

Ordinance 1640-2025

Amending Kitsap County Code Provisions Concerning Park, Roads and School Impact Fees

WHEREAS, the Washington State Growth Management Act, RCW 82.02.050 *et seq.*, authorizes the imposition and collection of certain impact fees for schools, parks and roads by local governments;

WHEREAS, in 1992, Kitsap County adopted a comprehensive impact fee ordinance, codified in Kitsap County Code (KCC) Chapter 4.110, that imposed impact fees on development for schools, parks and roads;

WHEREAS, in 2003, Kitsap County conducted multiple studies regarding its impact fees, including a study specific to road, park, and school impact fees, and based on this study, repealed and replaced the 1992 impact fee program;

WHEREAS, in 2023, the state legislature passed ESSB 5258 with the stated intent to increase the supply and affordability of condominium units and townhomes as options for homeownership and included provisions to require that impact fees produce a proportionally lower impact fee for smaller housing units. Enacted in RCW 82.02.060(1), impact fees must be “based on the square footage, number of homes, or trips generated;”

WHEREAS, in 2023, the state legislature passed ESHB 1337 with the stated intent to expand housing options by easing barriers to the construction and use of Accessory Dwelling Units (ADUs) and included provisions to require that impact fees imposed on ADUs may not exceed 50% of the impact fees that would be imposed on the principal unit. Enacted in RCW 36.70A.681, impact fees imposed on ADUs may not be greater than 50% of the impact fees that would be imposed on the principal unit;

WHEREAS, the current timing of impact fee calculation and assessment occurs at the time a complete application is accepted; and the timing of impact fee payments can be deferred until final inspection in accordance with RCW 82.02.050;

WHEREAS, the administrative fees associated with the impact fee program have not been reviewed or updated since prior to the Department of Community Development (DCD) being designated as a Special Revenue Fund in 2008, and currently, only school districts are required to pay a \$20 administrative fee to offset the costs incurred by DCD in managing the school impact fee program, while no equivalent administrative fees are charged for road or park impact fee programs;

WHEREAS, road impact fees were recently reviewed and updated in 2021 and were already based on the number of trips generated as specified in ESSB 5258;

WHEREAS, park and school impact fees have not been reviewed or updated since 2003, outside of the Consumer Price Index update authorized in KCC 4.110.120; and

WHEREAS, the Board of County Commissioners finds it necessary to modify the rate structures for park and school impact fees consistent with ESSB 5258 and ESHB 1337, to update road impact fees consistent with ESHB 1337, to clarify the timing of impact fee calculation, assessment and payment, and to specify administrative fees to recover costs incurred by DCD for administration of the impact fee program.

NOW, THEREFORE, BE IT ORDAINED:

Section 1. Kitsap County Section 4.110.010, last amended by Ordinance 600-2021, is further amended as follows:

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 nonresidential 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. 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 Sections 4.110.070 and 4.110.080 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 2 of this chapter, or the calculations prepared by the director or the school district where none of the fee categories or fee amounts in Part 2 of this chapter 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 Chapter 39.34 RCW.

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 most recent edition of the Institute of Transportation Engineers, Trip Generation Manual.

U. "Low-income housing" means:

(1) An owner-occupied housing unit affordable to households whose household income is less than eighty percent 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 sixty percent 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 nonprofit 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 preexisting 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 Kitsap County Transportation Impact Fee Rate Study 2021 Update," dated May 2021.

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 Impact Fee Scaling Memo" means the "School Impact Fee Scaling Memorandum", provided by South Kitsap School District and prepared by FCS, dated January 10, 2025.

AGH. "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.

AHI. "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.

AIJ. "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.

AJK. "State" means the state of Washington.

AKL. "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 2. Kitsap County Section 4.110.020, last amended by Ordinance 302-2003, is further amended as follows:

4.110.020 Imposition of impact fees.

A. The county shall collect impact fees, based on the rates in Part 2 of this chapter, 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 2 of this chapter.

