

He provided the following definition, designation criteria, goals and policies of the Rural Zone and the Rural Village zone in the Comprehensive Plan:

Rural Zone

Definition:

Rural areas of the County not otherwise designated or within UGAs, areas of more intensive rural development, Rural Agriculture, Rural Forest or Commercial Agriculture.

Designation Criteria:

- A. Areas where the land capability is unsuited for higher density residential development; (from 1980 to 1993 this parcel went through a couple of failed septic drainfields)
- B. Areas outside of areas of more intensive rural development; or (the subject parcel is currently outside of the Rural Village RAID and was in 1998 as well)
- C. Areas that enhance rural character and living environment; or
- D. A buffer between Commercial Agriculture, Rural Agriculture and Rural Forest uses and urban uses. (there are CA zoned properties to the Northwest and the south)

Goal:

Maintain low residential densities to preserve rural character and to provide buffers between urban activities and agricultural and forestry uses. (the parcel is providing a buffer between the RV zone and the residential area)

Policies:

- D. Encourage diverse economic opportunities and uses compatible with and supportive of a rural way of life as outlined under the goals and policies in this Chapter for Home Occupations and Home Industries in the Rural Area. (Rural zoning does not limit the uses to single family residences. Home Occupations and Home Industries that support the rural way of life are also allowed.)
- H. All non-residential uses within the Rural designation must comply with rural design guidelines to assure compatibility with adjacent uses. (Commercial uses are allowed in the Rural zone with limitations to fit the goal of being a buffer between commercial and residential uses.)

Rural Village Zone

Definition:

Rural Village lands are smaller existing non-residential and mixed-use areas located within mixed-use areas of more intensive rural development and are primarily intended for the retail sale of convenience goods as well as personal and business services needed to support the localized geographic area. (As of 1998 there was no existing uses on the parcel.)

Designation Criteria:

- A. The designation shall primarily be located on the periphery of residential neighborhoods. (This parcel is located on the periphery of the residential area.)
- B. Area must be served by an approved public or private water system. (The applicant indicated that an approved water system can be obtained but without verification it could not be considered in staffs decision.)
- C. In combination with other portions of an area of more intensive rural development, is larger than 5 acres in size. (This is a 5.32 acre parcel however it should be noted that in 1993 when the commercial use on the property ended it was only .86 acres in size.)
- D. These areas are generally located along highways, major arterials and collector roads.
- E. Characterized by existing development that is predominantly non-residential and mixed-use. (There were no established non-residential or mixed-uses on the parcel as of the date of the adoption of the Comprehensive Plan.)
- F. Located within a mixed-use area of more intensive development as established by forming a logical outer boundary.

Goal:

Provide for the retail sale of convenience goods as well as personal and business services needed to support persons residing in the rural area.

Policies:

- A. Rural Villages are designated mixed-use areas of more intensive rural development with a non-expandable logical outer boundary.

Growth Management Act

RCW 36.70A.070. (iv)

A county shall adopt measures to **minimize and contain the existing areas or uses of more intensive rural development**, as appropriate, authorized under this subsection. Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary the county shall address (A) the needs to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;

The subject parcel does not meet all of the designation criteria of the Comprehensive Plan for lands zoned Rural Village and the Planning Department is recommending denial of the zoning amendment.

Bill Massey asked about fill on the property and where the Rural Village (RV) boundaries were located.

Andrew Hicks noted that artificial fill had been brought to the property and that the property was surrounded on two sides by RV zoning.

Bill Massey said it appears from the tax records provided to them that the Assessor at some time believed that there was a commercial on-site sewer disposal system on the property.

Scott Yonkman pointed out that the site has had difficulty supporting an on-site septic system.

Andrew Hicks noted that the County has records of two drainfield failures.

Deb Eidsness said there could be as many as 4 or 5 failed septic systems on the property which have not been removed.

Jeff Tate pointed out that whether the property can actually support a septic system for a commercial development, while relevant, is not the driving force behind staff's decision. The property owner has the opportunity to obtain an off-site drainfield.

