

Next Ord: 1736-12
Next Res: 859-12

VISION STATEMENT

SEDRO-WOOLLEY IS A FRIENDLY CITY THAT IS CHARACTERIZED BY CITY GOVERNMENT AND CITIZENS WORKING TOGETHER TO ACHIEVE A PROSPEROUS, VIBRANT AND SAFE COMMUNITY

MISSION STATEMENT

TO PROVIDE SERVICES AND OPPORTUNITIES WHICH CREATE A COMMUNITY WHERE PEOPLE CHOOSE TO LIVE, WORK AND PLAY

CITY COUNCIL WORKSESSION

AGENDA

April 4, 2012

7:00 PM

Sedro-Woolley Municipal Building

Public Safety Training Room

325 Metcalf Street

- A. Presentation/Discussion with Port of Skagit County – Patsy Martin
- B. Credits for Existing Structures Discussion



Port of Skagit

Skagit Valley

Economic Opportunity Growth Strategy

Patsy Martin, Port of Skagit
January 2012

THE OPPORTUNITY

The Skagit Valley is at a crossroads to the type of future we will leave for our children and our grandchildren. One future takes us to a place of opportunity and possible prosperity for all. This future includes the possibility of thriving agricultural and natural systems embraced, respected and sought after worldwide. It finds our rural character and slower pace of life strong and vibrant. It finds intact the local schools and cultures of Sedro-Woolley, Mount Vernon, Burlington, Anacortes, La Conner, and Concrete. Another future takes us to a place of opportunity for some and poverty for many. It finds our agricultural and natural systems challenged. Housing continues to grow in the rural areas and not in the urban areas. It includes a growing service sector based workforce. It includes a growing out-commuting population who seek sustainable community family income jobs in the metropolitan areas to the North and South of the valley. This future places increased stresses on our towns and cities, our transportation, agricultural, natural, educational, medical, and judicial systems.

While many communities around the world face similar challenges, the Skagit Valley is ready to thrive. Our advantages are numerous:

- Intact agricultural land containing some of the top 2% most fertile soils in the world.
- The valley's location within 100 miles of 6.5 million people in Vancouver, B.C. and Seattle, Washington.
- A rural character of life reflected in the towns and cities of Anacortes, Burlington, Mount Vernon, Sedro Woolley, La Conner, and Concrete that will continue to attract a creative class and entrepreneurial talent to grow dynamic new businesses.
- A diversified base of regional employers that serve both as stable sources of sustainable community family income jobs and leaders of key sectors , including

aerospace, intelligent energy, marine fabrication, intelligent forestry, health care, and value added agriculture.

- 47% of the existing workforce currently out-commutes. This could provide a well trained workforce looking for better job opportunities in the valley.
- Functioning natural systems including the Skagit River, the largest river between the Fraser and Columbia, the North Cascades and the San Juan Islands.
- Skagit Valley College Skills Center with diverse training programs and WSU research station located in Mount Vernon employs world class plant geneticists and other agricultural based scientists who work to develop a sustainable agricultural system for the valley.
- Skagitonians to Preserve Farmland (SPF), Skagit Land Trust (SLT), The Nature Conservancy (TNC), and other groups supported by land donations work to protect significant agricultural and natural systems in the valley and our rural character of life.
- The Ports of Anacortes and Skagit, whose purpose is to generate commerce, stimulate trade and support economic development using a variety of tools and initiatives is prepared to work with EDASC, the valley's towns and cities, the county and the private sector to initiate economic opportunity growth programs, policies, and projects.

THE CHALLENGE

- The current official unemployment rate is 10.7% (January 2012, Washington State Employment Security Department).
- The current estimated real unemployment rate is 17%.
- Mount Vernon Schools' current free and reduced lunch eligible students are approximately 70% (Mount Vernon School District, 2012)
- The current median household income in the Skagit Valley is \$55,548. The current average household income in the Skagit Valley is \$64,112 (2010 Census). Our data shows that approximately \$80,000/year is a sustainable family household income.
- The current per capita personal income in the Skagit Valley is \$26,925 (2010 Census).

