



CITY OF KIRKLAND

Planning and Community Development Department
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Eric Shields, Planning Director
Jeremy McMahan, Planning Supervisor

Date: February 2, 2011

Subject: Public Hearing (Continued) on Request by Lake Washington School District to Collect School Impact Fees, File No. MIS09-00015

RECOMMENDATION

City Council conduct a public hearing to consider adoption of school impact fees and either adopt the proposed ordinance or direct staff to make changes.

Following a scheduled February 10th meeting with the District and interested parties, staff may present additional options to the Council at the hearing. Options could include phasing in of impact fees over time or collecting impact fees at a lower amount.

If the Council adopts the ordinance, staff also recommends adoption of the attached resolution authorizing an interlocal agreement with the Lake Washington School District for the collection, distribution and expenditure of impact fees.

SUMMARY OF ONGOING DISCUSSIONS

The City Council continued the January 4, 2011 public hearing in order to allow time for staff to facilitate additional discussions between the District and interested parties. The goals were to make sure that all parties had adequate background information and to offer an opportunity for parties to identify and discuss options to the District's request. The City Manager hosted a meeting on January 20th, with representatives from the District, King County Master Builders, Seattle-King County Realtors, the Chamber of Commerce, and local Kirkland builders. All parties agreed that quality schools and sustainable funding for those schools was important. Counter proposals were made to delay impact fees until the economy recovers, to reduce impact fees based on Kirkland's relative lower capacity needs and higher assessed value, and to collect in the annexation area but not in Kirkland. Additional information was requested of the District and the City in response to these ideas. Regarding the suggestion to collect impact fees in the annexation area but not in Kirkland, the City Attorney has concluded that such differentiation is not a viable option under State law.

At the end of January 20th meeting, attendees agreed to meet again to review additional information and further discuss options presented. The second meeting is scheduled for February 10th and staff will report on the outcome at the February 15th hearing.

Note that the ordinance was previously revised to reflect the following compromises:

- Defers the effective date until June 1, 2011 to coincide with annexation. This will allow a reasonable period for Kirkland developers to vest any pending permits while ensuring that the District will not lose revenue as a result of the annexation.
- Allows applicants for single family homes to defer payment of the impact fee from the time of permit issuance to the time of home sale closing. This deferred payment provision is proposed to sunset after one year (May 31, 2012), consistent with provisions for the City's park and transportation impact fees.

BACKGROUND

State law authorizes the collection of impact fees to help defray the costs of new school facilities. The fees must be justified by a school district's adopted Capital Facilities Plan (Attachment 2). The plan must document anticipated enrollment growth and capital needs and include a financing plan that identifies the role of impact fees. Collection of the fees occurs through the permitting process of general purpose governments, such as Kirkland. Those governments must agree to collect the fees and forward collected fees to the school district.

Lake Washington School District lies within the jurisdiction of four general purpose governments – Kirkland, Redmond, Sammamish and unincorporated King County. All of the jurisdictions except Kirkland collect school impact fees. Based on the District's current Capital Facilities Plan, the impact fees requested are \$6,250 for single family units and \$1,732 for multifamily units. These rates are adjusted annually with the District's Capital Facilities Plan, although changes to the rates require City Council approval. The proposed impact fees are based on a Six-Year Capital Facilities Plan (CFP) for the period 2010-2015 prepared by the School District and adopted in August, 2010. The CFP establishes a "standard of service" (student/teacher ratios), enrollment projections and capital construction plans for maintaining service levels. The proposed fees are based on a 50% local share of the total capital costs calculated by the district over the over the life of the plan.

Of the other three jurisdictions served by the District, King County and Sammamish collect at the rates requested by the District and Redmond collects \$2,750 for single family and \$280 for multifamily. The District has requested that Redmond update its rates.

The annexation areas of Finn Hill, Kingsgate and North Juanita will be subject to Kirkland's impact fee rules beginning in June, 2011. Consequently, unless Kirkland authorizes school impact fees, the School District would lose impact fee revenue currently collected by the County from the annexation area.

Although Kirkland has not authorized collection of school impact fees, the District has utilized the SEPA process to negotiate impact fee payment for larger developments. The City has provided the District with notices of new developments that are subject to SEPA. The District has appealed City issued Determinations of Nonsignificance on the grounds that the developments will have significant school impacts. The appeals have typically been settled

between the District and developer prior to an appeal hearing. There is currently one case pending before the City's Hearing Examiner on a cottage project in South Rose Hill.

If school impact fees are approved, it is also recommended that an interlocal agreement be adopted to establish responsibilities for the City and District in administering the school impact fee program. A copy of the draft interlocal agreement is included as Attachment 4. Council adoption of the supporting resolution shown in would indicate the City's intent to enter into an interlocal agreement and would authorize the City Manager to enter into the agreement.

PREVIOUS CITY CONSIDERATION

- **January, 2008.** The City Council met with representatives of the Lake Washington School District to discuss the District's request that the City collect school impact fees. At that time, City Council members raised a number of questions and asked the District to provide additional information.
- **February, 2009.** The District submitted a written response to the Council's questions ([View 5/19/2009 Council Packet](#)).
- **April 22, 2009.** The District submitted a formal request for the City to adopt an impact fee ordinance.
- **May 19, 2009.** The Council discussed the request and directed staff to prepare an ordinance for Council consideration ([View 5/19/2009 Council Packet](#)).
- **December 1, 2009.** The City Council considered a school impact fee ordinance. Public comment on the ordinance was received under the items from the audience portion of the meeting from representatives of LWSD, King County Master Builders, Seattle-King County Association of Realtors, and the Chamber of Commerce. After initial discussion, the Council tabled the ordinance and requested a public hearing to receive additional community input.
- **December 11, 2009.** The District withdrew its request for City adoption of impact fees.
- **August 17, 2010.** The District submitted a new request for the City to adopt an impact fee ordinance (Attachment 1).
- **September 21, 2010.** The City Council reviewed the District's request and directed the City Manager to work with the District and other interested parties, review options, and bring back an ordinance for consideration in 2011.
- **January 4, 2011.** The City Council opened the public hearing on school impact fees and immediately continued the hearing to February 15, 2011 to allow the City, District, and interested parties time to meet and discuss the proposal and alternatives.
- **January 20 and February 10, 2011.** City facilitated meetings with the District and interested parties.

Attachments:

1. LWSD Impact Fee Request
2. LWSD Capital Facilities Plan 2010-2015
3. Draft Interlocal Agreement

Lake Washington School District No. 414

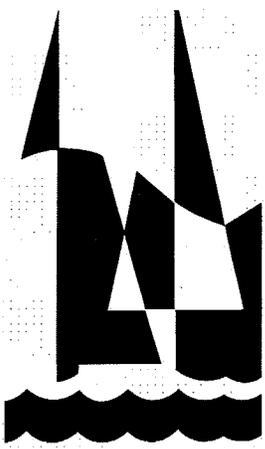
Attachment 1

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August 17, 2010

RECEIVED

AUG 23 2010

CITY OF KIRKLAND
CITY MANAGER'S OFFICE

The Honorable Joan McBride
Mayor, City of Kirkland
123 Fifth Avenue
Kirkland, Washington 98033

RE: Request for Council Action - School Impact Fees

Dear Mayor McBride:

As you know, the Lake Washington School District (the "District") has worked for several years to provide the City of Kirkland with information related to a proposed school impact fee ordinance. The District is requesting that the City Council move forward at this time with its consideration of the ordinance.

The District recently updated its Capital Facilities Plan. The 2010 Plan contains the following school impact fee amounts: \$6,250 for single family dwelling units and \$1,732 for multi-family dwelling units. These amounts represent 50% of the calculated unfunded school capacity need related to students generated from new single family or multi-family dwelling units. Please note that the District's Capital Facilities Plan and fees are updated on an annual basis.

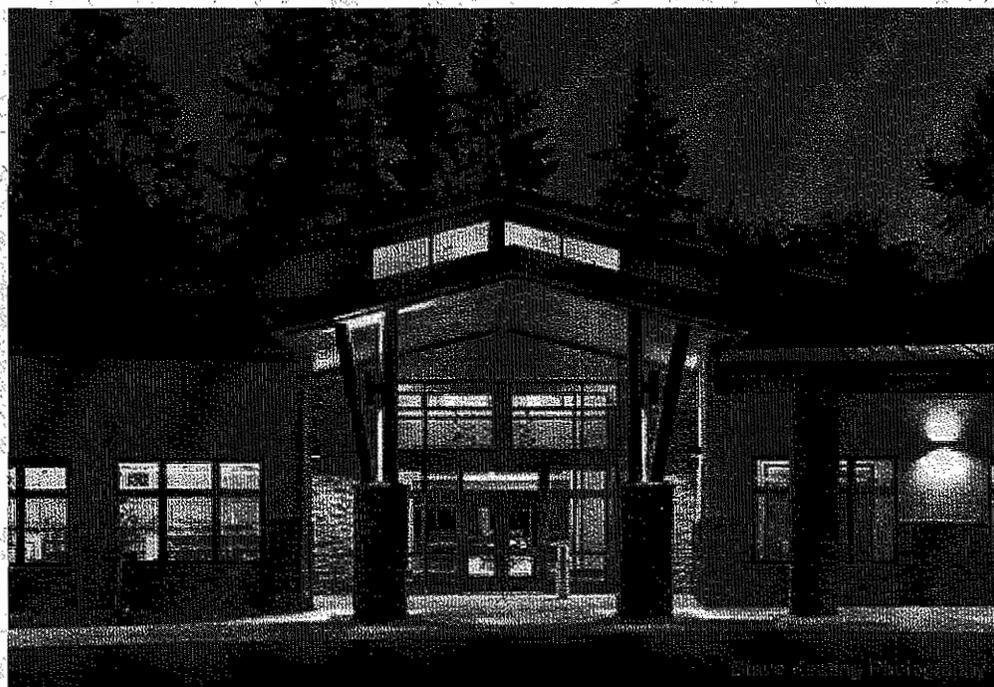
We look forward to continuing our discussion with the City of Kirkland regarding a school impact fee ordinance. We would be happy to meet with the City Council again in study session, if necessary, or to present this request at a regular City Council meeting. Please let us know the City's preference regarding this matter.

Sincerely,

Chip Kimball
Superintendent

cc: Kurt Triplett, City of Kirkland, City Manager
Eric Shields, City of Kirkland, Planning Director
Forrest Miller, LWSO Director of Facilities & Transportation
Denise Stiffarm, K&L Gates LLP

Six-Year Capital Facility Plan 2010 - 2015



Board Adopted: August 23, 2010

Lake Washington School District #414

Serving Redmond, Kirkland, Sammamish, and King County, Washington

Lake Washington School District #414
Serving Redmond, Kirkland, Sammamish, and King County, Washington

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Dr. Chip Kimball

**Lake Washington School District's
Six-Year Capital Facilities Plan
2010-2015**

**For information about this plan, call the District Support Services Center
(425/882-5108)**

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I. Executive Summary

This Six-Year Capital Facilities Plan (the "plan") has been prepared by the Lake Washington School District (the "district") as the organization's primary facility planning document in compliance with the requirements of the State of Washington's Growth Management Act and King County Code 21A.43. This plan was prepared using data available in Spring 2010.

The plan is consistent with prior long-term capital facilities plans adopted by the Lake Washington School District. However, it is not intended to be the sole plan for all of the organization's needs. The district also prepares interim and long-range capital facilities plans consistent with board policies. Such plans take into account longer and shorter time periods, other factors and trends in the use of facilities, and other needs of the district as may be required. These other plans are consistent with this Six-Year Capital Facilities Plan.

In order for impact fees to be collected in the unincorporated areas of King County, the King County Council must adopt this plan as proposed by the district. The cities of Redmond and Sammamish have each adopted a school impact fee policy and ordinance similar to the King County model. For impact fees to be collected in the City of Kirkland, the City of Kirkland must also adopt this plan and adopt its own school impact fee ordinance.

Pursuant to the requirements of the Growth Management Act and the local implementing ordinances, this plan will be updated on an annual basis with any changes in the fee schedule adjusted accordingly. See *Appendix B* for the current single family calculation and *Appendix C* for the current multi-family calculation.