He explained that the GMA sets up requirements for what counties and cities need to do when developing a comprehensive land use plan. When the GMA was adopted the language in RCW 36.70A.070. (iv) was not included and those pockets of commercial development could only be designated as urban which means they have to have public

sewer, water and storm water systems. There was no opportunity to have a commercially designated area in a rural area. In 1996 the state legislature came up with the language that allowed counties to deal with those existing areas in-between rural and urban and labeled them rural areas of more intensive development or RAIDs. However the legislature made it clear that a boundary needed to be drawn around these areas to contain them.

RCW 36.70A.070.(iv) states “Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl.” The County came up with the boundaries back in 1997/98 and brought them to the Planning Commission who deliberated on them at great length. At the end of the process the County had about 60 commercial and residential RAIDs. Those boundaries were challenged by WEAN as being too broad and the County went before the WWGMHB and prevailed for the most part. There were a few areas where the growth board felt the County was pushing the limit but the growth board has evaluated every single one of these RAIDs and given their stamp of approval.

The property owner may have a logical argument as to why they should be allowed the rezone, but staff has to look at the designation criteria that has been developed and adopted under the structure of the GMA and staff has determined that adding this 5 acre piece of property to the RV zone in this location is extending the logical outer boundary.

Phil Bakke felt it was fair to say that the BICC pushed the envelope of the logical outer boundary particularly with the commercial RAIDs simply because there is a limited supply of commercial property in Island County. There was an economic analysis done by the Island County Economic Development Council that outlines those commercial needs. As Jeff Tate pointed out the growth board reviewed all the boundaries and in many cases shaved them back.

The GMA is designed intentionally to push local governments to direct urban growth and urban services to cities. The concept back when the GMA was written was that this was a lower cost solution, cities are geared up to provide urban services so it is a matter of expanding urban services from adjacent properties and thereby lowering the cost to everybody in Washington for those services. The only other provision aside from bringing this type of development into cities is a provision that we looked at for both Clinton and Freeland and that is designating such areas a Non-Municipal Urban Growth Areas (NMUGAs), the step in-between being a RAID and a city. The problem with that is the state mandates that urban services be provided in those areas. In 1998 the County did not designate any NMUGA studies for Camano Island.

Jeff Tate restated the fact that the County tried to push the envelope with these RAID boundaries and argued a little more vigorously for Camano Island to have some infill potential for commercial development. Whidbey Island has three municipalities as well as Freeland and Clinton whereas Camano Island only has Stanwood. The County presented the argument that our geographic situation causes some dilemmas in complying with the

GMA and we really need to have some area on Camano Island where some commercial development can be allowed. The growth board never really said that they bought that argument but they were probably much more firm and had harsher decisions on Whidbey Island with regards to shaving those boundaries back then they did on Camano Island.

Bill Massey said in his reading of RCW 36.70A.070. (iv) it looked like there might be an opportunity to expand within that regulation. It was a 1998 action that created the boundaries and now you have population growth and traffic mitigation considerations that need to be looked at.

Jeff Tate said given his experience in going through the growth board process and justifying and defending the boundaries he would guess the response of the growth board would be go ahead and expand the boundaries but designate it as an UGA.

Scott Yonkman asked if there was commercial property available on Camano Island.

Jeff Tate indicated that there was a very limited amount of commercial property on Camano Island.

PUBLIC COMMENT

Jason Lenz, 9032 288th St NW, Stanwood, applicant, noted that the highest and best use for the property is RV zoning. He indicated that he was not notified of this public meeting and only found out about it from reading the legal notice in the newspaper.

The reason for not having a commercial use on the property in 1998 was due to the expansion of Highway 532 and having the right-of-way come right up next to the restaurant forcing it to close. It was not economically feasible for the property owner to relocate the restaurant on the property. The contractor that developed Highway 532 put his commercial fill, i.e. asphalt, rock and clay, on the property which makes it not very suitable for residential zoning. He also pointed out that the original 8.53 piece of property had the parking lot for the restaurant on it which was in conjunction with operating a commercial facility.

