained for a period of one (1) year. At the end of one (1) year, any remaining funds shall be retained by the County, but must be expended for the appropriate public facilities. This notice requirement shall not apply if there are no unexpended or unencumbered balances within the account or accounts being terminated.

G. The County shall also refund to the current owner of property for which impact fees have been paid all impact fees paid, including interest earned on the impact fees, if the development activity for which the impact fees were imposed did not occur; provided that, if the County or the School District has expended or encumbered the impact fees in good faith prior to the application for a refund, the Director or the School District can decline to provide the refund. If within a period of three (3) years, the same or subsequent owner of the property proceeds with the same or substantially similar development activity, the owner can petition the Director or the School District for a

credit. The petitioner must provide receipts of impact fees previously paid for a development of the same or substantially similar nature on the same property or some portion thereof. In the case of road or park impact fees, the Director shall determine whether to grant a credit. In the case of school impact fees, the School District shall determine whether to grant a credit. The School District shall forward its determination to the Director, Determinations of the Director shall be in writing and shall be subject to the appeals procedures set forth in Section 4.110.060 above.

Section 4.110.100 Use of funds.

A. Pursuant to this chapter, impact fees:

1. shall be used for system improvements that will reasonably benefit the new development; and
2. shall not be imposed to make up for deficiencies in public facilities serving existing developments; and
3. shall not be used for maintenance or operation.

B. Road impact fees may be spent for system improvements listed in the capital facilities plan and identified as being funded, in whole or part, by impact fees. Expenditures may include, but are not limited to, planning, land acquisition, right-of-way acquisition, site improvements, necessary off-site improvements, construction, engineering, architectural, permitting, financing, and project administrative expenses, applicable impact fees or mitigation costs, and any other expenses which can be capitalized.

C. Park impact fees may be spent for system improvements listed in the capital facilities plan and identified as being funded, in whole or part, by impact fees. Expenditures may include, but are not limited to, planning for parks that will reasonably benefit the new development, land acquisition, site improvements, necessary off-site improvements, construction, engineering, architectural, permitting, financing, and project administrative expenses, applicable impact fees or mitigation costs, and capital equipment pertaining to park facilities, and any other expenses which can be capitalized.

D. School impact fees may be spent for system improvements listed in the capital facilities plan and identified as being funded, in whole or part, by impact fees. Expenditures may include, but are not limited to, school planning, land acquisition, site improvements, necessary off-site improvements, including sidewalks, construction of permanent facilities, purchase or construction of relocatable facilities, engineering, architectural, permitting, financing, and project administrative expenses, applicable impact fees or mitigation costs, capital equipment pertaining to educational facilities, and any other expenses which can be capitalized.

E. Impact fees may also be used to recoup public improvement costs previously incurred by the County or the School District to the extent that new growth and development will be served by the previously constructed improvements or incurred costs.

F. In the event that bonds or similar debt instruments are or have been issued for the advanced provision of system improvements for which impact fees may be expended, impact fees may be used to pay debt service on such bonds or similar debt instruments to the extent that the facilities or improvements provided are consistent with the requirements of this Section and are used to benefit the new development.

Section 4.110.110 Administrative guidelines and fees.

A. The Director shall be authorized to adopt guidelines for the implementation of this chapter which may include the adoption of a procedures guide for impact fees.

B. All development subject to the impact fees pursuant to Section 4.110.020 shall pay an administrative fee in an amount established by the Board by resolution. The administrative fee collected shall be deposited into the General Fund to defray the cost incurred by the County in the administration of the impact fee program.

Section 4.110.120 Review.

The fee rates set forth in Part II shall be reviewed by the Board in conjunction with updates of the capital facilities plan element of the County's comprehensive plan, or as it may deem necessary and appropriate. At the end of any 12 month period in which the capital facilities plan is not updated, the impact fee rates shall be adjusted by the Director by the same amount as the percentage change in the Consumer Price Index for All Urban Customers (CPI-U) for Seattle-Tacoma-Bremerton for the most recent 12 month period prior to the date of the adjustment. The rates adjusted by the Director pursuant to this subsection shall replace the rates listed in Part II, and any other annual adjustments for changes in the Consumer Price Index.

PART II IMPACT FEE RATES

Section 4.110.200 Road Impact Fees.