The district's capital facility plan establishes a "standard of service" in order to ascertain current and future capacity.

While the current State budget crisis has impacted state funding, the district has made budgetary decisions to protect class size through reduction in other programs and services. Future state funding shortfalls could impact class sizes however those changes are anticipated to be temporary reductions and as such will likely not modify the district's standard of service.

I. Executive Summary (*continued*)

This plan reflects the current student/teacher standard of service ratio. The district's standard of service has been changed to reflect space needs to serve students in All Day Kindergarten, as currently 80% of district's students participate in this program.

It might also be noted that though the State Superintendent of Public Instruction establishes square foot guidelines for capacity funding criteria, those guidelines do not account for the local program needs in the district. The Growth Management Act and King County Code 21A.43 authorize the district to make adjustments to the standard of service based on the district's specific needs.

In general, the district's current standard provides the following (see *Section III* for specific information):

Grade Level	Target Teacher-Student Ratio
K-1	19 Students
2-3	24 Students
4	25 Students
5-6	27 Students
7-9	30 Students
10-12	32 Students

School capacity is based on the district standard of service and the existing inventory. Existing inventory includes both permanent and relocatable classrooms (i.e. portable classroom units). As seen in *Appendix A*, the district's overall capacity is 25,629 students (22,170 for permanent and 3,063 for relocatables). For this same period of time, student enrollment is 23,782 headcount. Enrollment is projected to increase to 26,922 in 2015 (see *Table 1*).

Though areas of growth are seen in various areas of the district, the most notable growth continues to be in the Redmond and Sammamish areas along with areas of growth in the City of Kirkland. In addition, the City of Kirkland will be annexing areas of unincorporated King County (the Finn

I. Executive Summary (*continued*)

Hill and Kingsgate areas) which we anticipate will result in additional growth.

Some examples include:

- Growth has necessitated the construction of one elementary school (a.k.a. Site 52, Rachel Carson Elementary School) on the Sammamish plateau which opened in the fall of 2008. Due to capacity issues, this school opened with four relocatable classrooms on the site.
- The Redmond Ridge development continues to experience growth to the point that in addition to the four (4) relocatables that were added to Rosa Parks Elementary School in 2009, another four (4) relocatable classrooms will be added to the school in the summer of 2010.
- Homes have begun to be occupied in the Redmond Ridge East development which has resulted in additional student population. In anticipation of the potential student growth from that development, the District secured property within that development in 2007 for a future elementary school, Site 31 (see *Tables 4, 5 and 6*). This school is planned to open in 2015.
- The City of Sammamish approved a land use plan known as the Sammamish Town Center. This plan allows 1,300 to 1,800 new residential dwelling units to be developed in the Town Center area. The District anticipates that development in this planning area will create additional capacity needs in this area of the District.
- The City of Kirkland will be annexing areas of unincorporated King County in July 2011. This includes the Finn Hill and the Kingsgate areas which are both within the boundaries of the District. It is anticipated that the annexation areas could create additional capacity needs in District schools in these areas.
- Enrollment continues to press for the addition of relocatable classrooms in several schools in the Kirkland and also the North Redmond areas.
- It is projected that other locations throughout the district will need relocatables to address capacity issues within the planning period of this report.

I. Executive Summary (*continued*)

In February 2006, voters in the Lake Washington School District passed a bond measure to fund Phase II (2006-2014) of the School Modernization Program. The schedule for the schools has been established with many of the schools being modernized within the timeframe of this plan.

In the timeframe of this plan, the district will:

- Modernize and re-open seven elementary schools, two junior high schools, one choice school, and one high school as part of the District's Phase II School Modernization Program (see *Table 6*). All these projects are planned to receive appropriate permanent capacity additions and remove any existing excess relocatable classrooms.
- Construct two new elementary schools, one in the Redmond Ridge East development area and the other in the North Redmond area.
- Add relocatable classrooms to address capacity when needed in the District. See *Section VI*.
- Is planning to undergo a change to school configuration (K-5, 6-8 and 9-12) in 2012. Because of this, the District is currently considering the need for High School additions at Redmond High School and Eastlake High School. Future updates to the District's Capital Facility Plan will provide more information if this plan moves forward.

A financing plan is included in *Section VIII* that demonstrates the district's ability to implement this plan.

II. Six-Year Enrollment Projection and Long Term Planning

Six-Year Enrollment Projection

Based on the district's forecasts (see *Table 1*), enrollment is projected to increase approximately 2,837 students over the next six years. This is a 11.78% increase over the current student population. Applying the enrollment projections contained in *Table 5* to the district's existing capacity, the district will be over permanent capacity by 3,507 students. This projection contemplates the full development of Redmond Ridge and the Redmond Ridge East development. Other developments that are expected to generate students and affect the district are also included in the projection. The numbers anticipated for the Redmond Ridge East development show the need for a future elementary school within that planned development. The District expects that some of the new residential development in the Sammamish Town Center will begin to occur in the six-year planning period. Therefore, the enrollment projections also include the first anticipated phase of the Sammamish Town Center development.

Student enrollment projections have been developed using a two methods: (1) the *cohort survival* - historical enrollment method is used to forecast enrollment growth based upon the progression of existing students in the district; then (2), *development tracking* - the enrollment projections are modified to include students anticipated from new development in the district. The cohort survival method was used to determine base enrollments. This mechanism uses historical enrollment data to forecast the number of students who will be attending school the following year. Development tracking uses information on known and anticipated housing development was used as a second means in determining enrollment projections. This method allows the district to more accurately project student enrollment by school attendance area. (See *Table 2*)

Cohort Survival

A percentage of King County live births is used to predict future kindergarten enrollment. Actual King County live births through 2008 are used to project kindergarten enrollment through the 2013-2014 school year.

II. Six-Year Enrollment Projection and Long Term Planning (continued)

After 2014, the number of live births is based on King County projections. Historical data is used to estimate the future number of kindergarten students that will generate from county births. For other grade levels, past cohort survival trends were analyzed.

Development Tracking

In order to increase the accuracy and validity of enrollment projections, a major emphasis has been placed on the collection and tracking of data of 80 known new housing developments. This data provides two useful pieces of planning information. First, it is used to determine the actual number of students that are generated from a new single family or multi-family residence. It also provides important information on the impact new housing developments will have on existing facilities and/or the need for additional facilities.

It is important to note that even though small in-fill or short plat projects are not tracked, such activity has resulted in increased student population. This type of development has resulted in the need for additional relocatables in the Kirkland area.

Developments that have been completed over the last five years are used to forecast the number of students who will attend our schools from future developments. District wide statistics show that new single-family homes currently generate 0.436 elementary student, 0.099 junior high student, and 0.074 senior high student, for a total of 0.609 school-age child per single family home (see *Appendix B*). New multi-family housing units currently generate an average of 0.141 elementary student, 0.056 junior high student, and 0.047 senior high student for a total of 0.245 school age child per multi-family home (see *Appendix C*). The totals of the student generation numbers have increased since 2009 for new multi-family developments and decreased slightly for new single family developments. Information obtained from the cities and county provides the foundation for a database of all known future developments in the district and is consistent with the comprehensive plans of the local permitting jurisdictions. Contact has been made with each developer to determine the number of homes to be built and the anticipated development

II. Six-Year Enrollment Projection and Long Term Planning
(continued)

schedule. There is limited data from projects five years or newer. Historically, the district has seen student growth accelerate in developments after five years.

The student generation factors (see *Appendix D*) were used to forecast the number of students expected from these developments.

III. Current District "Standard of Service"

King County Code 21A.06 refers to a "standard of service" that each school district must establish in order to ascertain its overall capacity. The standard of service identifies the program year, the class size, the number of classrooms, students and programs of special need, and other factors (determined by the district), which would best serve the student population. Relocatables (i.e. portable classroom units) may be included in the capacity calculation using the same standards of service as the permanent facilities.

The standard of service outlined below reflects only those programs and educational opportunities provided to students that directly affect the capacity of the school buildings. The special programs listed below require classroom space; thus, the permanent capacity of some of the buildings housing these programs has been reduced. Newer buildings have been constructed to accommodate some of these programs. When older buildings are modified to accommodate these programs, there may be a reduction in classroom capacity. At both the elementary and secondary levels, the district considers the ability of students to attend neighborhood schools to be a component of the standard of service.

Standard of Service for Elementary Students

- Class size for grades K - 1 average 19 students
- Class size for grades 2 - 3 average 24 students
- Class size for grades 4 average 25 students
- Class size for grade 5-6 average 27 students
- Special Education for students with disabilities may be provided in a self-contained classroom
- All students will be provided music instruction in a separate classroom
- All students will have scheduled time in a special computer lab

Identified students will also be provided other special educational opportunities in classrooms designated as follows:

- Resource rooms
- English Language Learners (ELL)
- Education for disadvantaged students (Title I)

III. Current District "Standard of Service" (continued)

- Gifted education (pull-out Quest programs)
- District remediation programs
- Learning assisted programs
- Severely behavior disordered
- Transition room
- Mild, moderate and severe disabilities
- Developmental kindergarten
- Extended daycare programs and preschool programs

Standard of Service for Secondary Students

- Class size for grades 7-9 should not exceed 30 students
- Class size for grades 10-12 should not exceed 32 students
- Special Education for students with disabilities may be provided in a self-contained classroom

Identified students will also be provided other special educational opportunities in classrooms designated as follows:

- English Language Learners (ELL)
- Resource rooms (for special remedial assistance)
- Computer rooms
- Preschool and daycare programs

Room Utilization at Secondary Schools

It is not possible to achieve 100% utilization of regular teaching stations because of scheduling conflicts for student programs, the need for specialized rooms for certain programs, and the need for teachers to have a work space during their planning periods. Based on actual utilization, the district has determined a standard utilization rate of 70% for non-modernized secondary schools. As secondary schools are modernized, the standard utilization rate is 83%. The anticipated design of the modernized schools and schools to be constructed will incorporate features which will increase the utilization rate for secondary schools.

IV. Inventory and Evaluation of Current Facilities

The district currently has permanent capacity to house 22,566 students and transitional (relocatable) capacity to house 3,063 students (see *Appendix A*). This capacity is based on the district's Standard of Service as set forth in *Section III*. The district's current student enrollment is 23,782 and is expected to increase to 26,922 in 2015 (see *Table 1*).

Calculations of elementary, junior high school, and senior high school capacities are set forth in *Appendix A*. Included in this six-year plan is an inventory of the district's schools arranged by area, name, type, address, and current capacity (see *Table 3*).

The physical condition of the district's facilities was evaluated by the 2006 State Study and Survey of School Facilities completed in accordance with WAC 180-25-025. As schools are modernized, the State Study and Survey of School Facilities report is updated. That report is incorporated herein by reference.

V. Six-Year Planning and Construction Plan

To address existing and future capacity needs, the district contemplates using the following strategies:

- 1) Movement from a grade configuration of K-6, 7-9, 10-12 to a grade configuration of K-5, 6-8, 9-12.
- 2) Construction of new schools
- 3) Additions at high schools to accommodate school configuration
- 4) Adjustments to the capacity of existing schools undergoing Modernization
- 5) Use of additional relocatables to provide for housing of students not provided for under other strategies.

Future updates to this plan will include specific information regarding adopted strategies.

The district's six-year construction plan includes the following capacity projects:

- During the last six years (2004-2009),
 - New growth in the Redmond and the Sammamish areas created the need to construct two elementary schools.
 - One of these new elementary schools (Rosa Parks Elementary School, Site 41), located within the Redmond Ridge development, was occupied in the fall of 2006.
 - The other new elementary school, Rachel Carson Elementary School, was opened on the Sammamish Plateau in the fall of 2008. Because of the growth in enrollment in that area, the school opened with four relocatables on the site.
 - In 2007-2008, the District purchased land within the Redmond Ridge East development on the basis that projections for that development necessitate the need for a new elementary site. The District continues to monitor the phased project. The first phase of homes in this development are beginning to be occupied.
- Phase II School Modernization (2006-2014) was funded by the voters in February 2006. The approved bond measure will fund the modernization of 11 schools throughout the district. During the period of this Capital Facilities Plan, the district will begin the

V. Six-Year Planning and Construction Plan (*continued*)

planning or complete the modernization for: Frost Elementary, Rush Elementary, Sandburg Elementary, Muir Elementary, Keller Elementary, Bell Elementary, Finn Hill Junior High, Rose Hill Junior, International Community School/Community Elementary and Lake Washington High School. Each elementary school modernization project also includes the addition of new student capacity.

