

## AGENDA

**Economic Development Committee Meeting  
Thursday January 24, 2019  
6:00 p.m. – 6:50 p.m.  
South Conference Room**

- 1. Call to Order**
- 2. Approval of the September 27<sup>th</sup> , 2018 meeting minutes**
- 3. 2019 Work Plan**  
*Staff will seek confirmation from the Committee on the 2019 Work Plan*
- 4. Impact Fees**  
*Staff will discuss potential impact fees (Parks, Fire, and School) and provide the Committee an update of the Highline School District's request for School Impact Fees generated by residential development.*
- 5. Review of Downtown District Options**  
*Discussion of beautification and downtown district place-making options.*

**DRAFT MINUTES**

**Economic Development Committee Meeting  
Thursday September 27, 2018  
6:00 p.m. – 6:50 p.m.  
South Conference Room**

<b><u>Council Members</u></b>	<b><u>City Staff</u></b>
Chair Jeremy Nutting	Michael Matthias – City Manager
Co-Chair Vic Pennington	Dan Brewer – Chief Operating Officer
Mayor Matt Pina	Susan Cezar – Chief Strategic Officer
	Beth Anne Wroe – Finance Director
	Denise Lathrop – Planning & Development Services Manager
	Matt Hutchins – Assistant City Attorney
	Jodi Grager – Community Development Assistant

Guests: Councilmembers Matt Mahoney and Traci Buxton

**1. Call to Order**

Chair Jeremy Nutting called the meeting to order at 6:01 p.m.

**2. Approval of the July 26, 2018 meeting minutes**

Minutes approved as submitted.

**3. Business License Code Update**

Finance Director Beth Anne Wroe summarized the need to update the City's Business License Ordinance due to Washington State Legislature passing House Bill 2005. Finance Director Wroe proposed Draft Ordinance No. 18-089 to reflect the necessary City changes. (See Memo and Draft Ordinance hand-outs) Assistant City Attorney Matt Hutchins explained the City will not be able to collect business license fees starting January 1<sup>st</sup>, 2019 unless there is an adopted ordinance addressing State requirements. The committee discussion included:

- Minimum threshold of \$2000 annual income for exemption of business license fee
- Oversight on requirement for all businesses to register with the City
- B & O Tax

The committee recommended the Draft Ordinance with the \$2,000 minimum threshold annual income be brought to Full Council on 10.18.18.

**4. Comprehensive Plan Amendments**

Planning & Development Services Manager Denise Lathrop presented a memo in addition to a Preferred Land Use Map with suggested Comprehensive Plan Amendment details (see attachments). Manager Lathrop explained the seven proposed amendments.

- Two amendments to the Preferred Land Use map relate to adding recently acquired Park locations
- Two amendments to the Preferred Land Use Map relate to adding Planned Unit Developments (PUDs)

- One amendment to the Preferred Land Use Map refers to a public request for a change in preferred land use designation for 12 properties from SF-Single Family and T-Townhome to MF-Multifamily
- Two amendments are facility updates

A Public Hearing on these amendments to the Comprehensive Plan and Preferred Land Use Map will be scheduled at the next available Council Meeting.

#### **5. Downtown Improvements**

City Manager Michael Matthias stated one of the critical aspects of the downtown redevelopment is to include public space. Additionally, the district needs to be defined through City branding efforts such as pavers on crosswalks, hanging flower baskets, logo redesign and signage. The potential transformation at the Marina including a promenade that connects to Beach Park is a good early step in the process. The committee discussed creating a vision for the Marina District that embraces art, public spaces and sustainability and makes Des Moines a memorable destination.

#### **6. Big Catch Plaza**

There is potential for better use of Big Catch Plaza. Height increases may attract high quality development. It is possible modulation between 35' and 45' would best serve the area. Also of interest is the 5-over-2 design (five story wood-framed structure over a two-story concrete or masonry podium) of mixed use. Further research is necessary.

The December 27<sup>th</sup> meeting is cancelled.

Adjourned at 6:46 p.m.

