

SENATE BILL REPORT

SB 5548

As of January 22, 2010

Title: An act relating to requiring project improvements, including public transportation infrastructure improvements, to be credited against the imposition of impact fees.

Brief Description: Requiring project improvements, including public transportation infrastructure improvements, to be credited against the imposition of impact fees.

Sponsors: Senators Haugen, Jarrett, Fraser and Shin.

Brief History:

Committee Activity: Transportation: 2/19/09, 2/24/09 [DP]; 1/20/10.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Haugen, Chair; Marr, Vice Chair; Swecker, Ranking Minority Member; Becker, Berkey, Delvin, Eide, Jarrett, Kauffman, Kilmer, King, Ranker and Sheldon.

Staff: Kelly Simpson (786-7403)

Background: Counties, cities, and towns that are required or choose to plan under the Growth Management Act (GMA) may impose impact fees on development activity as part of the financing for public facilities needed to serve new growth and development. The impact fees (1) may only be imposed for system improvements that are reasonably related to the new development; (2) may not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and (3) must be used for system improvements that will reasonably benefit the new development. "System improvements" are limited to those public facilities specifically designated by a county, city, or town in its capital facilities plan that are designed to serve areas within the community at large. Generally, if a jurisdiction does not spend impact fee revenue on system improvements within six years of collection, the impact fees must be refunded.

Jurisdictions imposing impact fees must provide a credit against the fees for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer. However, this credit provision does not apply to project improvements provided by the developer. "Project improvements" are site improvements and

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facilities planned and designed to serve a particular development project, and are not "system improvements."

Summary of Bill: Credits required to be applied against GMA impact fees are expanded to include project improvements provide by the developer. Jurisdictions imposing impact fees must provide a credit against the fees for the value of any dedication of land for, improvement to, or new construction of any project improvements provided by the developer. Project improvements authorized to receive the credit include public transportation infrastructure improvements.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Cities, counties, and developers are working on compromise language to accomplish the intended goals of this bill. However, the approach taken by stakeholders may be narrower than the underlying bill. Ideas may include expanding the definition of public facilities, clarifying that system improvements are those that benefit the community, and providing developers a credit based on the proportional value of the improvement to the system. The stakeholders have a better understanding of each other's positions. They are also looking to include transit improvements.

Persons Testifying: PRO: Ashley Probart, Association of WA Cities; Scott Hildebrand, Master Builders Assoc. - King/Snohomish Counties; Owen Carter, Snohomish County.