



**DATE:** December 4, 2018

**TO:** Planning Commission

**FROM:** Rebecca Lowell, Development Services

**SUBJECT:** PUBLIC HEARING ON THE MOUNT VERNON SCHOOL DISTRICT'S IMPACT FEES

**RECOMMENDED ACTION:**

Hold a public hearing and make a recommendation on the adoption of the Mount Vernon School District's (District) updated impact fees following adoption of the District's updated Capital Facilities Plan

**INTRODUCTION/BACKGROUND:**

The City is authorized by Chapter 82.02 RCW to impose impact fees on behalf of, and for the benefit of the District. Impact fees can only be collected and spent for school facilities that are included within the District's adopted Capital Facilities Element.

The City and District entered into an interlocal agreement in 1993 (pursuant to Chapter 39.34 RCW) that included (among other items) the collection of school impact fees for the District.

The District prepared an updated Capital Facilities Plan (CFP) that was adopted by the City with Ordinance 3762 in September of this year. The District's CFP serves as the basis for the District's school impact fees.

**FINDINGS/CONCLUSIONS:**

The Mount Vernon School District will present their finding and recommendations as they relate to their updated impact fees.

**RECOMMENDATION:**

That Planning Commission hold a public hearing and make a recommendation on the District's updated impact fees.

**ATTACHED:**

Question/Answer Handout

Ordinance to adopt the District's updated impact fees

Ordinance 3762 that includes the District's CFP adopted by the City in 2018

Comment Letter Received from SICBA

## Q: Why is the City adopting the School District's (District) Capital Facilities Plan?

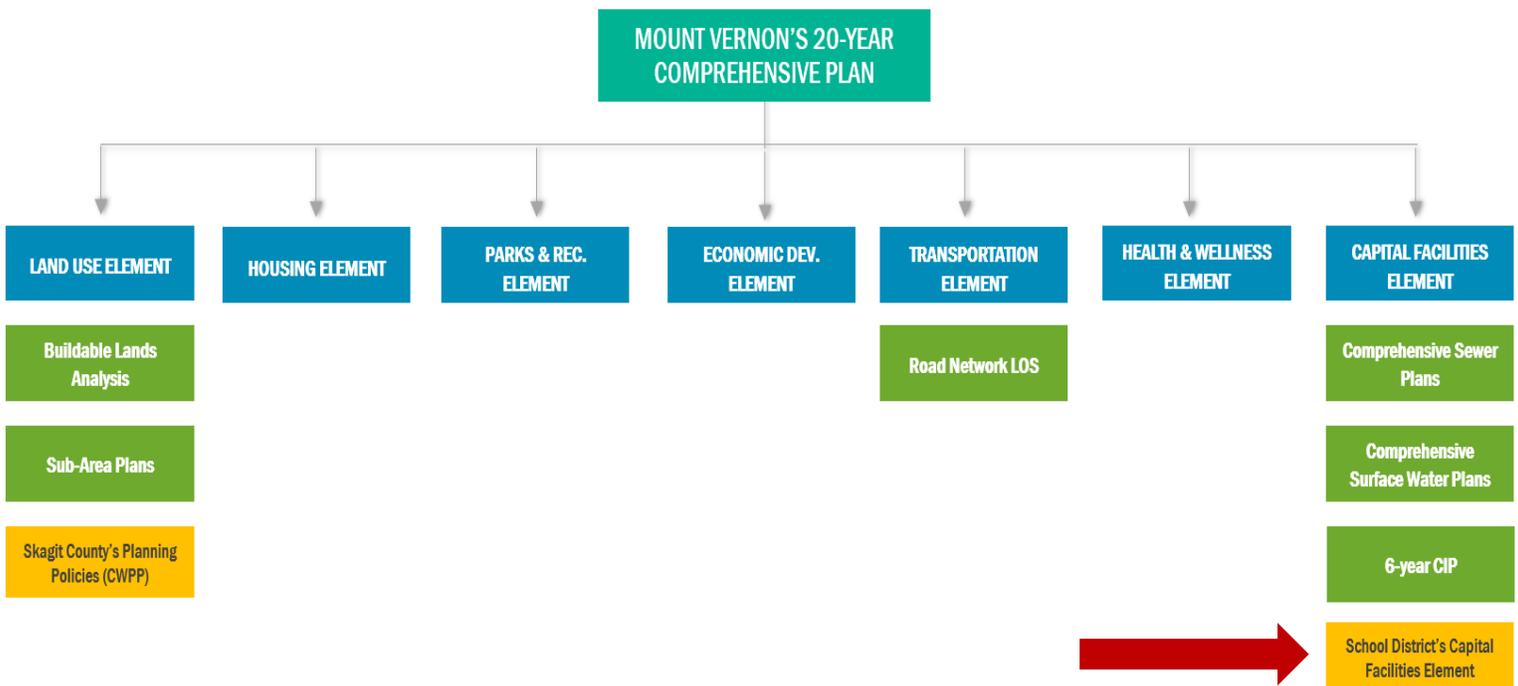
A: School impact fees that are paid by developers are required to be justified, and based upon, the District's Capital Facilities Plan. State law (Chapter 82.02 RCW) allows for collection of school impact fees; and cities, counties, and towns are required to collect those school impact fees for school districts. The framework for the collection of school impact fees by cities, counties, and towns is set forth in interlocal, or other similar types of, agreements.

In 1993 the City of Mount Vernon and the Mount Vernon School District entered into an interlocal agreement for the collection of the District's impact fees. This interlocal agreement accomplished two primary tasks:

- 1) Mount Vernon Municipal Code (MVMC) Chapter 3.36, Impact Fees for School Facilities, was created and adopted; and,
- 2) The District's Capital Facilities Plan was adopted.

## Q: How does the District's Capital Facilities Plan fit into the City's planning?

A: The District's Capital Facilities Plan is adopted by reference as part of the City's 20-year Capital Facilities Element of the Comprehensive Plan. The chart below illustrates this relationship.



**Q: What are the District’s new impact fees and when will they start being charged?**

A. The following table provides the District’s historical, current, and proposed impact fees:

	<b>SINGLE-FAMILY</b>	<b>MULTI-FAMILY</b>
<b>1993</b>	\$2,658.00	\$2,617.00
<b>1995</b>	\$2,885.00	\$2,219.00
<b>1998</b>	\$2,912.00	\$2,219.00
<b>2005</b>	\$5,000.00	\$2,900.00
<b>2007</b>	\$6,903.00	\$1,664.00
<b>2009</b>	\$6,684.00	\$2,237.00
<b>2014</b>	\$6,658.00	\$875.00
<b>2018 (Proposed)</b>	<b>\$9,421.00</b>	<b>\$1,134.00</b>

Now that the District’s Capital Facilities Plan has been adopted by the City, code amendments to MVMC Chapter 3.36 also need to be processed.

**Q. How do the District’s Impact Fees compare to other school districts in our region?**

A. The following page contains a table listing school district impact fees. The District may also have additional information to share on regional comparisons.

<b>SKAGIT COUNTY</b>		
	<i>SINGLE-FAMILY</i>	<i>MULTI-FAMILY</i>
Anacortes	\$0	\$0
Burlington	\$0	\$0
Concrete	\$0	\$0
La Conner	\$0	\$0
<b>Mount Vernon (PROPOSED)</b>	<b>\$9,421</b>	<b>\$1,134</b>
Sedro Wooley	\$1,678	\$847

## WHATCOM COUNTY

	<i>SINGLE-FAMILY</i>	<i>MULTI-FAMILY</i>
Bellingham	\$2,242	\$229
Blaine	\$0	\$0
Lynden	\$0	\$0
Meridian	\$0	\$0

## SNOHOMISH COUNTY

	<i>SINGLE-FAMILY</i>	<i>MULTI-FAMILY</i>
Arlington No. 16	\$4,756	\$6,790*
Edmonds No. 15	\$0	\$0*
Everett No. 2	\$14,250	\$9,125*
Lake Stevens No. 4	\$7,235	\$3,512*
Lakewood No. 306	\$847	\$2,022*
Marysville No. 25	\$0	\$0*
Monroe No. 103	\$3,956	\$6,276*
Mukilteo No. 6	\$4,257	\$5,768*
Northshore No. 417	\$16,038	\$1,818*
Snohomish No. 201	\$0	\$0*
Sultan No. 311	\$1,132	\$1,374*

**KING COUNTY**

	<i>SINGLE-FAMILY</i>	<i>MULTI-FAMILY</i>
Auburn	\$5,716	\$4,488
Enumclaw	\$6,221	\$2,046
Federal Way	\$7,221	\$19,454
Fife	\$4,946	\$2,043
Highline	\$2,573	\$3,646
Issaquah	\$15,276	\$4,399
Kent	\$5,397	\$2,279
Lake Washington	\$12,294	\$624
Northshore	\$16,038	\$1,818
Renton	\$6,877	\$2,455
Riverview	\$8,492	\$2,265
Snoqualmie Valley	\$11,360	\$1,700
Tahoma	\$6,323	\$1,645

**PIERCE COUNTY**

	<i>SINGLE-FAMILY</i>	<i>MULTI-FAMILY</i>
Bethel	\$3,577	\$1,886
Carbonado	\$3,577	\$866
Dieringer	\$3,577	\$1,081
Eatonville	0	0
Fife	\$1,527	\$290
Franklin Pierce	\$3,577	\$1,886
Orting	\$3,577	\$1,886
Peninsula	\$3,577	\$1,886
Puyallup	\$3,577	\$1,886
Steilacoom	\$3,577	0
Sumner	\$3,577	\$1,772
White River	0	0
Yelm	\$3,577	\$1,812

\* = Multi-family residential (MFR) with 2+ bedrooms, this District charges \$0 for MRFs with 1-bedroom

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

**AN ORDINANCE OF THE CITY OF MOUNT VERNON, WASHINGTON, ADOPTING UPDATED SCHOOL IMPACT FEES FOR THE MOUNT VERNON SCHOOL DISTRICT NO. 320 FOLLOWING ADOPTION OF THE DISTRICT’S UPDATED CAPITAL FACILITIES PLAN AS A SUB-ELEMENT TO THE CITY’S 20-YEAR CAPITAL FACILITIES ELEMENT WITHIN THE COMPREHENSIVE PLAN**

**WHEREAS**, the Mount Vernon School District No. 320, Skagit County, Washington (“District 320”), is duly authorized to provide public education for residents of the City of Mount Vernon; and

**WHEREAS**, the City of Mount Vernon is authorized by Chapter 82.02 RCW to impose impact fees on behalf of and for the benefit of District 320; and

**WHEREAS**, impact fees may be collected and spent for school facilities that are included within the Capital Facilities Plan of the City of Mount Vernon; and

**WHEREAS**, the City of Mount Vernon has adopted District 320’s updated Capital Facilities Plan which serves as the basis for the District’s school impact fees; and

**WHEREAS**, District 320’s Capital Facilities Plan includes a formula developed pursuant to Chapter 82.02 RCW for measuring the impact of new development on school facilities; and

**WHEREAS**, District 320’s Capital Facilities Plan proposes school impact fees for adoption by the City; and

**WHEREAS**, the City and District 320 have entered into an interlocal agreement for cooperative action pursuant to Chapter 39.34 RCW for the collection, expenditure, and reporting of school impact fees; and

**WHEREAS**, per MVMC 3.36.140 and the City’s interlocal agreement with District 310 the City has discretion to assess school impact fees different than what District 320 has proposed.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**SECTION ONE.** The City Council does hereby adopt the above listed recitals as set forth fully herein.

**SECTION TWO. PLANNING COMMISSION RECOMMENDATION ADOPTED.** The City Council adopts the Planning Commission’s findings of fact and conclusions of law, outlined below, in their entirety.

**A. PLANNING COMMISSION’S FINDINGS OF FACT:**

1. A Threshold Determination of Non-significance (DNS) was issued on June 6, 2018 and published on June 9, 2018. The comment period for this determination tolled on June 19, 2018; and the appeal period tolled on June 29, 2018 with no comments or appeals on the determination.
2. Notice of adoption of the proposed amendments has been duly transmitted in compliance with RCW 36.70A.106(1). The Department of Commerce has acknowledged the City has met this procedural requirement with Commerce’s Material ID #: 25181.

3. On December 4, 2018 the City of Mount Vernon Planning Commission held an open-record public hearing to consider the District's updated impact fees. All persons present at the hearings wishing to speak were heard and all written comments were considered, along with the written staff report with its associated exhibits.
4. The Planning Commission's hearing was originally scheduled to be held on November 20, 2018; however, due to lack of a quorum this hearing was rescheduled to December 4, 2018. The November 20, 2018 hearing was preceded with appropriate notice, issued on November 5, 2018, distributed via mail/email on November 5, 2018, and published on November 5, 2018.
5. The Planning Commission's public hearing re-scheduled on December 4, 2018 was preceded with appropriate notice, issued on November 20, 2018, distributed via mail/email on November 20, 2018, prominently placed on the front door of the Police and Court Campus on November 20, 2018 providing notice of the new date; and published on November 23, 2018.
6. The City of Mount Vernon has followed its adopted public participation program contained in Resolution 491. The Western Washington Growth Management Hearings Board reviewed Resolution 491 setting forth the City's Public Participation Program finding that the City's program satisfies the requirements of Washington State's Growth Management Act in *Citizens v. City of Mount Vernon*, WWGMHB Case No. 98-2-0006c (Compliance Order, May 28, 1999).