- The current Industrial Land Inventory shows only 1,772 acres of industrial zoned land available, whereas the projected need in 50 years is for over 3,400 acres (Port of Skagit, 2011).
- High speed fiber optic compatibility currently exists in the City of Mount Vernon, City of Burlington, Port of Skagit, and sporadically throughout the rest of the valley.
- Swinomish Channel has been an inside marine transportation corridor since the late 1800's. Its future is currently jeopardized due to lack of infrastructure maintenance by the Federal Government. Over 500 jobs and \$92 million of economic activity depend on the channel.
- The FAST corridor rail and highway projects to enable export opportunities through the ports of Seattle, Tacoma, and Everett must be expanded and maintained, if Skagit Valley-grown and produced products are to be successfully exported.
- Urban sprawl continues to threaten a viable agricultural future, natural systems, and the rural character of the life we hold so valuable. The Envision 2060 Project has shown current trends place 30% of the growth in rural areas and 70% of the growth in urban areas (Envision 2060, October 2011).
- 47% of the valley's most talented citizens find themselves seeking work outside the valley at present. Locating businesses in the valley to employ these out-commuters will provide a more stable and substantial tax base for the valley, shorten commute times, reduce energy consumption due to transportation needs and provide greater opportunities for these workers to be involved in the valley (Hart Hodges, WWU, February 2012).
- 20.8% of the valley's residents are college educated. 12% have a 2 year degree. 86.5% of the valley's residents have high school diplomas (2010 Census).

THE GOAL

“Good Jobs for the Skagit Valley.”

THE STRATEGY

The economic opportunity growth strategy is three-fold.

1. The first is to better understand and support the needs of the valley's existing businesses and associated business infrastructure and remove barriers to their growth and innovation.

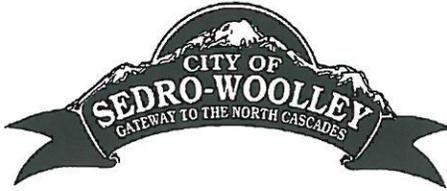
2. The second is to actively recruit new businesses, services, and customers to the valley that existing businesses believe would improve their sustainability and productivity.
3. The third is to encourage innovative local and regional businesses to start up in the Skagit Valley.

THE QUESTION

How do we work together to build the future we want for our children and grandchildren?

CITY COUNCIL
WORKSESSION

APR 04 2012



AGENDA ITEM B

CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
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Sedro-Woolley, WA 98284
Phone (360) 855-9922
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Eron M. Berg
City Supervisor/City Attorney

MEMO TO: City Council
FROM: Eron Berg
RE: Imposition of impact fees on existing structures at time of redevelopment
DATE: April 4, 2012

ISSUE: Councilman Loy requested copies of the existing policies related to the imposition of impact fees. Impact fees and general facilities charges are addressed in many locations in the code, particularly, SWMC 13.16, 15.60, 15.64 and related chapters including 15.04 and 17.04. The following are the basic sections applicable to our analysis and the question before the council.

For sewer general facilities charges:

13.16.035 General facilities charge—Separate fund.

In addition to any permit fees and other charges required by city ordinance or regulation, and not in lieu thereof, at the time of building permit issuance (or, if no building permit, then at time of connection or commencement of use), there shall be a general facilities charge for connection to the city sewer system, which shall be paid in the sum of eight thousand nine hundred twenty-six dollars per equivalent residential unit (ERU), to be determined as set forth in this section.

- A. "Equivalent residential unit (ERU)" is defined as a common measure for all types of users to put them on an equivalent basis with a single-family residential user. The ERU is determined by the anticipated water consumption from a connection. One ERU is equal to seven hundred fifty cubic feet of water consumption per month.
- B. Single-Family Residential. Each single-family dwelling unit, including single-family (one unit), duplexes (two units), triplexes (three units), condominium unit, and each mobile or manufactured home (one unit) whether on an individual lot or in a mobile home park, is equal to one ERU per dwelling unit.
- C. Multiple Residential. Each dwelling unit in a multiple residential structure consisting of four or more dwelling units is equal to one ERU per dwelling unit.
- D. Nonresidential, Including Commercial and Industrial Users. The following provisions shall govern the assessment and collection of general facilities charges for nonresidential users, including commercial and industrial units:

1. For each nonresidential unit, there shall be a general facilities charge equal to the sum of:
 - a. For plumbing fixtures, four hundred ninety-eight dollars per plumbing fixture unit as described in Table 1 set out at the end of this section, titled Equivalent Fixture Units, plus applicable state sales tax; and
 - b. For use other than plumbing fixtures, four hundred ninety-eight dollars per three hundred eleven gallons of water consumption per month, as determined by the superintendent or his designee. In making this determination, the superintendent may rely upon industry standards, scientific and engineering data, sewage flow meter data, qualified professional opinions, and any other basis which is in his or her opinion appropriate. The superintendent may adjust this charge based upon evidence that the metered water usage does not accurately reflect the volume of discharge disposed of through the sewer system.
2. If the city enters into a written agreement with users allowing the discharge into the sanitary sewer system of materials set forth in Section [13.30.080\(A\)\(1\)](#) through (A)(4), the superintendent shall determine the general facilities charge for the user, in order that such property owners shall bear their equitable share of the cost of such system. In making this determination, the superintendent may rely upon industry standards, scientific and engineering data, sewage flow meter data, qualified professional opinions, and any other basis which is in his or her opinion appropriate. The superintendent may consider the quality of effluent, that the metered water usage does not accurately reflect the capacity of the capital facilities, including treatment plant capacity, utilized by the connection, and all other relevant information. Nothing in this section shall require the city to accept wastes or waters described in Section [13.30.080\(A\)\(1\)](#) through (A)(4) from any user.
3. An additional general facilities charge shall be assessed and due as provided in this subsection for an existing connection if, in the determination of the superintendent:
 - a. The number of plumbing fixture units is increased; or
 - b. The user applies for a permit for improvements which will result in an increase in the average monthly water usage for reason other than an increase in the number of plumbing fixture units; or
 - c. The user, by agreement with the city, changes the quality of the discharge or wastewater discharged into the sewer system so as to cause the discharge into the sewer system of materials set forth in Section [13.30.080\(A\)\(1\)](#) through (A)(4); or
 - d. The user converts an existing connection to a different use which increases the demand on the treatment plant or sewer system capacity utilized to transport or treat said discharge.

In making the determination that an additional general facilities charge is due, the superintendent may rely upon industry standards, scientific and engineering data, sewage flow meter data, qualified professional opinions, and any other basis which is in his or her opinion appropriate.

E. In making a determination of the amount of the general facilities charge, an adjustment against the charge may be allowed by the superintendent for a level of previous use of sewer system capacity, as defined by the highest average twelve consecutive months of the preceding sixty months, unless a general facilities charge, or its equivalent was due for such use under this section which was not paid. Any adjustment shall be determined by the superintendent as set forth in this section, who may rely upon industry standards, scientific and engineering data, sewage flow meter data, qualified professional opinions, the billing for the previous sixty months, and any other basis which is in his or her opinion appropriate. No adjustment shall be allowed if the sewer bill has not been paid for the preceding sixty months, which shall constitute abandonment of the right to use the previous sewer capacity without paying the initial or additional general facilities charge. This adjustment shall apply only to the parcel or lot to which service was provided, and may not be assigned or transferred to other property.

F. All proceeds of the general facilities charge shall be placed in the sewer capital improvements fund for the following uses: construction of new sewer facilities, repair, replacement, and maintenance of existing sewer facilities, and debt service of the same.

For other impact fees (parks, fire, streets):

15.60.015 Definitions.

The following are definitions provided for administering the impact fee ordinance. The public works director shall have the authority to resolve questions of interpretation or conflicts between definitions.

A. "Adequate level of transportation service" means a system of transportation facilities which have the capacity to serve development without decreasing levels of service below the city's established minimum as determined by SWMC Chs. 15.40, 15.56, and adopted plans and ordinances.

B. "Adequate level of parks service" means a system of parks facilities which have the capacity to serve development without decreasing levels of service below the city's established minimums as determined by adopted plans and ordinances.

C. "Adequate level of fire department service" means a system of fire department facilities which have the capacity to serve development without decreasing levels of service below the city's established minimums as determined by adopted plans and ordinances.

D. "Capacity" means the maximum sustainable flow rate at which vehicles or persons can be expected to traverse a point or uniform segment of a lane or roadway during a specified time period, usually expressed as vehicles per hour, passengers per hour, or persons per hour.

