

1 Sponsored by: Councilmembers Ryan Mello, Robyn Denson and Jani Hitchen
2 Requested by: Pierce County Council
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5 **ORDINANCE NO. 2023-64s**

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8 **An Ordinance of the Pierce County Council Amending Section 4A.30.030 of**
9 **the Pierce County Code (PCC), "School Impact Fee**
10 **Schedule" to Adjust School Impact Fees for 2024 Based**
11 **Upon Changes to the Consumer Price Index; Creating a**
12 **Working Group to Review the School Impact Fee**
13 **Methodology Set Forth in Title 4A PCC; Appointing Members**
14 **to the Working Group; Requesting that the Working Group**
15 **Report Back to the Council with its Findings and**
16 **Recommendations by a Date Certain; and Setting an**
17 **Effective Date for the School Impact Fee Schedule.**
18

19 **Whereas**, pursuant to Chapters 82.02 and 36.70A of the Revised Code of
20 Washington (RCW), local governments planning under the Growth Management Act
21 (GMA) are authorized to impose one-time charges on new development projects to help
22 fund new or expanded public capital facilities, including school facilities; and
23

24 **Whereas**, impact fees, including school impact fees, may not exceed a
25 proportionate share of the cost of the improvements in the system of public capital
26 facilities which are listed or referenced within a capital facilities plan and that are
27 reasonably related to and will benefit the new development, meaning jurisdictions must
28 have additional funding sources and may not rely solely on impact fees to fund system
29 improvements. However, this provision does not require jurisdictions to subsidize the
30 costs of capital improvements reasonably associated with new development; and
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32 **Whereas**, RCW 82.02.060 authorizes local jurisdictions to provide an exemption
33 from impact fees for low-income housing; and
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35 **Whereas**, in 1996, the Pierce County Council (Council) approved Ordinance
36 No. 96-105s2, which provided a framework for school districts to request Pierce County
37 collect school impact fees on their behalf in a monetary amount determined separately
38 by each district based on a standard formula codified under Section 4A.30.020 of the
39 Pierce County Code (PCC); and
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41 **Whereas**, in 2001, the Council approved Ordinance No. 2001-93s, which
42 established that the current school impact fee formulas for single- and multi-family
43 residential developments in unincorporated Pierce County be first, calculating separate
44 fees by each school district, then capping the fees by the single- or multi-family
45 maximum fee obligations calculated by Pierce County in accordance with the formulas
46 listed in PCC 4A.30.020; and
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1 **Whereas**, in 2016, the Council approved Ordinance No. 2016-19, which in part
2 created a working group of Councilmembers, the County Executive, and school district
3 and industry representatives, to review Pierce County's school impact fee policies and
4 methodology; and

5
6 **Whereas**, in 2017, Pierce County contracted with Community Attributes, Inc., to
7 produce the Pierce County School Impact Fee Program Review, which reviewed Pierce
8 County's school impact fees and methodologies and was delivered to the Council on
9 March 15, 2018; and

10
11 **Whereas**, in 2018, the Council approved Ordinance No. 2018-13, which among
12 other impact fee changes, indexed the inflation factor for the "Maximum Fee Obligation"
13 (MFO) to the Engineer News Report Construction Cost Index (CCI) 20-City Average;
14 and

15
16 **Whereas**, local conditions related to residential development patterns, allowable
17 land uses and zoning in the unincorporated communities of Pierce County, Pierce
18 County's strategic goals, and the regional economy, specifically related to residential
19 development and affordable housing, have significantly changed; and

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21 **Whereas**, school impact fee policies and associated methodology have not been
22 reviewed since 2017; and

23
24 **Whereas**, school impact fees in Pierce County are calculated according to the
25 formulas in PCC 4A.30.020. The fee is then "capped" by a MFO which changes
26 annually based upon changes in the Construction Cost Index (20-City Average)
27 published by Engineering News Record; and

28
29 **Whereas**, the annual adjustment must be adopted by Ordinance following the
30 adoption of the Capital Facilities Plan and any review of impact fees; and

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32 **Whereas**, it has been the practice of the Council to only adjust impact fees in
33 increments of five dollars, rounding up to the nearest five-dollar increment; and

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35 **Whereas**, school impact fees are collected for residential development in the
36 unincorporated County for school districts that meet the requirements in Title 4A PCC;
37 and

38
39 **Whereas**, pursuant to PCC 4A.30.020, the Construction Cost Index for February
40 2017 is the base value from which changes are calculated; and

41
42 **Whereas**, the Construct Cost Index for February 2017 was calculated to be
43 10,559; for September 2023 it is 13,486, which is an increase of 27.71 percent from the
44 base year; and



1 **Whereas**, the MFO for school districts effective February 1, 2023, and adopted in
2 Ordinance No. 2022-70 is \$4,440 for single-family dwelling units, and \$2,355 for each
3 multi-family dwelling unit; and
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5 **Whereas**, after adjusting for changes to the Construction Cost Index through
6 September 2023 and rounding up to the nearest five-dollar increment, the adjusted
7 school MFOs are \$4,545 for single-family dwelling units and \$2,410 for multi-family
8 dwelling units, an increase of \$105 and \$55 respectively from the 2023 rates; and
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10 **Whereas**, pursuant to PCC 4A.10.130 and 4A.30.010 C, the County has
11 reviewed the relevant School Districts' Capital Facilities Plans, County Comprehensive
12 Plan Amendments, and Title 4A PCC; and
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14 **Whereas**, the Council has determined it is the best interest of the health, safety,
15 and welfare of the citizens and residents of Pierce County to adjust the school impact
16 fee schedule and to convene a working group to review Pierce County's school impact
17 fee policies and methodology; **Now Therefore**,