**SECTION THREE.** That the section 3.36.020, Definitions be repealed and reenacted with the new section to read as follows:

**3.36.020 Definitions.**

The following definitions shall apply for purposes of this chapter 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" means the Growth Management Act, Chapter 17, Laws of 1990, 1st Ex. Sess., Chapter [36.70A](#) RCW et seq., and Chapter 32, Laws of 1991, 1st Sp. Sess., as now in existence or as hereafter amended.
- B. "Affordable housing" means units to be sold or rented to families earning less than 80 percent of the Skagit County median income adjusted for family size, as determined by the U.S. Department of Housing and Urban Development.
- C. "Boundary line adjustment" shall have the same meaning as set forth in Chapter [16.36](#) MVMC.
- D. "Building permit" means an official document or certification which is issued by the building official and which authorizes the construction, alteration, enlargement, conversion, reconstruction, remodeling, rehabilitation, erection, demolition, moving or repair of a building or structure. For purposes of this chapter, "building permit" also includes a mobile home permit.
- E. "Capital facilities" means the facilities or improvements included in a capital budget.
- F. "Capital facilities plan" or the "plan" means the capital facilities plan adopted by the board of directors of Mount Vernon School District No. 320.
- G. "City" means the city of Mount Vernon.
- H. "Council" means the city council of the city of Mount Vernon.
- I. "County" means Skagit County.

- J. “Department” means the city of Mount Vernon planning department.
- K. “Development activity” means any construction or expansion of a residential building or structure, or the siting of a mobile home, or any change in use of a residential building or structure or mobile home, or any change in use of land that creates additional demand and need for school facilities.
- L. “Development approval” means any written authorization from the city of Mount Vernon, other than a building permit, which authorizes the commencement of a development activity, including, but not limited to, plat approval, PUD approval, binding site plan approval, mobile home park district approval, boundary line adjustment, and a conditional use permit.
- M. “Director” means the director of the city of Mount Vernon community and economic development department.
- N. “District” means the Mount Vernon School District No. 320 and the Sedro-Woolley School District No. 101, Skagit County, Washington.
- O. “Encumbered” means to reserve, set aside, or otherwise earmark the impact fees in order to pay for commitments, contractual obligations, or other liabilities incurred for public facilities.
- P. “Fee payer” is a person, corporation, partnership, an incorporated association, or any other similar entity, or department or bureau of any governmental entity or municipal corporation commencing a development activity which creates the demand for additional school facilities, and which requires development approval and/or the issuance of a building permit. “Fee payer” includes an applicant for an impact fee credit.
- Q. “Impact fee” means a payment of money imposed by the city of Mount Vernon on development activity pursuant to this chapter as a condition of granting development approval and/or a building permit in order to pay for the school facilities needed to serve new growth and development. “Impact fee” does not include a reasonable permit fee, an application fee, the administrative fee for collecting and handling school impact fees, the cost of reviewing independent fee calculations, or the administrative fee required for an appeal pursuant to MVMC [3.36.080](#).
- R. “Impact fee account” or “account” means the account established for the school facilities for which impact fees are collected. The accounts shall be established pursuant to MVMC [3.36.090](#), and comply with the requirements of RCW [82.02.070](#).
- S. “Independent fee calculation” means the school impact calculation, and/or economic documentation prepared by a fee payer, to support the assessment of an impact fee other than by the use of the schedule attached as Appendix A to the ordinance codified in this chapter, or the calculations prepared by the director or District No. 320 where none of the fee categories or fee amounts in Appendix A accurately describe or capture the impacts of the new development on school facilities.
- T. “Interest” means the average interest rate earned by District No. 320 in the last fiscal year, if not otherwise defined.
- U. “Interlocal agreement” or “agreement” means the school interlocal agreement by and between the city of Mount Vernon and District No. 320 as authorized in MVMC [3.36.090](#).
- V. “Low-income housing” means housing with a monthly housing expense that is no greater than 30 percent of 80 percent of the median family income adjusted for family size, for Skagit County, as reported by the United States Department of Housing and Urban Development.**
- W.** “Mobile home park district” shall have the same meaning as set forth in Chapter [17.39](#) MVMC.
- X.** “Owner” means the owner of record of real property, or a person with an unrestricted written option to purchase property; 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.
- Y.** “Planned unit development” or “PUD” shall have the same meaning as set forth in Chapter [17.69](#) MVMC.
- Z.** “School facilities” means facilities owned or operated by District No. 320, or the facilities or improvements included in the district’s capital budget and/or capital facilities plan.
- AA.** “Standard of service” means the standard adopted by District No. 320 or 101 which identifies the program year, the class size by grade span and taking into account the requirements of students with special needs, the program capacity, the number of classrooms, the types of facilities the district believes

will best serve its student population, and other factors as identified by the district. The district's standard of service shall not be adjusted for any portion of the classrooms housed in portable facilities which are used as transitional facilities or for any specialized facilities housed in portable facilities. Except as otherwise defined by the school boards pursuant to a board resolution, transitional facilities shall mean those facilities that are used to cover the time required for the construction of permanent facilities.

**BB.** "State" means the state of Washington.

**CC.** "Voluntary agreement" means an agreement between a developer and District No. 320 or 101 as authorized by RCW [82.02.020](#). (Ord. 3687 § 3, 2016).

**SECTION FOUR.** That the section 3.36.050 Exemptions, be repealed and reenacted with the new section to read as follows:

### **3.36.050 Exemptions.**

A. The following shall be exempted from the payment of all impact fees:

1. ~~Any form of housing exclusively for the elderly, including nursing homes and retirement centers~~ Specialized Housing Unit for the Elderly as defined in MVMC 17.06.190 S definitions, so long as these uses are maintained and the necessary covenants or declarations of restrictions, approved by District No. 320 or 101, are recorded on the property. The department shall keep a sample covenant on file and shall provide a copy of the sample covenant upon request.

If Council chooses to amend this Exemption [3.36.050(1)] applicants will likely apply for Independent Fee Calculations per MVMC 3.36.100 that could result school impact fee exemptions for housing reserved for those 55 and older.

Staff Note: Specialized Housing Unit for the Elderly is defined as follows in MVMC 17.06.190:

"Specialized housing unit for the elderly" means a room or group of rooms used by one or more individuals living separately from others, in a structure designed for the needs of elderly people. These establishments shall provide services such as the supervision and care by supportive staff as may be necessary to meet the physical, emotional, and social needs of an elderly person. These facilities shall include the provision of personal care, supervision of self-administered medication, limited health facilities, communal dining facilities and services such as housekeeping, organized social and recreational activities and transportation services. These facilities can include programs where the elderly are provided social programs during the day without overnight stays. These units are commonly referred to as: Alzheimer care centers, assisted living facilities, congregate residences, continuing care retirement facilities, extended care facilities, long-term care facilities, residential health care facilities, skilled nursing homes, and hospice facilities. These facilities are not multifamily housing for the elderly. All specialized housing for the elderly shall comply with the following provisions:

A. The structure(s) shall comply with the city's design standards and guidelines for multifamily buildings codified within Chapter 17.70 MVMC, but shall not have to comply with the standards for "Common Spaces/Usable Recreation Areas, Individual Outdoor Spaces, and Location of Parking."

B. Limited signage shall be allowed to identify specialized housing for the elderly facilities. One identification sign not exceeding 20 square feet in sign area per sign face, and one directory sign not exceeding 15 square feet per sign face shall be permitted for each street frontage; however, signs shall not be internally illuminated, and pedestal signs shall not exceed five feet in height.

C. The number of parking spaces shall reflect all of the proposed uses within a structure utilized for specialized housing for the elderly. The following calculations shall be used to determine the number of off-street parking spaces on these sites. However, an applicant can choose to have a parking study completed by a licensed traffic engineer to determine the number of off-street parking spaces for a given facility. If such a study is submitted to the city; the applicant will pay for the city's traffic engineer to review and approve the parking recommendations outlined within such a report. If a parking study yields less parking than what is outlined below, the applicant will be required to justify the conclusions of their report; and the city may require restrictions in the form of covenants on a property to ensure that adequate parking spaces are provided. For example, the city could require that a covenant be placed on the property stating that a certain category of elderly resident not be able to have a vehicle on the site; or they could be limited to a certain number of vehicle(s) that a resident could bring with them. The off-street parking areas shall comply with the dimensional standards outlined within Chapter 17.84 MVMC.

1. Three-quarters parking spaces shall be provided for each room housing an elderly resident where a license from the State Department of Health is not required; and
2. For areas within the structure where skilled nursing care is required such as: nursing homes, hospice, and other similar facilities, there shall be one parking space for each five hospital type beds that are required to be licensed through the State Department of Health; and
3. For areas within the structure where assisted living or other similar care is required there shall be one parking space for each four hospital type beds that are required to be licensed through the State Department of Health; and
4. There shall be a parking space for every employee during the maximum shift so that employees are not parking within spaces designated for the elderly residents or their visiting guests; and
5. There shall be parking areas designated for the buses and/or vans that the facility will utilize for transporting their elderly residents; and
6. There shall be parking spaces designated specifically for guest parking.

2. Any form of housing exclusively used for emergency shelters, including housing provided under local, state and federal programs, so long as these uses are maintained and the necessary covenants or declaration or restrictions, approved by District No. 320 or 101, are recorded on the property. The department shall keep a sample covenant on file and shall provide a copy of the sample covenant upon request.

3. Replacement of a residential structure or mobile home with a new residential structure or mobile home of the same size and use at the same site or lot when such replacement occurs within 12 months of the demolition or destruction of the prior structure or the removal of the mobile home.

4. Alterations or expansion or enlargement or remodeling or rehabilitation or conversion of an existing dwelling unit where no additional units are created and the use is not changed.

5. The construction of accessory residential structures that will not create significant impacts on school facilities.

6. Miscellaneous improvements, including but not limited to fences, walls, swimming pools, and signs.

7. Demolition or moving of a structure.

8. Construction of affordable housing where the affordable housing unit is a one-to-one replacement for a demolished dwelling unit previously sited at another location within the city and where no new housing can be built on the same lot as the demolished dwelling unit, so long as these uses are maintained and the necessary covenants or declarations of restrictions, approved by District No. 320 or 101, are recorded on the property. The request for the exemption shall be filed with the city within 24 months of the demolition or destruction of the prior structure or the removal of the mobile home. The director shall place a notation on the property of the demolished dwelling unit or mobile home lot to indicate that a new dwelling unit or mobile home cannot be built or sited on the same lot unless an impact fee is paid at the time of building permit issuance.

B. Except as otherwise provided pursuant to the terms of a voluntary agreement entered into between District No. 320 or 101 and a developer, the payment of fees, the dedication of land, or the construction of a school facility by the developer pursuant to the terms of a voluntary agreement entered into between District No. 320 or 101 and a developer prior to the effective date of the ordinance codified in this chapter shall be deemed to be complete mitigation for the impacts of the specific development on District No. 320 or 101. The units in the identified development shall be exempt from the payment of school impact fees for District No. 320 or 101. The developer shall provide to the director documentation demonstrating compliance with the terms of the voluntary agreement.

C. Except as otherwise provided pursuant to the terms of a plat condition or a SEPA mitigation condition imposed prior to the effective date of the ordinance codified in this chapter, the payment of fees, the dedication of land, or the construction of a school facility by the developer pursuant to the terms of a plat condition or a SEPA mitigation condition imposed prior to the effective date of the ordinance codified in this chapter shall be deemed to be complete mitigation for the impacts of the specific development on District No. 320 or 101. The units in the identified development shall be exempt from the payment of school impact fees for District No. 320 or 101. The developer shall provide to the director documentation demonstrating compliance with the terms of the plat condition or SEPA mitigation condition.

D. Upon application by the owner, a partial exemption of not more than 80 percent of school impact fees, with no explicit requirement to pay the exempted portion of the fee from public funds, may be granted to a low-income housing development, so long as these uses are maintained and the necessary covenants or declarations of restrictions, approved by District No. 320 or 101, are recorded on the property. At a minimum, the covenant must address price restrictions and household income limits for the low-income housing, and require that, if the property is converted to a use other than for low-income housing as defined in the covenant, the property owner must pay the applicable impact fees in effect at the time of any conversion. The department shall keep a sample covenant on file and shall provide a copy of the sample covenant upon request.