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 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 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 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 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 prior to final inspection certificate of occupancy is issued for each unit in the development, using the impact fee rates in effect at the time a complete permit issuance application is accepted. 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 2 of this chapter have been paid in the amount that they exceed exemptions or credits provided pursuant to Sections 4.110.030 or 4.110.040.

Section 3. Kitsap County Section 4.110.110, last amended by Ordinance 302-2003, is further amended as follows:

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. ~~An administrative fee shall be assessed for all impact fees collected on behalf of Schools, Parks, and Roads development subject to the impact fees pursuant to Section 4.110.020. The administrative fee shall be pay an administrative fee in twenty dollars (\$20.00) each for Schools, Parks, and Roads for each permit, certificate or other County action triggering collection of an impact fee. an amount established by the board by resolution. The County shall collect fees from Schools, Parks and Roads each calendar quarter. The administrative fee collected shall be deposited into Fund 00168 Community Development Special Revenue Fund the general fund to defray the cost incurred by the county department in the administration of the impact fee program. (Ord. 302 (2003) § 3 (part), 2003)~~

Section 4. Kitsap County Code Section 4.110.200, last amended by Ordinance 600-2021, shall be further amended as follows:

4.110.200 Road impact fees.

A. Commencing on the effective date of the ordinance codified in this section, road impact fees shall be four thousand three hundred four dollars per PM peak hour trip for all road service areas in unincorporated Kitsap County, as adjusted to the current date pursuant to Section 4.110.120. The impact fee rate shall be applied to the proposed land use as set forth in the current version of the Institute of Transportation Engineers, Trip Generation Manual, on file with the department of public works.

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 development other than accessory dwelling units (ADUs), will be charged the

road impact fee applicable to the type of development in the road service area in which the development is located. Impact fees on ADUs may not exceed 50% of the impact fees that would be imposed on the principal unit.

Section 5. Kitsap County Code Section 4.110.210, last amended by Ordinance 320-2004, shall be further amended as follows:

4.110.210 Park impact fees.

A. The park impact fee rates in this section are generated from the formula for calculating impact fees set forth in the Parks Study and updated as described in the School Impact Fee Scaling Memo, which is 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 the county will be charged a scaled impact fee per square foot with a minimum and maximum charge as a means to maintain proportionality of the fee to the impact of residential development, and impact fees for accessory dwelling units (ADUs) that do not exceed 50% of the impact fee that would be imposed on the principal unit 25 percent of the park impact fee applicable to single family dwellings and manufactured homes and 16.1 percent of the impact fee applicable to multi-family dwellings that are set forth in the Parks Study commencing January 1, 2004, as follows:

<u>Scaled Impact Fee per Square Foot</u>	<u>\$0.44</u>
<u>Minimum Impact Fee</u>	<u>\$348.30</u>
<u>Maximum Impact Fee</u>	<u>\$1,559.09</u>

- ~~1. Single family dwelling unit and manufactured home: \$491.40 per single family dwelling unit or manufactured home.~~
- ~~2. Multi-family dwelling unit: \$239.40 per dwelling unit.~~

Section 6. Kitsap County Code Section 4.110.220, last amended by Ordinance 320-2004, shall be further amended as follows:

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 and updated as described in the School Impact Fee Scaling Memo, 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 a scaled impact fee per square foot with a minimum and maximum charge as a means to maintain proportionality of the fee to the impact of

residential development, and impact fees for accessory dwelling units (ADUs) that do not exceed 50% of the impact fee that would be imposed on the principal unit 97.8 percent of the school impact fee applicable to single family dwellings and manufactured homes and 63.5 percent of the school impact fee applicable to multi-family dwellings that are set forth in the Bremerton Schools Study commencing January 1, 2004, as follows:

<u>Residential Developments</u>	
<u>Scaled Impact Fee per Square Foot</u>	<u>\$0.84</u>
<u>Minimum Impact Fee</u>	<u>\$672.08</u>
<u>Maximum Impact Fee</u>	<u>\$3,002.84</u>