The road impact fee rates in this section are 28.0 percent of the formula for calculating impact fees in Road Service Area 1, 24.4 percent of the formula for calculating impact fees in Road Service Area 2, 23.9 percent of the formula for calculating impact fees in Road Service Area 3, and 24.3 percent of the formula for calculating impact fees in Road Service Area 4 set forth in the Roads Study, which is incorporated herein by reference. Except as otherwise provided for independent fee calculations in Section 4.110.230, exemptions in Section 4.110.030 and credits in Section 4.110.040, all new development will be charged the road impact fee applicable to the type of development in the Road Service Area in which the development is located. Ten and three tenths of a percent (10.3%) of each impact fee collected in Road Service Area 1 shall be credited to Road Service Area 5, the County-wide service area for regional impacts. Nine percent (9.0%) of each impact fee collected in Road Service Area 2 shall be credited to Road Service Area 5, the County-wide service area for regional impacts. Eight and eight tenths of a percent (8.8%) of each impact fee collected in Road Service Area 3 shall be credited to Road Service Area 5, the County-wide service area for regional impacts. Eight and nine tenths of a percent (8.9%) of each impact fee collected in Road Service Area 4 shall be credited to Road Service Area 5, the County-wide service area for regional impacts.

ITE Code	ITE Land Use Category	Unit of Development	Road Service Area 1 @ \$ 54.34 per trip	Road Service Area 2 @ \$ 54.34 per trip	Road Service Area 3 @ \$ 54.34 per trip	Road Service Area 4 @ \$ 54.34 per trip
110	Light Industrial	per square foot	0.38	0.38	0.38	0.38
140	Manufacturing	per square foot	0.21	0.21	0.21	0.21

151	Mini-warehouse	per square foot	0.14	0.14	0.14	0.14
210	Single family House	per dwelling unit	520.03	520.03	520.03	520.03
220	Apartment	per dwelling unit	360.27	360.27	360.27	360.27
230	Condominium	per dwelling unit	318.43	318.43	318.43	318.43
240	Mobile Home	per dwelling unit	261.38	261.38	261.38	261.38
310	Hotel	per room	447.22	447.22	447.22	447.22
320	Motel	per room	305.93	305.93	305.93	305.93
420	Marina	per boat berth	160.85	160.85	160.85	160.85
430	Golf course	per acre	273.87	273.87	273.87	273.87
530	High School	per square foot	0.72	0.72	0.72	0.72
560	Church	per square foot	0.50	0.50	0.50	0.50
610	Hospital	per square foot	0.91	0.91	0.91	0.91
620	Nursing home	per bed	141.83	141.83	141.83	141.83
710	Office 10,000 Sq Ft	per square foot	1.23	1.23	1.23	1.23
710	Office 50,000 Sq Ft	per square foot	0.85	0.85	0.85	0.85
710	Office 100,000 Sq Ft	per square foot	0.72	0.72	0.72	0.72
720	Medical office	per square foot	1.96	1.96	1.96	1.96
820	Retail 10,000 Sq Ft	per square foot	4.65	4.65	4.65	4.65
820	Retail 50,000 Sq Ft	per square foot	2.65	2.65	2.65	2.65
820	Retail 100,000 Sq Ft	per square foot	2.12	2.12	2.12	2.12
820	Retail 200,000 Sq Ft	per square foot	1.70	1.70	1.70	1.70
820	Retail 300,000 Sq Ft	per square foot	1.54	1.54	1.54	1.54
820	Retail 400,000 Sq Ft	per square foot	1.45	1.45	1.45	1.45
820	Retail 1,000,000 Sq Ft	per square foot	1.26	1.26	1.26	1.26
820	Retail > 1,000,000 Sq Ft	per square foot	1.40	1.40	1.40	1.40
832	Restaurant: sit-down	per square foot	6.02	6.02	6.02	6.02
833	Fast food, with drive-up	per square foot	18.87	18.87	18.87	18.87
844	Service station	per vehicle fueling position	3,847.01	3,847.01	3,847.01	3,847.01
850	Supermarket	per square foot	2.97	2.97	2.97	2.97
851	Convenience market-24 hr	per square foot	22.06	22.06	22.06	22.06
860	Wholesale warehousing	per square foot	0.37	0.37	0.37	0.37
911	Bank/Savings: walk-in	per square foot	2.55	2.55	2.55	2.55
912	Bank/Savings: drive-in	per square foot	7.78	7.78	7.78	7.78

Section 4.110.210 Park Impact Fees.

The park impact fee rates in this section are 25 percent of the formula for calculating impact fees set forth in the Parks Study, which is incorporated herein by reference. Except as otherwise provided for independent fee calculations in Section 4.110.230, exemptions in Section 4.110.030 and credits in Section 4.110.040, all new residential developments in the County will be charged a park impact fee of \$491 per single family dwelling unit or \$373 per multi-family dwelling unit.