E. The director shall be authorized to determine, after consultation with the applicable district, whether a particular development activity falls within an exemption identified in this section, in any other section, or under other applicable law. Determinations of the director shall be in writing and shall be subject to the appeals procedures set forth in MVMC 3.36.080. (Ord. 3687 § 5, 2016).

**SECTION FIVE.** That the school impact fees set forth in Appendix A to Chapter 3.36 of the Mount Vernon Municipal Code are hereby repealed and reenacted, with the new Appendix A to read as follows:

**APPENDIX A TO MVMC 3.36  
SCHOOL IMPACT FEES**

**A. MOUNT VERNON SCHOOL DISTRICT NO 320 SCHOOL IMPACT FEES**

The school impact fees set forth in this Appendix are generated from the formula for calculating impact fees set forth in District No. 320’s Capital Facilities plan. Except as otherwise provided in MVMC 3.36.050, 3.36.060, or 3.36.150, all residential development activity in the City of Mount Vernon within the boundaries of the Mount Vernon School District will be charged the following school impact fees:

~~Impact fee per Single Family Dwelling Unit: \$6,658.00~~

~~Impact fee per Multi-family Dwelling Unit with 2 or more bedrooms: \$875.00~~

<b>OPTION #1 FOR COUNCIL</b>		<b>OPTION #2 FOR COUNCIL</b>		<b>OPTION #3 FOR COUNCIL</b>	
<b>Requested by the District</b> (discounted by 35%/10% SF & MF)		<b>Consideration for Council</b> (discount of 50%/10% SF & MF)		<b>Consideration for Council</b> (keep SF fee at 2016 rate and increase MF fee)	
Fees for Single-Family Detached Dwelling Units	Fees for Multi-Family Dwelling Units	Fees for Single-Family Detached Dwelling Units	Fees for Multi-Family Dwelling Units	Fees for Single-Family Detached Dwelling Units	Fees for Multi-Family Dwelling Units
\$9,421.00	\$1,134.00	\$7,247.50	\$1,134.00	\$6,658.00	\$1,134.00

**B. SEDRO-WOOLLEY SCHOOL DISTRICT NO 101 SCHOOL IMPACT FEES**

The school impact fees set forth in this Appendix are generated from the formula for calculating impact fees set forth in Sedro-Woolley District No. 101’s Capital Facilities plan. Except as otherwise provided in MVMC 3.36.050, 3.36.060, or 3.36.150, all residential development activity in the City of Mount Vernon within the boundaries of the Sedro-Woolley School District will be charged the following school impact fees:

Impact fee per Single-Family Dwelling Unit: \$1,678.00  
Impact fee per Multi-family Dwelling Unit: \$847.00

**SECTION SIX. SEVERABILITY.** Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

**SECTION SEVEN. EFFECTIVE DATE.**

- A. With the exception of subsection B (below) this ordinance shall be in full force and effect five days after its passage, approval, and publication as provided by law.
- B. Exceptions:
  - 1. Developments with preliminary plat approvals valid as of the effective date of this ordinance shall have a five (5) year period following final plat approval of their development within which they can request school impact fee waivers from District 320 when future occupants of new residential structures will be age 55 or older so long as these uses are maintained and the necessary covenants or declarations of restrictions, approved by District 320, are recorded on the property. The department shall keep a sample covenant on file and shall provide a copy of the sample covenant upon request.
  - 2. Developments that have been granted final plat approval no more than five (5) years before the effective date of this ordinance shall have a five (5) year period as of the effective date of this ordinance within which they can request school impact fee waivers from District 320 when future occupants of new residential structures will be age 55 or older so long as these uses are maintained and the necessary covenants or declarations of restrictions, approved by District 320, are recorded on the property. The department shall keep a sample covenant on file and shall provide a copy of the sample covenant upon request.

The exception under item (B) above is only needed if City Council chooses to amend the definition in 3.36.050(1); if this definition is not amended this language will be removed from this Ordinance

**PASSED AND ADOPTED** this 19<sup>th</sup> day of December, 2018

**SIGNED AND APPROVED** this \_\_\_\_ day of \_\_\_\_, 2018.

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Jill Boudreau, Mayor

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Doug Volesky, Finance Director

Approved as to form:

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Kevin Rogerson, City Attorney

Published \_\_\_\_\_

**ORDINANCE NO. 3762**

**AN ORDINANCE OF THE CITY OF MOUNT VERNON, WASHINGTON, ADOPTING THE MOUNT VERNON SCHOOL DISTRICT NO. 320'S UPDATED CAPITAL FACILITIES PLAN AS A SUB-ELEMENT TO THE CITY'S 20-YEAR CAPITAL FACILITIES ELEMENT WITHIN THE COMPREHENSIVE PLAN**

**WHEREAS**, the Mount Vernon School District No. 320, Skagit County, Washington ("District No. 320"), is duly authorized to provide public education for residents of the City of Mount Vernon; and

**WHEREAS**, the City of Mount Vernon is authorized by Chapter 82.02 RCW to impose impact fees on behalf of and for the benefit of District No. 320; and

**WHEREAS**, impact fees may be collected and spent for school facilities that are included within the Capital Facilities Plan of the City of Mount Vernon; and

**WHEREAS**, the City of Mount Vernon and District No. 320 have entered into an interlocal agreement for cooperative action pursuant to Chapter 39.34 RCW for the collection, expenditure, and reporting of school impact fees; and

**WHEREAS**, District No. 320 has prepared an updated Capital Facilities Plan which will serve as the basis for the District's school impact fees; and

**WHEREAS**, following adoption of the updated Capital Facilities Plan amendments to Mount Vernon Municipal Code Chapter 3.36 will be processed by the City and presented to the Planning Commission and City Council for adoption.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**SECTION ONE.** The City Council does hereby adopt the above listed recitals as set forth fully herein.

**SECTION TWO. PLANNING COMMISSION RECOMMENDATION ADOPTED.** The City Council adopts the Planning Commission's findings of fact and conclusions of law, outlined below, in their entirety.

**A. PLANNING COMMISSION'S FINDINGS OF FACT:**

1. A Threshold Determination of Non-significance (DNS) was issued on June 6, 2018 and published on June 9, 2018. The comment period for this determination tolled on June 19, 2018; and the appeal period tolled on June 29, 2018 with no comments or appeals on the determination.
2. Notice of adoption of the proposed amendments has been duly transmitted in compliance with RCW 36.70A.106(1). The Department of Commerce has acknowledged the City has met this procedural requirement with Commerce's Material ID #: 24987.
3. The City of Mount Vernon has followed its adopted public participation program contained in Resolution 491. The Western Washington Growth Management Hearings Board reviewed Resolution 491 setting forth the City's Public Participation Program finding that the City's program satisfies the requirements of Washington State's Growth Management Act in *Citizens v. City of Mount Vernon*, WWGMHB Case No. 98-2-0006c (Compliance Order, May 28, 1999).

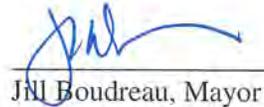
**SECTION THREE.** The Mount Vernon School District No. 320's Capital Facilities Plan dated November 1, 2017 is hereby adopted, as a sub-element to the City's Capital Facilities Element of the Comprehensive Plan, by reference as if set forth fully herein, and is accompanying this Ordinance labeled as **APPENDIX A.**

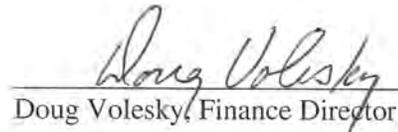
**SECTION FOUR. SEVERABILITY.** Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

**SECTION FIVE.** This ordinance shall be in full force and effect five days after its passage, approval, and publication as provided by law.

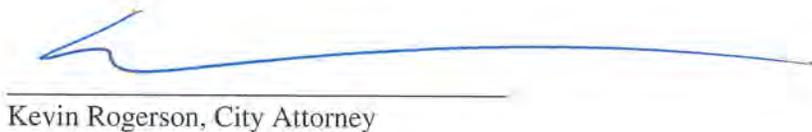
**PASSED AND ADOPTED** this 26<sup>th</sup> day of September, 2018

**SIGNED AND APPROVED** this 3<sup>rd</sup> day of Oct, 2018.

  
\_\_\_\_\_  
Jim Boudreau, Mayor

  
\_\_\_\_\_  
Doug Volesky, Finance Director

Approved as to form:

  
\_\_\_\_\_  
Kevin Rogerson, City Attorney

Published Oct 12, 2018

**APPENDIX A  
MOUNT VERNON SCHOOL DISTRICT'S  
2017 CAPITAL FACILITIES PLAN**

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**MOUNT VERNON SCHOOL DIST. NO. 320**

**CAPITAL FACILITIES PLAN**

**2017**

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Adopted by Board of Directors:  
November 1, 2017

*Prepared by*  
Mount Vernon School District No. 320

**CAPITAL FACILITIES PLAN**  
**Mount Vernon School District No. 320**

**BOARD OF DIRECTORS**

**Robert Coffey**  
**Tony Cook**  
**Olivia DeLeon**  
**Larry Otos**  
**Wendy Ragusa**

**SUPERINTENDENT**

**Dr. Carl Bruner**

For information on the Mount Vernon School District Capital Facilities Plan, please contact Carl Bruner at the Mount Vernon School District, 124 E. Lawrence Street, Mount Vernon, Washington 98273 [Phone: (360) 428-6110].

## TABLE OF CONTENTS

SECTION 1: INTRODUCTION .....	1-1
Purpose of the Capital Facilities Plan .....	1-1
Significant Issues Related to the Facility Planning in the Mount Vernon School District.....	1-1
SECTION 2: DEFINITIONS.....	2-1
SECTION 3: DISTRICT EDUCATIONAL PROGRAM STANDARDS .....	3-1
Educational Program Standards for K-12 .....	3-2
SECTION 4: CAPITAL FACILITIES INVENTORY .....	4-1
Capital Facilities.....	4-1
Schools .....	4-1
Relocatable Classroom Facilities (Portables).....	4-2
Support Facilities .....	4-3
Land Inventory.....	4-4
SECTION 5: STUDENT ENROLLMENT TRENDS AND PROJECTIONS.....	5-1
Recent District Trends – FTE Student Enrollment 2009-2016.....	5-1
Projected Student Enrollment: 2017-2023 .....	5-1
SECTION 6: CAPITAL FACILITIES PLAN .....	6-1
Facility Needs (2017-2023).....	6-1
Planned Improvements (2017-2023).....	6-3
School Additions/Renovations.....	6-3
Capital Facilities Financing Plan .....	6-5
General Obligation Bonds .....	6-5
State Funding Assistance .....	6-5
School Impact Fees .....	6-6

### Appendices

Appendix A – Impact Fee Calculation
Appendix B – OSPI Enrollment Projections
Appendix C – District Enrollment Projections
Appendix D – Student Generation Rate Methodology

### List of Figures

Figure 1 – Map of District Facilities.....	1-3
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**List of Tables**

Table 1 – Mount Vernon School District Elementary School Capacity Inventory ..... 4-2  
Table 2 – Mount Vernon School District Middle School Capacity Inventory ..... 4-2  
Table 3 – Mount Vernon School District High School Capacity Inventory ..... 4-2  
Table 4 – Mount Vernon School District Capacity in Portables ..... 4-3  
Table 5 – Mount Vernon School District Support Facilities ..... 4-3  
Table 6 – Enrollment (FTE) 2009-2016 ..... 5-1  
Table 7 – 2017-2023 Projected FTE Enrollment ..... 5-2  
Table 8 – Projected Student Capacity: 2017-2023 ..... 6-2  
Table 9 – Capital Facilities Plan 2017-2023 ..... 6-4  
Table 10 – Student Generation Rates ..... 6-7  
Table 11 – Proposed Impact Fee Schedule ..... 6-7  
Table 12 – Impact Fee Variables Table – Mount Vernon School District ..... 6-8

## SECTION 1: INTRODUCTION

### ***Purpose of the Capital Facilities Plan***

The Washington Growth Management Act (the GMA) outlines 13 broad goals including adequate provision of necessary public facilities and services. Schools are among these necessary facilities and services. The Mount Vernon School District (District) has developed Capital Facilities Plans to satisfy the requirements of RCW 36.70A.070 and to identify additional school facilities necessary to meet the educational needs of the growing student population anticipated in the District. The CFP has been revised and updated in 2017.

This Capital Facilities Plan (CFP) is intended to provide the Mount Vernon School District, Skagit County and the City of Mount Vernon with a description of facilities needed to accommodate projected student enrollment at acceptable levels of service through the year 2023. The CFP also provides a detailed schedule and financing program for capital improvements over the 6-year planning period.

In accordance with GMA mandates, this CFP contains the following required elements:

- Future enrollment forecasts for each grade span (elementary, middle and high).
- An inventory of existing capital facilities owned by the District, showing the locations and student capacities of the facilities.
- A forecast of the future needs for capital facilities and school sites, distinguishing between existing and projected deficiencies.
- The proposed capacities of expanded or new capital facilities.
- A 6-year plan for financing capital facilities within projected funding capacities, which clearly identifies sources of public money for such purposes. The financing plan separates projects and portions of projects which add capacity from those which do not, since the latter are generally not appropriate for impact fee funding.
- A calculation of impact fees to be assessed and support data substantiating said fees.