He asked staff if it would help their rezone request if they were able to provide water availability.

Jeff Tate said the challenge is that the designation criteria as they were established were to apply on parcels on the date that it was being considered. The growth board did not want to set up a situation where later on you could add those or try to meet those designation criteria so that you could then justify the expansion of a RAID boundary.

Andrew Hicks noted that the small parcel to the north that contained the Shipwreck Bar and Grill was the only portion that was zoned non-residential prior to 1998 everything outside of that area was zoned Rural.

Tom Lenz, 31513 9th St., Stanwood, applicant, provided a brief history of the parcel. In the late 50's Wally Thurman built the Camano Island Drive-in on the property. Since then and through the mid 90's it has been owned by various people. After that it was purchased by Glen Rengen, Pacific Road and Bridge, who obtained a fill permit and put in excess of 85,000 cubic yards of roadway excavation on it. There is no existing soil on this parcel that is native. There are patches of asphalt with moss and grass growing over them. In 2002/2003 Glen Rengen hired Lenz Enterprises to remove 3,000 yards of topsoil from the property.

He did not feel that it made any sense to zone this property as residential when you have 18,000 cars a day going by it and commercial activity so close to it. Additionally, the state has approved an access lane at the corner of the property as well as a left hand center turn lane.

Phil Bakke asked Mr. Lenz when he purchased the property.

Tom Lenz said they bought it from Glen Rengen, Pacific Road and Bridge, in 2005.

Phil Bakke asked if there was paperwork available from when the state purchased the right-of-way from the previous property owner. He imagined there was some sort of compensation from the state to off set the closure of the restaurant.

David Platter noted that he was the previous owner and was compensated \$8,000 for taking a 50 foot strip across the front of that property. The original property was 19.69 acres and he subdivided it into 3 parcels and then did a Boundary Line Adjustment to reconfigure the parcels so each had access to the limited drainfield area.

Tom Lenz indicated that the property has its own approved septic system, but if needed an adjoining property has additional approved septic through a granted easement. Water is also available from the Juniper Beach Water Association.

Warren Fiedler, 24824 Florence Rd., Stanwood, commented on the common sense of the issue. This piece of property has had a commercial use on it for years and probably still would if the state had not decided to widen the highway. Asphalt and old road bed have been dumped on the property making it unsuitable for residential as well as the fact that across the street is an auto parts store and lumber store.

David Platter, 1006 Lightning Way, Camano Island, noted he was the property owner of the commercial development to the east of the subject property. He pointed out that ICC 17.02.220.8 (old code) states, "Reclassification from R to NR shall be permitted upon a finding that: a) For the purposes of this subsection, property containing a legal non-conforming, non-residential use(s) and abutting a single side of the property to be reclassified shall be considered to be zoned NR;..." The Comprehensive Plan also

supports these types of changes. He noted that he supports this zoning change and would grant Mr. Lenz an easement for access.

Barbara Brady, 176 S Sunrise, Camano Island , noted that she drove by the subject property everyday on her way to work and with all the traffic that goes by that property she could not imagine anyone wanting a residence there. Whidbey Island is different from Camano Island in that it has a very long highway with cities along it where you can get services. The residents of Camano Island want services that are along the highway and not mixed in with residential property. She was interested in hearing more about what the property owner plans to do with the property.

Andrew Hicks noted that the property owner's proposal is in a way irrelevant because the zoning is going to follow the parcel, not the owner. You can't look at it from the perspective of what this particular person is proposing to do on the parcel it could be sold at any time and the implications of a rezone are everlasting they do not end with the sale of the property.

Barbara Brady said the County may not be interested in knowing what is going to be done with the property, but the public is. She felt that the County's analysis and recommendation was flawed.

Andrew Hicks explained that the County's analysis was not so much based on common sense then on the designation criteria that is in place in the Comprehensive Plan. There are a number of parcels on Camano Island that abut SR 532 and are zoned Rural. What would happen if they all requested to be rezoned to non-residential? The logical outer boundary was established to prevent that sort of thing from taking place.