Section 4.110.220 School Impact Fees.

A. The school impact fee rates in this section are generated from the formula for calculating impact fees set forth in the Schools Studies, which are incorporated herein by reference.

B. Except as otherwise provided for independent fee calculations in Section 4.110.230, exemptions in Section 4.110.030 and credits in Section 4.110.040, all new residential developments in the unincorporated area of Bremerton School District No. 100-C will be charged 97.9% of the school impact fee applicable to the type of dwelling unit:

1. Single family dwelling unit: \$ 963 per dwelling unit.
2. Multi family dwelling unit or mobile home: \$ 856 per dwelling unit.

C. Except as otherwise provided for independent fee calculations in Section 4.110.230, exemptions in Section 4.110.030 and credits in Section 4.110.040, all new residential developments in the unincorporated area of Central Kitsap School District No. 401 will be charged 29.3% of the school impact fee applicable to the type of dwelling unit:

1. Single family dwelling unit: \$ 963 per dwelling unit.
2. Multi family dwelling unit or mobile home: \$ 471 per dwelling unit.

D. Except as otherwise provided for independent fee calculations in Section 4.110.230, exemptions in Section 4.110.030 and credits in Section 4.110.040, all new residential developments in the unincorporated area of North Kitsap School District No. 400 will be charged 21.5% of the school impact fee applicable to the type of dwelling unit:

1. Single family dwelling unit: \$ 963 per dwelling unit.
2. Multi family dwelling unit or mobile home: \$ 615 per dwelling unit.

E. Except as otherwise provided for independent fee calculations in Section 4.110.230, exemptions in Section 4.110.030 and credits in Section 4.110.040, all new residential developments in the unincorporated area of South Kitsap School District No. 402 will be charged 55.8% of the school impact fee applicable to the type of dwelling unit:

1. Single family dwelling unit: \$ 963 per dwelling unit.
2. Multi family dwelling unit or mobile home: \$ 623 per dwelling unit.

Section 4.110.230 Independent fee calculations.

A. If in the judgment of the Director, none of the fee categories or fee amounts set forth in Sections 4.110.200 or 4.110.210 accurately describe or capture the impacts of a new development on roads or parks, the Department may conduct independent fee calculations and the Director may impose alternative fees on a specific development based on those calculations. The alternative fees and the calculations shall be set forth in writing and shall be mailed to the feepayer.

B. If in the judgment of the School District, none of the fee categories or fee amounts set forth in 4.110.220 accurately describe or capture the impacts of a new development on schools, the School District may conduct independent fee calculations and submit such calculations to the Director. The Director may impose alternative fees on a specific development based on the calculations of the School District, or may impose alternative fees based on the calculations of the Department. The alternative fees and the calculations shall be set forth in writing and shall be mailed to the feepayer.

C. If a feepayer opts not to have the impact fees determined according to Sections 4.110.200 or 4.110.210, then the feepayer shall prepare and submit to the Director an independent fee calculation for the development activity for which a site development activity permit or certificate of occupancy is sought. The studies and data submitted shall show the basis upon which the independent fee calculation was made. The formulas and methodology used by the feepayer must be the same as those used in the Road Study or Park Study, and the cost per trip for road impact fees shall be the cost per trip for the

appropriate Road Service Area listed in the column heading of the impact fee rate table in Section 4.110.200.

D. If a feepayer opts not to have the impact fees determined according to Section 4.110.220, then the feepayer shall prepare and submit to the School District an independent fee calculation for the development activity for which a site development activity permit or certificate of occupancy is sought. The studies and data submitted shall show the basis upon which the independent fee calculation was made. The formulas and methodology used by the feepayer must be the same as those used in the School Study. The School District shall review the independent fee calculation and provide an analysis to the Director concerning whether the independent fee calculation should be accepted, rejected, or accepted in part.

E. Any feepayer submitting an independent fee calculation will be required to pay Kitsap County a fee to cover the cost of reviewing the independent fee calculation. The fee required by the County for conducting the review of the independent fee calculation shall be an amount established by the Board by resolution and shall be paid by the feepayer prior to initiation of review.

