

CITY COUNCIL AGENDA TOPIC

Ordinance of the City of Bellevue updating the school impact fee schedule for Issaquah School District No. 411 and Renton School District No. 403; amending Sections 22.18.100 and 22.18.110 of the Bellevue City Code; providing for severability; and establishing an effective date.

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Development Services Department

EXECUTIVE SUMMARY

ACTION

This Ordinance amends Sections 22.18.100 and 22.18.110 of the Bellevue City Code (BCC) to establish that updates to the school impact fee schedule for the Issaquah School District (ISD) and Renton School District (RSD) shall be incorporated into the Development Services annual fee ordinance, effective January 1, 2026. In addition, school impact fees assessed on the construction of an accessory dwelling unit shall be 50 percent of the impact fees that would be imposed on the principal unit.

On October 28, after discussion in Study Session, Council directed staff to finalize this Ordinance for approval, and the Development Services annual fee ordinance is considered concurrently with this Ordinance..

RECOMMENDATION

Move to adopt Ordinance No. 6876

BACKGROUND/ANALYSIS

At the October 28 Study Session, Council considered amendments to BCC 22.18.100 updating the school impact fee schedule for ISD and RSD. Both ISD and RSD adopt Capital Facilities Plans (CFPs) each year, which include a determination of impact fees necessary to meet the needs of the district. The impact fee for single-family and multi-family development is consistent district-wide, irrespective of where the development is proposed. For instance, a development in Bellevue is assessed the same impact fee as a development in Issaquah for the ISD impact fee, or a development in Renton for the RSD impact fee.

Changes to impact fees for ISD and RSD are as follows:

District	Housing Type	2025	2026	Change	Reason(s)
ISD	Single Family	\$4,728	\$0	(\$4,728)	Impact fees are lower because of student generation rates and no plans for additional school construction.
	Multifamily	\$0	\$0	(\$0)	

RSD	Single Family	\$1,003	\$0	(\$1,003)	Impact fees are used to offset costs related to new schools and land acquisitions.
	Multifamily	\$3,268	\$0	(\$3,268)	

Exemptions from School Impact Fees

BCC 22.18.060 establishes development types that are exempt from the application of impact fees, including affordable housing projects with income and rent restrictions at or below 80 percent of the area median income (AMI), certain senior housing, and remodels and rehabilitations of residential units.

Bellevue Development Impacted by School Impact Fees

The areas within the City that are subject to impact fee collection are limited to portions of the Newcastle subarea in the southeast and a small section of the Newport Hills subarea in the southwest. The City Council annually approves a fee ordinance for the Development Services Department, which contains fees associated with development for the coming year; and recommended that updates to school impact fee schedule be incorporated into the annual fee ordinance in order to increase efficiency in processing updates to the school impact fee schedule and to be in force January 1, 2026. The Development Services annual fee ordinance, which incorporates the 2026 school impact fee schedule for ISD and RSD, is considered concurrently with this Ordinance.

School impact fee schedule and review

The ordinance amends Section 22.18.100 of the Bellevue City Code as follows:

The ordinance establishing fees and charges to be required and assessed by the Development Services Department, as periodically adopted or amended by action of the City Council, shall set out the schedule of school impact fees to be assessed. In addition, school impact fees assessed on the construction of an accessory dwelling unit shall be 50 percent of the impact fees that would be imposed on the principal unit.

The ordinance also amends Section 22.18.110 of the Bellevue City Code as follows:

- A. The school impact fee schedule set forth in the ordinance establishing fees and charges to be required and assessed by the Development Services Department shall, at a minimum, be reviewed and updated by the City Council on an annual basis after the Council receives the districts' plans and data. The review may, but is not required to, occur in conjunction with the annual update of the capital facilities plan.

POLICY & FISCAL IMPACTS

Policy Impact

BCC 22.18.110 requires the school impact fee schedule to be updated by Council on an annual basis after Council's receipt of each school district's CFP. Adoption of this Ordinance satisfies this BCC requirement.

Fiscal Impact

The fiscal impact of the proposed amendment is not expected to change as a result of updating the impact fee schedule or collecting impact fees on behalf of the ISD or RSD. The City collects school impact fees on behalf of these school districts for capital and system improvements, but the City does

not retain the fees or charge the school districts for this pass-through transaction. Accordingly, the City incurs minor costs to administer the impact fee program, and these costs will not change as a result of the annual fee adjustment proposed by the school districts.

OPTIONS

1. Adopt the Ordinance of the City of Bellevue updating the school impact fee schedule for Issaquah School District No. 411 and Renton School District No. 403; amending Sections 22.18.100 and 22.18.110 of the Bellevue City Code; providing for severability; and establishing an effective date.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

Proposed Ordinance No. 6876

AVAILABLE IN COUNCIL LIBRARY

N/A