~~1. Single family dwelling unit or manufactured home: \$962.60 per single family dwelling unit or manufactured home.~~

~~2. Multi-family dwelling unit: \$555.35 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 a scaled impact fee per square foot with a minimum and maximum charge as a means to maintain proportionality of the fee to the impact of residential development, and impact fees for accessory dwelling units (ADUs) that do not exceed 50% of the impact fee that would be imposed on the principal unit 29.3 percent of the school impact fee applicable to single family dwellings and manufactured homes and 26.4 percent of the school impact fee applicable to multi-family dwellings that are set forth in the Central Kitsap Schools Study commencing January 1, 2004, as follows:

<u>Scaled Impact Fee per Square Foot</u>	<u>\$0.84</u>
<u>Minimum Impact Fee</u>	<u>\$672.08</u>
<u>Maximum Impact Fee</u>	<u>\$3,002.84</u>

~~1. Single family dwelling unit or manufactured home: \$962.60 per single family dwelling unit or manufactured home.~~

~~2. Multi-family dwelling unit: \$555.35 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 a scaled impact fee per square foot with a minimum and maximum charge as a means to maintain proportionality of the fee to the impact of residential development, and impact fees for accessory dwelling units (ADUs) that do not exceed 50% of the impact fee that would be imposed on the principal unit 21.5 percent of the school impact fee applicable to single family dwellings and manufactured homes and

~~19.5 percent of the school impact fee applicable to multi-family dwellings that are set forth in the North Kitsap Schools Study commencing January 1, 2004, as follows:~~

<u>Scaled Impact Fee per Square Foot</u>	<u>\$0.84</u>
<u>Minimum Impact Fee</u>	<u>\$672.08</u>
<u>Maximum Impact Fee</u>	<u>\$3,002.84</u>

- ~~1. Single-family dwelling unit or manufactured home: \$962.60 per single-family dwelling unit or manufactured home.~~
- ~~2. Multi-family dwelling unit: \$555.35 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 a scaled impact fee per square foot with a minimum and maximum charge as a means to maintain proportionality of the fee to the impact of residential development, and impact fees for accessory dwelling units (ADUs) that do not exceed 50% of the impact fee that would be imposed on the principal unit ~~55.8 percent of the school impact fee applicable to single family dwellings and manufactured homes and 49.7 percent of the school impact fee applicable to multi-family dwellings that are set forth in the South Kitsap Schools Study commencing January 1, 2004, as follows:~~

<u>Scaled Impact Fee per Square Foot</u>	<u>\$0.84</u>
<u>Minimum Impact Fee</u>	<u>\$672.08</u>
<u>Maximum Impact Fee</u>	<u>\$3,002.84</u>

- ~~1. Single-family dwelling unit or manufactured home: \$962.60 per single-family dwelling unit or manufactured home.~~
- ~~2. Multi-family dwelling unit: \$555.35 per dwelling unit.~~

Section 7. Effective Date: This Ordinance shall take effect on June 30, 2025.

Section 8. Severability: If any sentence, section, provision, or clause of this ordinance or its application to any person, entity or circumstance is for any reason held invalid or unconstitutional, the remainder of the ordinance, or the application of the provision to other persons, entities, or circumstances is not affected.

Section 9. Scrivener's Error: Should any amendment to Kitsap County Code that was passed by the Board during its deliberations be inadvertently left out upon publication, the explicit action of the Board as discussed and passed shall prevail upon subsequent review and verification by the Board.

[signatures on following page]

DATED this 23 day of June, 2025.

BOARD OF COUNTY COMMISSIONERS
KITSAP COUNTY, WASHINGTON


CHRISTINE ROLFES, Chair


ORAN ROOT, Commissioner

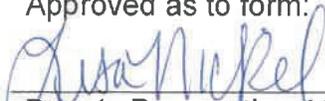

KATHERINE T. WALTERS, Commissioner



ATTEST:


Dana Daniels, Clerk of the Board

Approved as to form:


Deputy Prosecuting Attorney