- Frost Elementary School was completed and opened in the fall of 2009.
- Lake Washington High School is in construction and will be opened in the fall of 2011.
- Finn Hill Junior High will start construction this summer (2010) with the goal of opening in 2011. Muir Elementary School will also start construction this summer and open in the winter of 2011/2012.
- The District anticipates the need for two new elementary schools within the period of this plan, one in the Redmond Ridge East area and the other in the North Redmond area. The plan was to have voters approve a bond measure in February 2010 which would have provided the funding for these schools. However, the bond measure did not pass. The two schools may be the subject of a future bond measure.
- Relocatable classrooms (as outlined in *Section VI*) will be added to address capacity needs until more permanent capacity can be constructed. Within the six-year planning window of this Capital Facility Plan, projections indicate that other relocatables may also be needed in the Sammamish, Redmond, Kirkland and unincorporated King County areas.

Included in this plan is an inventory of the projects listed above. They are arranged by cost, additional capacity, and projected completion date. (See *Table 5 & 6*)

VI. Relocatable and Transitional Classrooms

The district inventory includes 136 relocatables (i.e. portable classroom units) that provide standard capacity and special program space as outlined in *Section III* (see *Appendix A*).

Based on enrollment projections and planned permanent facilities, the district anticipates the need to acquire additional relocatables during the next six-year period.

- Rachel Carson Elementary opened as new construction in the fall of 2008 and included four (4) relocatables.
- In the summer of 2009, four (4) relocatable classrooms were added to Rosa Parks Elementary School in the Redmond Ridge development due to student population growth in that development and homes beginning to be occupied within the Redmond Ridge East development. Growth in this area is causing the need to place an additional four (4) relocatables at Rosa Parks Elementary during the summer of 2010.
- Within the six-year planning window of this plan, projections indicate that other relocatables may also be needed in the Sammamish, Redmond, Kirkland and unincorporated King County areas.

For a definition of relocatables and permanent facilities, see *Section 2* of *King County Code 21A.06*. As schools are modernized, permanent capacity will be added to replace portables currently on school sites to the extent that enrollment projections for those schools indicate a demand for long-term permanent capacity (see *Table 5*).

As enrollment fluctuates, relocatables provide flexibility to accommodate immediate needs and interim housing. Because of this, new school and modernized school sites are all planned for the potential of adding up to four portables to accommodate the changes in demographics. In addition, the use and need for relocatables will be balanced against program needs.

VII. Six-Year Classroom Capacities: Availability / Deficit Projection

Based on the six-year plan, there will be insufficient total capacity to house anticipated enrollment (see *Table 5*). As demonstrated in *Appendix A*, the district currently has permanent capacity (classroom and special education) to serve 11,368 students at the elementary level, 5,481 students at the junior high school level, and 5,717 students at the high school level. Current enrollment at each grade level is identified in *Appendix A*. As depicted in *Table 5*, the district currently has insufficient permanent capacity and will continue to have an increasing insufficient permanent capacity through 2015.

Differing growth patterns throughout the district may cause some communities to experience overcrowding. This is especially true in the eastern portions of the district where significant housing development has taken place. Though the economy has slowed, there still is growth in these areas. The continued development of Redmond Ridge, Redmond Ridge East, northwest Redmond, the Sammamish Plateau and also the in-fill and short plats in Kirkland will put pressure on schools in those areas. To meet the needs associated with overcrowding or under utilization, the district will utilize a number of solutions. Those solutions include grade reconfiguration, new construction, adjusting capacity through modernization projects, modifications in the educational program, and changes in the number of relocatables. A boundary change of three of the elementary schools on the Sammamish plateau was accomplished in the 2007-2008 school year in anticipation of the opening of Rachel Carson (Site 52) Elementary School in September 2008. Though Rachel Carson Elementary School helps with capacity issues, the new school opened with four portables. In addition, the City of Sammamish will finish their planning for the new Sammamish Town Center that will provide authorization for up to 1,800 new housing units within the district on the Sammamish plateau.

VIII. Impact Fees and the Finance Plan

The school impact fee formula ensures that new development only pays for the cost of the facilities necessitated by new development. The fee calculations (*Appendix B* and *Appendix C*) examine the costs of housing the students generated by each new single family dwelling unit (or each new multi-family dwelling unit) and then reduce that amount by the anticipated state match and future tax payments. The resulting impact fee is then discounted further. Thus, by applying the student generation factor to the school project costs, the fee formula only calculates the costs of providing capacity to serve each new dwelling unit. The formula does not require new development to contribute the costs of providing capacity to address existing needs.

The finance plan shown on *Table 6* demonstrates how the Lake Washington School District plans to finance improvements for the years 2010 through 2015. The financing components include secured and unsecured funding. The plan is based on approved bond issues (approved in 1990, 1998 and 2006 by election), proposed and future bond issues, securing of state funding, collection of impact fees under the State's Growth Management Act, and voluntary mitigation fees paid pursuant to Washington State's Environmental Policy Act.

As discussed in *Section V*, the District purchased land within the Redmond Ridge East development to construct a new elementary school. Future updates to this plan will include information regarding this property and the associated school construction costs in the finance plan and school impact fee calculations.

For the purposes of this plan and the impact fee calculations, the District is using the actual cost data from Rachel Carson Elementary School built in 2008.

IX. Appendices

Appendix A: Calculations of Capacities for Elementary, Junior High, and Senior High Schools

Appendix B: Calculations of Impact Fees for Single Family Residences

Appendix C: Calculations of Impact Fees for Multi-Family Residences

Appendix D: Student Generation Factor Calculations

Appendix E: Calculation Back-Up

Calculations of Capacities for Elementary, Junior High, and Senior High Schools

Elementary Schools	# Standard Classrooms *	Classroom Capacity (23)	SS	SS Room Capacity (12)	# Relocatable Classrooms	Relocatable Capacity (23)	Total Capacity *	2009-2010 Enrollment **
Alcott	18	414	0	0	8	184	598	627
Audubon	17	391	0	0	2	46	437	508
Bell	15	345	0	0	3	69	414	402
Blackwell	21	483	0	0	3	69	552	556
Carson	18	414	0	0	4	92	506	557
Community	0	0	0	0	3	69	69	69
Dickinson	18	414	1	12	4	92	518	498
Discovery	3	69	0	0	1	23	92	73
Einstein	19	437	0	0	0	0	437	423
Explorer	3	69	0	0	1	23	92	72
Franklin	18	414	0	0	2	46	460	507
Frost	18	414	1	12	0	0	426	418
Juanita	13	299	0	0	0	0	299	383
Keller	15	345	3	36	4	92	473	350
Kirk	17	391	1	12	3	69	472	545
Lakeview	17	391	1	12	2	46	449	465
Mann	17	391	0	0	0	0	391	467
McAuliffe	21	483	0	0	7	161	644	512
Mead	19	437	1	12	6	138	587	645
Mulr	14	322	0	0	6	138	460	406
Redmond	16	368	2	24	2	46	438	401
Rockwell	20	460	0	0	2	46	506	552
Rosa Parks	21	483	0	0	4	92	575	582
Rose Hill	17	391	2	24	0	0	415	417
Rush	15	345	0	0	4	92	437	401
Sandburg	21	483	0	0	5	115	598	496
Smith	19	437	0	0	8	184	621	550
Thoreau	18	414	0	0	0	0	414	390
Twaln	20	460	0	0	4	92	552	593
Wilder	20	460	0	0	4	92	552	490
Totals	488	11,224	12	144	92	2,116	13,484	13,355

Junior High Schools	# Standard Classrooms	Classroom Capacity (30x70%)	SS	SS Room Capacity (12)	# Relocatable Classrooms	Relocatable Capacity (30x70%)	Total Capacity	2009-2010 Enrollment
Environmental	6	126	0	0	0	0	126	140
Evergreen	31	651	2	24	9	189	864	748
Finn Hill	24	504	1	12	2	42	558	406
Inglewood	51	1071	2	24	0	0	1,095	1,036
International ***	12	360	0	0	1	30	390	380
Kamukin	27	567	1	12	7	147	726	563
Kirkland ****	24	598	1	12	0	0	610	551
Northstar	0	0	0	0	5	105	105	95
Redmond ****	36	896	1	12	0	0	908	849
Renaissance	4	84	0	0	0	0	84	91
Rose Hill	24	504	2	24	6	126	654	440
Stella Schola	0	0	0	0	4	84	84	90
Totals	239	5,361	10	120	34	723	6,204	5,389

Senior High Schools	# Standard Classrooms	Classroom Capacity (32x70%)	SS	SS Room Capacity (12)	# Relocatable Classrooms	Relocatable Capacity (32x70%)	Total Capacity	2009-2010 Enrollment
BEST	8	179	0	0	2	45	224	132
Eastlake	66	1,478	4	48	0	0	1,526	1,350
Juanita	52	1,165	3	36	8	179	1,380	1,038
Lake Washington	80	1,344	3	36	0	0	1,380	1,076
Redmond ****	57	1,419	1	12	0	0	1,431	1,442
Totals	243	5,585	11	132	10	224	5,941	5,038

TOTAL	970	22,170	33	396	136	3,063	25,629	23,782
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Key:

"Standard Capacity" does not include capacity for special programs as identified in Section III

"Total enrollment" on this chart does not include Family Learning Center, contractual and transition students

"SS" = Special Services self-contained classrooms

* "Standard of Service" in elementary schools excludes some rooms if not built-in (e.g. 20 total rooms = 17 standard + computer + 1 music + 1 R/R)

** October 1, 2009 headcount

*** Capacity Model = 100% utilization of classrooms due to teacher planning area

**** Capacity Model = 83% utilization of classrooms due to teacher planning area

**Estimated School Impact Fee Calculation
Based on King County Code 21.A.43**

Single Family Residence ("SFR")

School Site Acquisition Cost:

	<u>Facility Acreage</u>	<u>Cost/ Acre</u>	<u>Facility Size</u>	<u>Site Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/ SFR</u>
Elementary	10	\$0	414	\$0	0.4360	\$0
Junior	20	\$0	900	\$0	0.0990	\$0
Senior	40	\$0	1500	\$0	0.0740	\$0
TOTAL						\$0

School Construction Cost:

	<u>Facility Cost</u>	<u>Facility Size</u>	<u>Bldg. Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/SFR (est. 90%)</u>
Elementary	\$19,593,227	414	\$47,327	0.4360	\$18,571
Junior	\$0	0	\$0	0.0990	\$0
Senior (additional capacity)	\$0	0	\$0	0.0740	\$0
TOTAL					\$18,571

Temporary Facility Cost:

	<u>Facility Cost</u>	<u>Facility Size</u>	<u>Bldg. Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/SFR (est. 10%)</u>
Elementary	\$0	0	\$0	0.4360	\$0
Junior	\$0	0	\$0	0.0990	\$0
Senior	\$0	0	\$0	0.0740	\$0
TOTAL					\$0

State Matching Credit Calculation:

	<u>Area Cost Allowance</u>	<u>Sq. Ft./ Student</u>	<u>Funding Assistance</u>	<u>Credit/ Student</u>	<u>Student Factor</u>	<u>Cost/ SFR</u>
Elementary	180.17	90.0	21.90%	\$3,551	0.4360	\$1,548
Junior	180.17	117.0	21.90%	\$0	0.0990	\$0
Senior	180.17	130.0	21.90%	\$0	0.0740	\$0
TOTAL						\$1,548

**Estimated School Impact Fee Calculation
Based on King County Code 21.A.43**

Single Family Residence ("SFR")

Tax Payment Credit Calculation:

Average SFR Assessed Value	\$490,294
Current Capital Levy Rate (2010)/\$1000	\$1.16
Annual Tax Payment	\$566.73
Years Amortized	10
Current Bond Interest Rate	4.33%

Present Value of Revenue Stream	\$4,522
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Impact Fee Summary for Single Family Residence:

Site Acquisition Cost	\$0
Permanent Facility Cost	\$18,571
Temporary Facility Cost	\$0
State Match Credit	(\$1,548)
Tax Payment Credit	(\$4,522)

Sub-Total	\$12,501
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50% Local Share	\$6,250
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SFR Impact Fee	\$6,250
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**Estimated School Impact Fee Calculation
Based on King County Code 21.A.43**

Multiple Family Residence ("MFR")

School Site Acquisition Cost:

	<u>Facility Acreage</u>	<u>Cost/ Acre</u>	<u>Facility Size</u>	<u>Site Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/ MFR</u>
Elementary	10	\$0	414	\$0	0.1410	\$0
Junior	20	\$0	900	\$0	0.0560	\$0
Senior	40	\$0	1500	\$0	0.0470	\$0
TOTAL						\$0

School Construction Cost:

	<u>Facility Cost</u>	<u>Facility Size</u>	<u>Bldg. Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/MFR (est. 90%)</u>
Elementary	\$19,593,227	414	\$47,327	0.1410	\$6,006
Junior	\$0	0	\$0	0.0560	\$0
Senior (additional capacity)	\$0	0	\$0	0.0470	\$0
TOTAL					\$6,006

Temporary Facility Cost:

	<u>Facility Cost</u>	<u>Facility Size</u>	<u>Bldg. Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/MFR (est. 10%)</u>
Elementary	\$0	0	\$0	0.1410	\$0
Junior	\$0	0	\$0	0.0560	\$0
Senior	\$0	0	\$0	0.0470	\$0
TOTAL					\$0

State Matching Credit Calculation:

	<u>Area Cost Allowance</u>	<u>Sq. Ft./ Student</u>	<u>Funding Assistance</u>	<u>Credit/ Student</u>	<u>Student Factor</u>	<u>Cost/ MFR</u>
Elementary	180.17	90.0	21.90%	\$3,551	0.1410	\$501
Junior	180.17	117.0	21.90%	\$0	0.0560	\$0
Senior	180.17	130.0	21.90%	\$0	0.0470	\$0
TOTAL						\$501

**Estimated School Impact Fee Calculation
Based on King County Code 21.A.43**

Multiple Family Residence ("MFR")

Tax Payment Credit Calculation:

Average MFR Assessed Value	\$221,340
Current Capital Levy Rate (2010)/\$1000	\$1.16
Annual Tax Payment	\$255.85
Years Amortized	10
Current Bond Interest Rate	4.33%
Present Value of Revenue Stream	\$2,041

Impact Fee Summary for Single Family Residence:

Site Acquisition Cost	\$0
Permanent Facility Cost	\$6,006
Temporary Facility Cost	\$0
State Match Credit	(\$501)
Tax Payment Credit	(\$2,041)
Sub-Total	\$3,464
50% Local Share	\$1,732

MFR Impact Fee	\$1,732
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**2010 MITIGATION DEVELOPMENT SUMMARY
STUDENT GENERATION FACTORS
Five Year History**

SINGLE FAMILY DEVELOPMENTS	CITY/ COUNTY	# PLANNED	# COMPL.	# OCCUP.	2010 STUDENTS			2010 RATIO				
					ELEM	JUNIOR	SENIOR	TOTAL	ELEM	JUNIOR	SENIOR	TOTAL
Asbery Place	S	25	25	25	15	3	1	19	0.600	0.120	0.040	0.760
Bear Creek Meadows	R	13	13	13	5	3	1	9	0.385	0.231	0.077	0.692
Castle Pines	S	62	62	62	57	13	9	79	0.919	0.210	0.145	1.274
Central Park North	R	18	18	18	2	0	1	3	0.111	0.000	0.056	0.167
Conover Commons	R	25	25	25	2	0	0	2	0.080	0.000	0.000	0.080
Evergreen Lane	R	24	19	19	3	2	1	6	0.158	0.105	0.053	0.316
Fox Hollow	R	18	18	18	7	3	3	13	0.389	0.167	0.167	0.722
Hedges	KC	35	35	35	21	3	4	28	0.600	0.086	0.114	0.800
Illahee	S	88	88	88	40	10	9	59	0.455	0.114	0.102	0.670
Indigo	S	24	6	3	2	0	0	2	0.667	0.000	0.000	0.667
Kensington	R	121	121	121	45	13	8	66	0.372	0.107	0.066	0.545
Kirkwood	KN	17	17	17	3	1	1	5	0.176	0.059	0.059	0.294
Lynden Lane	KC	11	11	11	0	0	0	0	0.000	0.000	0.000	0.000
Meadow Creek	S	27	27	27	14	3	4	21	0.519	0.111	0.148	0.778
Mondavio	R	67	40	35	13	5	1	19	0.371	0.143	0.029	0.543
Monticello	R	115	115	115	47	10	9	66	0.409	0.087	0.078	0.574
Muirfield	S	29	29	29	29	8	3	40	1.000	0.276	0.103	1.379
Northstar	R	133	120	122	45	13	14	72	0.369	0.107	0.115	0.590
One Eagle Place	KC	14	14	14	1	1	0	2	0.071	0.071	0.000	0.143
Palmermo (Overlook Ridge)	S	19	17	14	15	4	2	21	1.071	0.286	0.143	1.500
Portico on Finn Hill	KC	20	20	20	4	3	1	8	0.200	0.150	0.050	0.400
Prescott at English Hill	R	70	19	19	5	1	1	7	0.263	0.053	0.053	0.368
Redmond Ridge	KC	987	987	987	519	116	88	723	0.526	0.118	0.089	0.733
Redmond Ridge East	KC	665	146	135	56	5	5	66	0.415	0.037	0.037	0.489
Reserve at Patterson Creek	KC	29	25	23	11	4	3	18	0.478	0.174	0.130	0.783
Retreat at Crosswater	S	46	46	46	9	2	2	13	0.196	0.043	0.043	0.283
Rosemont at Timberline	S	14	14	12	11	2	1	14	0.917	0.167	0.083	1.167
Sable & Aspen Ridge	R	43	24	22	1	0	1	2	0.045	0.000	0.045	0.091
Sequoia	R	33	33	33	3	0	0	3	0.091	0.000	0.000	0.091
The Villages at Redmond Heights I&II	R	27	27	27	8	1	1	10	0.296	0.037	0.037	0.370

**2010 MITIGATION DEVELOPMENT SUMMARY
STUDENT GENERATION FACTORS
Five Year History**

SINGLE FAMILY DEVELOPMENTS	CITY/ COUNTY	# PLANNED	# COMPL.	# OCCUP.	2010 STUDENTS			2010 RATIO				
					ELEM	JUNIOR	SENIOR	TOTAL	ELEM	JUNIOR	SENIOR	TOTAL
Tyler's Creek	R	90	90	86	24	3	2	29	0.279	0.035	0.023	0.337
Waterbrook	S	114	114	114	47	12	10	69	0.412	0.105	0.088	0.605
Whistler Ridge	R	62	62	62	16	5	3	24	0.258	0.081	0.048	0.387
Woodbridge Division IV	R	126	126	126	37	3	1	41	0.294	0.024	0.008	0.325
Woodlands	R	69	69	69	23	4	2	29	0.333	0.058	0.029	0.420
Woodlands West	R	74	24	21	0	1	0	1	0.000	0.048	0.000	0.048
Wynstone	R	46	46	46	20	5	5	30	0.435	0.109	0.109	0.652
TOTALS		3,400	2,692	2,659	1,160	262	197	1,619	0.436	0.099	0.074	0.609

**2010 MITIGATION DEVELOPMENT SUMMARY
STUDENT GENERATION FACTORS
Five Year History**

MULTI-FAMILY DEVELOPMENTS	CITY/ COUNTY	# OF UNITS	% OCCUP/ # COMPL.	# OCCUP.	2010 STUDENTS			2010 RATIO				
					ELEM	JUNIOR	SENIOR	TOTAL	ELEM	JUNIOR	SENIOR	TOTAL
Avalon Bay at Juanita	KC	211	95%	200	3	0	0	3	0.015	0.000	0.000	0.015
Avondale Park Townhouses	R	85	100%	85	33	6	9	48	0.388	0.071	0.106	0.565
Cleveland Street Condos	R	84	84	72	0	0	2	2	0.000	0.000	0.028	0.028
Cobblestone Court	K	72	72	72	15	2	3	20	0.208	0.028	0.042	0.278
Element Townhomes	R	94	94	71	2	1	0	3	0.028	0.014	0.000	0.042
Kirkland Central Condos	K	110	110	85	6	1	0	7	0.071	0.012	0.000	0.082
Redmond Park Townhomes	R	26	26	26	16	10	9	35	0.615	0.385	0.346	1.346
Redmond Ridge Apartments - The Lodge	KC	272	98%	267	30	15	7	52	0.113	0.056	0.026	0.195
Redmond Ridge Condominiums	KC	242	242	242	51	28	17	96	0.211	0.116	0.070	0.397
Redmond Ridge East Duplex	KC	135	26	26	3	2	0	5	0.115	0.077	0.000	0.192
Towne Pointe Condos	R	20	20	20	8	2	7	17	0.400	0.100	0.350	0.850
Urbane Redmond Townhomes	R	22	22	22	1	0	2	3	0.045	0.000	0.091	0.136
TOTALS		1,373		1,188	168	67	56	291	0.141	0.056	0.047	0.245

Calculation Back-Up

Elementary school construction cost estimated to be built in 2015.

	<i>Comparable Project</i>	<i>Rachel Carson Elementary School</i>
Cost	2008 Rachel Carson Elementary New Construction	\$17,654,022
	Future Value of Project in 2010 @ 1.5%	\$18,187,615
Size	2015 Project	414 (18 classrooms x 23 students per classroom)
	2015 Project	414 x \$44,590/per student space (based on Rachel Carson 2008 total project costs) = \$18,460,429*
Adjusted Costs	2010 Project – Value Based on 2008 Project Costs	\$18,187,615
	Future Value of Project in 2015 @ 1.5%	\$19,593,277

*Sum is adjusted to account for variations due to rounding.

X. TABLES

Table 1: Six-Year Enrollment Projections

Table 2: Enrollment History

Table 3: 06-07 Inventory and Capacities of Existing Schools

Table 4: Inventory of Undeveloped Land

Table 4a: Map

Table 5: Projected Capacity to House Students

Table 6: Six-Year Finance Plan

Six-Year Enrollment Projections

	<u>2009*</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
County Live Births**	22,874	22,680	24,244	24,899	25,222	25,474	25,824
change		(194)	1,564	655	323	252	350
Kindergarten ***	1,865	1,826	1,962	2,025	2,067	2,105	2,145
Grade 1 ****	2,047	2,086	2,044	2,192	2,261	2,315	2,353
Grade 2	1,936	2,024	2,063	2,022	2,170	2,240	2,291
Grade 3	2,036	1,938	2,022	2,060	2,024	2,170	2,236
Grade 4	1,937	2,033	1,933	2,016	2,057	2,021	2,163
Grade 5	1,897	1,890	1,986	1,887	1,970	2,011	1,971
Grade 6	1,838	1,942	1,948	2,045	1,953	2,021	2,066
Grade 7	1,726	1,822	1,923	1,940	2,044	1,933	1,991
Grade 8	1,819	1,717	1,811	1,912	1,928	2,037	1,930
Grade 9	1,660	1,802	1,708	1,799	1,901	1,920	2,026
Grade 10	1,780	1,681	1,827	1,736	1,825	1,926	1,940
Grade 11	1,742	1,783	1,679	1,823	1,739	1,830	1,929
Grade 12	1,802	1,789	1,828	1,724	1,869	1,791	1,881
Total Enrollment	24,085	24,333	24,734	25,181	25,808	26,320	26,922
Yearly Increase		248	401	447	627	512	602
Yearly Increase		1.03%	1.65%	1.81%	2.49%	1.98%	2.29%
Cumulative Increase		248	649	1,096	1,723	2,235	2,837

* Number of Individual Students (10/1/09 Headcount).

** County Live Births estimated based on OFM projections. 2013 and prior year birth rates are actual births 5 years prior to enrollment year.