F. While there is a presumption that the calculations set forth in the Roads Study, Parks Study, and the Schools Studies are valid, the Director shall consider the documentation submitted by the feepayer and the analysis prepared by the School District, but is not required to accept such documentation or analysis which the Director reasonably deems to be inaccurate or not reliable, and may, in the alternative, require the feepayer or the School District to submit additional or different documentation for consideration. The Director is authorized to adjust the impact fees on a case-by-case basis based on the independent fee calculation, unusual circumstances or characteristics of the specific development, and/or principles of fairness. The fees or alternative fees and the calculations shall be set forth in writing and shall be mailed to the feepayer, and with respect to school impact fees, to the School District.

G. The Director is authorized to determine that case-by-case adjustments to impact fees that result from an independent fee calculations have general applicability, and will be considered a replacement for the adopted rate as though it were an amendment to the rate schedule, provided that the Director shall cause any such adjustment to an impact fee rate to be listed in, or appended to, all information provided by the County regarding impact fee rates.

H. In the event that the County adopts impact fees that are less than the amount determined in the road study, parks study or school studies, and provided that the amount of the reduction is achieved by a discount or similar policy determination to reduce the fee without revising the underlying studies, data, or assumptions, then independent fee calculations submitted pursuant to subsections A through G shall be considered only in an amount by which the amount of the independent fee calculation is less than the full fee amount set forth in the road study, parks study or school studies.

I. Determinations made by the Director pursuant to this Section may be appealed to the office of the hearing examiner subject to the procedures set forth in Section 4.110.060.

PART III MISCELLANEOUS PROVISIONS

Section 4.110.300 Existing authority unimpaired.

Nothing in this title shall preclude the County from requiring the feepayer or the proponent of a development activity to mitigate adverse environmental impacts of a specific development pursuant to the State Environmental Policy Act, Chapter 43.21C RCW, based on the environmental documents accompanying the underlying development approval process, and/or Chapter 58.17 RCW, governing plats and subdivisions; provided, that, the exercise of this authority is consistent with the provisions of Chapter 43.21C RCW and Chapter 82.02 RCW.

Section 4.110.310 Rule of construction.

The provisions of this title shall be liberally construed in order to carry out the purposes of the county in establishing the impact fee program.

Effective date. This ordinance shall take effect January 1, 2004.

Severability. If any provision of this ordinance, or its application to any person, entity or circumstance is for any reason held invalid, the remainder of the ordinance, or the application of the provision to other persons, entities or circumstances is not affected.

Enacted this 17th day of JUNE, 2003.

BOARD OF COUNTY COMMISSIONERS
KITSAP COUNTY, WASHINGTON



Jan Angel - ~~DO NOT SIGN~~
JAN ANGEL, Chair

Chris Endresen
CHRIS ENDRESEN, Commissioner

Patty Lent
PATTY LENT, Commissioner

Opal Robertson
Opal Robertson,
Clerk of the Board

Approved as to form:

Deputy Prosecuting Attorney

May 30, 2003

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Kitsap County Board of Commissioners will hold a public hearing on Tuesday, June 17, 2003, at the hour of 7:00 p.m. in the County's Eagle's Nest hall, 1200 N.W. Fairgrounds Road, Bremerton, WA, to consider a proposed Ordinance Relating to Development Impact Fees, Repealing Chapter 4.108 Kitsap County Code, "Development Impact Fees for Transportation and Recreation Facilities" and Chapter 4.112 Kitsap County Code, "Development Impact Fees for Public School Facilities", and Adding a New Chapter 4.110, "Impact Fees" to the Kitsap County Code; and a proposed Ordinance Amending the newly adopted Chapter 4.110 Kitsap County Code to Adopt New Impact Fee Rates for Roads, Parks and Schools, with Phased Implementation. A summary of the Ordinances follows:

1. Ordinance Relating to Development Impact Fees, Repealing Chapter 4.108 Kitsap County Code, "Development Impact Fees for Transportation and Recreation Facilities" and Chapter 4.112 Kitsap County Code, "Development Impact Fees for Public School Facilities", and Adding a New Chapter 4.110, "Impact Fees" to the Kitsap County Code:

Section 1 repeals Chapter 4.108 Kitsap County Code, "Development Impact Fees for Transportation and Recreation Facilities".

Section 2 repeals Chapter 4.112 Kitsap County Code, "Development Impact Fees for Public School Facilities".

Section 3 adds a new Chapter 4.110, "Impact Fees", to the Kitsap County Code.