In developing this CFP, the District consulted Chapter 11 of the Skagit County Comprehensive Plan (Capital Facilities). Policy 11A-1.6 allows for the District to document its needs through a Capital Facilities Plan, which will be accepted by the City and County if found to be consistent with their respective plans. The specific requirements for school districts to become eligible for collection of development impact fees are found in Skagit County Ordinance 15432 and Mount Vernon Ordinance 2552, including any subsequent amendments to those ordinances.

### ***Significant Issues Related to the Facility Planning in the Mount Vernon School District***

Population growth and State policies affecting education have had and will continue to have a significant impact on the District's instructional space. The most significant issue in the District in 2017 is capacity and the effect of recent enrollment growth and future projected growth. The rapid growth in the District has made it impossible to provide new,

permanent facilities in time to prevent overcrowding in existing schools and has resulted in many students being housed in portable classrooms.

Full time equivalent (FTE) enrollment on October 1, 2016, was 6,678 students. (Source: *Office of the Superintendent of Public Instruction*) Headcount enrollment on the same day was 6,858. Enrollment for the 2022-2023 school year is projected to be 7,097 based on the District's medium forecast prepared by a professional demographer. See Appendix C.

Student capacity at the District's facilities has faced continuing pressures over the past decade. Prior to completion of Phase 1 in 1997, every school in the District had been operating at or beyond enrollment capacity for at least five years. The District reconfigured grade levels in the 2014 school year in an effort to accommodate enrollment needs at the elementary level. While this provided some temporary relief, the schools in the District are again operating well beyond permanent capacity. Enrollment projections at all grade levels forecast continued growth from in-migration over the next six years and beyond.

Enrollment at the High School on October 1, 2016, was 2,167 FTE students. The District is closely monitoring enrollment at the high school level. Between 2009 and 2016 high school enrollment increased by 14.8%. The District's enrollment projections show continued enrollment growth at this grade level though with some leveling off by 2022 but then increasing again thereafter. Currently the High School is well beyond its permanent capacity of 1,596 students. In 2006, the District added capacity for an additional 225 students at the High School. Recently, a classroom addition was completed adding capacity for an additional 96 students. The District employs 15 portable classrooms to accommodate this overcrowding.

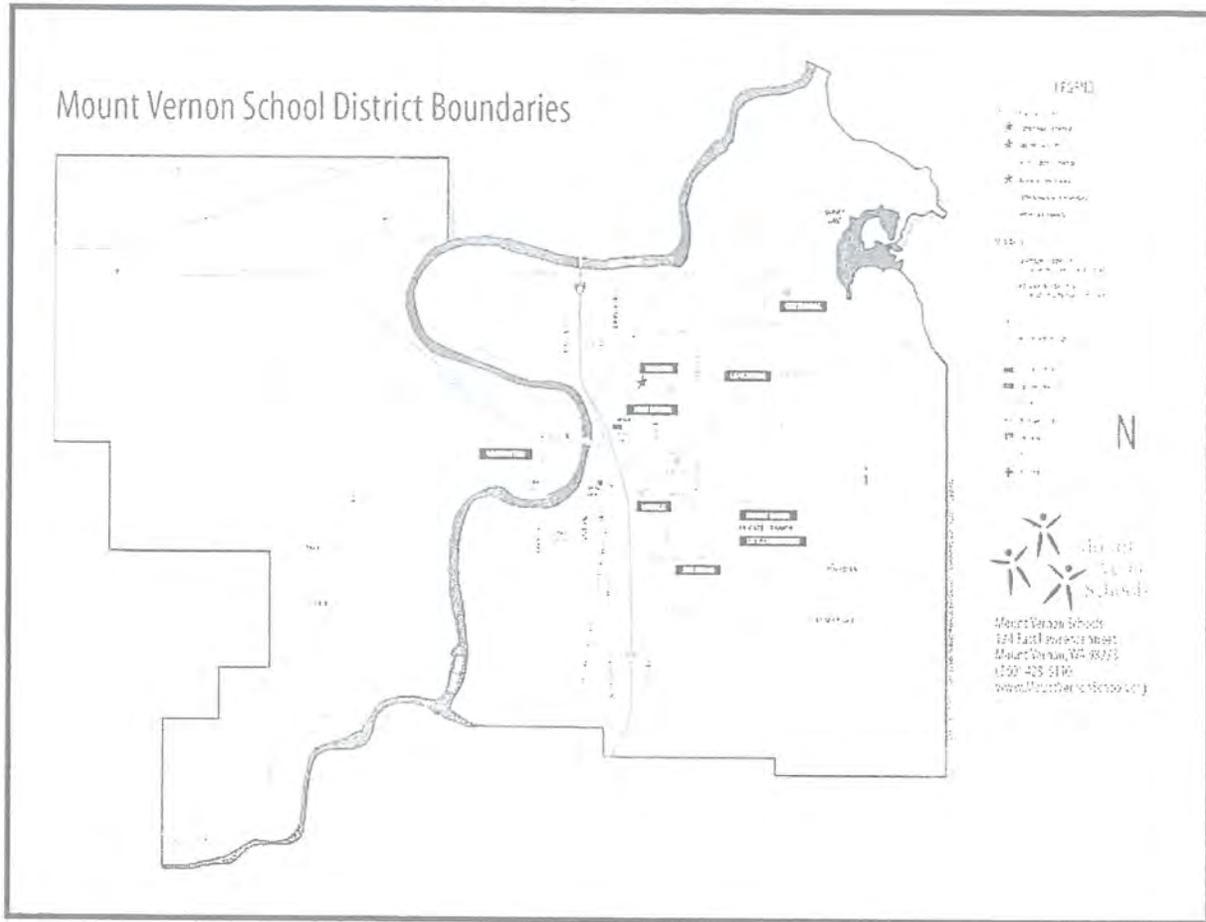
Elementary enrollment continues to grow and exceeds permanent capacity. There are currently 36 portable buildings being used at elementary sites to accommodate overcrowding. Middle school enrollment similarly exceeds permanent capacity and the District relies on 17 portable buildings for classroom needs.

To keep pace with growth, the District relies on its Six-Year Capital Facilities Plan to ensure adequate capacity. The plan indicates a need to construct an additional elementary school, add capacity at Madison Elementary School and LaVenture Middle School, and add capacity at the High School by replacing and expanding the existing Agriculture Building.

The District's voters approved a \$106.4 million bond issue in 2016 to fund the projects identified in this Capital Facilities Plan. Development impact fees will be necessary to supplement these funds and to offset, at least in part, the effects of growth.

These issues are addressed in greater detail in this Capital Facilities Plan.

Figure 1 – Map of District Facilities



## SECTION 2: DEFINITIONS

Average Assessed Value means the average assessed value by dwelling unit type of all residential units constructed within the District.

Board means the Board of Directors of the Mount Vernon School District (“School Board”).

Capital Facilities means school facilities identified in the District’s Capital Facilities Plan. Capital facilities are defined as any structure, improvement, piece of equipment or other major asset, including land that has a useful life of at least ten years

Capital Facilities Plan (CFP) means the District’s facilities plan adopted by its school board meeting the requirements of the Growth Management Act, Chapter 11 of the Skagit County Comprehensive Plan, Skagit County Ordinance 15432 and Mount Vernon Ordinance 2552, and any subsequent amendments to those ordinances. The definition refers to this document.

City means the City of Mount Vernon.

County means Skagit County.

County Commission means the Skagit County Board of Commissioners.

City Council means the Mount Vernon City Council.

Construction Cost Allowance means the maximum cost per square foot of construction that the state will recognize. This amount is established by the legislature in the biennium budget.

Development means all subdivisions, short subdivisions, conditional use or special use permits, binding site plan approvals, rezones accompanied by an official site plan, or building permits (including building permits for multi-family and duplex residential structures, and all similar uses) and other applications requiring land use permits or approval by Skagit County or the City of Mount Vernon.

Development Approval means any written authorization from the City or County which authorizes the commencement of a development activity.

District means Mount Vernon School District No. 320.

District Property Tax Levy Rate means the District’s current capital property tax rate per thousand dollars of assessed value.

Dwelling Unit Type means (1) single-family residences and (2) multi-family apartment or condominium units.

Encumbered means school impact fees identified by the District to be committed as part of the funding for capital facilities for which the publicly funded share has been assured, development approvals have been sought or construction contracts have been let.

Estimated Facility Construction Cost means the planned costs of new schools or the actual construction costs of schools of the same grade span recently constructed by the District, including on-site and off-site improvement costs.

FTE (Full Time Equivalent) is a means of measuring student enrollment based on the number of hours per day in attendance at the District's schools. A student is considered one FTE if he/she is enrolled for the equivalent of a full schedule each school day. The District implemented all-day Kindergarten in the 2013-14 school year, meaning that Kindergarten classes, along with all other grades, are considered to contain one FTE per student.

Grade Span means a category into which the District groups its grades of students (e.g., elementary, middle or junior high, and high school). Starting in the fall of 2014, grade spans for the Mount Vernon School District include grades K-5 for elementary level, grades 6-8 for middle school and grades 9-12 for senior high school.

Growth Management Act (GMA) means the Growth Management Act, Chapter 17, Laws of the State of Washington of 1990, 1<sup>st</sup> Ex. Sess., as now in existence or as hereafter amended.

Interest Rate means the current interest rate as stated in the Bond Buyer Twenty-Bond General Obligation Bond Index.

Land Cost Per Acre means the estimated average land acquisition cost per acre (in current dollars) based on recent site acquisition costs, comparisons of comparable site acquisition costs in other districts, or the average assessed value per acre of properties comparable to school sites located within the District.

Multi-Family Dwelling Unit means any residential dwelling unit that is not a single-family unit.

OSPI means Washington State Office of the Superintendent of Public Instruction.

Permanent Facilities means school facilities of the District with a fixed foundation.

Portables: Synonym for Relocatable Facilities.

R.C.W. means the Revised Code of Washington.

Relocatable Facilities (also referred to as Portables) means factory-built structures, transportable in one or more sections, that are designed to be used as an education spaces and are needed to prevent the overbuilding of school facilities, to meet the needs of service areas within the District, or to cover the gap between the time that families move into new

residential developments and the date that construction is completed on permanent school facilities. Portables are not considered permanent classrooms by the District.

Relocatable Facilities Cost means the total cost, based on actual costs incurred by the District, for purchasing and installing portable classrooms.

Relocatable Facilities Student Capacity means the rated capacity for a typical portable classroom used for a specified grade span.

School Impact Fee means a payment of money imposed upon development as a condition of development approval to pay for school facilities needed to serve the new growth and development. The school impact fee does not include a reasonable permit fee, an application fee, the administrative fee for collecting and handling impact fees, or the cost of reviewing independent fee calculations.

SEPA means the State Environmental Policy Act.

Single-Family Dwelling Unit means any detached residential dwelling unit designed for occupancy by a single-family or household.

Standard of Service means the standard adopted by the District which identifies the program year, the class size by grade span and taking into account the requirements of students with special needs, the number of classrooms, the types of facilities within the District's Capital Facilities Plan. The District's standard of service shall not be adjusted for any portion of the classrooms housed in relocatable facilities which are used as transitional facilities or from any specialized facilities housed in relocatable facilities.

State Funding Assistance Percentage means the proportion of funds that are provided to the District for specific capital projects from the State's Common School Construction Fund. These funds are disbursed based on a formula which calculates district assessed valuation per pupil relative to the whole state assessed valuation per pupil to establish the maximum percentage of the total project eligible to be paid by the State.

Student Factor [Student Generation Rate (SGR)] means the average number of students generated from new dwelling units constructed within the District. The District uses a statistically valid methodology to calculate a SGR for single family dwelling units and a SGR for multi-family dwelling units.

Unhoused Students means students projected to be housed in classrooms where class size exceeds standards within the District and students area projected to be housed in portable classrooms.

### SECTION 3: DISTRICT EDUCATIONAL PROGRAM STANDARDS

School facility and student capacity needs are dictated by the types and amounts of space required to accommodate the School Board's adopted educational programs. The educational program standards, which typically drive facility space needs, include grade configuration, optimum facility size, class size, educational program offerings, classroom utilization and scheduling requirements, and use of relocatable classroom facilities (Portables).

In addition, government mandates and community expectations may affect how classroom space is used. Traditional educational programs offered by school districts are often supplemented by non-traditional or special programs such as: Special Education, English as a Second Language, education, remediation, migrant education, alcohol and drug education, AIDS education, preschool and daycare programs, computer labs, music programs, etc. These special or nontraditional educational programs can have a significant impact on the available student capacity of school facilities.

