

**CITY OF ISSAQUAH  
City Council Regular Meeting**

7:00 PM  
September 3, 2019

**MINUTES**

Council Chambers  
135 E. Sunset Way

**COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT**

*Councilmembers:*

Mariah Bettise  
Stacy Goodman (*Excused Absence*)  
Victoria Hunt  
Tola Marts  
Chris Reh (*Excused Absence*)  
Lindsey Walsh  
Paul Winterstein

*Administration/Staff:*

Mary Lou Pauly, Mayor  
Andrea Snyder, Interim City Administrator  
Jim Haney, City Attorney  
Tisha Gieser, Deputy City Clerk

**CALL TO ORDER**

Mayor Pauly called the meeting to order at 7:00 PM.

**PLEDGE OF ALLEGIANCE**

Mayor Pauly led the Pledge of Allegiance.

**EXECUTIVE SESSION**

At 7:02 PM, Council recessed into Executive Session for the purpose of discussing pending/potential litigation per RCW 42.30.110(1)(i). The item was expected to take approximately 15 minutes.

Mayor Pauly reconvened the open meeting at 7:19 PM.

**SPECIAL BUSINESS**

a) **ID 0527 - Recovery Month Proclamation**

Mayor Pauly proclaimed the month of September 2019 to be Recovery Month and called upon citizens to join her in observing the month with appropriate programs, activities, and ceremonies supporting Recovery Month. Brad Finegood, King County Public Health Strategic Advisor, Jerry Blackburn, Executive Director of Influence the Choice and Henriët and Harrison Schapelhouman of True Hope Community received the proclamation.

**AUDIENCE COMMENTS**

The following public comment was provided:

- Larry Franks, 24001 SE 103rd St., representing the Friends of the Issaquah Salmon Hatchery (FISH), highlighted an upcoming event on Oct. 1 related to salmon predation, protection and prediction.
- Robert Clawson, 2585 20th Ave. NE, representing People for Climate Action, shared the organization's mission and an evaluation of Issaquah.

**COMMITTEE / REGIONAL REPORTS***Councilmember Walsh:*

- Eastside Transportation Partnership – Made report.

*Councilmember Winterstein:*

- Puget Sound Growth Management Policy Board – Announced upcoming meeting.

*Deputy Council President Bettise:*

- Eastside Human Services Forum – Announced upcoming meeting.

*Council President Marts:*

- Sound Cities Association (SCA) Public Issues Committee – Announced upcoming meeting.
- Growth Management Planning Council – Announced upcoming meeting.

**MAYOR'S REPORT**

The Mayor provided a report on the following topics:

- Executive Session
- City Administrator Recruitment Update
- Childhood Cancer Awareness Month Proclamation
- Park Bench Donation Program
- Confluence Park Turf & Irrigation Maintenance Project
- Council Rules of Procedure
- Upcoming Events
- Welcoming Week Proclamation and Issaquah Hosted Event
- Pesticide & Paint Round-up
- Coffee with the Mayor

**INFORMATIONAL UPDATES****a) ID 0452 - National Community Survey Results**

Autumn Monahan, Assistant to the City Administrator, provided an overview of the survey results and next steps.

**b) ID 0517 - Update on Fire Services and Facility Needs**

Fire Chief Jeff Clark, Eastside Fire & Rescue (EFR), provided an overview of the fire services EFR provides, their operating model and upcoming facility needs.

**CONSENT CALENDAR**

*Items listed were distributed to Councilmembers in advance for study and were enacted with one motion.*

Councilmember Winterstein requested that AB 7602 - Establishing a Park Bench Donation Program (item "g") be considered under Regular Business.

**IT WAS MOVED BY MARTS, SECONDED BY BETTISE; MOTION CARRIED (5-0), TO APPROVE THE CONSENT AGENDA AS AMENDED (see item "g").**

- a) **ID 0392 - Accounts: Payables and Payroll of Aug. 19 and Sept. 3, 2019, \$6,661,125.53;** Approved.
- b) **Minutes: City Council Special Meeting, Aug. 5, 2019;** Approved.
- c) **Minutes: City Council Regular Meeting, Aug. 5, 2019;** Approved.
- d) **Minutes: City Council Special Meeting, Aug. 12, 2019;** Approved.
- e) **Minutes: Council Committee Work Session, Aug. 12, 2019;** Approved.
- f) **Minutes: Special Council Committee Work Session, Aug. 14, 2019;** Approved.
- g) **AB 7602 - Establishing a Park Bench Donation Program;** Removed from the Consent Calendar, to be heard under Regular Business (item "c").

**REGULAR BUSINESS**

- a) **AB 7823 - Intent to Adopt a Sales and Use Tax for Affordable Housing**

Introduced by Mayor Pauly and presented by Gene Paul, Management Analyst. Following Council discussion,

**IT WAS MOVED BY MARTS, SECONDED BY BETTISE, TO:**

Approve Resolution No. 2019-11, declaring the Council's intent to adopt legislation which would authorize a sales and use tax for affordable and supportive housing in accordance with Substitute House Bill 1406 from the 2019 State Legislative session.