Phil Bakke pointed out that during the Comprehensive Plan update process there was a lot of public comment from residents not wanting their local thoroughfares to look like Hwy 99.

Public comment was closed.

Jeff Tate noted that the Planning Commission might want to consider leaving the public comment period open on this application due to the short notice given the applicant of today's hearing.

Bill Massey moved to close the public hearing on ZAA 047/06 and extend the written comment period to July 25th, 2006. The motion was seconded by Mike Joselyn and carried unanimously.

ZAA 475/02 – Amendment to rezone a 9.8 acre parcel from Rural Service to Rural Village

Jeff Tate indicated that he had spoken to the applicant and again due to the short notice given the applicant about today’s hearing suggested continuing the public hearing to the next scheduled meeting in Coupeville with a video link to Camano.

Bill Massey asked if there was anyone from the public who wished to speak on the issue today.

There was no public comment.

Bill Massey moved to continue ZAA 475/05 to July 11, 2006 with a video hook up to Camano Island. The motion was seconded by Wayne Havens and carried unanimously.

CPA 191/06 – Amendments to enable the Stanwood/Camano School District to impose impact fees on newly created lots

John Coleman, Planner, provided a power point presentation.

Stanwood-Camano School District – Proposal

- School district submitted a Capital Facilities Plan (CFP)
- The CFP calls for the use of impact fees to help pay for future school capital facilities projects to serve the predicted increase in students created by the development.
- The Capital Facilities Plan is only for Camano Island.

Overview of Requirements

For the proposal to become a reality, two general actions need to be taken:

1. Adopt the CFP as part of the Island County Comprehensive Plan.
2. Make changes to the Island County Code to allow school impact fees.

Adopting a Capital Facilities Plan

- Because a CFP becomes part of the Comp Plan, it must meet requirements of 36.70A.070(3)(a-d) RCW
- Because the CFP proposed impact fees, the requirements of Chapter 82.02 RCW must be met.
- Because the proposal involves capital facilities, the CFP must satisfy the requirements of the County Adequacy Ordinance, Chapter 11.05 ICC.

36.70A.070(3) RCW

- a. An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities.
- b. A forecast of the future needs for such capital facilities.
- c. The proposed locations and capacities of expanded or new capital facilities.
- d. At least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes.

Chapter 82.02 RCW

- Impact fees only can be used for system improvements that: “are reasonably related to” and “will reasonably benefit the new development” 82.02.050(3)(a,c).
- Are addressed in a CFP adopted into the Comp Plan 82.02.050(4)
- That CFP must identify existing deficiencies and additional improvements necessary to serve demands of predicted new development

Chapter 11.05 ICC

- The Adequacy Ordinance defines school facilities as a Category D Public Facilities.
- Category D facilities must have a valid comprehensive plan which fulfills WAC 365-195-315(1)(a),(b),(c),and (d).
- Comp Plan must take into account County land use and population projections.
- Submit a list of proposed public works.

Changes to ICC necessary to impose impact fees

- Chapter 82.02 RCW requires several provisions to be in a County Ordinance to allow school impact fees.
- These requirements are addressed in the newly proposed Chapter 11.06 ICC.
- Minor changes to ICC 16.19.040, and either Chapter 14.01 or 16.06 ICC.

Evolution/History of Proposal

- School District brought CFP to Planning.
- As mentioned, this action would only affect area within Stanwood-Camano School District (Camano Island).
- The RCW requires County to review CFP and make the necessary changes to the ICC to allow impact fees.
- ICC changes involve a new chapter to address the several requirements.
- The proposed language does not specify district.
 - Cleaner code
 - No need to rewrite code for other districts.

- Will not have chapter for each district.
- The Stanwood-Camano district has updated CFP.
- Not complete for Camano Island.
- Planning now focused on Code changes.