Special programs offered by the Mount Vernon School District at specific school sites include:

- Highly Capable Program
- Learning Assisted Programs (LAP),
- Education for disadvantaged students (Title I),
- English-as-a-Second Language programs (ESL),
- Severe behavior disordered programs, and
- Moderate to severe disabilities programs.

Variations in student capacity between schools are often a result of what special or nontraditional programs are offered at specific schools. These special programs require classroom space that can reduce the permanent capacity of the buildings housing these programs. Some students, for example, leave their regular classroom for a period of time to receive instruction in these special programs. Newer schools within the District have been designed to accommodate many of these programs. However, older schools often require space modifications to accommodate special programs, and in some circumstances, these modifications may reduce the overall classroom capacities of the buildings.

The District now provides all-day kindergarten at all elementary schools.

District educational program standards will undoubtedly change in the future as a result of changes in the program year, special programs, class size, grade span configurations, and use of new technology, and other physical aspects of the school facilities. In addition, implementing State level policy directives regarding small K-3 class size will influence program standards. School capacity inventory will be reviewed periodically and adjusted for any changes to the educational program standards. These changes will also be reflected in future updates of this Capital Facilities Plan (CFP). The District's minimum educational program standards, which directly affect school capacity, are outlined below.

### ***Educational Program Standards for K-12***

- Class size for K-2<sup>nd</sup> should not exceed 20 students.
- The goal for average class size for grades 3<sup>rd</sup>-12<sup>th</sup> is 26 students.
- The District goal for K-5 enrollment is that no K-5 school should house more than 550 students in permanent facilities.
- Special needs students at all grade levels will be integrated into general classrooms whenever possible. Self-contained classrooms will be provided for severely disabled students as needed.
- All students will be provided music instruction in a separate classroom.
- All students will have access to computer technology, either within the regular classroom or in a computer lab setting.
- All students will be provided ample facilities for physical education programs.
- Secondary (6-12) students will have adequately equipped facilities for science, art, business, technology, vocational programs and all courses offered in the District's secondary curriculum.

## SECTION 4: CAPITAL FACILITIES INVENTORY

### ***Capital Facilities***

Under the GMA cities and counties are required to inventory capital facilities used to serve existing development. The purpose of the facilities inventory is to establish a baseline for determining what facilities will be required to accommodate future demand (student enrollment) at acceptable or established educational program standards. This section provides an inventory of capital facilities owned and operated by the Mount Vernon School District including schools, relocatable classrooms (Portables), developed school sites, undeveloped land and support facilities. School facility capacity was inventoried based on the space required to accommodate the District's adopted educational program standards (see Section 3). A map showing locations of District facilities is provided as Figure 1.

A detailed school capacity analysis is provided in Tables 1, 2 and 3. Relocatable classrooms (Portables) are not viewed by the District as a solution for housing students on a permanent basis. Therefore, these facilities were not included in the school capacity calculations provided in Tables 1, 2 and 3. Use of Portables is discussed in more detail in the following section.

### ***Schools***

The Mount Vernon School District has currently six elementary schools, two middle schools and one high school.

The State (OSPI) calculates school capacity by dividing gross square footage of a building by a standard square footage per student. This method is used by the State as a simple and uniform approach for determining school capacity for purposes of allocating available State Funding Assistance to school districts for new school construction. This method is not necessarily considered to be an accurate reflection of the *functional* capacity required to accommodate the adopted educational program of each individual district. For these reasons, school capacity was determined based on the number of teaching stations within each building and the space requirements of the District's adopted educational program. These capacity calculations were used to establish the District's baseline capacity and determine future capacity needs based on projected student enrollment.

**Table 1 – Mount Vernon School District Elementary School Capacity Inventory**

Elementary School	Site Size (acres)	Bldg. Area (Sq. Ft.)	Perm. FTE Student Capacity	Capacity with Portables	Year Built or Last Remodel
Centennial	15.0	54,084	550	706	1989/92
Jefferson + CLT	10.0	61,131	605	629	1956/95
Lincoln	3.85	40,002	375	399	1938/82
Little Mountain (shared site)	34.0	79,553	525	837	1997
Madison	18.57	45,239	450	606	1954/83
Washington	13.66	49,805	425	529	1950/98
<b>Total</b>	<b>105.08</b>	<b>329,814</b>	<b>2,930</b>	<b>3,706</b>	

Source: Mount Vernon School District

**Table 2 – Mount Vernon School District Middle School Capacity Inventory**

Middle School	Site Size (acres)	Bldg. Area (Sq. Ft.)	Perm. FTE Student Capacity	Capacity with Portables	Year Built or Last Remodel
LaVenture	19.6	86,467	550	758	1970 / 2004
Mount Baker	34 acres (shared site)	52,762	550	784	1997
<b>Totals</b>	<b>53.6</b>	<b>139,229</b>	<b>1,100</b>	<b>1,542</b>	

Source: Mount Vernon School District

**Table 3 – Mount Vernon School District High School Capacity Inventory**

High School	Site Size (acres)	Bldg. Area (Sq. Ft.)	Perm. FTE Student Capacity	Capacity with Portables	Year Built or Last Remodel
Mount Vernon H.S.	32.5	256,942	1596	1,986	1922/2012
Skagit Valley LC					
<b>Totals</b>	<b>32.5</b>	<b>256,942</b>	<b>1596</b>	<b>1,986</b>	

Source: Mount Vernon School District

***Relocatable Classroom Facilities (Portables)***

Relocatable classroom facilities (Portables) are used as interim classroom space to house students until funding can be secured to construct permanent classroom facilities. Portables are not viewed by the District as a solution for housing students on a permanent basis.

The Mount Vernon School District currently uses 73 Portables at various school sites throughout the District to provide additional interim capacity. A typical portable classroom

can provide capacity for 26 elementary, middle or high school students. Current use of Portables throughout the District is summarized in Table 4.

**Table 4 – Mount Vernon School District Portables**

School Name	Portables	Capacity in Portables
<b>ELEMENTARY</b>		
Centennial	6	156
Jefferson	4	104
Lincoln	4	104
Little Mountain	12	312
Madison	6	156
Washington	4	104
<i>Total</i>	36	936
<b>MIDDLE</b>		
LaVenture	8	208
Mount Baker	9	234
<i>Total</i>	17	442
<b>HIGH</b>		
Mount Vernon H.S.	15	390
Skagit Valley Learning Center	5	130
<b>District Total</b>	<b>73</b>	<b>1,898*</b>

**Support Facilities**

In addition to schools, the Mount Vernon School District owns and operates additional facilities that provide operational support functions to the schools. An inventory of these facilities is provided in Table 5.

**Table 5 – Mount Vernon School District Support Facilities**

Facility Name	Building Area (Sq. Ft.)
District Office	12,500
Special Services office	4,500
Transportation, Bus Wash, Storage	31,765
Maintenance, IT Dept, Food Services with Storage	21,705
SFLC	
Transitions/SPED	

**Land Inventory**

The Mount Vernon School District owns eight undeveloped sites described below:

1. 10 acres on East Division Street  
a. Not considered useful for any school purpose
2. 15.23 acre site near Division Street  
a. New elementary school opening in Fall 2018 as the replacement school for Lincoln Elementary School
3. 10 acres on Swan Road  
a. Future elementary school site to accommodate growth
4. 7.5 acres on Cleveland Street  
a. Not considered useful for any school purpose
5. 201 Fulton (YMCA lease)
6. Lot, 1106 E. Warren (Added to MVHS)  
a. This lot for future expansion at the High School
7. Lot, 1118 E. Warren (Added to MVHS)  
a. This lot for future expansion at the High School
8. Parking Lot (Lincoln School) 1002 S 11<sup>th</sup> Street (added to Lincoln School)

## SECTION 5: STUDENT ENROLLMENT TRENDS AND PROJECTIONS

### *Recent District Trends – FTE Student Enrollment 2009-2016*

Facility needs are determined in part by evaluating recent trends in student enrollment. Note that Table 6 is adjusted for the grade reconfiguration that occurred in the 2014 school year and reflects headcount enrollment. The headcount enrollment figures do not accurately reflect FTE enrollment. Please refer to Table 8 for 2016 FTE figures.

**Table 6 – Enrollment 2009-2016**

Grade Level	2009	2010	2011	2012	2013	2014	2015	2016
K-5	2,858	2,946	2,930	2,897	2,944	2,998	3,078	3,043
6-8	1,358	1,354	1,303	1,308	1,336	1,360	1,368	1,383
9-12	1,888	1,849	2,124	2,123	2,081	2,214	2,215	2,271
<b>Total</b>	<b>6,104</b>	<b>6,149</b>	<b>6,357</b>	<b>6,328</b>	<b>6,361</b>	<b>6,572</b>	<b>6,661</b>	<b>6,697</b>

Source: OSPI  
Report 1049  
(October Enrollment)

### *Projected Student Enrollment: 2017-2023*

This plan update is based on the anticipated number of students expected to be enrolled through 2023 and beyond. The six-year projection (2017-2023) will assist in determining short term needs and form the basis for development impact fees.

Enrollment projections are most accurate for the initial years of the forecast period. Moving further into the future, more assumptions about economic conditions and demographic trends in the area affect the projection. In the event that enrollment growth slows, plans for new facilities can be delayed. It is much more difficult, however, to initiate new projects or speed projects up in the event enrollment growth exceeds the projections. Annual updates of both the enrollment projections and the Capital Facilities Plan (CFP) are essential to good facility planning.

Two population forecasts were conducted for the Mount Vernon School District. The first is an estimate by the Superintendent of Public Instruction (OSPI). OSPI estimates future enrollment through the 2021-22 school year using the cohort survival method. This method estimates how many students in one year will attend the next grade in the following year. Due to the fact that the cohort survival method does not incorporate in-migration, particularly from anticipated new development within the District, these projections are considered conservative. The second forecast (W. Les Kendrick, Ph.D. November 2013) considers births and births forecasts, projected changes in the Skagit County population, and trends and forecasts of the county K-12 population within the Mount Vernon School District (the “modified projection method”). Its projections run through 2033. In order to

plan appropriately for facilities needs, the District uses the modified projection method to assess future capacity needs.

**Table 7 – 2017-2023 Projected FTE Enrollment**

<i>Projection</i>	<i>2016*</i>	<i>2017-18</i>	<i>2018-19</i>	<i>2019-20</i>	<i>2020-21</i>	<i>2021-22</i>	<i>2022-23</i>	<i>Actual Change</i>	<i>Percent Change</i>
OSPI <sup>^</sup>	6,678	6,800	6,787	6,736	6,746	6,727	6,727	49	0.73%
District**	6,678	6,565	6,642	6,714	6,813	6,977	7,097	419	6.3%

\* Actual FTE enrollment (October 1, 2016).  
 \*\* Source: Mount Vernon School District, Kendrick, November 2016. FTE enrollment projections through 2022-23.  
 ^ Headcount enrollment projections 2017-2022.

Please see Appendix B & C for the complete enrollment projections.

## SECTION 6: CAPITAL FACILITIES PLAN

This update of the Mount Vernon School District's Six-Year Capital Facilities Plan reflects the planning and implementation of a building program to deal with current and future capacity issues.

Following is a list of past projects completed by the Mount Vernon School District:

- 2005 - The District completed the renovation of LaVenture Middle School.
- 2002 - The Special Services Department was relocated from the High School, which involved the purchase of a downtown office building.
- 2003 - The District's Support Facilities were relocated from the High School, which involved the construction of a replacement facility at the District's Blackburn Site.
- 2006 - The District renovated and added capacity to Mount Vernon High School. A new Career and Technical Education building was completed in April 2006.
- 2012 - The gymnasium/field house modernization at the High School was completed; lockers were replaced and bathrooms redone.
- 2017 - The State of Washington built four small CLT classrooms of cross laminated timber at Jefferson School.

The District is now planning the construction of a replacement of Lincoln Elementary School (current capacity 375 students) with a new elementary school located on East Division Street. The new school will have capacity for 550 students. The District will also replace the existing Madison School (capacity 425 students) with a new Madison Elementary School (capacity 550 students). The District also plans to add capacity at LaVenture Middle School, and to renovate and replace (with expanded capacity) the Agriculture Building at the Mount Vernon High School. These projects were funded as a part of the bond approved by the voters in February 2016. The District will repurpose Lincoln Elementary School after completing the new elementary school and Madison Elementary School projects.

### ***Facility Needs (2017-2023)***

Projected available student capacity was derived by subtracting projected FTE student enrollment from existing school capacity for each of the six years in the forecast period (2017-2023). Capacity needs are expressed in terms of "unhoused students." Unhoused students are defined as students expected to be housed in portable classrooms, in classrooms where class size exceeds State standards, Board expectations and/or contractually negotiated agreements within the local school district. The unhoused student levels are shown in Table 8. Note: for purposes of assessing capacity, the District has included the capacity improvements that are planned over the six year planning period. Additional information regarding the planned capacity improvements can be found on page 6-4 and in Table 9.

