



## ATTACHMENT 6

### City of Monroe Planning Commission Findings and Conclusions (CA2016-02)

#### Findings

1. In 2015 the Washington state legislature passed and the Governor signed into law Engrossed Senate Bill (ESB) 5923 related to impact fee deferral systems. ESB 5923 requires local governments that collect impact fees to, by September 1, 2016, provide an impact fee deferral system for the collection of impact fees for new single family detached and attached residential construction..
2. The City of Monroe collects impact fees in accordance with Chapter 82.02 RCW.
3. Monroe Municipal Code (MMC) subsection 21.20.040(B) states that the planning commission shall review and make recommendations on the following subjects:

“B. Amendments to the subdivision code, zoning code, and environmental code (MMC Titles 17 through 20).”

Impact fees (for schools, parks and transportation) are codified in MMC chapters 20.12, 20.07 and 20.10. Planning Commission review and recommendation is required.

4. WAC 197-11-800 14(i) and WAC 197-11-800 (19) categorically exempt from SEPA threshold determinations the following,

“(14) **Activities of agencies.** The following administrative, fiscal and personnel activities of agencies shall be exempt:

(i) Adoptions or approvals of utility, transportation and solid waste disposal rates.”

and

“(19) **Procedural actions.** The proposal, amendment or adoption of legislation, rules, regulations, resolutions or ordinances, or of any plan or program shall be exempt if they are:

- (a) Relating solely to governmental procedures, and containing no substantive standards respecting use or modification of the environment.
- (b) Text amendments resulting in no substantive changes respecting use or modification of the environment.
- (c) Agency SEPA procedures.”

The proposal is SEPA exempt. It is specific to the timing of collection of (school, transportation and park) impact fees and involves no substantive changes with respect to use or modification of the environment.

5. The proposed code amendment allows, should an applicant choose a deferral option, for the deferral of the payment of impact fees to the time of final inspection of the single family dwelling, but in no case longer than 18 months from time of building permit issuance. Final inspection, along with certificate of occupancy and time of first sale of the property, is one of the alternatives provided for to a local government in ESB 5923.
6. The proposed code amendment would limit the number of annual (calendar year) impact fee deferrals per applicant to 20 single family homes. This limitation of 20 deferrals per applicant annually is provided for in ESB 5923, although a local government may choose to allow more than 20 deferrals per year.
7. The Monroe Public Schools provided written comments requesting that the time of deferral be at the time of final inspection and that the number of deferrals be annually capped at 20 per applicant. Verbal conversation with the Snohomish School District confirmed a similar preference on the time of impact fee collection (at time of final inspection) and the number of annual deferrals an applicant may have (maximum of 20 annually (calendar year)).
8. Stakeholder outreach in early 2016, prior to the Planning Commission public hearing, found that many builders who have or who are doing work in Monroe will not likely use the deferral process but will instead continue to pay impact fees at the time of building permit issuance. Administrative processes and company resources associated with requesting deferrals were cited as a reason. However, some of these same builders thought that smaller developers/builders might find the impact fee deferral process useful and that it (impact fee deferral) is a good tool to have available.

9. The proposed code amendment authorizes the City to assess a reasonable administrative fee for those applicants requesting an impact fee deferral. Assessing a reasonable administrative fee is provided for in ESB 5923.

10. The City of Monroe Planning Commission held a duly noticed public hearing on June 13, 2016 to accept public testimony on the proposed impact fee deferral code amendment.

### **Conclusions**

1. The proposed code amendment providing for an impact fee deferral system responds to the requirements of Engrossed Senate Bill (ESB) 5923

2. The proposed impact fee deferral code amendment is SEPA exempt.