Stanwood-Camano School District CFP

- First written May 2004 for Snohomish County
- Modified for Island County July 2005
- Latest update, completed June 2006 for Snohomish County only.
- Student enrollment projections are now declining, negative student growth.
- Results in impact fees of zero dollars.

Proposed Amendments to ICC

- New Chapter 11.06 and minor changes to Chapter 16.19, and either 16.06 or 14.01A
 - Chapter 11.06
 - Chapter 16.19
 - Chapter 16.06, Option 1 or
 - Chapter 14.01A, Option 2

Deb Eidsness asked how deficiencies prior to the approval of impact fees would be addressed.

John Coleman said the district will have to show how they will make up for those previous deficiencies, but impact fees will not be able to be used for them.

Alan Schell asked why the use of impact fees versus levies.

John Coleman said an impact fee is just another source of money. The school district can use state-matching funds, levies or impact fees. Impact fees would only apply to newly created parcels after their adoption. There are two options being proposed for when fees are collected, either at the time of subdivision or when a building permit is applied for.

Bill Massey said in effect there are two different issues, an ordinance change and a Comprehensive Plan change.

John Coleman agreed and noted that the school district is nearing completion on an updated CFP which will include an updated financing plan and student growth projections.

Due to the requirements of Chapter 82.02 RCW, the state impact fee enabling legislation, the Planning Department has determined that the most appropriate way to enable school

impact fees would be to create a new chapter in the Island County Code, Exhibit B in the staff report.

Bill Massey expressed concern about proper legal notice.

Jeff Tate indicated that notice of the hearing was advertised in the Stanwood/Camano News. Staff feels it is appropriate to advertise and schedule a hearing on Whidbey Island to discuss a county wide ordinance.

Bill Massey said he thought they should be advertised as two separate issues, one is an Island County issue and one is a Camano Island issue. First you need enabling legislation in place and then the Stanwood-Camano School District can apply for impact fees. He did not see how you can mix the two before you have enabling legislation.

Jeff Tate noted that staff has reviewed the CFP and come to a determination that the CFP meets the requirements of the GMA, the administrative code and the county's development regulations. You would not be able to collect the impact fee that is established in the CFP until the implementing ordinance is adopted but he did not think you necessarily have to adopt the implementing ordinance before you adopt the CFP.

Bill Massey said he highly respects the Planning staff, but totally disagrees with them. He felt they needed enabling legislation in place in the county before they can recognize the school districts and give them an opportunity to apply for impact fees.

Alan Schell said one of the requirements is proof that funding is available but how can you prove funding is available until the ordinance is passed. It's a case of which comes first the cart or the horse.

Phil Bakke said he thought the intention was to sort of hitch these two issues together. You would not be approving one absent the other you would be approving one contingent or subject to the other. The Planning Department has a request from a member of the public to adopt a CFP, a process that is identified in the code, and we need to act on that request. If the Planning Commission does not recommend approval of the portion that results in impact fees then their findings and transmittal to the Board of County Commissioners needs to say that. If the Planning Commission is prepared to accept that portion that results in impact fees then staff will request that they review the implementing ordinance and their recommendation would be that they are accepting the CFP from the school district subject to adoption of Exhibit B, the implementing regulations.

Bill Massey said the problem he is having is that the agenda was advertised as an amendment to enable the Stanwood-Camano School District to impose impact fees and that is not what is happening.

Phil Bakke said future hearings need to be advertised a little bit differently in part depending on whatever thoughts and guidance staff gets from the Planning Commission today. He does not want to conduct hearings on an implementing ordinance if at the end of the day the Planning Commission is not going to recommend approval of impact fees.

PUBLIC COMMENT

Gary Platt, Executive Director for Business Operations for the Stanwood-Camano School District, provided some background on the proposed amendment.

The Stanwood-Camano School District is composed of all of Camano Island, Stanwood, and portions of unincorporated Snohomish County. Camano Island students comprise approximately 40% of the District's enrollment. In the last 16 years the school district has had upward gains in enrollment except for the 2003/2004 school year when enrollment actually dropped. During the last two years enrollment has been flat.

