

BLACK DIAMOND CITY COUNCIL MINUTES
Council Special Meeting of July 30, 2020
Virtual Meeting Via Zoom

CALL TO ORDER, FLAG SALUTE:

Mayor Benson called the special meeting to order at 6:00 p.m. and led us all in the Flag Salute.

ROLL CALL:

PRESENT: Councilmembers Deady, Oglesbee, Wisnoski, de Leon, Nelson, and Paige. (Councilmember Stout entered the meeting at approximately 6:09 p.m.)

ABSENT: None

Staff present: David Linehan, City Attorney; Barb Kincaid, Community Development Director, and Brenda L. Martinez, City Clerk/HR.

WORK SESSION:

1) Draft School Impact Fee Ordinance and Related Interlocal Agreements

City Attorney Linehan reported to Council on this item and shared a PowerPoint Presentation he prepared for the meeting. Topics/Highlights of discussion were:

- Purpose of Meeting
 - Overview of impact fee program
 - Steps required for adoption
 - Timing
 - Applicability to MPDs
 - Key decisions for the City Council
- What are impact fees?
- What can impact fees be used for?
- How do impact fees work?
- School District Eligibility – How do districts demonstrate need for additional capital facilities?
 - District must determine whether they are eligible to request school impact fees
 - District Capital Facilities Plan must demonstrate both need and planned solution
 - Each city served by the School District must do
 - School district Capital Facilities Plan are reviewed by the ESD Board of Directors and by the King County School Technical Review Committee

- School districts update their Capital Facilities Plans and school impact fees annually to provide updated information to the cities they serve
- School Districts boundaries within Black Diamond city limits?
 - Enumclaw School District
 - Tahoma School District
 - Kent School District
 - Auburn School District
- How do districts calculate their impact fee? Fee calculations
 - School Impact Fees under the Washington State Growth Management Act
 - Methodology and Variables Used to calculate School Impact Fees
 - Reviewed appendix B – School impact fee calculation from Tahoma School District
- Proposed 2020 school impacts fees by school district for the two housing types (single and multi-family).
- Steps required for adoption of school impact fee in Black Diamond with suggested timing.
 1. Adopt school district Capital Facilities Plans by reference into the City's Comprehensive Plan – Planning Commission public hearing 8/11 and Council Meeting on 8/20 (emergency ordinance)
 2. Adopt school impact fee program ordinance- Public hearing schedule for Council meeting of 8/6, Council possible adoption date on 8/20
 3. Adopt school impact fee resolution
 4. Execute ILA with each school district (fees cannot be collected until ILA is executed. Note: Steps 1 and 3 will need to be repeated annually)
- How do impact fees apply to the MPDs?
- Key Decisions – Potential Black Diamond modification to draft school impact fee ordinance (reasonable discretion)
 - Add exemption and/or waivers to impact fee ordinance?
 - Low-income housing
 - ADUs
 - Impose administrative fees?
 - Admin/accounting costs
 - Deferral costs
 - Deferral options?
 - Final inspection
 - Certificate of occupancy
 - 1st sale (paid out of seller proceeds)
 - Discount percentage?
 - 50% is common/standard “local share” in King County
- Potential exemptions or waivers
 - Proposed new BDMC 3.70.110
 - ADUs
 - Low-income housing (BDMC 3.70.110(G))
 - “Other development activities with broad public purposes” per RCW 82.02.060(2).
 - Extraordinary discounts or adjustments for public policy reasons

- Administrative fees

During the work session there was Council discussion on the following:

- Do schools have a limited time to use these fees? If they don't use the fees in the allotted amount of time where does that money go?
- Question on having the fee go directly to the school rather than having the city collect and then distribute to the school. What is best?
- Question regarding extra workload on staff to administer the collection of this fee?
- Adding a small administrative fee for processing the collected fees?
- Question on how the land use planning study would affect this?
- Does the formula take into account low income or senior housing? It was noted this would be a policy decision of Council.
- What dynamics and precedents have already been set for ADUs and low-income housing. Do other cities have these kinds of allowances?
- There was an extensive discussion on ADUs, low-income, and senior housing regarding should they be exempt from school impact fees or have a different rate. Following the discussion there was consensus that this needs to be discussed further at a work session.

In closing, City Attorney Linehan thanked all present for the robust discussion as areas needing more discussion were identified. He added that more input will be forthcoming from the public as the public hearing is scheduled for the August 6th Council meeting.

ADJOURNMENT:

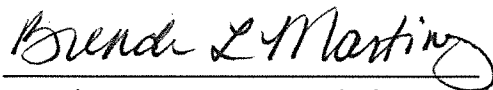
Councilmember Deady **moved** to adjourn the meeting; **second** Councilmember Oglesbee. Motion **passed** with all voting in favor (7-0).

The meeting ended at 7:41 p.m.

ATTEST:



Carol Benson, Mayor



Brenda L. Martinez, City Clerk