Respectfully submitted by,

Jodi Grager, Community Development Assistant

**DRAFT**  
**Economic Development Committee**  
**Work Program Items for 2019**  
**Updated January 2019**

## Tier 1 Items

### Regulatory Requirements

- Shoreline Master Program periodic review (required by state), include Wasson house amendment (Environment Committee w/ EDC Briefing)
- King County Buildable Lands (2019)
- 2020 Census (2019-2020)

### Code Maintenance

- Title 16 – add intensity of land use definitions and reference to Ecology manual (CAO) and any additional changes per SMP periodic review
- Permitted Uses Table – mixed use, medical facilities, non-profits, etc.
- Ongoing Clean-up and procedural efficiency items

### Economic Development

#### *Marina District Neighborhood (2019)*

- Marina re-development associated policy and code work – scope to be determined
- Building heights in the area of the QFC site (gateway)

#### *North Central Neighborhood (2019)*

- Port of Seattle development agreement, Master Plan and SEPA review – DMCBP-West
- Review Business Park zoning/development feasibility on the south side of South 216<sup>th</sup> Street

#### *Pacific Ridge Neighborhood (2019)*

- Transit oriented development, Pacific Ridge and KDM Midway Station area
- Pacific Ridge, review zoning/comp plan/planned action – south end (PR-R to PR-C?)

### Other

- Urban Agriculture (Highline College) - Project tied to grant funding and deadlines. CC Municipal Facilities & Environment Committees to discuss in Jan/Feb 2019. (Note: Harpers have put their plans on hold as of 3/2018)
- Soundside Alliance (on-going)
- FWLE RFQ/RFP/Permit Strategy Coordination (on-going)
- Nuisance abatement (on-going)
- Annual comprehensive plan amendment
  - Scope to be determined

## Tier 2 Items

### **Possible additional items**

- Parking Code
  - Parking in-lieu fee for the Marina District
  - Parking requirements, modifications, lighting requirements (per CPTED/Pacific Ridge Design Guidelines)
  - Parking code modifications may follow from Marina re-development work
- Repeal the MFTE Code (per direction from committee on 3-9-2017)
- Impact Fees:
  - School (discussed with Committee May 2016, request received from school district July 2017)
  - Fire District
  - Parks
- CPTED (Crime Prevention through Environmental Design) – potentially extend beyond Marina District and Pacific Ridge (briefly discussed with FEDC) Potentially add criteria to Chapter 18.235 Design Review
- Development incentives for tree retention – may follow from Urban Forest study with Forterra; discuss potential edits to tree regulations for clarification in critical areas (pruning limits, mitigation, etc.).
- Update of the PUD code – staff can bring forward as time allows
- Update of the subdivision code – staff can bring forward as time allows



**Highline Public Schools Board Action Report**

Supports the Strategic Plan

**DATE:** June 22, 2018

**For Introduction:** June 27, 2018

**FROM:** Dr. Susan Enfield, Superintendent

**For Action:** July 18, 2018

**LEAD STAFF:** Scott Logan, Chief Operations Officer  
Rod Sheffer, Executive Director of Capital Planning and Construction

**I. TITLE**

Resolution No. 13-18 2018-2023 Capital Facilities Plan and Proposed Impact Fees; Authorization to Submit for School Impact Fees; and Continuation of Exemption of Impact Fees for King County Housing Authority

**II. WHY BOARD ACTION IS NECESSARY**

In order to collect impact fees from the county and cities within the Highline School District (District) boundaries for anticipated student growth, the District must submit a Capital Facilities Plan each year. The board must also adopt the Capital Facilities Plan.

**III. BACKGROUND INFORMATION**

An updated Capital Facilities Plan must be completed each year for the purpose of collecting impact fees. Resolution No. 13-18, 2018-2023 Capital Facilities Plan and Proposed Impact Fees; Authorization to Submit for School Impact Fees; and Continuation of Exemption of Impact Fees for King County Housing Authority is scheduled for adoption by the Highline School District Board of Directors on July 18, 2018, in compliance with State Environmental Policy Act Rules—Washington Administrative Code (WAC) Chapter 197-11.

Currently the District has agreements with King County and the City of Kent for the collection of impact fees. The District will continue to negotiate with the other cities within District boundaries for approval to collect school impact fees. In 2012 an agreement with King County Housing Authority allowed for an exemption of collection of impact fees on several large housing projects in which permits had been issued.

The 2018 impact fee amounts are as follows:

- Single Family---\$2,573
- Multi- Family---\$3,646

**IV. RECOMMENDED MOTION**

I move that the Highline School Board adopt Resolution No. 13-18 2018-2023 Capital Facilities Plan and Proposed Impact Fees; Authorization to Submit for School Impact Fees; and Continuation of Exemption of Impact Fees for King County Housing Authority, to allow the District to collect impact fees from King County and the cities of Burien, Des Moines, Kent, Normandy Park, SeaTac, and Tukwila and hereby authorize the Superintendent to sign any and all documents to carry out the actions authorized by this resolution.