*** Kindergarten enrollment is calculated at 7.55% of County Live Births plus anticipated developments.

**** First Grade enrollment is based on District's past history of first grade enrollment to prior year kindergarten enrollment.

Enrollment History *

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
County Live Births **	21,817	21,573	21,646	22,212	22,007	22,487	21,778	21,863	22,431	22,874
Kindergarten / Live Birth	6.96%	7.48%	7.26%	7.45%	7.54%	7.71%	8.21%	7.76%	7.95%	8.15%
										7.65%
Kindergarten	1,518	1,613	1,572	1,654	1,660	1,734	1,789	1,696	1,783	1,865
Grade 1	1,781	1,730	1,804	1,761	1,825	1,846	1,916	1,959	1,903	2,047
Grade 2	1,818	1,799	1,744	1,834	1,755	1,881	1,860	1,901	2,020	1,936
Grade 3	1,777	1,882	1,818	1,760	1,863	1,792	1,870	1,853	1,934	2,036
Grade 4	1,838	1,807	1,871	1,870	1,781	1,868	1,776	1,857	1,901	1,937
Grade 5	1,983	1,823	1,807	1,873	1,871	1,775	1,810	1,753	1,854	1,897
Grade 6	1,845	1,956	1,833	1,838	1,866	1,872	1,726	1,825	1,738	1,838
Grade 7	1,808	1,812	1,919	1,857	1,829	1,828	1,818	1,692	1,805	1,726
Grade 8	1,839	1,813	1,813	1,917	1,886	1,807	1,806	1,811	1,673	1,819
Grade 9	1,843	1,850	1,803	1,822	1,889	1,860	1,765	1,755	1,782	1,660
Grade 10	1,975	1,846	1,841	1,802	1,889	1,887	1,824	1,763	1,739	1,780
Grade 11	1,866	1,890	1,801	1,812	1,700	1,853	1,856	1,811	1,728	1,742
Grade 12	1,703	1,855	1,849	1,831	1,900	1,799	1,881	1,890	1,909	1,802
Total Enrollment	23,594	23,676	23,475	23,631	23,714	23,802	23,697	23,566	23,769	24,085
Yearly Change		82	(201)	156	83	88	(105)	(131)	203	316
* October 1st Headcount										55
** Number indicates actual births										491
5 years prior to enrollment year.										2%
										0.23%

Average increase in the number of students per year
Total increase for period
Percentage increase for period
Average yearly increase

2009-2010 Inventory and Capacities of Existing Schools			
*	<u>Juanita Area</u>	<u>Address</u>	<u>Capacity (w/ portables)</u>
25	Frost Elementary	11801 NE 140th	426
03	Juanita Elementary	9635 NE 132nd	299
04	Keller Elementary	13820 108th NE	473
26	Muir Elementary	14012 132nd NE	460
06	Discovery Community School	12801 84th NE	92
06	Sandburg Elementary	12801 84th NE	598
02	Thoreau Elementary	8224 NE 138th	414
63	Finn Hill Jr. High	8040 NE 132nd	558
60	Environmental & Adventure School	8040 NE 132nd	126
67	Kamiakin Jr. High	14111 132nd NE	726
82	Juanita High School	10601 NE 132nd	1,380
<u>Kirkland Area</u>			
07	Bell Elementary	11212 NE 112th	414
96	Community School	11133 NE 65th	69
16	Franklin Elementary	12434 NE 60th	460
09	Kirk Elementary	1312 6th Street	472
10	Lakeview Elementary	10400 NE 68th	449
15	Rose Hill Elementary	8044 128th NE	415
18	Rush Elementary	6101 152nd NE	437
14	Twain Elementary	9525 130th NE	552
96	International Community School	11133 NE 65th	390
65	Kirkland Jr. High	430 18th Avenue	610
84	Northstar Jr. High	12033 NE 80th	105
69	Rose Hill Jr. High	13505 NE 75th	654
61	Stella Schola	13505 NE 75th	84
80	Best High School	10903 NE 53rd St	224
84	Lake Washington High	12033 NE 80th	1,380
<u>Redmond Area</u>			
53	Alcott Elementary	4213 228th NE	598
19	Audubon Elementary	3045 180th NE	437
46	Dickinson Elementary	7040 208th NE	518
24	Einstein Elementary	18025 NE 116th	437
46	Explorer Community School	7040 208th NE	92
22	Mann Elementary	17001 NE 104th	391
23	Redmond Elementary	16800 NE 80th	438
21	Rockwell Elementary	11125 162nd NE	506
41	Rosa Parks Elementary	22845 NE Cedar Park Crescent Dr	575
32	Wilder Elementary	22130 NE 133rd	552
74	Evergreen Jr. High	6900 208th NE	864
71	Redmond Jr. High	10055 166th NE	908
85	Redmond High School	17272 NE 104th	1,431
<u>Sammamish Area</u>			
54	Blackwell Elementary	3225 205th PL NE	552
52	Carson Elementary	1035 244th Ave NE	506
57	McAuliffe Elementary	23823 NE 22nd	644
58	Mead Elementary	1725 216th NE	587
56	Smith Elementary	23305 NE 14th	621
77	Inglewood Jr. High	24120 NE 8th	1,095
78	Renaissance Jr. High	400 228th NE	84
86	Eastlake High School	400 228TH NE	1,526

* Note: See Table 4a for District Map. Locations indicated by numbers stated in this column.

* Note: "Standard capacity" does not include capacity for special programs as identified in Section III

Inventory of Undeveloped Land

<i>Site # *</i>	<i>Area</i>	<i>Address</i>	<i>Jurisdiction</i>	<i>Status</i>
	<u>Juanita Area</u>			
	None			
	<u>Kirkland Area</u>			
27	Elementary	10638 – 134 th Ave. NE	Redmond	In reserve ***
	<u>Redmond Area</u>			
28	Elementary	172 nd NE & NE 122 nd	King County	In reserve ***
31	Elementary	Redmond Ridge East	King County	In reserve ***
33	Elementary	194 th NE above NE 116 th	King County	In reserve ***
59	Elementary	Main & 228 th NE	Sammamish	In reserve ***
73	Undetermined	4213 – 228 th NE	King County	In reserve ***
75	Undetermined	22000 Novelty Hill Road	King County	In reserve ***
90	Undetermined	NE 95 th & 195 th NE	King County	In reserve ***
91	Undetermined	NE 95 th Street & 173 rd Place NE	King County	In reserve ***
99	Bus Satellite	22821 Redmond-Fall City Road	King County	In reserve ***

Footnotes

“*” = See Table 4a for a District map. Locations indicated by numbers stated in this column.

“***” = “In reserve” refers to sites owned by the District. While the District does not anticipate construction school facilities on these sites within these six years, they are being held for the District’s long term needs.

Lake Washington School District
Capital Facility Plan 2010-2015

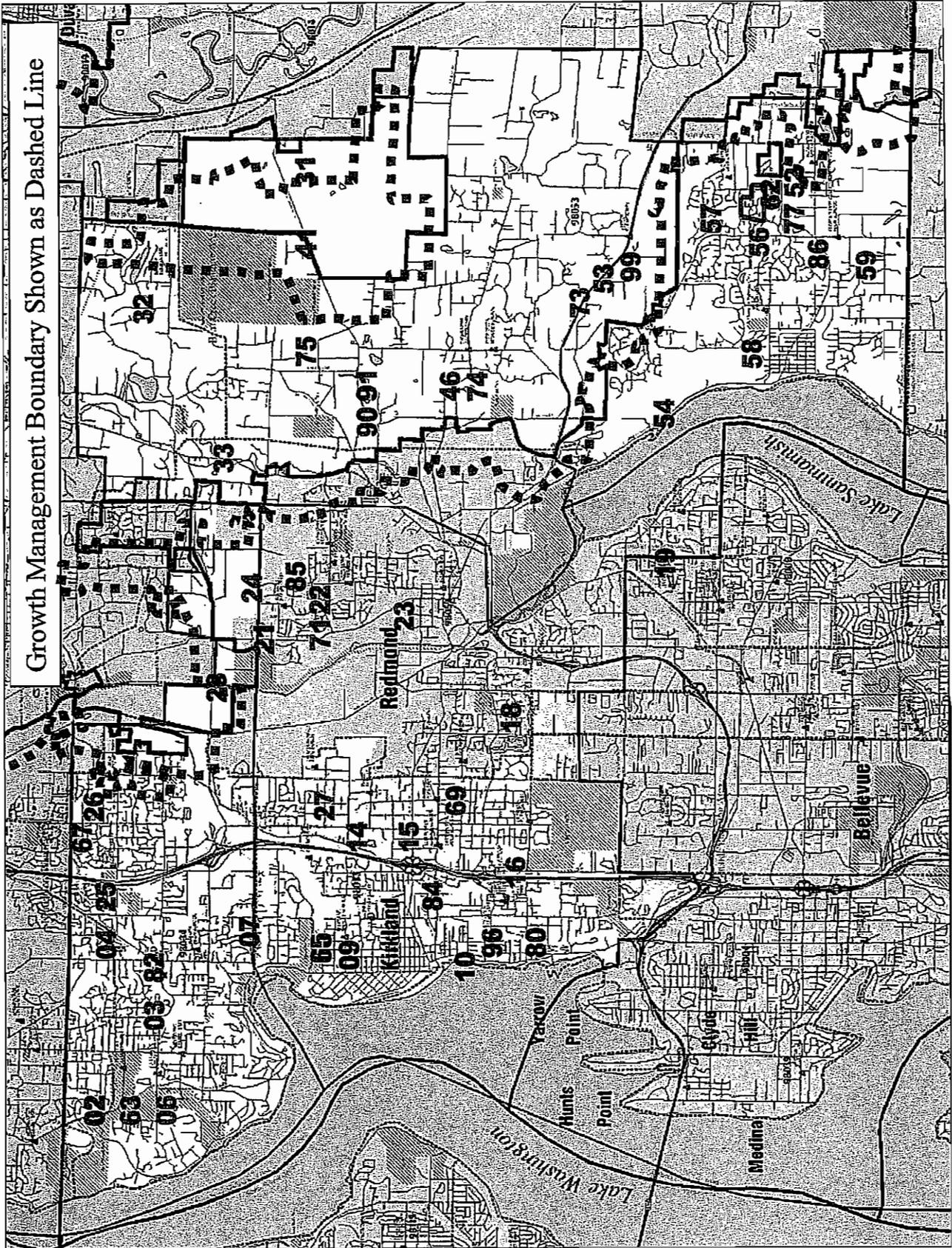


Table 4a

Projected Capacity to House Students

	2009	2010	2011	2012	2013	2014	2015
Permanent Capacity	22,566						
New Construction*:							
Redmond Ridge East Elementary #31							414
North Redmond Elementary #28							414
Modernization:							
Finn Hill Jr. #63			67				
Lake Washington High School #84			120				
Muir Elementary #26				(46)			
Rush Elementary #18					(23)		
Sandburg Elementary #06				(184)			
Rose Hill Jr. #69					146		
Keller Elementary #04				(59)			
Permanent Capacity Subtotal (Permanent + SS)	22,566	22,566	22,753	22,464	22,587	22,587	23,415
Total Enrollment	24,085	24,333	24,734	25,181	25,808	26,320	26,922
Permanent Surplus / (Deficit Capacity)	(1,519)	(1,767)	(1,981)	(2,717)	(3,221)	(3,733)	(3,507)
Transitional Capacity [Relocatables]	3,063	2,948	2,833	2,718	2,603	2,488	2,373
Change in number of Classrooms**	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Total Surplus / Deficit Capacity	1,544	1,181	852	1	(618)	(1,245)	(1,134)
Total Permanent and Transitional Capacity	25,629	25,514	25,586	25,182	25,190	25,075	25,788

*New schools and additional permanent capacity through modernization.