**Table 8 – Projected Student Capacity: 2017-2023**

*Elementary School -- Surplus/Unhoused*

	2016*	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Existing Capacity	2,930	2,930	2,555^	3,105	3,230	3,230	3,230
Added Permanent Capacity	0	0	550+	125++	0	0	0
Total Permanent Capacity	2,930	2,930	3,105	3,230	3,230	3,230	3,230
Temporary Capacity	795	795	525	525	525	525	525
Enrollment	3,093	3,147	3,136	3,138	3,152	3,208	3,244
Surplus (Deficiency)**	(163)	(217)	(31)	92	78	22	(14)
Surplus (Deficiency) with Portables	632	578	494	617	603	547	511

\*Actual October 2016 FTE enrollment (OSPI Report 1251)

^Lincoln Elementary repurposed

\*\*Permanent Capacity only

+New Elementary School at East Division Street; ++Madison Elementary Replacement/Capacity Addition

*Middle School Level -- Surplus/Unhoused*

	2016*	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Existing Capacity	1,100	1,100	1,100	1,100	1,100	1,340	1,340
Added Permanent Capacity	0	0	0	0	240+	0	0
Temporary Capacity	442	442	442	442	442	442	442
Total Capacity**	1,100	1,100	1,100	1,100	1,340	1,340	1,340
Enrollment	1,418	1,493	1,566	1,597	1,608	1,582	1,581
Surplus (Deficiency)**	(318)	(393)	(466)	(497)	(268)	(242)	(241)
Surplus (Deficiency) with Portables	124	49	(24)	(55)	174	200	201

\*Actual October 2016 FTE enrollment (OSPI Report 1251)

\*\*Permanent Capacity only

+LaVenture MS Addition.

*High School Level -- Surplus/Unhoused*

	2016*	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Existing Capacity	1,596	1,596	1,596	1,596	1,596	2,032	2,032
Added Permanent Capacity	0	0	0	0	0	436+	0
Temporary Capacity	300	300	300	300	300	300	300
Total Capacity**	1,596	1,596	1,596	1,596	1,596	2,032	2,032
Enrollment	2,167	1,925	1,940	1,979	2,053	2,188	2,272
Surplus (Deficiency)**	(571)	(329)	(344)	(383)	(457)	(156)	(240)
Surplus (Deficiency) with Portables	(181)	61	46	7	(157)	144	60

\*Actual October 2016 FTE enrollment (OSPI Report 1251)

\*\*Permanent Capacity only

+High School Addition

### ***Planned Improvements (2017-2023)***

The following is a brief outline of projects needed to accommodate projected student enrollment in the Mount Vernon School District through the Year 2023 based on the enrollment projections in Appendix A and Tables 7 and 8. To the extent these improvements correct *growth related* capacity deficiencies, their costs can be partially financed with impact fees.

The Capital Facilities Plan (CFP) is shown on Table 9.

### **School Projects: Including School Replacements, Additions and Renovations**

- A new elementary school “East Division”, 71,400 sf (currently eligible for State Funding Assistance) is attributable to new enrollment growth. Cost of facility is \$42.0 million.
- A replacement school (currently eligible for State Funding Assistance) at the Old Madison site. Estimated cost is \$39.7 million
- An addition at LaVenture Middle School to accommodate growth (estimated cost of \$9.6 million).
- Replacement and addition of the Agriculture building at the High School to accommodate growth needs (estimated cost of \$21.8 million).
- Renovation and modernization of Old Main at the High School; estimated cost is \$19.9 million

As needed, the District may also purchase portables to address growth-related needs.

Table 9 – Capital Facilities Plan 2017-2023

Improvements Adding Permanent Capacity (Costs in Millions)\*\*

Project	2017	2018	2019	2020	2021	2022	Total Cost	Bonds/ Local Funds	Projected State Match	Impact Fees
<b>Elementary</b>										
New Elementary at East Division	\$30.00	\$12.00					\$42.00	X	X	X
Madison Replacement/Addition		\$25.00	\$14.70				\$39.70	X	X	X
<b>Middle School</b>										
La Venture Addition			\$6,000	\$3.60			\$9.60	X		X
<b>High School</b>										
Agriculture Building Replacement/Addition			\$15.00	\$6.80			\$21.800	X		X

\*\* Using 2017 estimated project costs.

^As needed, the District may also purchase portables to address growth needs.

Improvements Not Adding New Permanent Capacity (Costs in Millions)

Project	2017	2018	2019	2020	2021	2022	Total Cost	Bonds/ Levies	Projected State Match	Impact Fees
<b>Elementary</b>										
N/A										
<b>Middle</b>										
N/A										
<b>High School</b>										
Old Main Modernization			\$15.00	\$4.00			\$19.90	X		
<b>District-wide</b>										
N/A										

### ***Capital Facilities Financing Plan***

The Six-Year Finance Plan shown on Table 9 demonstrates how the Mount Vernon School District intends to fund new construction and improvements to school facilities for the years of 2017-2023. The financing plan and impact fee calculation formula also differentiate between capacity and noncapacity projects.

The District's ability to accomplish its building program is dependent on the following funding sources:

- Passage of general obligation bonds by District voters
- Collection of growth mitigation payments (impact fees)
- State funding assistance
- Incurring of debt within the limit of non-voted capacity
- Conway School District (K-8) participation in High School Projects

### **General Obligation Bonds/Non-Voted Debt**

Bonds are typically used to fund construction of new schools and other capital improvement projects. A 60% voter approval is required to pass a bond. Bonds are then retired through collection of property taxes. The voters in the Mount Vernon School District approved a capital improvements bond for \$29.5 million in 1994. In addition, the voters approved an additional bond for \$33.0 million in 1999 and a \$33 million bond issue in 2001. All funds from these bond issues have been committed. Most recently, the voters approved a \$106.4 million bond in February 2016. These bond funds are committed to the projects identified in this Capital Facilities Plan.

### **State Funding Assistance**

State Funding Assistance (formerly known as "State Match Funds") comes from the Common School Construction Fund. Bonds are sold on behalf of the fund then retired from revenues accruing predominantly from the sale of renewable resources (i.e. timber) from State school lands set aside by the Enabling Act of 1889. If these sources are insufficient to meet needs, the Legislature can appropriate funds or the State Board of Education can establish a moratorium on certain projects.

School districts may qualify for State Funding Assistance for specific capital projects. To qualify, a project must first meet a State established criteria of need. This is determined by a formula that specifies the amount of square footage the State will help finance to provide permanent structures for the unhoused enrollment projected for the district. If a project qualifies, it can become part of a State prioritization system. This system prioritizes allocation of available funding resources to school districts statewide based on seven prioritization categories. Funds are then disbursed to the districts based on a formula which calculates district assessed valuation per pupil relative to the whole State assessed valuation per pupil to establish the percent of the total project cost to be paid by the State. In general, the State contribution can range from less than half to more than 70% of a project's cost. State Funding Assistance can only be applied to major school construction projects. Site acquisition and minor improvements are not eligible to receive funding assistance from the State. Because availability of Funding Assistance has not been able to keep pace with the rapid enrollment growth occurring in many of Washington's school districts, matching

funds from the State may not be received by a school district until after a school has been constructed. In such cases, the District must “front fund” a project. That is, the District must finance the complete project with local funds (the future State’s share coming from funds allocated to future District projects). When the State share is finally disbursed (without accounting for escalation) the future District project is partially reimbursed.

Because of the method of computing Funding Assistance, the official percentage of funding assistance calculated by the State does not typically equal the actual percentage of total facility cost. The Funding Assistance Percentage for Mount Vernon is approximately 71.13%. Notably, this only applies to costs that the State considers eligible for state funding assistance. Land costs and other development costs are not considered eligible for funding assistance. Furthermore, the State allows 90 square feet per elementary student while the District model is 120 square feet. This additional space must be funded with local dollars. For a typical project that has maximum State funding, less than 50% of the total project costs will be covered by state funding assistance. At this time, the District does qualify for State Funding Assistance for some of the new capacity projects identified in this Plan.

### **School Impact Fees**

Development impact fees have been adopted by a number of jurisdictions as a means of supplementing traditional funding sources for construction of public facilities needed to accommodate new development. School impact fees are generally collected by the permitting agency at the time building permits or certificates of occupancy are issued.

Fees assessed are based on the new enrollment growth in the District. By law, new development cannot be assessed impact fees to correct existing deficiencies.

Impact fees have been calculated utilizing the formula in Skagit County Ordinance No. 15432 and in accordance with Mount Vernon Ordinance No. 2552. The resulting figures are based on the District’s cost per dwelling unit to purchase land for school sites, make site improvements, construct schools and purchase, install or relocate temporary facilities (Portables). Credits have also been applied in the formula to account for any State Funding Assistance anticipated to be reimbursed to the District and projected future property taxes to be paid by the owner of a dwelling unit.

The District’s cost per dwelling unit is derived by multiplying the cost per student by the applicable student generation rate per dwelling unit. The student generation rate is the average number of students generated by each housing type -- in this case, single family dwellings and multi-family dwellings. The District hired a consultant to conduct an analysis of the actual number of students being generated from new development within the District. Student generation rates for the District are shown on Table 10. See also Appendix C.

**Table 10 – Student Generation Rates**

	Elementary	Middle Level	High School	TOTAL
Single Family	.179	.086	.108	.373
Multi-Family	.036	.018	.000	.055

(Source: 3Square Blocks, December 2016)

**Table 11 – Impact Fee Schedule**

Housing Type	Impact Fee Per Unit
Single Family	\$9,421
Multiple Family	\$1,134

Table 12 – Impact Fee Variables Table – Mount Vernon School District

Criteria	Elementary	Middle	High*
<i>Site Acquisition Cost Element</i>			
Site Size (acres)			
Average Land Cost Per Acre			
Total Land Cost			
Additional Land Capacity	0	0	0
<i>Student Factor</i>			
Single Family	0.179	0.086	0.108
Multiple Family	0.036	0.018	0.000
<i>School Construction Cost Element</i>			
New Capacity	550	240	436
Current Permanent Facility Square Footage	325,914	139,229	256,942
Percentage Permanent to Relocatable	92.82	97.48	95.97
Estimated New Capacity Construction Cost	\$42,000,000	\$9,600,000	\$21,800,000
<i>Relocatable Facilities Cost Element</i>			
Relocatable Facilities Cost	\$0	\$0	\$0
Relocatable Facilities Capacity/Unit	25	32	32
Existing Portable Square Footage	25,200	3,600	10,800
Percentage Relocatable to Permanent	7.18	2.52	4.03
<i>State Funding Assistance Credit</i>			
Construction Cost Allowance	\$213.23	\$213.23	\$213.23
School Space per Student (OSPI)	90	108	130
State Funding Assistance Percentage	71.13%	0%	0%
<i>Tax Payment Credit</i>			
Interest Rate	3.50%	3.50	3.50
Loan Payoff (Years)	10	10	10
Levy Rate	2.24	2.24	2.24
SF Average Assessed Value	\$230,002	\$230,002	\$230,002
MF Average Assessed Value	\$80,647	\$80,647	\$80,647

Appendix A  
Impact Fee Calculation

## Appendix A Impact Fee Calculations

Mount Vernon School District 2017							
<b>School Site Acquisition Cost:</b>							
((AcresxCost per Acre)/Facility Capacity)xStudent Factor							
	Facility	Cost/	Facility	Student	Student	Cost/	Cost/
	Acreage	Acre	Capacity	SFR	MFR	SFR	MFR
Elementary	0.00	\$ -	550	0.179	0.036	\$0	\$0
Middle	0.00	\$ -	240	0.086	0.018	\$0	\$0
High	0.00	\$0	436	0.108	0.000	\$0	\$0
						\$0	\$0
<b>School Construction Cost:</b>							
((Facility Cost/Facility Capacity)xStudent Factor)x(Permanent/Total Sq Ft)							
	%Perm/	Facility	Facility	Student	Student	Cost/	Cost/
	Total Sq Ft.	Cost	Capacity	SFR	MFR	SFR	MFR
Elementary	92.82%	\$ 42,000,000	550	0.179	0.036	\$12,689	\$2,352
Middle	97.48%	\$ 9,600,000	240	0.086	0.018	\$3,353	\$702
High	95.97%	\$ 21,800,000	436	0.108	0.000	\$5,182	\$0
						\$21,223	\$3,254
<b>Temporary Facility Cost:</b>							
((Facility Cost/Facility Capacity)xStudent Factor)x(Temporary/Total Square Feet)							
	%Temp/	Facility	Facility	Student	Student	Cost/	Cost/
	Total Sq.Ft.	Cost	Size	SFR	MFR	SFR	MFR
Elementary	7.18%	\$ -	20	0.179	0.036	\$0	\$0
Middle	2.52%	\$ -	25	0.086	0.018	\$0	\$0
High	4.03%	\$ -	25	0.108	0.000	\$0	\$0
						TOTAL	\$0
<b>State Funding Assistance Credit:</b>							
CCA x OSPI Square Footage x Funding Assistance % x Student Factor							
	Current	OSPI Square	District	Student	Student	Cost/	Cost/
	CCA	Footage	Funding %	SFR	MFR	SFR	MFR
Elementary	\$ 213.23	90	71.13%	0.179	0.036	\$2,443	\$491
Junior	\$ 213.23	117	0.00%	0.086	0.018	\$0	\$0
Sr. High	\$ 213.23	130	0.00%	0.108	0.000	\$0	\$0
						TOTAL	\$2,443
<b>Tax Payment Credit:</b>							
						SFR	MFR
Average Assessed Value						\$230,002	\$80,647
Capital Bond Interest Rate						3.50%	3.50%
Net Present Value of Average Dwelling						\$1,912,834	\$670,709
Years Amortized						10	10
Property Tax Levy Rate						\$2,2400	\$2,2400
Present Value of Revenue Stream						\$4,285	\$1,502
<b>Fee Summary:</b>							
				Single-	Multi-		
				Family	Family		
Site Acquisition Costs				\$0	\$0		
Permanent Facility Cost				\$21,223	\$3,254		
Temporary Facility Cost				\$0	\$0		
State Funding Credit				(\$2,443)	(\$491)		
Tax Payment Credit				(\$4,285)	(\$1,502)		
FEE (AS CALCULATED)				\$14,495	\$1,260		
FEE (Adjusted 35%/10%)				\$9,421	\$1,134		

