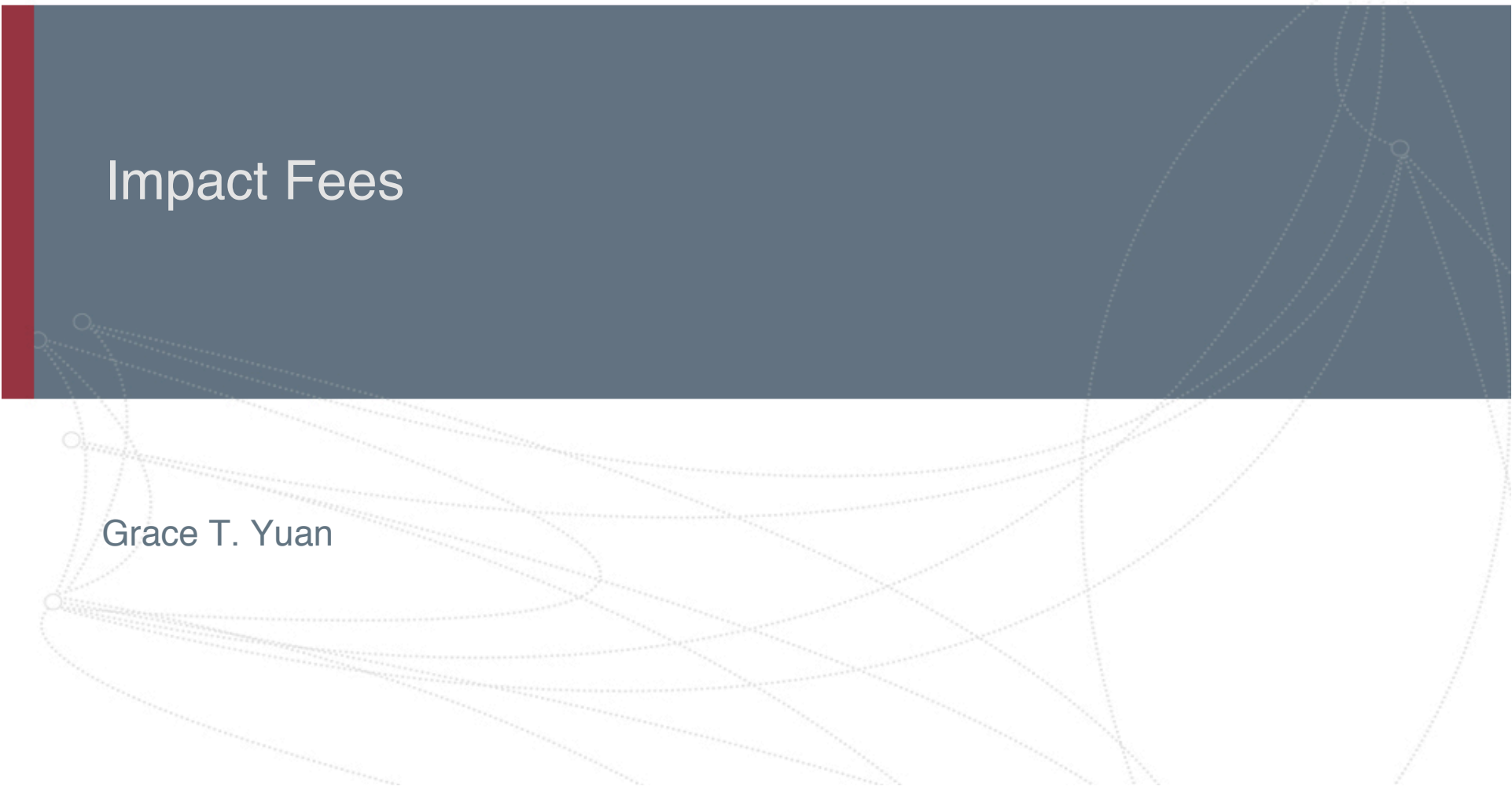



# Impact Fees

Grace T. Yuan



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## Myths Regarding Impact Fees

- Impact fees are land use regulations.
  - Impact fees must be uniform and must be spent for a facility that benefits a particular development.
  - Developers do not need to pay under protest.
  - Cities and counties always win impact fee cases.
- 

## Myth No. 1

- Impact fees are land use regulations.



## Definition of Impact Fees

"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." RCW 82.02.090(3)