**Note: Numbers of relocatables (portables) to be removed from capacity (decrease avg. of 23 students per portable).

Six-Year Finance Plan

	2010	2011	2012	2013	2014	2015	Total	Local	Est Secured State	Unsecured Local +
Site 84 Mod - Lake Washington High		88,878,000					88,878,000	82,580,833	6,297,167	
Site 63 Mod - Finn Hill Junior		53,600,000					53,600,000	50,600,000	3,000,000	
Site 26 Mod - Muir Elementary			27,825,000				27,825,000	26,025,000	1,800,000	
Site 06 Mod - Sandburg Elementary			30,555,000				30,555,000	28,755,000	1,800,000	
Site 04 Mod - Keller Elementary			29,242,500				29,242,500	27,442,500	1,800,000	
Site 18 Mod - Rush Elementary				31,920,000			31,920,000	30,120,000	1,800,000	
Site 69 Mod - Rose Hill Junior				69,195,000			69,195,000	65,195,000	4,000,000	
Site 96 Mod - ICS/Community				15,277,500			15,277,500	13,477,500	1,800,000	
Site 07 Mod - Bell Elementary				33,285,000			33,285,000	31,485,000	1,800,000	
Site 31 New - Redmond Ridge East El						30,532,868	30,532,868	0	0	30,532,868
Site 28 New - North Redmond El						31,282,868	31,282,868	0	0	31,282,868
Portables	500,000						500,000	0	0	500,000
Totals	\$500,000	\$142,478,000	\$87,622,500	\$149,677,500	\$0	\$61,815,736	\$442,093,736	\$355,680,833	\$24,097,167	\$62,315,736

* These are expected to be secured through Impact and Mitigation Fees. (Calculation of estimated impact fees are shown in Appendix B & C.)

** Monies for Redmond Ridge East & North Redmond El have not been secured, monies for all other projects have been secured

Note 1: Dollars are adjusted for expected inflation.

Note 2: Phase II school modernization (2006-2014) financing is based on a bond measure approved in February 2006.

INTERLOCAL AGREEMENT FOR THE COLLECTION, DISTRIBUTION, AND
EXPENDITURE OF SCHOOL IMPACT FEES

This Agreement is entered into this _____ day of _____, 2011, by and between the City of Kirkland (the "City") and the Lake Washington School District No. 414 (the "District").

WHEREAS, the Washington State Legislature passed the Growth Management Act of 1990 and 1991, RCW 36.70A *et seq.* and RCW 82.02 *et seq.* (the "Act"), which authorizes the collection of impact fees on development activity to provide public school facilities to serve new development; and

WHEREAS, the Act requires that impact fees may only be collected for public facilities which are addressed by a capital facilities element of a comprehensive land use plan; and

WHEREAS, the City has adopted Ordinance No. _____ which describes the features of the school impact fee program, and allows the District to receive and expend school impact fees in conformance with the Act; and

WHEREAS, the District has prepared a Capital Facilities Plan in compliance with the Act; and

WHEREAS, THE City has adopted the District's Capital Facilities Plan as part of the capital facilities element of the City of Kirkland Comprehensive Plan, and the City will collect impact fees upon certain new residential developments on behalf of the District; and

WHEREAS, the City and the District enter into this Agreement pursuant to and in accordance with the State Interlocal Cooperation Act, Chapter 39.34 RCW, for the purposes of administrating and distributing the authorized impact fees;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES HEREIN, IT IS AGREED THAT:

I. GENERAL AGREEMENT

The City and the District agree to comply with the terms of this Agreement which govern the collection, distribution, and expenditure of school impact fees.

II. RESPONSIBILITIES OF THE DISTRICT

The District, by and through its employees, agents, and representatives, agrees to:

- A. Annually submit to the City a six-year capital facilities plan or an update of a previously adopted plan, or a draft of such plan, which meets the requirements of the Act and Chapter 27.08 of the Kirkland Municipal Code on or before June 1st of each year.

- B. Authorize the City to collect school impact fees on behalf of the District and to deposit such fees into the City's general bank account. A separate account number will be used in the City's financial system to track the school impact fees.
- C. Expend impact fee revenues provided to the District under this Agreement, and all interest proceeds on such revenues, for expenditures authorized by Section 27.08.100 of the Kirkland Municipal Code, as required by RCW 82.02.070(3).
- D. Prepare an annual report in accordance with the requirements of RCW 82.02.070 showing the system improvements that were financed in whole or in part by impact fees and the amount of funds expended. The annual report shall be sent to the City on or before April 1st of each year for the preceding calendar year. Copies of the annual report shall also be submitted to the City Council.
- E. Refund impact fees and interest earned on impact fees when a refund is required under applicable law; including but not limited to (1) when the proposed development activity does not proceed and no impact to the District has resulted; (2) when the impact fees or interest earned on impact fees are not expended or encumbered within the time limits established by law; or (3) when the school impact fee program is terminated. Pursuant to RCW 82.02.080, the District shall provide notice to potential claimants whenever the District fails to expend or encumber impact fees within the time limits established by law. The District shall provide the City with copies of such notices and any refund requests received by the District, together with evidence of the payment of such refunds as may be required.
- F. Maintain all accounts and records necessary to ensure proper accounting for all impact fee funds and compliance with this Agreement and the Act.
- G. Authorize the City to collect an administrative fee of \$65 per residential permit in order to cover the administrative cost of collecting, processing, and handling the impact fees described in this Agreement, provided, that in no event shall such administrative fee be deducted from the adopted impact fee amount.
- H. Review and comment on independent fee calculations submitted by permit applicants as provided in Section VIII of this Agreement.
- I. Participate in appeals of impact fees as provided in Section VIII of this Agreement.

III. RESPONSIBILITIES OF THE CITY

The City, by and through its employees, agents, and representatives, agrees to:

- A. Timely review and take action on the District's updated Capital Facilities Plan and the District's revised impact fee schedule.
- B. Remit to the District promptly (i.e. monthly) all impact fees collected on behalf of the District pursuant to Section II(B) above.
- C. Provide to the District with the monthly impact fee remittance a report setting forth the date each impact fee was collected, the amount of impact fees collected, the name and address of the party paying and the King County property tax lot number for each parcel for which an impact fee was collected.
- D. Determine whether applicants are excluded from the application of the impact fee pursuant to Section 27.08.060 of the Kirkland Municipal Code, as may be amended from time to time.
- E. Determine whether applicants are entitled to credits or adjustments against the required impact fees pursuant to RCW 82.02.060(3) and (4) and Sections 27.08.060 and 27.08.070 of the Kirkland Municipal Code, as may be amended from time to time.
- F. Review and approve fees in lieu of the standard impact fees provided for in this Agreement based upon an independent fee calculation study submitted by the applicant pursuant to RCW 82.02.060(5) and Section 27.08.040 of the Kirkland Municipal Code, as may be amended from time to time.
- G. Administer appeals from the imposition of impact fees provided for in this Agreement pursuant to RCW 82.02.070(5) and Section 27.08.120 of the Kirkland Municipal Code, as may be amended from time to time.

IV. GENERAL TERMS

- A. This Agreement shall be effective when executed by both parties.
- B. It is recognized that amendments to this Agreement may become necessary, and such amendment shall become effective only when the parties have executed a written addendum to this Agreement.
- C. The parties acknowledge that, except as otherwise specifically provided for herein, the City shall in no event be responsible for the payment of any funds to the District, except for impact fees collected for the District.

V. AUDIT

- A. The District's records and documents with respect to all matters covered by this Agreement shall be subject to inspection, review, or audit by the City appropriate state agency.
- B. The District agrees to cooperate with any monitoring of evaluation activities conducted by the City that pertain to the subject of this Agreement. The District agrees to allow the City, or appropriate state agencies and/or any of their employees, agents, or representatives to have full access to and the right to examine during normal business hours, all of the District's records with respect to all matters covered by this Agreement. The City and/or any of its employees, agents, or representatives shall be permitted to audit, examine and make excerpts or transcripts from such records and to make audits of all invoices, materials, payrolls, and record of matters covered by this Agreement. The City will give fifteen days advance notice to the District of fiscal audits to be conducted.
- C. The results and records of said audit shall be maintained and disclosed in accordance with Chapter 42.56 RCW.

VI. HOLD HARMLESS

- A. The District shall, at its cost and expense, protect, defend, indemnify, and hold harmless the City, its officers, employees, and agents, from any and all costs, claims, judgments, or awards of damages, arising out of or in any way resulting from the acts or omissions of the District, its officers, employees, or agents, relating in any way to the City school impact fee program. By way of example, and not of limitation, of the foregoing, the District shall protect, defend, indemnify, and hold harmless the City, its officers, employees, and agents, from any and all costs, claims, judgments, or awards of damages arising out of or in any way resulting from the District's (by its officers, employees, agents, or representatives) negligent acts or omissions; intentional acts or omissions; any liability arising from an audit of the District's impact fee account; or failure for any reason to comply with the terms of this Agreement, the terms of the Act, or the terms of Chapter 27.08 of the Kirkland Municipal Code, all as may be amended from time to time, or in any way related to the validity of the District's Capital Facilities Plan or the methodology used to arrive at the per unit impact fees which the City has agreed to collect on behalf of the District.
- B. The District further agrees that the District shall protect, defend, indemnify, and hold harmless the City its officers, employees, and agents from any and all costs, claims, judgments, or awards of damages, arising out of or in any way resulting from the District's failure to refund impact fees, including but not limited to, a determination that impact fees from the development activity that was not completed are not refundable because the funds were

expended or encumbered by the District whether or not the District's determination was made in good faith; provided, however, that if the District offers to defend the City, the District shall not be liable for any of the City's attorney's fees or costs incurred after such offer to defend its made; provided, further, that if the District authorizes the City to refund any impact fees from the impact fees then held by the City, and the City fails to do so, this section shall not apply.

- C. The District's duties to the City under this section shall not be diminished or extinguished by the prior termination of this Agreement pursuant to Section VII.
- D. The City shall, at its own cost and expense, protect, defend, indemnify, and hold harmless the District, its officers, employees, and agents from that portion of any costs, claims, judgments, or awards of damages that exceed the amount of impact fees the City has collected on behalf of the District resulting from the City's (by its officers, employees, agents, or representatives) negligent acts or omissions; intentional acts or omissions; or failure for any reason to comply with the terms of this Agreement, the terms of the Act, or the terms of Chapter 27.08 of the Kirkland Municipal Code, all as may be amended from time to time. It is the intent of this Section (IV D) that any liability created by the City's performance of its duties under this Agreement, the Act, or the terms of Chapter 27.08 of the Kirkland Municipal Code be satisfied first out of any impact fees attributable to the activity out of which the liability arises that have been collected by the City on behalf of the District for the particular development activity at issue, and only in the event that such impact fees collected for the particular development activity at issue are insufficient, shall the City be liable to satisfy the liability.
- E. The City's duties to the district under this section shall not be diminished or extinguished by the prior termination of this Agreement pursuant to Section VII.

VII. TERMINATION

- A. The obligation to collect impact fees under this Agreement may be terminated without cause by the City, in whole or in part, at any time. All other obligations under this Agreement shall remain in effect so long as the City or the District retain unexpended or unencumbered funds. The obligations under Section VI of this Agreement shall be continuing and shall not be diminished or extinguished by the termination of this Agreement.
- B. The City shall have the authority to ensure that upon termination of this Agreement, any remaining unexpended or unencumbered funds are refunded pursuant to RCW 82.02.080.
- C. Nothing herein shall limit, waive, or extinguish any right or remedy provided by this Agreement or law that either party may have in the event that the

obligations, terms, and conditions set forth in this Agreement are breached by the other party.

VIII. ADMINISTRATIVE APPEALS AND INDEPENDENT FEE CALCULATIONS

- A. Section 27.08.040 of the Kirkland Municipal Code allows permit applicants to prepare and submit an independent fee calculation study for review and approval in lieu of payment of impact fees according to the impact fee schedule adopted by Section 27.08.150. The City agrees to submit any such independent fee calculation study to the District for review and comment prior to the director making a determination as to the validity of such study. The District agrees to provide comments regarding any such independent fee calculation study in a timely manner and the City agrees to consider such comments in good faith. The District agrees that the Director's decision on the validity of any such study shall be final and binding upon the District.
- B. Section 27.08.120 of the Kirkland Municipal Code provides that impact fees may be appealed and sets forth appeal procedures. In the event that such an appeal is filed regarding the school impact fees that are the subject of this Agreement, the District and the City agree to cooperate in defending the appeal. The District shall be solely responsible in any appeal hearing for defending the validity of its capital facilities plan and the methodology used to arrive at the per unit impact fee which the City has agreed to collect on the District's behalf under this Agreement. The District shall provide witnesses and legal counsel to defend such matters in any appeal hearing related to the validity of its capital facilities plan and the methodology used to arrive at the per unit school impact fees and the City shall not be required to defend such matters through its own witnesses or legal counsel.