**Appendix B**  
**OSPI Enrollment Projections**



School Facilities and Organization  
 INFORMATION AND CONDITION OF SCHOOLS  
 Enrollment Projections (Report 1019)

Skagit/Mount Vernon(29320)

Grade	--- ACTUAL ENROLLMENTS ON OCTOBER 1ST ---										AVERAGE % SURVIVAL	--- PROJECTED ENROLLMENTS ---				
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		2021	2022			
Kindergarten	569	537	510	547	517	482	502	497	492	488	483	478				
Grade 1	566	512	539	532	562	513	485	505	500	495	491	485				
Grade 2	480	495	500	524	517	549	503	475	495	490	485	481				
Grade 3	480	481	489	477	531	518	539	484	467	486	482	477				
Grade 4	456	450	465	472	476	525	506	519	483	459	477	473				
Grade 5	459	441	433	454	473	453	511	492	513	472	446	464				
K-5 Sub-Total	2,930	2,827	1,944	1,850	3,070	3,049	3,047	2,891	1,954	2,090	2,064	2,059				
Grade 6	437	473	436	446	453	466	455	507	400	510	468	442				
Grade 7	403	434	450	455	461	447	463	452	504	483	507	465				
Grade 8	482	401	441	479	448	470	456	473	461	515	495	518				
6-8 Sub-Total	1,302	1,300	1,326	1,360	1,368	1,383	1,374	1,432	1,454	1,510	1,470	1,425				
Grade 9	424	511	456	512	530	503	530	515	554	521	581	559				
Grade 10	455	405	515	453	502	556	510	531	536	535	522	501				
Grade 11	541	467	511	503	499	503	511	562	565	569	589	575				
Grade 12	634	550	509	666	634	617	717	755	693	722	701	727				
9-12 Sub-Total	2,154	2,123	2,061	2,214	2,115	2,271	2,379	2,363	2,330	2,346	2,393	2,443				
DISTRICT K-12 TOTAL	6,357	6,320	6,361	6,572	6,661	6,697	6,800	6,707	6,736	6,746	6,717	6,727				

Notes: Specific subtotals on this report will be driven by District Grade spans.

School Facilities and Organization

Printed on 01/20/17

Appendix C  
District Enrollment Projections

## Mount Vernon (October Headcount Enrollment)

Births	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Skagit County Births	1272	1260	1293	1336	1367	1366	1366	1363	1373	1356	1416	1451	1500	1560	1628	1680	1745	1810	1875	1940
% of County Births (K)	35.27%	33.55%	32.71%	35.33%	33.80%	31.29%	31.81%	32.91%	34.2%	36.5%	35.12%	35.29%	34.93%	34.87%	32.48%	32.48%	32.48%	32.48%	32.48%	32.48%
Mount Vernon Births	369	430	485	493	529	506	534	574	516	516	531	553	526	601	649	697	745	793	841	889
% of Mt. Vernon	125%	101%	87%	95%	87%	82%	83%	82%	91%	90%	94%	93%	92%	91%	82%	82%	82%	82%	82%	82%

### Enrollment From District

(Excludes NCTA Enrollment)

### October Enrollment History (OSPI 1999-2009)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
K	449	436	423	472	462	424	441	469	469	495	498	512	524	544	529
1	467	488	482	446	501	490	443	460	481	492	487	516	518	527	531
2	475	453	448	453	417	473	480	425	445	493	477	499	492	507	517
3	453	459	450	433	462	425	438	460	413	454	504	492	492	475	507
4	452	436	460	440	442	470	443	475	465	443	455	508	465	463	479
5	376	439	443	448	417	440	473	420	454	489	437	472	503	448	446
6	428	382	455	424	450	429	446	471	418	448	487	446	451	486	450
7	401	425	389	427	415	436	421	442	476	427	447	483	416	457	471
8	375	393	425	380	434	413	441	428	445	473	424	462	483	419	463
9	588	457	462	592	547	505	476	496	455	507	527	472	505	533	488
10	424	531	508	507	451	478	436	479	491	452	501	502	457	495	527
11	395	396	429	388	422	439	408	452	438	431	415	449	464	408	460
12	259	292	320	320	301	344	403	380	448	438	445	442	459	505	460
<b>Total</b>	<b>5538</b>	<b>5,607</b>	<b>5,694</b>	<b>5,730</b>	<b>5,761</b>	<b>5,766</b>	<b>5,822</b>	<b>5,860</b>	<b>5,903</b>	<b>6,042</b>	<b>6,104</b>	<b>6,255</b>	<b>6,205</b>	<b>6,267</b>	<b>6,328</b>

Change from 2000

646

11.6%

Percentage

1.2%

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Growth	69	87	56	31	5	56	38	45	129	62	151	-26	32	61
Percent	1.2%	1.6%	0.9%	0.5%	0.1%	1.0%	0.7%	0.7%	2.4%	1.0%	2.5%	-0.3%	0.5%	1.0%
Totals	3113	3161	3116	3151	3161	3187	3163	3149	3314	3345	3445	3451	3450	3479
by	775	814	807	849	846	862	870	822	900	871	945	899	876	934
Level	1687	1719	1907	1751	1765	1773	1807	1932	1628	1889	1965	1885	1941	1915

**Medium Range Forecast (RECOMMENDED)**

6 year Enroll Projections	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Median	474	487	492	497	497	496	494	490	487	482	476	469	462	455	448	441	434	427	420	413
% County	33.7%	33.2%	33.0%	32.8%	32.6%	32.4%	32.3%	32.1%	31.9%	31.7%	31.5%	31.3%	31.1%	30.9%	30.7%	30.5%	30.3%	30.1%	29.9%	29.7%
City Circle	668	666	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683
	94.5%	93.2%	93.0%	93.1%	93.2%	93.3%	93.4%	93.5%	93.6%	93.7%	93.8%	93.9%	94.0%	94.1%	94.2%	94.3%	94.4%	94.5%	94.6%	94.7%

Rollup	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2014-15	0.960	1.002	1.019	1.035	1.051	1.067	1.083	1.099	1.115	1.131	1.147	1.163	1.179	1.195	1.211	1.227	1.243	1.259	1.275	1.291
2021-25	1.017	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2025-30	1.031	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%
1	538	523	508	493	478	463	448	433	418	403	388	373	358	343	328	313	298	283	268	253
2	541	529	519	501	482	463	444	425	406	387	368	349	330	311	292	273	254	235	216	197
3	518	546	532	522	505	485	465	445	425	405	385	365	345	325	305	285	265	245	225	205
4	509	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519
5	477	507	512	517	522	527	532	537	542	547	552	557	562	567	572	577	582	587	592	597
6	442	472	505	538	571	604	637	670	703	736	769	802	835	868	901	934	967	1000	1033	1066
7	445	439	423	407	391	375	359	343	327	311	295	279	263	247	231	215	199	183	167	151
8	475	449	423	397	371	345	319	293	267	241	215	189	163	137	111	85	59	33	7	-19
9	513	529	496	463	430	397	364	331	298	265	232	199	166	133	100	67	34	1	-32	-65
10	458	500	520	540	560	580	600	620	640	660	680	700	720	740	760	780	800	820	840	860
11	477	473	459	445	431	417	403	389	375	361	347	333	319	305	291	277	263	249	235	221
12	475	469	453	437	421	405	389	373	357	341	325	309	293	277	261	245	229	213	197	181
Tot	6,386	6,414	6,454	6,585	6,642	6,714	6,813	6,977	7,087	7,180	7,252	7,296	7,336	7,389	7,486	7,553	7,620	7,684	7,741	7,794

Change	Percent	Percentage										Annual	12%							
		1%	2%	3%	4%	5%	6%	7%	8%	9%	10%									
K-6	25%	35%	45%	55%	65%	75%	85%	95%	105%	115%	125%	135%	145%	155%	165%	175%	185%	195%	205%	215%
7-8	32%	37%	42%	47%	52%	57%	62%	67%	72%	77%	82%	87%	92%	97%	102%	107%	112%	117%	122%	127%
9-12	13%	14%	15%	16%	17%	18%	19%	20%	21%	22%	23%	24%	25%	26%	27%	28%	29%	30%	31%	32%

\*The District reconfigured grade levels in 2014 to K-5, 6-8, and 9-10. The totals above reflect K-6 and 7-8 but may be manually adjusted.

Appendix D  
Student Generation Rate Methodology



## Memorandum

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Date: December 15, 2016

To: Dr. Carl Bruner, Superintendent, Mount Vernon School District  
Carol Ledin, Superintendent's Assistant, Mount Vernon School District

From: Julia Walton, Principal, 3 Square Blocks  
Casey Bradfield, Associate Planner, 3 Square Blocks

Re: Findings – Student Generation Rates

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This memorandum contains findings for the Mount Vernon School District's 2016 student generation rates.

The methodology used to produce these rates is consistent with the methodology previously developed by consultant Mike McCormick and successfully applied for a number of school districts in Western Washington, including the Mount Vernon School District. The rates were calculated for single-family development and multi-family development.<sup>1</sup> The study area included all land within the Mount Vernon School District. The analysis used data on current student addresses, single-family residential development built within the study area from 2011 through 2015, and multi-family residential development built within the study area from 2008 through 2015.<sup>2</sup> The primary sources of information were the Mount Vernon School District and Skagit County Assessor.<sup>3</sup>

The analysis involved comparing student street addresses with residential development street addresses to identify matches where current students were living in recently built housing units in the study area. The data was broken out to show the number of student matches per grade grouping for each type of residential development. Student generation rates were calculated by dividing the number of student matches by the number of housing units built for each category. The resulting findings are presented in the summary table on the following page.

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<sup>1</sup>For the purposes of this analysis, single-family development was defined to include single family homes, mobile homes and accessory dwelling units. Multi-family development was defined to include residential development containing more than one housing unit, such as duplexes, condos, townhomes and apartments.

<sup>2</sup>We typically use data on residential development from the most recent five-year period to calculate student generation rates. The multi-family development data for the District from 2011 through 2015 contained one apartment development, Villa San Isidro, with a much higher rate of students to units than is typical for the District. This development was treated as an outlier and removed from the dataset. There were an insufficient number of new housing units in the updated dataset to calculate multi-family student generation rates. For this reason, the dataset was expanded to years 2008 through 2015. This is consistent with how the District last calculated multi-family student generation rates, in 2012.

<sup>3</sup>The data provided by the District contained the grade and street address for each student in the District based on fall 2016 enrollment data. The data provided by the Skagit County Assessor contained information for all single-family residential housing units constructed within the study area from 2011 through 2015, and all multi-family residential units built from 2008 through 2015, including the year built, improvement type, number of units, street address and parcel number.

