Interlocal Cooperative Agreement for Collection and Distribution of Impact Fees

This Agreement is between Mount Vernon School District No. 320 ("**Partner Agency**") and Skagit County, a Washington State municipal corporation ("**County**"), pursuant to the authority granted by the Interlocal Cooperation Act, RCW Chapter 39.34.

1 General

1.1 Purpose. The Purpose of this agreement is to provide for the County's collection of impact fees for building permits that the County issues within the Partner Agency's district boundaries (if a special purpose district) or unincorporated urban growth area (if a city or town), distribution of such impact fees to the Partner Agency, and general implementation of Skagit County Code Chapter 14.30.

1.2 Representatives. The following persons are designated as representatives of the respective parties and are responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. In the event such representatives are changed, the party making the change must notify the other party.

Partner Agency Representative: Superintendent
Mount Vernon School District
124 E. Lawrence Street
Mount Vernon WA 98273

County Representative: Director of Skagit County Planning and Development Services
Skagit County Commissioners Administration Building
1800 Continental Place
Mount Vernon WA 98273
pds@co.skagit.wa.us

1.3 Replacement of prior agreements. This Agreement supersedes and replaces the impact fee provisions of any prior agreement between the parties.

1.4 Term. This Agreement begins upon mutual execution and continues until terminated by either party pursuant to paragraph 7, Termination.

2 Definitions

2.1 "Impact fee" has the same meaning as in RCW 82.02.090, ie., a payment of money imposed upon development as a condition of development approval to pay for public facilities needed to serve new growth and development, and that is reasonably related to the new development that creates additional demand and need for public facilities, that is a proportionate share of the cost of the public facilities, and that is used for facilities that reasonably benefit the new development. "Impact fee" does not include a reasonable permit or application fee.

2.2 "Public facilities" has the same meaning as in RCW 82.02.090, i.e., the following capital facilities owned or operated by government entities: (a) public streets and roads; (b) publicly owned parks, open space, and recreation facilities; (c) school facilities; and (d) fire protection facilities.

3 Responsibilities of Partner Agency

3.1 The Partner Agency will annually submit to the County the following documents:

(a) a schedule of the Partner Agency's impact fees;

(b) an explanation of the methodology the Partner Agency used to arrive at its impact fees;

(c) a six-year capital facilities plan adopted by the Partner Agency's governing body that:

(1) is valid for at least the following year, even if submitted to the County in a previous year; and

(2) includes projects with sufficient detail to substantiate the impact fees;

(d) a report for the preceding year showing the source and amount of all moneys collected, earned, or received in that year, and the public improvements that were financed in whole or in part by impact fees in that year, all as consistent with RCW 82.02.070.

3.2 The Partner Agency must submit these documents in native electronic format (i.e., not scans of paper materials) whenever possible, and may be submitted via email as direct links to the documents on the Partner Agency's website.

3.3 The Partner Agency must use impact fee funds received from the County as impact fees, and interest earned on those funds, consistent with RCW Chapter 82.02 and Skagit County Code Chapter 14.30.

3.4 The Partner Agency agrees to expend or encumber the impact fees within the period identified in RCW 82.02.070, unless the Board of County Commissioners identifies in written findings extraordinary and compelling reason or reasons for a Partner Agency to hold the fees beyond the statutory period.

3.5 The Partner Agency agrees to refund impact fees and interest earned when notified by the County that a refund is due per RCW 82.02.080 or the appeal provisions of RCW 14.30.070.

3.6 The Partner Agency agrees to amend this Agreement in the event of future changes in state law governing impact fees to ensure consistency with state law.

4 Responsibilities of the County

4.1 The County will collect impact fees consistent with Skagit County Code Chapter 14.30, Public Facilities Impact Fees, and utilize the collection, exemption, appeal, and refund procedures in that chapter.

4.2 The County will timely review and adopt the Partner Agency's capital facilities plan into the County's Comprehensive Plan and timely review and adopt the Partner Agency's revised impact fee schedule.

4.3 The County will begin collecting the impact fees specified by the Partner Agency's current fee on the first day of the year following County adoption of the Partner Agency's capital facilities plan and fee schedule, unless an earlier date is specified in the County's adopting ordinance.

4.4 The County will stop collecting impact fees after the last day of the year in which the Partner Agency's most-recently submitted six-year capital facilities financing plan expires.

4.5 The County will calculate the impact fees due for a development project. If the County receives a request for an adjustment, credit, exemption, or independent fee calculation, the County must consult with the Partner Agency prior to making a determination on the request.

4.6 The County will deposit the impact fees it collects for the Partner Agency in the Partner Agency's account with the County Treasurer (for special purpose districts), or transfer the impact fees to the Partner Agency (for cities and towns) once per month.

4.7 The County may collect a nominal fee from applicants required to pay impact fees for administering the impact fee program in the amount established by County ordinance. The County will not collect administration fees for the Partner Agency.

5 Treatment of Assets and Property

No fixed assets or personal or real property will be jointly or cooperatively, acquired, held, used, or disposed of pursuant to this Agreement.

6 Indemnification

6.1 Each party to this Agreement agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of its officials, officers, agents, and employees to the fullest extent required by law and further agrees to save, indemnify, defend, and hold harmless other parties from any such liability. However, the Partner Agency agrees to assume liability for, and indemnify, defend, and hold harmless the County for any legal challenge to the legitimacy of the Partner Agency's impact fees.

6.2 Each party shall be responsible for its own legal fees unless otherwise agreed in a separate written agreement.

6.3 No liability shall attach to the County by reason of entering into this Agreement except as expressly provided herein.

6.4 The obligations under this section 6 shall be continuing and not be diminished or extinguished by the termination of this Agreement.

7 Termination

Any party hereto may terminate this Agreement upon 30 days' notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the other party's last known address for the purposes of giving notice under this paragraph but only after the obligations of SCC Chapter 14.30 and RCW 82.02.080 have been met with regard to any unexpended or unencumbered impact fees held by the County or the

Partner Agency. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

8 Changes, Modifications, Amendments, and Waivers:

The Agreement may be changed, modified, amended, or waived only by written agreement executed by the parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

9 Severability

In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.

10 Entire Agreement

This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

The undersigned warrants that the signatory is authorized to sign this agreement on behalf of the Partner Agency.

SIGNED this 8 day of January, 2016.

Signature: Carl Bruner

Printed Name: Carl Bruner

Title: Superintendent

Partner Agency: Mount Vernon School District No. 320

SIGNED this 7 day of March, 2016.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

Lisa Janicki, Chair

Ron Wesen, Commissioner

Kenneth A. Dahlstedt, Commissioner

Attest:

Amber Erps
Clerk of the Board

Recommended:

Department Head

Approved as to form:

2/23/2016
Civil Deputy Prosecuting Attorney

Approved as to indemnification:

Risk Manager

Approved as to budget:

Budget & Finance Director