IX. SEVERABILITY

In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions, or applications of this Agreement which can be given effect without the invalid term, condition or application. To this end the terms and conditions of this Agreement are declared severable.

X. NONDISCRIMINATION

There shall be no discrimination against any employee or independent contractor paid by any funds which are the subject of this Agreement or against any applicant for such employment because of race, religion, color, sex, age, sexual orientation, handicap, or national origin. This provision shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training.

The District and any independent contractor paid by funds which are the subject of this Agreement shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended.

XI. RIGHTS OF OTHER PARTIES

It is understood and agreed that this Agreement is solely for the benefit of the parties hereto and conveys no right to any other party.

XII. GOVERNING LAW AND FILING

This agreement shall be construed and enforced in accordance with, and the validity and performance hereof shall be governed by, the laws of the State of Washington. This Agreement shall be filed with the secretary of the Board of Directors of the District, the King County Records and Election Division, the Secretary of State and the Washington State Department of Community, Trade and Economic Development.

XIII. ADMINISTRATION

A. The City's representative shall be:

Eric Shields
Planning Director
City of Kirkland
123 Fifth Avenue
Kirkland, WA 98033

Phone: (425)587-3235

B. The District's representative shall be:

Forrest Miller
Director, Facilities and Transportation
Lake Washington School District No. 414
16250 NE 74th Street
P.O. Box 97039
Redmond, WA 98073

Phone: (425) 702-3200

XIV. ENTIRE AGREEMENT/WAIVER OF DEFAULT

The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Both parties recognize that time is of the essence in the performance of the provisions of this Agreement. Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of the Agreement shall not be deemed to be waiver of any other or

subsequent breach and shall not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval by the City, which shall be attached to the original Agreement.

CITY OF KIRKLAND

LAKE WASHINGTON SCHOOL
DISTRICT NO. 414

Kurt Triplett, City Manager

Dr. Chip Kimball, Superintendent

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

Legal Counsel
Lake Washington School District

ORDINANCE 4285

AN ORDINANCE OF THE CITY OF KIRKLAND AUTHORIZING THE COLLECTION OF IMPACT FEES FOR SCHOOLS AND ADDING CHAPTER 27.08 TO THE KIRKLAND MUNICIPAL CODE.

WHEREAS, the City Council of the City of Kirkland finds that new residential development will create additional demand and need for school capacity; and

WHEREAS, the Washington State Legislature passed the Growth Management Act of 1990 and 1991, RCW 36.70A et seq. and RCW 82.02 et seq. (the "Act"), which authorizes the collection of impact fees on development activity to provide public school facilities to serve new development; and

WHEREAS, the Act requires that impact fees may only be collected for public facilities which are addressed by a capital facilities element of a comprehensive land use plan; and

WHEREAS, the Lake Washington School District has requested that the City of Kirkland impose school impact fees on the District's behalf in order to address the continued impact of growth within the City on the District's capital facilities; and

WHEREAS, the City Council of the City of Kirkland recognizes the proportionate share of the expense of school facilities necessitated by the impacts of new residential development should be borne by the developers of new growth through the imposition of school impact fees as authorized by the Growth Management Act (RCW 82.02.050 – 82.02.100); and

WHEREAS, the Lake Washington School District has prepared a Capital Facilities Plan in compliance with the Act; and

WHEREAS, school impact fees have been calculated for residential uses based upon a specified formula; and

WHEREAS, provision has been made to consider annual adjustments to the school impact fees based upon demographics and capital construction costs.

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. A new Chapter 27.08, "School Impact Fees," is added to Title 27 of the Kirkland Municipal Code to read as follows:

27.08.010 Findings and Authority.

The City Council finds and determines that new residential growth and development in the city will create additional demand and need for public facilities (school capacity) in the city and finds that new

residential growth and development should pay a proportionate share of the cost of facilities needed to serve the new growth and development. Lake Washington School District #414 has requested that the city impose school impact fees on the District's behalf and has prepared a capital facilities plan documenting the impact of new development within the Lake Washington School District on Lake Washington School District facilities. The city council accepts the methodology and data contained in the capital facilities plan. Therefore, pursuant to Chapter 82.02 RCW, the city council adopts this chapter to assess impact fees for public schools within the Lake Washington School District #414.

27.08.020 Definitions.

The following words and terms shall have the following meanings unless the context clearly requires otherwise. Terms otherwise not defined herein shall be defined pursuant to RCW 82.02.090, or given their usual and customary meaning.

(a) "Act" shall mean the Growth Management Act, Chapter 36.70A RCW.

(b) "Applicant" means the owner of real property according to the records of the King County Department of Records and Elections, or the applicant's authorized agent.

(c) "Building permit" means the official document or certification that is issued by the building division of the fire and building department and that authorizes the construction, alteration, enlargement, conversion, reconstruction, remodeling, rehabilitation, erection, tenant improvement, demolition, moving or repair of a building or structure.

(d) "Capital facilities" means the facilities or improvements included in the capital facilities plan.

(e) "Capital facilities plan" means the "Lake Washington School District #414 Six-Year Capital Facilities Plan," and such plan as amended.

(f) "City" means the City of Kirkland.

(g) "Council" means the city council of Kirkland.

(h) "Department" means the Planning and Community Development Department.

(i) "Director" means the Director of the Department of Planning and Community Development Department.

(j) "Hearing examiner" means the person who exercises the authority of Chapter 3.34 of this code.

(k) "Impact fee" means a payment of money imposed by the city on an applicant prior to issuance of a building permit as a condition of granting a building permit in order to pay for the public facilities needed to serve new residential growth and development. "Impact fee" does not include a reasonable permit fee or application fee.

(l) "Impact fee account" or "Account" means the account established for the system improvement for which impact fees are collected. The account shall be established pursuant to this chapter, and shall comply with the requirements of RCW 82.02.070.

(m) "Independent fee calculation" means the study of data submitted by an applicant to support the assessment of an impact fee other than the fee in the schedule attached as set forth in KMC 27.08.150 of this chapter.

(n) "Interest" means the interest rate earned by the City sweep account, if not otherwise defined.

(o) "Interlocal agreement" or "Agreement" means a school impact fee interlocal agreement, authorized by this chapter, by and between the city and the Lake Washington School District concerning the collection and expenditure of impact fees.

(p) "Low-income housing" means (1) an owner-occupied housing unit affordable to households whose household income is less than 80% of the King County median income, adjusted for household size, as determined by the United States Department of Housing and Urban Development (HUD), and no more than 30% of the household income is paid for housing expenses or (2) a renter-occupied housing unit affordable to households whose income is less than 60% of the King County median income, adjusted for household size, as determined by HUD, and no more than 30% of the household income is paid for housing expenses (rent and appropriate utility allowance). In the event that HUD no longer publishes median income figures for King County, the city may use or determine such other method as it may choose to determine the King County median income, adjusted for household size. The director will make a determination of sales prices or rents which meet the affordability requirements of this section. An applicant for a low income housing exemption may be a public housing agency, a private non-profit housing developer or a private developer.

(q) "Multifamily dwelling" means attached, stacked, duplex, or assisted living unit as defined in Chapter 5 of Title 23 of this code (Zoning Code) and cottage, carriage and two/three units homes approved under Chapter 113 of Title 23 of this code (Zoning Code).

(r) "Owner" means the owner of real property according to the records of the King County Department of Records and Elections, provided, that if the real property is being purchased under a recorded real estate contract, the purchaser shall be considered the owner of the real property.

(s) "Public facilities" means capital facilities owned or operated by Lake Washington School District #414.

(t) "Residential" means housing, such as detached, attached or stacked dwelling units (includes cottage, carriage and two/three unit homes approved under Chapter 113 of Title 23 (zoning code)), and senior and assisted dwelling units intended for occupancy by one or more persons. For the purpose of this chapter, an accessory dwelling unit, as regulated in Chapter 115 of Title 23 (zoning code) of this code, is considered an adjunct to the associated primary structure and is not charged a separate impact fee.

27.08.030 Assessment of impact fees.

(a) The city shall collect impact fees, based on the schedule in Section 27.08.150 of this chapter, from any applicant seeking a residential building permit from the city.

(b) All impact fees shall be collected from the applicant prior to issuance of the building permit based on the land use categories in Section 27.08.150. Unless the use of an independent fee calculation has been approved, or unless a development agreement entered into pursuant to RCW 36.70B.170 provides otherwise, the fee shall be calculated based on impact fee schedule in effect at the time a complete building permit application is filed.

(c) For building permits for mixed use developments, impact fees shall be imposed on the residential component of the development found on the schedule in Section 27.08.150 of this chapter.

(d) For building permits within new subdivisions approved under Title 22 (subdivisions) in this code, a credit shall be applied for any dwelling unit that exists on the land within the subdivision prior to the subdivision if the dwelling unit is demolished. The credit shall apply to the first complete building permit application submitted to the City subsequent to demolition of the existing dwelling unit, unless otherwise allocated by the applicant of the subdivision as part of approval of the subdivision.

(e) For complete building permit applications received on or prior to May 31, 2012, at the time of issuance of any single family residential building permit for a dwelling unit that is being constructed for resale, the applicant may elect to record a covenant against the title to the property that requires payment of the impact fees due and owing, less any credits awarded, by providing for automatic payment through escrow of the impact fee due and owing to be paid at the time of closing of sale of the lot or unit. Applicants electing to use this process shall pay a \$240 administration fee for each individual lien filed.

(f) The building division of the fire and building department shall not issue any building permit unless and until the impact fee has been paid.

27.08.040 Independent fee calculations.

(a) If, in the judgment of the director, none of the fee categories or fee amounts set forth in the schedule in Section 27.08.150 of this chapter accurately describes the impacts resulting from issuance of the proposed building permit, the applicant shall provide to the department for its review and evaluation an independent fee calculation. The director shall consult with the Lake Washington School District and the District shall advise the director prior to the director making the final impact fee determination. The director may impose on the proposed building permit an alternative impact fee based on the independent fee calculation. With the independent fee calculation, the applicant shall pay to the department an administrative processing fee of one hundred dollars per calculation unless a different fee is provided for in Title 5 of this code.

(b) If an applicant requests not to have the impact fees determined according to the schedule in Section 27.08.150 of this chapter, then the applicant shall submit to the director an independent fee calculation, paid for by the applicant, for the building permit. The independent fee calculation shall show the basis upon which it was made. With the request, the applicant shall pay to the department the administrative processing fee provided for in Title 5 of this code.

(c) An applicant may request issuance of a building permit prior to completion of an independent fee study; provided, that the impact fee is collected based on the fee schedule in Section 27.08.150. A partial refund may be forthcoming if the fee collected exceeds the amount

determined in the independent fee calculation and the department agrees with the independent fee calculation.

(d) While there is a presumption that the calculations set forth in the capital facilities plan used to prepare the fee schedule in Section 27.08.150 are correct, the director shall consider the documentation submitted by the applicant, but is not required to accept such documentation which the director reasonably deems to be inaccurate or not reliable, and may, in the alternative, require the applicant to submit additional or different documentation. The director shall consult with the Lake Washington School District and the District shall advise the director prior to the director making the final impact fee determination. The director is authorized to adjust the impact fee on a case-by-case basis based on the independent fee calculation, the specific characteristics of the building permit and/or principles of fairness.

(e) Determinations made by the director pursuant to this section may be appealed to the hearing examiner subject to the procedures set forth in Section 27.08.120.

27.08.050 Exemptions.

(a) The following building permit applications shall be exempt from impact fees:

(1) Replacement, alteration, expansion, enlargement, remodeling, rehabilitation or conversion of an existing dwelling unit where no additional units are created and the use is not changed. Replacement must occur within five years of the demolition or destruction of the prior structure. For replacement of structures in a new subdivision, see Section 27.08.030(d).

(2) Any building permit for a legal accessory dwelling unit approved under Title 23 of this code (Kirkland Zoning Code).

