

City corrects school impact fee error as it argues to lower amount for developers

By MADELYN FAIRBANKS, Published Oct. 10, 2012

MONROE - The city says it overcharged 16 developers for school mitigation fees.

Developers pay a school impact mitigation fee based on the type of housing unit they plan to build, which then goes to the Monroe School District. The fee is intended to offset some of the impact the population increase will have on schools. The money can be used to build more space for students, including portables.

The city says it overcharged 16 single-family home builders by \$941. The fee on the books read \$4,708. The corrected amount is \$3,767. The fees on the books for multi-family dwellings, however, undercharged developers by \$1,011. The City Council corrected that amount as well last week. The fee went from \$2,075 to \$3,086.

When the city adopted its most recent capital facilities plan in September 2011, it neglected to update the impact fee amount, and the old amount remained on the books. The plan now reflects the correct fee amounts.

Public works director Brad Feilberg said at last week's council meeting that he discovered the error on Sept. 20 when he was reviewing the capital facilities plan in preparation for an upcoming planning commission meeting to discuss giving developers more of a discount on school impact fees.

The planning commission first discussed the issue Sept. 24. It is unclear if the corrected fee amounts were used.

Developers don't pay the full cost and most cities give them a discount. In Monroe, the current discount is 25 percent. The corrected fees reflect the 25 percent discount.

City economic development manager Jeff Sax is pushing for a 50 percent discount. Sax says the fee discourages development in Monroe.

Some community members disagree and would like that money to go to the schools and not in the pockets of developers.

"It hurts the schools. It's less revenue that the school district will be collecting," said Debra Kolrud, former Monroe School Board member.

The proposal to increase the discount was originally scheduled by the City Council to be docketed for review in 2013.

The city can only amend its comprehensive plan once a year and that window has closed. Impact fees are set within the comprehensive plan. But the city argues it can address the fee now because it involves capital projects.

Another public hearing on the fee discount has been scheduled before the planning commission Monday, Oct. 15.

Once the commission makes a recommendation, the City Council will hold a public hearing. The City Council is expected to vote on the issue Tuesday, Nov. 6.