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

F. "Director" means the director of the department of public works of the city of Sedro-Woolley or his/her designee.

- G. "Finance director" means the clerk-treasurer of the city of Sedro-Woolley or his/her designee.
- H. "Impact fee" means a payment of money imposed upon development approval to pay for public streets and roads, parks and fire department facilities needed to serve new growth and development, and that is reasonably related to the new development that creates additional demand and need for public streets and roads, parks and fire department facilities that is a proportionate share of the cost of the public streets and roads, parks and fire department facilities and that is used for public streets and roads, parks and fire department facilities that reasonably benefit the new development. "Impact fee" does not include a reasonable permit or application fee otherwise established by city council resolution, nor mitigation required by SEPA or other ordinance.
- I. "Jurisdiction" means a municipality or county.
- J. "Off-site transportation road improvement" means improvement, except a frontage improvement, to an existing or proposed city road or street outside the boundaries of a development, which improvement is required or recommended in accordance with this title. "Off-site parks improvement" means improvement to an existing or proposed park facility outside the boundaries of a development, which improvement is required or recommended in accordance with this title.
- K. "Off-site fire department improvement" means improvement to an existing or proposed fire department facility outside the boundaries of a development, which improvement is required or recommended in accordance with this title.
- L. "Parks" means public parks; public recreational, community, cultural or civic facilities (including, without limitation senior centers and youth centers); public trails; and any other similar public facilities identified in the parks plan.
- M. "Parks plan" means those specific projects and/or classes of projects for the development and/or improvement of public parks identified within the parks element of the Sedro-Woolley capital facilities plan, as may from time to time be amended.
- N. "Project improvements" means site improvements and facilities that are planned and designed to provide service for a particular development project that are necessary for the use and convenience of the occupants or users of the project, and are not system improvements. No improvement or facility included in the capital facilities plan approved by the city council shall be considered a project improvement.
- O. "Service area" means a geographic area defined by ordinance or intergovernmental agreement in which a defined set of public streets and roads, parks and fire department facilities provide service to the development within the area.
- P. "Six-year transportation improvement program (TIP)" means a subset of projects contained in the city's capital improvement program. The TIP is a set of comprehensive street programs/projects which after a public hearing is annually adopted by the city council for the purpose of advancing plans for not less than six years as a guide for carrying out the coordinated transportation/street construction program. The six-year TIP shall contain a small group

of capacity projects which will be considered reasonably funded for determining transportation concurrency and impact fees. The adoption of the six-year TIP will obligate the city to actively pursue funds as to implement the capacity component of the transportation improvement program as best possible with the available resources.

Q. "System improvements" means public facilities that are included in the capital facilities plan and are designed to provide service areas within the community at large, in contrast to project improvements. (Ord. 1555-06 § 1 (part), 2006)

15.60.020 Applicability.

A. The requirements of this chapter apply to all development activity in the city of Sedro-Woolley.

B. Mitigation of impacts on transportation, park, and fire department facilities located in jurisdictions outside the city will be required when:

1. The other effective jurisdiction has reviewed the development's impact under its adopted impact fee/mitigation regulations and has recommended to the city that the city impose a requirement to mitigate the impacts; and
2. There is an interlocal agreement between the city and the effective jurisdiction specifically addressing transportation, park or fire department impact identification and mitigation. (Ord. 1555-06 § 1 (part), 2006)

17.04.040 Administration and interpretation.

Responsibility for administration and interpretation of this title shall rest with the planning director or designee. Any interpretation or action of the planning director may be appealed to the hearing examiner by submittal in writing to the planning director within fourteen calendar days of the decision. Appeals shall be heard by the hearing examiner within thirty days from the date the appeal is filed and the applicable fee is paid. Also, the planning director may at any time defer to the hearing examiner or the city council where uncertainty exists as to interpretations. (Ord. 1607-08 § 7(A), 2008; Ord. 1013 § 1.04, 1985)

17.04.050 Nonconforming uses, structures, and lots.

Uses, structures and lots not conforming to the provisions of this title may continue if legally existing at time of adoption of the ordinance codified in this title or at time of annexation to the city if annexed subsequent to adoption, provided that:

A. Legal nonconforming uses and structures shall not be enlarged, altered or expanded unless such modification is approved through the conditional use permit process;

B. Legal nonconforming uses shall lose such status if abandoned for a period of six months or more;

C. Legal nonconforming structures may be maintained and repaired unless destroyed or damaged so as to have their fair market value reduced by seventy-five percent or more, in which case they shall lose legal nonconforming status;

D. Use and development of legal nonconforming lots shall be in accordance with all current regulations, including setback requirements; and

E. If question arises as to whether a use, structure or lot enjoys legal nonconforming status, the burden of proof shall be on the property owner to provide the necessary documentation. (Ord. 1013 § 1.05, 1985)