Part I of the new chapter provides definitions for the key terms used in the chapter; details the types of development activity for which impact fees will be imposed and the types for which such fees will not be imposed; states when impact fees will be imposed and when they must be paid; provides exemptions from impact fees for certain types of developments and directs that impact fees not paid by exempt developments be paid from public funds other than impact fee accounts; describes the conditions under which a feepayer may obtain a credit for the value of land, improvements and/or facilities constructed, the procedures for doing so, and when such credits do not apply; describes how the impact fee rates have been adjusted for future taxes to be paid by new development; outlines the process for appealing an impact fee; establishes impact fee accounts for road and park impact fees; authorizes interlocal agreements between the county and school districts for the collection, expenditure and reporting of school impact fees and establishes impact fee accounts for school districts; provides for the refund of impact fees paid but not expended or encumbered within six years of the date the fees were paid and establishes a process for refunds; describes how impact fees are to be used;

302-2003

authorizes the Director of the Department of Community Development to adopt guidelines for implementing the chapter; and provides for review of the impact fee rates in conjunction with updates of the capital facilities plan element of the county's comprehensive plan, or as the county may deem necessary and appropriate.

Part II of the new chapter establishes the impact fee rates for roads, parks and schools, and provides for independent fee calculations when the director or school district determines that a fee category or fee amount included in the chapter does not accurately describe or capture the impacts of a new development. Part II also prescribes the procedures for a feepayer to submit an independent fee calculation.

Part III of the new chapter provides that adoption of the new chapter does not impair the county's existing authority to require mitigation of development impacts so long as the county exercises its existing authority in a manner consistent with state law. Part III also provides that the new chapter is to be liberally construed to carry out the county's purposes in establishing the impact fee program.

2. Ordinance Amending the newly adopted Chapter 4.110 Kitsap County Code, "Impact Fees", to Adopt New Impact Fee Rates for Roads, Parks and Schools, with Phased Implementation:

Section 1 amends Kitsap County Code Section 4.110.200, "Road Impact Fees", to increase the impact fee rates for roads to an amount that more closely approximates the amount needed to achieve the capital investment level necessary to accommodate the projected growth and land use identified in the county's adopted comprehensive plan.

Section 2 amends Kitsap County Code Section 4.110.210, "Park Impact Fees", to increase the impact fee rates for parks to an amount that more closely approximates the amount needed to achieve the capital investment level necessary to accommodate the projected growth and land use identified in the county's adopted comprehensive plan.

Section 3 amends Kitsap County Code Section 4.110.220, "School Impact Fees", to increase the impact fee rates for schools to an amount that more closely approximates the amount needed to achieve the capital investment level necessary to accommodate the projected growth and land use identified in the county's adopted comprehensive plan.

Sections 1, 2 and 3 of the Ordinance phase-in the increased impact fee rates over time.

The full text of the ordinances may be viewed at www.kitsapgov.com. A paper copy will be sent upon request. Information regarding these proposed ordinances may be obtained by contacting Randy Casteel, Kitsap County Department of Public Works, at 360-337-5777. The ordinances may be examined and/or copied at the Kitsap County Department of Public Works, Courthouse, 614 Division Street, Port Orchard, WA 98366, Monday through Friday, 8:00 AM to 4:30 PM.

ALL THOSE INTERESTED are welcome to attend the hearing.

OPAL ROBERTSON, Clerk of the Board
Kitsap County Commissioners

NOTE: KITSAP COUNTY DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY. INDIVIDUALS WHO REQUIRE ACCOMMODATIONS SHOULD CONTACT THE COMMISSIONERS' OFFICE AT (360) 337-4428 OR TDD (360) 337-7275 OR 1-800-816-2782. (PLEASE PROVIDE TWO WEEKS NOTICE FOR INTERPRETER SERVICES.

Publication Date: May 31, 2003
THE KITSAP NEWSPAPER GROUP

302-2003

June 12 meeting

From: Kitsap County Legals Advertising <kitsaplegals@soundpublishing.com>
To: Katherine Brown <KBrown@MAIL1.CO.KITSAP.WA.US>
Date: 5/30/03 11:26AM
Subject: Re: Legal Notice

Hi Katherine

This confirms NOTICE FOR PUBLIC HEARING ON IMPACT FEES will be published in the county-wide newspapers on Wednesday, 6/4/03.

--

Thank you,

From: Donna Heath - Kitsap Newspaper Group
Legals Production - 360.876.4414

> From: "Katherine Brown" <KBrown@MAIL1.CO.KITSAP.WA.US>

> Date: Fri, 30 May 2003 10:53:26 -0700

> To: <kitsaplegals@soundpublishing.com>

> Subject: Legal Notice

>

> Attached is a Notice for Public Hearing to be published on May 31.