**V. FISCAL IMPACT/REVENUE SOURCE**

Fiscal impact to this action will be: \$1,560 for preparation and legal review of the 2018-2023 Capital Facilities Plan

Expenditure:  One-time  Annual

The revenue source for this motion is: Capital Budget- Account No. 77483220, Object Code 716

**VI. APPLICABLE POLICY(S)**

This action is in compliance with Policy No. 9100—Planning School Facilities, Policy No. 9280--- State Environmental Policy Act Compliance, RCW 39.34-- Interlocal Cooperation Act and (WAC) 197-11 .

**VII. ALTERNATIVES**

N/A

**VIII. COMMUNITY ENGAGEMENT**

**Community Engagement Required:**  **Yes**  **No**

The school District is required by RCW 197-11 to advertise and receive comments on the District's Threshold Determination of Non-Significance (DNS) issued reference the 2018-2023 Capital Facilities Plan

**IX. POLICY MONITORING PLAN**

This  new or  revised policy will be monitored by the School Board:

Quarterly  Semi-Annually  Annually  Not Applicable

**X. ATTACHMENTS**

2018-2023 Capital Facilities Plan

HIGHLINE SCHOOL DISTRICT NO. 401  
RESOLUTION NO. 13-18

2018-2023 CAPITAL FACILITIES PLAN AND PROPOSED IMPACT FEES; AUTHORIZATION TO  
SUBMIT FOR SCHOOL IMPACT FEES; AND CONTINUATION OF EXEMPTION  
OF IMPACT FEES FOR KING COUNTY HOUSING AUTHORITY

A RESOLUTION of the Board of Directors of Highline School District No. 401, King County, Washington, adopts the 2018-2023 Capital Facilities Plan, and authorizes the request for the collection of school impact fees, and continues the exemption from payment of school impact fees by King County Housing Authority.

WHEREAS, the District regularly updates its Capital Facilities Plan for the purposes of planning for capital facilities and determining the District's eligibility for receiving school impact fees; and

WHEREAS, the updated Capital Facilities Plan identifies projected student enrollment growth and the need for additional capacity to serve growth needs; and



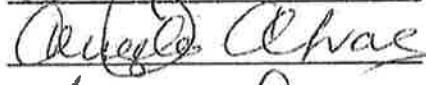
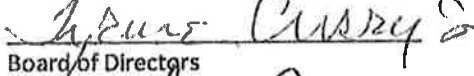
WHEREAS, the updated Capital Facilities Plan includes recommended school impact fees to offset the costs of the impacts of new residential development on the District's capacity needs; and

WHEREAS, the District conducted a review of the updated Capital Facilities Plan in accordance with the State Environmental Policy Act, state regulations implementing the act, and District policies and procedures.

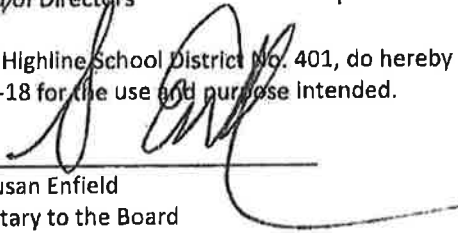
THEREFORE, BE IT FURTHER RESOLVED by the Board of Directors of Highline School District No. 401, King County, Washington that: (1) the 2018-2023 Capital Facilities Plan is hereby adopted by the District; and (2) the King County Council is hereby requested to adopt the Capital Facilities Plan by reference as part of the capital facilities element of the County's Comprehensive Plan, and (3) the City Councils for the cities of Burien, Des Moines, Kent, Normandy Park, SeaTac, and Tukwila are hereby requested to adopt the Capital Facilities Plan by reference as a part of the capital facilities element of each respective jurisdiction's Comprehensive Plan; and (4) the King County Council and the City Councils for the cities of Burien, Des Moines, Kent, Normandy Park, SeaTac, and Tukwila are hereby requested to adopt the school impact fees recommended in the Capital Facilities Plan; and (5) the existing exemption from payment of school impact fees from King County Housing Authority is hereby continued, and authorize the Superintendent or designee to sign any and all documents pertaining to this resolution.

ADOPTED this 18th day of July, 2018.

HIGHLINE SCHOOL DISTRICT NO. 401

  
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Board of Directors

I, Susan Enfield, Secretary to the Board of Directors of Highline School District No. 401, do hereby certify that the above is a true and accurate copy of Resolution No.13-18 for the use and purpose intended.