(3) Miscellaneous improvements to an existing dwelling unit, including but not limited to fences, walls, swimming pools, mechanical units, and signs.

(4) Demolition or moving of a structure within the City's jurisdiction.

(5)(A) Construction or Creation of Low-Income Housing. Any claim for an exemption must be made before payment of the impact fee. Any claim not so made shall be deemed waived. The claim for exemption must be accompanied by a draft lien and covenant against the property guaranteeing that the low-income housing will continue. Before approval of the exemption, the department shall approve the form of the lien and covenant. Within ten days of approval, the applicant shall execute and record the approved lien and covenant with the King County department of records and elections. The lien and covenant shall run with the land. In the event that the housing unit is no longer used for low-income housing, the current owner shall pay the current impact fee plus interest to the date of the payment.

(B) The amount of impact fees not collected from low-income housing pursuant to this exemption shall be paid by the Lake

Washington School District. The impact fees for these units shall be considered paid for by the Lake Washington School District through its other funding sources, without the district actually transferring funds from its other funding sources into the impact fee account.

(6) Construction or creation of any form of housing for the elderly, including nursing homes, retirement centers, and any type of housing units for persons age 55 and over, which have recorded covenants or recorded declaration of restrictions precluding school-aged children as residents of those units. In the event that the housing unit is no longer used for senior housing as defined in this subsection, the current owner shall pay the current impact fee plus interest to the date of the payment.

(7) Any development activity that is exempt from the payment of an impact fee pursuant to RCW 82.02.100, due to mitigation of the same system improvement under the State Environmental Policy Act.

(8) Any development activity for which school impacts have been mitigated pursuant to a voluntary agreement entered into with the Lake Washington School District to pay fees, dedicate land or construct or improve school facilities, unless the terms of the voluntary agreement provide otherwise and provided that the voluntary agreement predates the effective date of the fee imposition.

(b) The director shall be authorized to determine whether a particular proposed development falls within an exemption of this chapter or of this code. Determinations of the director shall be subject to the appeals procedures set forth in Section 27.08.120.

27.08.070 Adjustments.

Pursuant to and consistent with the requirements of RCW 82.02.060, the Lake Washington School District capital facilities plan has provided adjustments for past and future taxes paid or to be paid by the new development which are earmarked or proratable to the same new system improvements that will serve the new development. The schedule set forth in Section 27.08.150 of this chapter has been reasonably adjusted for taxes and other revenue sources that are anticipated to be available to fund system improvements.

27.08.080 Authorization for interlocal agreement.

The city manager is authorized to execute, on behalf of the city, an interlocal agreement with the Lake Washington School District for the collection, expenditure, and reporting of impact fees.

27.08.090 Impact Fee Administration.

The process for administering school impact fees, including refunding fees, shall be established upon approval of and according to an interlocal agreement between the city and the Lake Washington School District.

27.08.100 Use of funds.

(a) Impact fees may be spent for system improvements, including but not limited to, architectural and/or engineering design studies, land surveys, land acquisition, engineering, permitting, financing, administrative expenses, relocatable facilities, capital equipment pertaining to educational facilities, construction, site improvements, necessary off-site improvements, applicable impact fees or mitigation costs and other expenses which could be capitalized, and which are consistent with the Lake Washington School District's capital facilities plan.

(b) Impact fees shall be expended or encumbered on a first-in, first-out basis.

(c) Impact fees may be used to recoup costs for system improvements previously incurred by the Lake Washington School District by the city to the extent that new growth and development will be served by the previously constructed system improvements.

(d) In the event that bonds or similar debt instruments are or have been issued for the advanced provision of system improvements, impact fees may be used to pay debt service on such bonds or similar debt instruments to the extent that system improvements provided are consistent with the requirements of this chapter and are used to serve the new development.

27.08.110 Review of schedule and fee increases.

The Lake Washington School District shall annually submit to the City a six-year capital facilities plan or an update of a previously adopted plan, which meets the requirements of the Act. The schedule in Section 27.08.150 will be amended to reflect changes to the capital facilities plan. Amendments to the schedule for this purpose shall be adopted by the council.

27.08.120 Appeals.

(a) An appeal of an impact fee imposed on a building permit may only be filed by the Lake Washington School District or the applicant of the building permit for the subject property. An applicant may either file an appeal and pay the impact fee imposed by this chapter under protest, or appeal the impact fee before issuance of the building permit. No appeal may be filed after the impact fee has been paid and the building permit has been issued.

(b) An appeal shall be filed with the hearing examiner on the following determinations of the director:

(1) The applicability of the impact fees to a given building permit pursuant to Sections 27.08.030 and 27.08.050;

(2) The decision on an independent fee calculation in Section 27.08.040;

(3) The availability or value of a credit in Section 27.08.060; or

(4) Any other determination which the director is authorized to make pursuant to this chapter.

(c) An appeal, in the form of a letter of appeal, along with the required appeal fee, shall be filed with the department for all

determinations by the director, prior to issuance of a building permit. The letter must contain the following:

- (1) A basis for and arguments supporting the appeal; and
- (2) Technical information and specific data supporting the appeal.
- (d) The fee for filing an appeal shall be two hundred and fifty dollars.
- (e) Within twenty-eight calendar days of the filing of the appeal, the director shall mail to the hearing examiner the following:
 - (1) The appeal and any supportive information submitted by the appellant;
 - (2) The director's determination along with the record of the impact fee determination and, if applicable, the independent fee calculation; and
 - (3) A memorandum from the director analyzing the appeal.
- (f) The hearing examiner shall review the appeal from the applicant, the director's memorandum, and the record of determination from the director. No oral testimony shall be given, although legal arguments may be made. The determination of the director shall be accorded substantial weight.
- (g) The hearing examiner is authorized to make findings of fact and conclusions of law regarding the decision. The hearing examiner may, so long as such action is in conformance with the provisions of this chapter, reverse or affirm, in whole or in part, or modify the determination of the director, and may make such order, requirements, decision or determination as ought to be made, and to that end shall have the powers which have been granted to the director by this chapter. The hearing examiner's decision shall be final.
- (h) The hearing examiner shall distribute a written decision to the director within fifteen working days.
- (i) The department shall distribute a copy of the hearing examiner's decision to the appellant and the Lake Washington School District within five working days of receiving the decision.
- (j) In the event the hearing examiner determines that there is a flaw in the impact fee program, that a specific exemption or credit should be awarded on a consistent basis, or that the principles of fairness require amendments to this chapter, the hearing examiner may advise the council as to any question or questions that the hearing examiner believes should be reviewed as part of the council's review of the fee schedule in Section 27.08.150 as provided by Section 27.08.110.

27.08.130 Responsibility for payment of fees.

- (a) The building permit applicant is responsible for payment of the fees authorized by this chapter in connection with a building permit application.
- (b) In the event that a building permit is erroneously issued without payment of the fees authorized by this chapter, the building official may issue a written notice to the property owner and occupant advising them of the obligation to pay the fees authorized by this

chapter. Such notice shall include a statement of the basis under which the fees under this chapter are being assessed, the amount of fees owed, and a statement that the property owner or occupant may appeal the fee determination within twenty calendar days of the date the notice was issued. Any appeals of such a fee determination shall be processed in accordance with the procedures set forth in Section 27.08.120.

(c) If a property owner or occupant fails to appeal the issuance of a fee notice under subsection (b) of this section, or if the property owner or occupant's appeal is unsuccessful, the city is authorized to institute collection proceedings for the purpose of recovering the unpaid impact fees.

27.08.140 Existing authority unimpaired.

Nothing in this chapter shall preclude the city from requiring the applicant for a building permit, to mitigate adverse environmental impacts of a specific development pursuant to the State Environmental Policy Act, Chapter 43.21C RCW, based on the environmental documents accompanying the underlying development approval process, and/or Chapter 58.17 RCW, governing plats and subdivisions; provided, that the exercise of this authority is consistent with the provisions of RCW 82.02.050(1)(c).

27.08.150 Fee schedule.

(a) **School Impact Fee Schedule**

<u>Type of Land Use</u>	<u>Impact Fee</u>	<u>Per Unit</u>
Single-Family Dwelling (detached unit)	\$6,250	Dwelling Unit
Multifamily Dwelling (attached, stacked, and assisted living unit)	\$1,732	Dwelling Unit

(b) The City shall collect an administrative fee of \$65.00 per filing per residential permit in order to cover the administrative cost of collecting, processing, and handling the impact fees described in this chapter.

Section 2. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance, or the application of the provision to other persons or circumstances is not affected.

Section 3. The school impact fees and regulations relating to school impact fees shall apply to all complete building permit applications filed on or after (a) June 1, 2011, or (b) the effective date of an interlocal agreement between the City of Kirkland and the Lake Washington School District providing for collection and distribution of school impact fees, whichever occurs later. This ordinance shall take

effect in annexation areas of the City of Kirkland on June 1, 2011, or upon the effective date of annexation, whichever is later.

Section 4. This ordinance shall be in force and effect on June 1, 2011 after its passage by the Kirkland City Council and publication pursuant to Section 1.08.017, Kirkland Municipal Code in the summary form attached to the original of this ordinance and by this reference approved by the City Council.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2011.

Signed in authentication thereof this ____ day of _____, 2011.

MAYOR

Attest:

City Clerk

Approved as to Form:

City Attorney

PUBLICATION SUMMARY
OF ORDINANCE NO. 4285

AN ORDINANCE OF THE CITY OF KIRKLAND AUTHORIZING THE COLLECTION OF IMPACT FEES FOR SCHOOLS AND ADDING CHAPTER 27.08 TO THE KIRKLAND MUNICIPAL CODE.

SECTION 1. Creates a new Chapter 27.08 of the Kirkland Municipal Code authorizing the City to assess school impact fees on new residential development.

SECTION 2. Provides a severability clause for the ordinance.

SECTION 3. Provides that school impact fees and regulations relating to school impact fees shall apply to all complete building permit applications filed on or after (a) June 1, 2011, or (b) the effective date of an interlocal agreement between the City of Kirkland and the Lake Washington School District providing for collection and distribution of school impact fees, whichever occurs later. This section also provides that the ordinance takes effect in City of Kirkland annexation areas upon the effective date of annexation.

SECTION 4. Authorizes publication of the ordinance by summary, which summary is approved by the City Council pursuant to Section 1.08.017 Kirkland Municipal Code and establishes the effective date as June 1, 2011.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the _____ day of _____, 2011.

I certify that the foregoing is a summary of Ordinance _____ approved by the Kirkland City Council for summary publication.

City Clerk

RESOLUTION R-4861

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF KIRKLAND AND LAKE WASHINGTON SCHOOL DISTRICT NO. 414 FOR THE COLLECTION, DISTRIBUTION AND EXPENDITURE OF SCHOOL IMPACT FEES.

WHEREAS, the Washington State Legislature passed the Growth Management Act of 1990 and 1991, RCW 36.70A et seq. and RCW 82.02 et seq. (the "Act"), which authorizes the collection of impact fees on development activity to provide public school facilities to serve new development; and

WHEREAS, the Act requires that impact fees may only be collected for public facilities which are addressed by a capital facilities element of a comprehensive land use plan; and

WHEREAS, the City has adopted a school impact fee ordinance which describes the features of the school impact fee program, and allows the District to receive and expend school impact fees in conformance with the Act; and

WHEREAS, the District has prepared a Capital Facilities Plan in compliance with the Act; and

WHEREAS, THE City has adopted the District's Capital Facilities Plan as part of the capital facilities element of the City of Kirkland Comprehensive Plan, and the City will collect impact fees upon certain new residential developments on behalf of the District; and

WHEREAS, the City and the District desire to enter into an agreement pursuant to and in accordance with the State Interlocal Cooperation Act, Chapter 39.34 RCW, for the purposes of administrating and distributing the authorized impact fees;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The City Manager is hereby authorized and directed to execute on behalf of the City of Kirkland an Interlocal Agreement substantially similar to that attached as Exhibit "A", which is entitled "Interlocal Agreement for the Collection, Distribution and Expenditure of School Impact Fees."

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2011.

Signed in authentication thereof this ____ day of _____, 2011.

MAYOR

Attest:

City Clerk