>

>

302-2003



Meeting Date: June 17, 2003

Agenda Item No.

7:00 P

Kitsap County Board of Commissioners

Department: Kitsap County Dept. of Public Works

Staff Contact: Randy Casteel, Public Works Director, (360) 337-5777

Title: An Ordinance Relating to Development Impact Fees, Repealing Chapter 4.108 Kitsap County Code, "Development Impact Fees for Transportation and Recreation Facilities" and Repealing Chapter 4.112 Kitsap County Code, "Development Impact Fees for Public School Facilities", and Adding a New Chapter 4.110, "Impact Fees" to the Kitsap County Code.

Recommended Action:

- 1) Conduct public hearing on proposed ordinance.
- 2) Motion to adopt the ordinance repealing Chapter 4.108 Kitsap County Code, "Development Impact Fees for Transportation and Recreation Facilities" and repealing Chapter 4.112 Kitsap County Code, "Development Impact Fees for Public School Facilities", and adding a new Chapter 4.110, "Impact Fees" to the Kitsap County Code.

Summary:

Section 1 repeals Chapter 4.108 Kitsap County Code, "Development Impact Fees for Transportation and Recreation Facilities".

Section 2 repeals Chapter 4.112 Kitsap County Code, "Development Impact Fees for Public School Facilities".

Section 3 adds a new Chapter 4.110, "Impact Fees", to the Kitsap County Code.

Part I of the new chapter provides definitions for the key terms used in the chapter; details the types of development activity for which impact fees will be imposed and the types for which such fees will not be imposed; states when impact fees will be imposed and when they must be paid; provides exemptions from impact fees for certain types of developments and directs that impact fees not paid by exempt developments be paid from public funds other than impact fee accounts; describes the conditions under which a feepayer may obtain a credit for the value of land, improvements and/or facilities constructed, the procedures for doing so, and when such credits do not apply; describes how the impact fee rates have been adjusted for future taxes to be paid by new development; outlines the process for appealing an impact fee; establishes impact fee accounts for road and park impact fees; authorizes interlocal agreements between the county and school districts for the collection, expenditure and reporting of school impact fees and establishes impact fee accounts for school districts; provides for the refund of impact fees paid but not expended or encumbered within six years of the date the fees were paid and establishes a process for refunds; describes how impact fees are to be used; authorizes the Director of the Department of Community Development to adopt guidelines for implementing the chapter; and provides for review of the impact fee rates in conjunction with updates of the capital facilities plan element of the county's comprehensive plan, or as the county may deem necessary and appropriate.

Part II of the new chapter establishes the impact fee rates for roads, parks and schools, and provides for independent fee calculations when the director or school district determines that a fee category or fee amount included in the chapter does not accurately describe or capture the impacts of a new development. Part II also prescribes the procedures for a feepayer to submit an independent fee calculation.

302-2003

Part III of the new chapter provides that adoption of the new chapter does not impair the county's existing authority to require mitigation of development impacts so long as the county exercises its existing authority in a manner consistent with state law. Part III also provides that the new chapter is to be liberally construed to carry out the county's purposes in establishing the impact fee program.

Attachments:

1. Ordinance establishing Chapter 4.110 KCC
2. Rate Study for Impact Fees for North Kitsap Schools
3. Rate Study for Impact Fees for Central Kitsap Schools
4. Rate Study for Impact Fees for South Kitsap Schools
5. Rate Study for Impact Fees for Bremerton Schools
6. Rate Study for Impact Fees for Parks and Recreation Facilities
7. Rate Study for Impact Fees for Roads

**Fiscal Impact
(\$ millions)**

	Bremerton Schools	Central Kitsap Schools	North Kitsap Schools	South Kitsap Schools	Parks	Roads
Total Expenditure Required:						
Project Costs related to growth	16.0	44.4	33.8	2.4	55.6	55.9
Total Revenues Identified:						
Secure Revenues from Grants & Other Sources	0	13.3	3.6	0	0	10.7
Potential Revenue from Grants & Other Sources	0	0	0	0	0	9.2
Local Funding identified from Schools, General Fund, Road Fund	0	6.9	18.7	0	44.9	9.7
Revenue from phased impact fee rates	3.5	7.1	2.5	1.4	2.9	6.7
Revenue Shortfall:						
Expenditures required less Revenues available	2.5	17.1	9.0	1.0	7.8	19.6

Clearances

Affected Departments	Department Representative
Public Works	
Parks and Recreation	
School Districts	