Sponsored by: Councilmembers Robyn Denson and Ryan Mello

Requested by: County Council

ORDINANCE NO. 02024-511

An Ordinance of the Pierce County Council Amending Pierce County Code Sections 4A.10.020, "Definitions," 4A.10.050, "Authorization for Interlocal Agreements," and 4A.10.070, "Use of Funds" to Facilitate Partnership Projects with Other Park and Recreation Facility Providers in Pierce County; Adopting Findings of Fact; and Setting an Effective Date.

Whereas, Chapter 36.70A of the Revised Code of Washington (RCW), "Growth Management – Planning by Selected Counties and Cities," and Title 82 RCW, "Excise Taxes," allow counties to assess impact fees to assure new development bears a proportionate share of the cost of capital expenditures necessary to meet the demands for County public facilities related to the new development, including parks, open space and trails; and

Whereas, public parks, open space and recreation facilities, owned or operated by government entities and identified in a capital facilities plan, are system improvements that may be funded with impact fees; and

Whereas, RCW 36.70A.070(3) requires Pierce County to identify all public entities that own public facilities and to work with such public entities to identify public facilities for inclusion within the County's capital facilities plan element to assure the land use element, the capital facilities element and the financing plan within the capital facilities element are coordinated; and

Whereas, Ordinance No. 96-105s2 established and adopted Title 4A of the Pierce County Code (PCC), "Impact Fees," allowing the imposition and collection of impact fees to ensure new development pays a proportionate share of the cost of new capital facilities necessary to accommodate growth; and

Whereas, Ordinance No. 96-122s amended Title 4A PCC to require new residential construction be assessed impact fees for parks, open space and trails to implement the Comprehensive Plan and to help achieve the goals and objectives of the Land Use and Capital Facilities elements; and

Whereas, Ordinance No. 2016-51s updated the parks impact fee calculation based on an investment per capita methodology after extensive study and work with the Parks Impact Fee Working Group; and



Whereas, Pierce County collects a park impact fee for new residential dwelling units constructed within the County's Park Service Area which includes the entire unincorporated area of Pierce County; and

Whereas, park impact fees are used for development of park system facilities to serve new growth and development throughout the unincorporated area; and

Whereas, Ordinance No. 2016-51s authorized the funding of park system facilities owned or controlled by Pierce County with park impact fees but precludes the use of park impact fee funds on park system facilities owned by school districts; and

Whereas, Ordinance No. 2016-51s authorized the utilization of park impact fees in unincorporated areas of the County in partnership with local park districts where the local park district provides park district capacity improvements; and

Whereas, Pierce County recognizes park system facilities that are eligible for park impact fee funding, in partnership with school districts and park districts, following submittal of a district's capital facilities plan to the County and adoption of the district's capital facility plan in the County's capital facilities plan by reference; and

Whereas, Pierce County provides funding for park system improvements that are eligible for park impact fee contributions in partnership with school district and park districts following the adoption of a park or school district's capital facilities plan by reference in the County's capital facilities plan and allocating a specific funding amount to the park or school district in the County's biennial budget; and

Whereas, the Council intends to continue partnering with park and recreation districts and school districts throughout the County by allocating specific park impact fee funding amounts for school districts and park districts identified in the County's capital facilities plan and appropriating funds in the Pierce County biennial budget for regional park capacity projects located on school district and park district properties that benefit Pierce County residents; and

Whereas, expenditures for capacity projects associated with the park impact fee are informed by the Parks Fiscal Policy (most recently adopted in Resolution No. R2016-115s) and the Park, Recreation and Open Space plan (most recently adopted in Ordinance No. 2020-3s) and are authorized through the County's adopted capital facilities plan and the approval of the County's biennial budget; and

Whereas, amendments to Chapter 4A.10 PCC are necessary to clarify the requirements for appropriating park impact fee funds to various partnership organizations such as school districts and park and recreation districts to support the development of park system facilities that increase the capacity of regional parks in the unincorporated area of the County as authorized through Chapter 36.70A RCW and Title 82 RCW; Now Therefore,

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Only those portions of Chapter 4A.10 that are proposed to be amended are shown. Remainder of text, tables, maps and/or figures is unchanged.