During the growth period the Stanwood-Camano School District joined the other districts in Snohomish County in developing a Capital Facilities Plan (CFP). The school district already collects impact fees for newly created parcels in Snohomish County and the City of Stanwood. Camano Island is not being assessed any fees so there is a feeling of inequity. He has been directed by the Board of Directors for the Stanwood-Camano School District to work with Island County and develop a system so that there is an equitable distribution of the fee assessment across the school district boundaries.

The CFP was submitted to Island County last spring and is in the process of being updated. There are several elements to the CFP including an inventory of existing capital facilities, developing enrollment projections and forecasting future capital facility needs. The CFP is an effort, using the laws that we have available now, to link new homes coming on line in the school districts with the needs to provide permanent facility space for students. The City of Stanwood has adopted the school district's CFP and implementing language and the Board of Directors wants to maintain the same methodology from one jurisdiction to the other.

During the development of the CFP for Island County they looked at student enrollment and generation rates per new dwelling unit. They are waiting on information regarding the number of building permits issued in the last two years and will correlate those into our student enrollment system and determine how many kids from each new home are generated. He pointed out that the student generation rates in Snohomish County are roughly double what they are in Island County. There is a lot of difference in the generation rates from one to the other and that is why there is a big difference in the fee because this is an effort to link the needs to provide permanent facility space with the fee calculation.

They are seeing a steady decline in the student generation rates for Snohomish County which may be indicative of the birth rate decline that they are seeing as well. Throughout

the school district, including Camano Island, the birth rates have been steadily declining. Offsetting that decline in birth rates is the new growth in the Stanwood area and to a lesser degree on Camano Island. As he said previously they are still waiting for the building permit data before they can provide a final report and at this point it does not appear that they would actually have a fee that would be implemented in the next two year period of this CFP. The District felt that it was important to approach Island County and be able to report back to the rest of our tax payers across the school district that there is a system in place that would assure a fair and equitable distribution of this fee.

He went on to talk about the different funding mechanisms that are available to the school district. For school construction financing there are state matching funds which is a function of the assessed evaluation across the District on a per person basis compared with other districts in the State. The Districts last two projects, Utsalady and Elger Bay Elementary Schools received a 20% matching rate.

Another source of funding which is the major piece behind any capital project improvement is a bond issue. A bond issue is a separate revenue source. If the voters approve the bonds with a simple majority vote the bonds are then sold and used to finance the capital facilities and then once the bond was sold all of the tax payers of the school district pay a share of the costs. The District ran one in May that did not pass.

The other source is of course impact fees which can only be used to provide new square footage to deal with growth factors. When the District goes out with a proposal to the community they try to identify what the costs are and what the funding sources are and in the last election they had very little in terms of impact fees because two years ago they were in a position where they could not have a fee. The last two years enrollments have increased slightly and they were then back in the position of being able to implement a fee.

Deb Eidsness asked how the two year assessment was implemented.

Gary Platt explained that the District updates the CFP every two years. They go through actual enrollments and facilities and determine whether there is a shortage. If there is a shortage at that point any preexisting needs can't be assessed under this fee methodology only the impacts of new development can be assessed. If in looking at the projections we see that our enrollment numbers appear to be staying the same or declining then we would not be able to charge a fee, but if that situation should turn around and say in the next couple of years we get a huge development that pops up and we have a lot of other students coming out of those homes then we would redo this plan and see if it determines a fee but we would always use the same methodology that we have now.

Jean Shumate, Superintendent Stanwood-Camano School District, said they start revising their plan about a year ahead of time. This plan would go into effect as of January 1st.

Alan Schell said if he built a house during the time when the District was showing an increase in population there would be a fee, but if during the next 3 years there was a decrease in population and Scott Yonkman built a house during that time there would not be a fee in other words the fee goes up and down depending on the enrollment it is just a year behind.