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19 **BE IT ORDAINED by the Council of Pierce County:**
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21 Section 1. Section 4A.30.030 of the Pierce County Code, "School Impact Fee
22 Schedule," is hereby amended as shown in Exhibit A, which is attached hereto and
23 incorporated herein by reference.
24

25 Section 2. A Working Group is hereby created to review Pierce County's school
26 impact fee policies and methodology and is requested to provide findings and
27 recommendations on the following:
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- 29 • The Maximum Fee Obligation (MFO) policy, comparison of this policy to other
30 regional counties and to cities in Pierce County which collect school impact
31 fees, and modifications, if any, that should be made to the MFO policy.
32
- 33 • The school impact fee methodology set forth in Chapter 4A.30 PCC,
34 consistency in the application of the methodology across school districts,
35 comparison of the methodology to the methodology used by other regional
36 counties and by cities in Pierce County which collect school impact fees, and
37 modifications, if any, that should be made to the methodology.
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- 39 • Other school impact fee policy, methodology, or regulatory issues as
40 appropriate.
41

42 Section 3. The Working Group shall consist of the following ten members:
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- 44 • Two members of the Pierce County Council, appointed by the Council Chair;
- 45 • One representative from the Peninsula School District;
- 46 • One representative from the Bethel School District;
- 47 • One representative from the Puyallup School District;



- One representative from the Sumner-Bonney Lake School District;
- The County Executive or designee;
- Two representatives from the Master Builders Association of Pierce County; and
- One representative from the Tacoma-Pierce County Association of Realtors.

Section 4. The Working Group shall report back to the Council on or before May 31, 2024, with its findings and recommendations.

Section 5. The Office of the Pierce County Council shall solicit contract services to provide the Council and the working group with an update to the 2018 Pierce County School Impact Fee Report.

Section 6. The effective date of the adjusted "School Impact Fee Schedule" set forth in Exhibit A shall be February 1, 2024.

PASSED this 14th day of November, 2023.

ATTEST:

PIERCE COUNTY COUNCIL
Pierce County, Washington

Denise D. Johnson
Denise D. Johnson
Clerk to the Council

Ryan N. Mello
Ryan N. Mello
Council Chair

Bruce F. Dammeier
Bruce F. Dammeier
Pierce County Executive
Approved Vetoed _____, this.
28th day of November,
2023.

Date of Publication of
Notice of Public Hearing: October 25, 2023

Effective Date of Ordinance: December 8, 2023



Only those portions of Section 4A.30.030 that are proposed to be amended are shown.
 Remainder of text, tables, maps and/or figures is unchanged.

4A.30.030 School Impact Fee Schedule.

SCHOOL DISTRICT	PER SINGLE-FAMILY DWELLING UNIT		PER MULTI-FAMILY DWELLING UNIT	
	School District Fee Calculation	Impact Fee (Maximum Fee Obligation is \$4,545 \$4,400)	School District Fee Calculation	Impact Fee (Maximum Fee Obligation is \$2,410 \$2,355)
Bethel	\$9,966 \$19,608	\$4,545 \$4,440	(\$4,502) (\$2,295)	\$0
Carbonado	\$8,548 \$8,720	\$4,545 \$4,440	\$2,425 \$2,368	\$2,410 \$2,355
Dieringer	\$8,054 \$6,167	\$4,545 \$4,440	\$3,400 \$2,060	\$2,410 \$2,060
Eatonville	\$18,019 \$17,652	\$4,545 \$4,440	\$7,335 \$3,596	\$2,410 \$2,355
Fife	\$5,037 \$4,039	\$4,545 \$4,039	\$2,231 \$773	\$2,231 \$773
Franklin Pierce	\$17,237 \$13,818	\$4,545 \$4,440	\$3,643 \$1,312	\$2,410 \$1,312
Orting	\$24,483 \$23,013	\$4,545 \$4,440	\$10,093 \$11,421	\$2,410 \$2,355
Peninsula	\$7,234 \$7,870	\$4,545 \$4,440	\$3,966 \$4,261	\$2,410 \$2,355
Puyallup	\$31,966 \$30,262	\$4,545 \$4,440	\$15,250 \$13,052	\$2,410 \$2,355
Steilacoom	\$7,811 \$8,104	\$4,545 \$4,440	\$0	\$0
Sumner-Bonney Lake	\$11,787 \$32,126	\$4,545 \$4,440	\$6,088 \$3,862	\$2,410 \$2,355
White River	\$11,391	\$4,545 \$4,440	\$4,001	\$2,410 \$2,355
Yelm	\$5,755 \$6,417	\$4,545 \$4,440	\$4,491 \$14,490	\$2,410 \$2,355



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