4A.10.020 Definitions.

"Park System Facilities" means all public parks, open space, trails, facilities, and recreation programs facilities owned or controlled by Pierce County or other government entities that have also executed a capital facilities plan, such as a Park District through the Parks and Recreation Department. Park System Facilities do not include the lands or structures owned by others such as schools, private recreation providers, and nonprofit organizations, even though the County may have an agreement to manage recreation programs at such a site. Pierce County's Park and Recreation Facilities are discussed in the Capital Facilities Plan element of the Comprehensive Plan for Pierce County. Funding contributions provided to other government entities for park system facilities in partnership with Pierce County are reflected in the County's Capital Facilities Plan.

4A.10.050 Authorization for Interlocal Agreements.

- A. The Executive is authorized to execute, on behalf of the County, an Interlocal agreement with a District (i.e., school district or park district) that may provide for the collection, expenditure, and reporting of impact fees, provided that such Interlocal agreement complies with the provisions of this Title. All aspects of this Title, including Interlocal agreements, must be in place prior to collection of fees.
- B. The Interlocal agreement shall provide for:
 - 1. A District to prepare its capital facilities plan consistent with Chapter. 36.70A RCW.
 - 2. A District to submit the plan or plan amendments to Pierce County for adoption as part of the County Comprehensive Plan consistent with this Title and Chapter 19C.10 PCC, provided that the plan includes all information required by Chapters 36.70A and 82.02 RCW and this Title.
- C. School District Interlocal agreements shall include at least the following provisions:
 - 1. The Interlocal agreement shall mandate that the District shall establish an Impact Fee Fund which will be composed of the various accounts, each of which shall be credited with appropriate interest. The District shall assume responsibility for all necessary accounting, investing, reporting, expending, and refunding activities associated with their Impact Fees.
 - 2. Funds withdrawn from the Impact Fee Account for the District must be used in accordance with the provisions of PCC 4A.10.060. The interest earned shall be retained in this account and expended for the purposes for which the impact fees are collected.
 - 3. On an annual basis, pursuant to the Interlocal agreement, each District shall prepare and submit to the County a report on the impact fees and the Impact Fee Account, showing the source and amount of all moneys collected, earned, or received, and the public improvements that were financed in whole or in part by impact fees.

- 4. Impact fees shall be expended or encumbered within six years of receipt, unless the Council identifies in written findings extraordinary and compelling reason or reasons for a District to hold the fees beyond the six year period. Under such circumstances, the period of time within which the impact fees shall be expended or encumbered shall be established after consultation with that District.
- D. Park District Interlocal agreements shall include at least the following provisions:
 - 1. The Interlocal agreement shall obligate the District to establish an Impact Fee Account for receipt of impact fee funds contributed by the County. The impact fee funds shall be held in this interest-bearing account. The interest earned shall be retained in the account and expended for the purposes for which the impact fees are collected. The District shall assume responsibility for all necessary accounting, investing, reporting, expending, and refunding activities associated with receipt of park impact fees.
 - 2. On an annual basis, pursuant to the Interlocal agreement, each District shall prepare and submit to the County a report on the impact fees and the Impact Fee Account, showing the amount of all moneys received, and the public improvements that were financed in whole or in part by impact fees.
 - 3. Impact fees shall be expended or encumbered within six years of receipt, unless the Council identifies in written findings extraordinary and compelling reason or reasons for a District to hold the fees beyond the six-year period. Under such circumstances, the period of time within which the impact fees shall be expended or encumbered shall be established after consultation with that District.

4A.10.070 Use of Funds.

- B. Impact fees may be spent for facilities and improvements listed in the a capital facilities plan and identified as being funded in part by impact fees. Expenditures may include, but are not limited to, facility planning, land acquisition, site improvements, necessary off site improvements, construction, engineering, architectural, permitting, financing, grant matching funds and administrative expenses, applicable impact fees or mitigation costs, capital equipment pertaining to public facilities, and any other expenses which can be capitalized and are consistent with the Comprehensive Plan.
- F. In unincorporated areas of the County where a park district provides regional park facilities, park impact fees may be used in partnership with local park districts to provide park district capacity improvements identified in the Park District's Capital Facilities Plan.