Gary Platt said typically the enrollment has been on a steady rise, however it is not based on homes, it is based on subdivisions. If your property is subdivided during a period of time when there is a fee in place then that property would be assessed a fee.

Bill Massey noted that other school districts assess impact fees every year regardless of what happens to enrollment, but it has to be used within a 6 year period or it's returned. There could be flat points during that 6 year period, but if you have a rise during that 6 year period you are able to use the money and justify it you can in fact have the impact fee every year can you not?

Jean Shumate said only if you qualify for it and you would still have to run it through the formula to qualify.

Gary Platt said they are able to track what subdivisions are generating what fees which is why they want to have the collection of the fee be connected to when the house is built. It would then start the clock ticking for them to figure out how to use that money to provide permanent space.

Alan Schell asked if they presently refund money in Snohomish County?

Gary Platt said the district hasn't been in that position because they have been growing and making capital expenditures.

Jean Shumate noted that her first 2 years in the Stanwood-Camano School District they did not qualify for impact fees and did not collect any impact fees. It wasn't until 2 years ago that the district qualified for impact fees.

Alan Schell expressed some concern for whoever would be responsible for figuring out who the money is refunded to.

John Coleman explained that one of the requirements of Chapter 82.02 is that an account with the money collected be kept in joint ownership between the school district and the jurisdiction, in this case Island County. It would be jointly managed and kept in a separate account. Where the money came from and who it would go back to would be kept track of.

Gary Platt said the district has spent a lot of time developing reports and looking at projections in order to avoid the situation of collecting impact fees and then not being able to use them. During the time that he has been with the district they have been able to

use the money collected towards school improvements. A couple of years ago the district took the money collected in Snohomish County and bought a couple of portable classrooms with it. Once a year the district sends a report to Snohomish County on how much money has been collected and what it has been spent on.

Public comment was closed.

Bill Massey moved to recommend to the BICC that the CFP for the Stanwood-Camano School District be adopted as part of the Island County Comprehensive Plan. The motion was seconded by Mike Joselyn and opened for discussion.(the motion was withdrawn.)

Alan Schell said he thought you had to show that there is a method of obtaining funds.

Bill Massey said he was not proposing mitigation funds he was only proposing that they recommend the BICC adopt the CFP of the Stanwood-Camano School District as part of our Comprehensive Plan. He recommended that the Planning Commission consider separating them into two parts and that is part #1.

Alan Schell reiterated that it was his understanding that in order to accept the districts CFP they had to have a financing plan that has been approved by the BICC.

John Coleman indicated that was correct.

Bill Massey withdrew his motion.

Bill Massey moved that the Planning Commission request staff to provide the Planning Commission with recommendations for changes to the Island County Code to allow for school impact fees. (failed due to lack of a second)

Alan Schell asked if they could accept the districts CFP pending a suitable method of financing to be determined.

Phil Bakke noted that staff was not asking the Planning Commission to deliberate on this today. Perhaps Mr. Massey could expand on the motion a little bit to sync the review of the code with the docket items.

Bill Massey said he feels they are two separate issues and stands by his motion.

Bill Massey restated the motion to request that staff establish a public hearing process to consider adoption of an ordinance to allow school impact fees in Island County. The motion was seconded by Mike Joselyn and carried unanimously.

Scott Yonkman asked where this leaves them with the CFP fitting into the Comprehensive Plan.

Jeff Tate said they will advertise a public hearing on July 11 in Coupeville.

Bill Massey said he was still concerned, from the standpoint of challenges, if they hear a Comprehensive Plan change on a CFP that includes an element of impact fees. It seems that the Board should pass the ordinance first and then have public hearings on the CFP that has a mitigation element to it or you take the mitigation element out of it and pass the CFP as part of the Comprehensive Plan without the school impact fees.

Phil Bakke noted that if the Planning Commission does not combine the two the Board probably will. He indicated that he would speak with Josh Choate in the Prosecutor's Office prior to their July 11th hearing.

The meeting adjourned at 1:10 p.m.

Respectfully submitted,

Pam Dill
Administrative Assistant