Transportation Committee

HB 1493

- **Brief Description:** Clarifying the definition of development activity in respect to construction by a regional transit authority.
- **Sponsors:** Representatives Hudgins, Simpson, Jarrett, B. Sullivan, Rodne, McCoy, Sells and Kenney.

Brief Summary of Bill

• Establishes that the construction of buildings or structures by a regional transit authority is exempt from local impact fees by modifying the definition of "development activity" to expressly exclude such construction.

Hearing Date: 2/5/07

Staff: Kathryn Leathers (786-7114).

Background:

Counties, cities, and towns that plan under the major provisions of the Growth Management Act (GMA) are authorized to impose impact fees on development activity as part of the financing of certain public facilities. Impact fees are payments of money required of developers as a condition of development approval. The fees apply to both new development and the expansion of existing development.

"Development activity" means any construction or expansion of a building, structure, or use, any change in use of a building or structure, or any changes in the use of land, that creates additional demand and need for public facilities.

The public facilities for which the impact fees may be imposed and spent are limited to the following capital facilities that are owned or operated by government entities: public streets and roads; publicly-owned parks, open space, and recreation facilities; school facilities; and fire protection facilities in jurisdictions that are not part of a fire district.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In addition to the limitation that impact fees may only be imposed with respect to certain facilities, such fees:

- may only be imposed for system improvements that are reasonably related to the new development;
- may not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and
- must be used for system improvements that will reasonably benefit the new development.

Local ordinances imposing impact fees must include a schedule of fees specific to each type of development activity. The method of fee calculation must take into account the type of development in determining the cost of its anticipated impact.

Summary of Bill:

As regards development activity that may be subject to local impact fees, the definition of "development activity" is modified to expressly exclude construction of buildings or structures by a regional transit authority, thereby clarifying that such construction is not subject to local impact fees.

Appropriation: None.

Fiscal Note: Partial note available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.