**MOTION CARRIED, 5-0.**

- b) **AB 7834 - Gilman Ditch Restoration Project**

Introduced by Mayor Pauly and presented by Harvey Walker, Manager of Storm and Sewer Operations. Following Council discussion,

**IT WAS MOVED BY HUNT, SECONDED BY MARTS, TO:**

Direct the Administration to replace street trees with in-kind street trees in the event that street trees are removed during the Gilman Ditch Restoration Project.

**IT WAS MOVED BY BETTISE, SECONDED BY MARTS, TO:**

Amend the motion by adding:

"but taking spacing for future maintenance access into consideration"

**AMENDMENT CARRIED, 5-0.**

**MOTION CARRIED AS AMENDED, 5-0.**

**IT WAS MOVED BY MARTS, SECONDED BY WINTERSTEIN, TO:**

Direct the Finance Director to include funding in the amount of \$230,000 for the Gilman Ditch Restoration Project in a subsequent 2019 budget amendment utilizing the Stormwater Fund; and award the construction contract for the Gilman Ditch Restoration Project to Accord Contractors LLC in the amount of \$208,111.20 (including sales tax).

**MOTION CARRIED, 5-0.**

**c) AB 7602 - Establishing a Park Bench Donation Program**

Introduced by Mayor Pauly and presented by Jeff Watling, Parks and Recreation Director. Following Council discussion,

**IT WAS MOVED BY WINTERSTEIN, SECONDED BY BETTISE, TO:**

Adopt Ordinance No. 2875, establishing a program for park bench donations for park system enhancement and authorizing the Mayor to accept and use the donations for said purpose.

**MOTION CARRIED, 5-0.**

**GOOD OF THE ORDER**

*Council President Marts:*

Growth Management Planning Council (GMPC) Draft Letter re: Vision 2050 - Requested feedback on the letter. Various Councilmembers shared their input.

*Mayor Pauly:*

Upcoming Council Meetings - Announced anticipated agenda items.

**ADJOURNMENT**

There being no further business to come before the Council, the meeting was adjourned at 10:24 PM.

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Tisha Gieser, Deputy City Clerk

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Mary Lou Pauly, Mayor



CITY COUNCIL
AGENDA BILL

City Council Regular Meeting - 16 Sep 2019

NEW
AB 7785 -

Consent Calendar

Amending School Impact Fees

Proposed Council Action:
Adopt Ordinance

Table with 2 columns: Department/Council Liaison/Other Council Meetings/Comp Plan Policy Nos./Other Policies/Exhibits and corresponding details like Development Services Trish Heinonen, n/a, CF Policy E11, A. Proposed Ordinance, B. ISD 2019 Capital Facilities Plan

SUMMARY STATEMENT

Introduction

This agenda bill seeks Council authorization to update the school impact fees collected on new residential development as requested in the Issaquah School District's 2019 Capital Facilities Plan (Exhibit B). The District requests that the City adopt the 2019 Capital Facilities Plan and impact fees effective Jan. 1, 2020.

Background

The Issaquah City Council adopted a School Impact Fee Ordinance (Ordinance No. 2074) and an Interlocal Agreement with the Issaquah School District (ISD) for the collection of School Impact Fees in 1995. Under the Agreement, the City collects the impact fee from new residential development and sends the money to the ISD where it is used to help build school facilities that are needed to serve student growth from development.

The school impact fees are updated annually to reflect the District's current Capital Facilities Plan and were last revised by the City Council on Dec, 3, 2018. There were two parts of the Council discussion In 2018:

- 1. The rationale for the District's "additional discounted amount" also called "local share" that was calculated by the School District that was approximately 70% in 2018 and approximately 60% in 2019. In 2017 and 2018, Council expressed concern that the District calculating an additional discount in addition to the King County required discount was akin to leaving a legal funding source untapped and not having development pay for its impacts.
2. The Council's desire to be able to adopt school impact fees that were different than those adopted in the District's Capital Plan.

In 2018, Council adopted Ord. 2856, adopting the new 2019 school impact fees in the amount requested by ISD in the District's Capital Plan. The Council also adopted Ord. 2855 that allowed flexibility in setting school impact fees.

2020 Proposed Fees

The school impact fees are determined by the District and are based on their most recent Capital Facilities Plan. Although the District's Capital Facilities Plan includes capital projects that address both current and future needs, impact fees are only used to address future need from new development.

The District's 2019 Capital Facilities Plan was adopted by the Issaquah School Board on May 22, 2019. According to the Issaquah School District's Six-Year Construction Plan (Exhibit B, page 15) the District anticipates that it will receive \$500,000 in impact fees that will be applied to capital projects. As identified in the Six-Year Finance Plan (Exhibit B, page 22), it appears the District will utilize school impact fee revenue over the next 6-year period to purchase portables in 2019-2021.

In April, 2016, voters passed a \$533 million bond to fund the purchase of land for and construction of a new high school, a new middle school, two new elementary schools, the rebuild/expansion of an existing middle school and additions to six existing elementary schools. Per staff's interpretation of the Six-Year Finance Plan, 100% of land purchase and school construction will be funded by the bond and less than 1% of the capital construction budget will be dedicated to portables. The anticipated school impact fees will represent approximately 16.7% of the cost of the portables and, therefore, less than 1% of the total school and portables construction cost.