Table 1. 2016 Mount Vernon School District Student Generation Rates

	Single-Family	Multi-family
Student Generation Rates		
Elementary (K through 5)	0.179	0.036
Middle School (6 through 8)	0.086	0.013
High School (9 through 12)	0.108	0.000
Total	0.373	0.055

*Note: Totals may not balance due to rounding*

Attachment: Mount Vernon School District 2016 Student Generation Rates Detail

Attachment 1: Mount Vernon School District 2016 Student Generation Rates Detail

	Single-Family	Multi-family
<b>Student Generation Rates</b>		
Elementary (K through 5)	0.179	0.036
Middle School (6 through 8)	0.036	0.016
High School (9 through 12)	0.106	0.000
<b>Total</b>	<b>0.373</b>	<b>0.055</b>
<b>New Housing Units Built in the District</b>		
Single-Family (2011-2015)	633	NA
Multi-Family (2008-2015)	NA	55
<b>Students Living at the Housing Units, In Fall 2016</b>		
Kindergarten	24	0
Grade 1	20	0
Grade 2	27	2
Grade 3	10	0
Grade 4	19	0
Grade 5	14	0
Grade 6	22	1
Grade 7	18	0
Grade 8	15	0
Grade 9	24	0
Grade 10	17	0
Grade 11	13	0
Grade 12	10	0
<b>Elementary Total (K through 5)</b>	<b>114</b>	<b>2</b>
<b>Middle School Total (6 through 8)</b>	<b>55</b>	<b>1</b>
<b>High School Total (9 through 12)</b>	<b>69</b>	<b>0</b>
<b>Total (All Grades)</b>	<b>238</b>	<b>3</b>

# Mount Vernon School District School Impact Fee Update

*Presentation to the City of Mount Vernon  
December 2018*

# Overview and History of Updates

- The District's 2017 Capital Facilities Plan is the basis for the proposed school impact fees.
  - District has prepared a CFP and requested impact fees since 1993, just shortly after the adoption of the State Growth Management Act.
- The 2017 CFP is the District's eighth update since 1993. The last update occurred in 2014
- Work on the update began in 2016 to coincide with the District's bond planning. The District's Board of Directors adopted the CFP in November 2017 and a copy of the adopted CFP was forwarded to the City shortly thereafter.
- City Council adopted the 2017 Capital Facilities Plan by reference in the City's Comprehensive Plan in September 2018.
- The update is prepared and the school impact fees are calculated consistent with GMA requirements.

# School District Overview

- 6,678 Full-Time Equivalent (FTE) students in the 2016–17 school year
  - October 2018 FTE: 6,721
    - 79 students or 1.19% above projections for 2018 in CFP
  - District's FTE enrollment has grown by 6.0% since October 2011. Growth has occurred at all grade levels
- Enrollment is expected to grow to 7,097 students by the 2022–23 school year
  - October 2018 actual FTE is +79 students over projected 2018 enrollment as stated in the CFP
  - Increases expected at all grade levels

# District Capacity Needs

- The District projects enrollment growth at all three grade levels through 2023.
- By the 2022–23 school year, new capacity needed at all three grade levels to serve students expected from new growth.
- February 2016 Bond: the District’s voters approved a \$106.4 million bond for school construction including:
  - Construction of a new elementary school at East Division (Harriet Rowley);
  - Replace and expand Madison Elementary School;
  - Add capacity at LaVenture Middle School;
  - Replace and expand the Agriculture Building at the High School; and
  - Renovate and modernize Old Main at the High School.
- By 2022–23, new capacity expected as follows:
  - K–5: 675 net new seats (after Lincoln El repurposed)
  - 6–8: 240 new seats
  - 9–12: 436 new seats
- Flexibility with additional temporary capacity in portable facilities.

# How Does MSD Plan to Fund New Capacity?

- February 2016 Bond
- School Impact Fees: Offset costs to local community by gaining share of growth-related costs from new development
- State School Construction Funding: Certain bond projects qualify for some state funding offset (anticipated in bond request)

# Impact Fee Formula

- Based on widely-used and accepted formula for determining proportionate share per new dwelling unit.
- Separate fees are calculated for single family and multi-family units because each unit type has a unique impact based on the average number of students residing in the unit type.
- Formula determines the cost per dwelling unit of identified growth related capacity projects.
  - MVSD's formula includes new capacity at all grade levels.
- Provides a credit against the calculated cost per dwelling unit for
  - The estimated state matching funds the District will receive for the project; and
  - The estimated taxes that a new homeowner will pay toward the school construction bond passed in 2016
- The calculated fee is then discounted by 35%
  - \$9,421 per new single family dwelling unit
  - \$1, 134 per new multi-family dwelling unit

# Comparison of 2014 and 2017 School Impact Fees

	2014	2017
<i>Capacity Projects in Formula</i>	Elem and Middle	Elem, Middle, and High
<i>Single Family Fee (as discounted)</i>	\$6,685 (reduced 23% from \$8,646)	\$9,421 (reduced 35% from \$14,495)
<i>Multi-Family Fee (as discounted)</i>	\$875 (reduced 10% from \$972)	\$1,134 (reduced 10% from \$1,260)
<i>Variables</i>	High School capacity eligible but not included in formula (calculated fee would have been higher if included)	Elem construction costs up from 2014 estimates  Student Generation Rates stable  Higher tax credit due to 2016 bond passage

# MVSD Fee History

		1993	1995	1998	2005	2007	2009	2014	2017
Single Family	Calculated Fee	\$6,645	\$5,246	Unknown	\$8,276	\$10,620	\$10,284	\$8,646	\$14,495
	Amount Assessed	\$2,658	\$2,885	\$2,912	\$5,000	\$6,903	\$6,684	\$6,658	\$9,421*
	Discount	60%	45%	Unknown	40%	35%	35%	23%	35%
Multi Family	Calculated Fee	\$6,539	\$4,043	Unknown	\$3,631	\$2,560	\$3,442	\$972	\$1,260
	Amount Assessed	\$2,617	\$2,219	\$2,219	\$2,900	\$1,664	\$2,237	\$875	\$1,134*
	Discount	60%	45%	Unknown	20%	35%	35%	10%	10%

\*Proposed to City of Mount Vernon.

\*Fee as adopted by Skagit County May 2018.

# School Impact Fee Comparison Snohomish County School Districts Adopted 2018

School District	Single Family	Multi-Family	Discount Rate**
Proposed MVSD	\$9,421	\$1,134	35%-10%
Arlington	\$4,756	\$6,790	50%
Edmonds	\$0	\$0	N/A
Everett	\$14,387	\$9,195	50%
Lake Stevens	\$7,024	\$3,512	50%
Lakewood	\$847	\$2,022	50%
Marysville	\$0	\$0	N/A
Monroe	\$3,956	\$6,276	50%/57%
Mukilteo	\$4,275	\$5,768	50%
Northshore	\$16,038	\$1,818	50%
Snohomish	\$0	\$0	N/A
Sultan	\$1,132	\$1,374	50%
**SCC requires 50% discount from calculated fee			

# Questions?



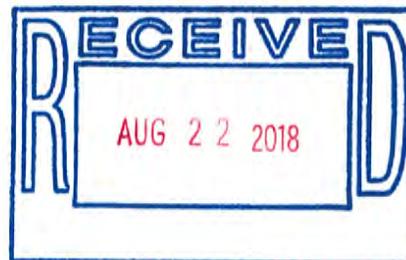
Mount

Vernon  
Schools

*Successful Learners Strengthening Our Community*

August 17, 2018

Mayor Jill Boudreau  
City of Mount Vernon  
910 Cleveland Avenue  
Mount Vernon, WA 98273



RE: School Impact Fees

Dear Mayor Boudreau:

The Mount Vernon School District appreciates the City of Mount Vernon's careful consideration of the District's 2017 Capital Facilities Plan (CFP) and updated school impact fees. We updated our Board of Directors at the Board's August 15<sup>th</sup> meeting regarding the City Council's desire, as expressed at the August 8<sup>th</sup> City Council meeting, that the proposed school impact fees included in the CFP be reduced by an additional amount beyond the Board's original proposal. We also discussed the concept of an impact fee waiver for low income housing.

At their August 15<sup>th</sup> meeting, the Board adopted a motion authorizing me to inform the City that the District stands by our recommendation as presented.

The construction bond approved by our voters in February 2016 was intended to address existing space shortages that have accrued over the past number of years as a result of growing student enrollment. Unlike the bond, impact fees, as you know, are intended to address future growth.

Our 2016 bond is expected to fully fund the projects we presented to voters. In our meeting with the Council, confusion on this point was voiced by some councilmembers. As we begin construction of the second new school in our district funded by that bond, we can happily share we are on time and under budget with both projects.

Leading up to their passage of our revised CFP in November 2017, the School Board discussed the impact fee rate at length. They chose to increase the discount rate for single family dwellings from 23% to 35% in light of the calculated increase.

We understand that the City Council may choose to apply a larger discount to the proposed fee included in our 2017 CFP. As you know, the discretion to assess a school impact fee sits with the City Council and, accordingly, our District's request in the CFP is in the form of a "proposed school impact fee."

Mayor Jill Boudreau  
August 17, 2018  
Page 2

Prior to the City Council's August 8<sup>th</sup> meeting, we discussed with the City the concept of adding low income housing exemption/reduction language to the school impact fee ordinance in order to address concerns related to our proposed single family school impact fee. Our Board shares concerns over the need for low income housing in our community and is willing to discuss a limited exemption that would apply only to housing needed for those with a monthly housing expense that is no greater than 30 percent of 80 percent of the median family income adjusted for family size, for the City of Mount Vernon, as reported by the United States Department of Housing and Urban Development.

Again, we thank the City for this thoughtful discussion and working together to arrive at a solution that best serves our existing and incoming school district constituents.

Sincerely,

A handwritten signature in cursive script that reads "Carl Bruner".

Carl Bruner, Ed.D.  
Superintendent and Secretary to the Board of Directors

C: Mount Vernon School District Directors



August 3, 2018

From: Skagit/Island Counties Builders Association  
To: Mount Vernon Mayor and City Council

Subj: Mount Vernon School Impact Fee Increase

Mayor Boudreau and City Council,

First, let me be very clear that the Skagit/Island Counties Builders Association (SICBA) fully supports our local school districts and the programs they offer. Every child deserves a great education opportunity. That being said, there is a cost for the facilities at every school district in the state. Maintenance and Operations levies are run periodically to pay for upkeep of current facilities and the citizens of Mount Vernon and surrounding areas within Mount Vernon School District have been very generous in supporting these levies. These levies also included a huge bond levy that was passed recently to help pay for new school facilities.

Now we are told that the Mount Vernon School District wants to raise their School Impact Fees some \$3000 on new development to take care of needed facilities for future growth. I guess the question here would be; In addition to this impact fee increase, how much more are they going to ask for in future levies to support their perceived needs for their calculated growth? Everyone pays when a levy is passed so even those who pay the impact fees up front to cover their contribution to growth will also be charged the levy amount that is passed by the voters in subsequent elections.

Calculations for school impact fees differs in various jurisdictions. We understand the Birth Rate in Skagit Valley Hospital is considered when calculating these fees. This truly is a flawed system since not everyone who is born in Skagit Valley Hospital will attend any of the schools in the Mount Vernon School District. And, in looking at the figures given by the state for historic enrollment and forecasted enrollment, it doesn't justify this increase. Yes, Mount Vernon School District has grown somewhat over the years but between 2015 and 2016 enrollment, there is only 36 more for 2016 than for 2015 and the figures aren't provided by Information and Condition of Schools (ICOS) for 2017. It is our understanding that these figures represent the actual enrollment in the Mount Vernon School District as reported by the District to ICOS. So now the question is; why is Mount Vernon School District challenging their own figures over the last number of years and the forecast provided by ICOS when the data is based on historic numbers provided by them? We would also like to know why the actual numbers are not provided through ICOS for 2017? We think this would show whether Mount Vernon is experiencing a large increase and could justify this increase. But with the figures

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National  
Association  
of Home  
Builders



provided by ICOS, it looks like the district should have grown from 6697 to 6800 (103) in 2017 and then there is a decline for two years – a small bump of 10 students in 2020 and then level for 2021 and 2022. In other words, Mount Vernon School District is not exponentially growing. In reality, it possibly experienced a bump in 2017 (the figures aren't available at this writing) and then a decline for the next 5 years.

According to RCW, if a school district is not increasing in population, they cannot impose School Impact Fees. In this case, we don't understand how the district can even propose to increase the current fees based on the numbers that are on record at the state level which come directly from the school district. How else could ICOS get the numbers and publish them each year?

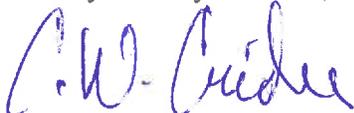
Mount Vernon School District and Sedro Woolley School District are the only two districts in Skagit County that collect School Impact Fees. What are the other districts doing to answer growth concerns? And there are none in Island County either.

That being said, the Skagit/Island Counties Builders Association requests that this council disapprove the increase in these fees until the district shows the growth that would certainly trigger the need for more facilities. Any increase in cost means more working families cannot afford to purchase a home and it also causes rental costs to increase as well. With the current homelessness crisis, it just doesn't make any sense to continue to add to the cost of housing when the need is as great as what we have today.

Below is an excerpt directly from Municipal Research and Services Center talking about School Impact Fees. So just because the district paints a great picture to support fee increases, it doesn't mean they have to be approved. In this case, the district is requesting a substantial increase.

“School impact fees are a revenue source that is worthy of consideration, especially if your local school facilities are not keeping up with growth demands. But there are other factors to consider as well. Bottom line: whether or not a local government will impose school impact fees is a discretionary decision for that jurisdiction's elected officials to consider.”

Thank you for your time,



Charles W. Crider  
Executive Officer