  
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Dr. Susan Enfield  
Secretary to the Board



## Impact Fees

### Municipal Research and Services Center (MRSC)

This page provides a general overview of impact fees for cities and counties in Washington State, including information on how they may be used and sample documents from selected jurisdictions.

### What Are Impact Fees?

Impact fees are one-time charges assessed by a local government against a new development project to help pay for new or expanded public facilities that will directly address the increased demand for services created by that development.

### What Can Impact Fees Be Used For?

RCW 82.02.050 - .110 and WAC 365-196-850 authorize counties, cities, and towns planning under the Growth Management Act (GMA) to impose impact fees for:

- Public streets and roads
- Publicly owned parks, open space, and recreation facilities
- School facilities
- Fire protection facilities

These impact fees may only be imposed for “system improvements” - public capital facilities in a local government’s capital facilities plan that are designed to provide service to the community at large (not private facilities), are reasonably related to the new development, and will benefit the new development (WAC 365-196-850).

Impact fees cannot exceed a proportionate share of the cost of the system improvements, and municipalities must have additional funding sources and may not rely solely on impact fees to fund the improvements (RCW 82.02.050).

**Impact fees may not be used to correct existing deficiencies.** For instance, a school district may use the impact fees from a development to pay for construction of new classrooms at specific schools to accommodate the increased enrollment

anticipated from that specific development. But the district *may not* use the impact fees to build new classrooms to reduce overcrowding caused by existing residents.

An impact fee ordinance, however, “may provide for the imposition of an impact fee for system improvement costs previously incurred by a county, city, or town to the extent that new growth and development will be served by the previously constructed improvements provided such fee shall not be imposed to make up for any system improvement deficiencies” (RCW 82.02.060(8)). For example, if a public works maintenance facility was designed and constructed to address both existing deficiencies (say, 60%) and future growth needs (say, 40%), impact fees could be used to pay for up to 40% of the debt service on the bond issued for that facility.

### Transportation Impact Fees

Transportation impact fees must be used for “public streets and roads” that are addressed by a capital facilities plan element of a comprehensive plan adopted under the GMA (RCW 82.02.050(4) and RCW 82.02.090(7)).

It is unclear whether state law allows these impact fees to be used to fund multimodal improvements, but such use is probably acceptable as long as the improvement is within the street right-of-way - such as bus lanes, sidewalks, or bike lanes - and there is a strong transportation-related justification. However, it is doubtful that impact fees could pay for buses, vanpool vehicles, recreational trails, or other projects outside the right-of-way.

Since impact fees are restricted to capital facilities, they cannot be used to fund transportation studies or operating and maintenance costs.

Bellingham has compiled a comparison of 2017-18 transportation impact fee base rates in Western Washington.

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### Park Impact Fees

Park impact fees must be used for “publicly owned parks, open space, and recreation facilities” that are addressed by a capital facilities plan element of a comprehensive plan adopted under the GMA (RCW 82.02.050(4) and RCW 82.02.090(7)).

Most cities and counties in Washington only charge park impact fees to residential construction or the residential portion of a mixed use building or development, but a few also charge commercial or industrial developments, since employees (and not just residents) can directly benefit from nearby parks and recreational facilities. (See Tukwila's example in the [sample documents section](#).)

### School Impact Fees

School impact fees must be used for “school facilities” that are addressed by a capital facilities plan element of a comprehensive plan adopted under the GMA ([RCW 82.02.050\(4\)](#) and [RCW 82.02.090\(7\)](#)). Typically, school impact fees apply only to residential construction or the residential portion of a mixed use building or development.

School districts are responsible for expending the impact fees but are not authorized to collect the fees. As a result, school impact fees require cooperation between school districts and the cities, towns, or counties administering the impact fee program. This cooperation should take the form of an interlocal agreement (ILA) that specifically identifies each party’s role.

Any exemption for school impact fees that would otherwise be distributed to a school district must first be approved by the school district ([RCW 82.02.060\(3\)](#)).

### Fire Impact Fees

Fire impact fees must be used for “fire protection facilities” that are addressed by a capital facilities plan element of a comprehensive plan adopted under the GMA ([RCW 82.02.050\(4\)](#) and [RCW 82.02.090\(7\)](#)). Because state law provides no further statutory or administrative definitions, some jurisdictions have taken it upon themselves to define “fire protection facilities” in their own municipal codes. (See Auburn's example in the [sample documents section](#), which includes fire engines and equipment.)