The District's Six Year Construction Plan can be found on page 15 of Exhibit B.

The School District proposes to change the School Impact Fees as follows:

	Single Family	Multifamily
Current School Impact Fee (per unit)	\$15,276	\$4,399
Proposed 2020 School Impact Fee (per unit)	\$14,501	\$9,583
Increase or (decrease)	- 5.3% (\$775)	+117.8% \$5,184

The change in rates for 2020 is attributed to lower single family residence student generation rates and increased multifamily student generation rates.

Additionally, the District has returned to their historic "Local Share" rate of 50%. Local Share is the 50% discount required by King County. As shown on page 16 of Exhibit B, the District has applied the 50% discount to the full impact fee of \$29,002.82 for single family and \$19,165.56 for multifamily dwelling units, resulting in the 2020 proposed fees shown above.

This addresses Council's previous concern of an additional 20% discount taken in 2018 (total discount approx 70%) and 10% discount in 2019 (total discount approx 60%). In 2017 and 2018, Council expressed concern that the District calculating an additional discount in addition to the King County required discount was akin to leaving a legal funding source untapped and not having development pay for its impacts.

**Options/Alternatives**

Since the District's 2020 calculations only deduct the impact fee by the King County required 50%, the District's proposal is the highest amount possible. Council's concern in previous years of leaving a legal funding source untapped has been addressed by the 2020 proposal.

**Recommendation**

The Administration recommends adoption of the proposed school impact fees in support of the Issaquah School District's capital needs, as expressed in the District's Capital Plan.

**Next Steps**

At Monday's Council meeting, Council action to adopt the proposed ordinance is requested. If adopted, the new impact fees would go into effect on Jan. 1, 2020.

**Financial Information**

The school impact fees are collected by the City and are passed through to the School District for their use.

**Administration's Recommendation**

The Administration recommends adoption of the 2020 school impact fees as proposed by the District's Capital Plan.

**Update**

n/a

**Alternative(s)**

Spend more time reviewing the update to school impact fees. [Impact: Updated fees need to be adopted by December, to be effective Jan 1, 2020.]

**RECOMMENDATION**

*Administration / Development Services Department:*

MOVE TO: Adopt Ordinance No.\_\_\_\_\_, amending subsection 3.63.100(a) of the Issaquah Municipal Code to revise the amount of the school impact fee imposed by the City effective Jan. 1, 2020.

**ORDINANCE NO. \_\_\_\_\_**

AN ORDINANCE OF THE CITY OF ISSAQUAH, WASHINGTON, AMENDING SUBSECTION 3.63.100(A) OF THE ISSAQUAH MUNICIPAL CODE TO REVISE THE AMOUNT OF THE SCHOOL IMPACT FEE IMPOSED BY THE CITY EFFECTIVE JANUARY 1, 2020.

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WHEREAS, cities are authorized to impose school impact fees under RCW 82.02.050, *et seq.*; and

WHEREAS, the City of Issaquah and the Issaquah School District entered into an interlocal agreement in 1995 for the imposition and collection of school impact fees; and

WHEREAS, the City of Issaquah has implemented school impact fees through the adoption of Chapter 3.63 of the Issaquah Municipal Code (IMC); and

WHEREAS, the Issaquah City Council has reviewed the capital facilities plan adopted by the Issaquah School District and the District’s recommended school impact fee; and

WHEREAS, the Issaquah City Council has determined that the school impact fee should be updated as described in the District’s capital facilities plan, and that the fee adopted by this ordinance fairly reflect a proportionate share of the cost of system improvements that are reasonably related to new development within the City; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF ISSAQUAH, WASHINGTON, DO  
ORDAIN AS FOLLOWS:

Section 1. Subsection 3.63.100(A) of the Issaquah Municipal Code is hereby amended to read as follows:

A. Impact fees shall be imposed upon development activity in the City as follows:

1. ~~\$15,276~~ 14,501 per single-family residential unit;

2. ~~\$4,399~~ 9,583 per multifamily residential unit.

Section 2. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 5. Effective Date. This ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City and shall take effect and be in full force on January 1, 2020.

Passed by the City Council of the City of Issaquah, the \_\_\_\_ day of \_\_\_\_\_, 2019.

Approved by the Mayor of the City of Issaquah, the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
MARY LOU PAULY, MAYOR

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
CHRISTINE L. EGGERS, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
JAMES E. HANEY, CITY ATTORNEY

PUBLISHED:  
EFFECTIVE DATE: Jan. 1, 2020  
ORDINANCE NO. / AB 7785

# 2019 CAPITAL FACILITIES PLAN

## Issaquah School District No. 411 Issaquah, Washington

Adopted May 22, 2019  
Resolution No. 1131

*The Issaquah School District No. 411 hereby provides this Capital Facilities Plan documenting present and future school facility requirements of the District. The plan contains all elements required by the Growth Management Act and King County Council Ordinance 21-A.*

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