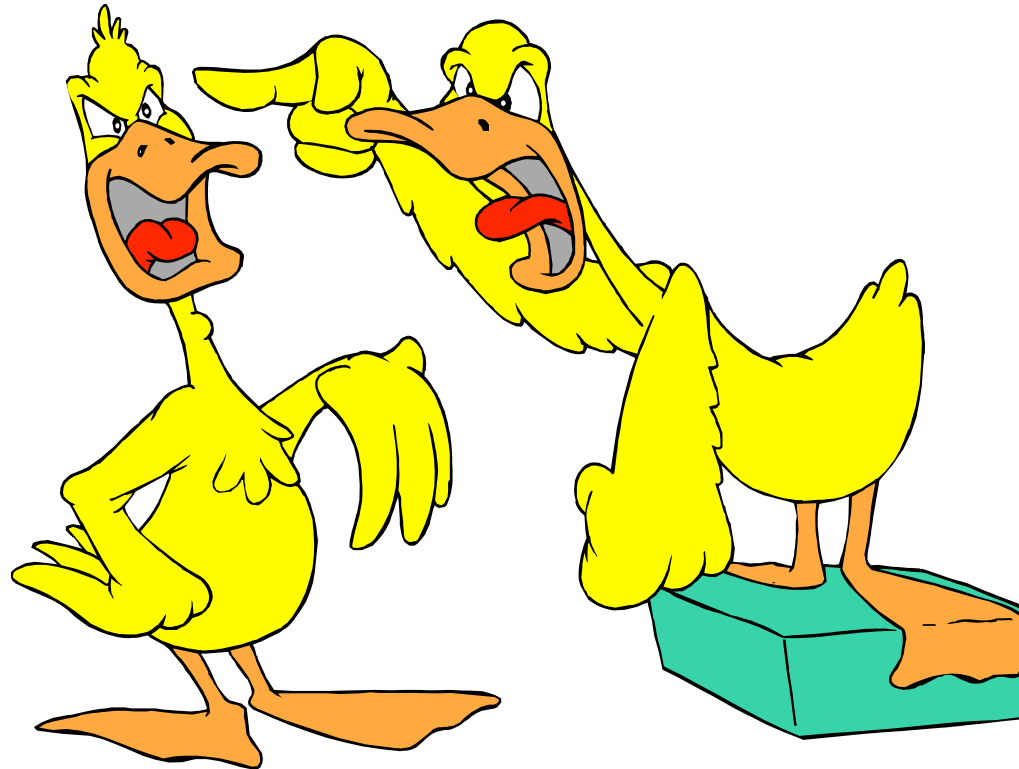
## Why is this a big deal?

- Taxes are not subject to vesting rules.
- Can choose to provide vesting.



## What was the original intent?

- ▶ [New Castle Investments v. City of La Center \(1999\)](#)



## Pavlina v. City of Vancouver (2004)

- Transportation impact fee ordinance adopted after final short plat approval.



- Not land use controls. No vesting.

## Myth No. 2

- Impact fees must be uniform and must be spent for a facility that specifically benefits a particular development.



# Application of the Uniformity Test



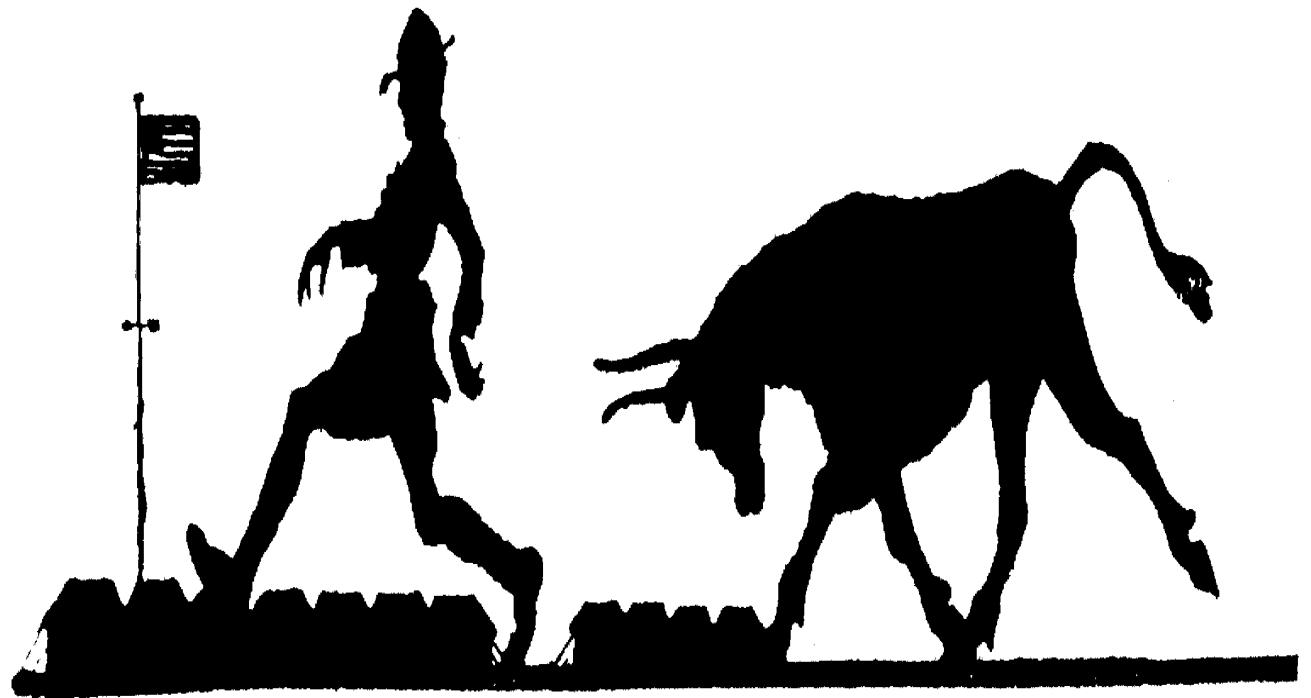
## Specific Benefit v. System Improvements

- City of Olympia v. Drebeck Investment (2006)
- Wellington River Hollow v. King County and Northshore School District (2002)
- Pavlina v. City of Vancouver (2004)



## Myth No. 3

- Developers do not need to pay under protest.





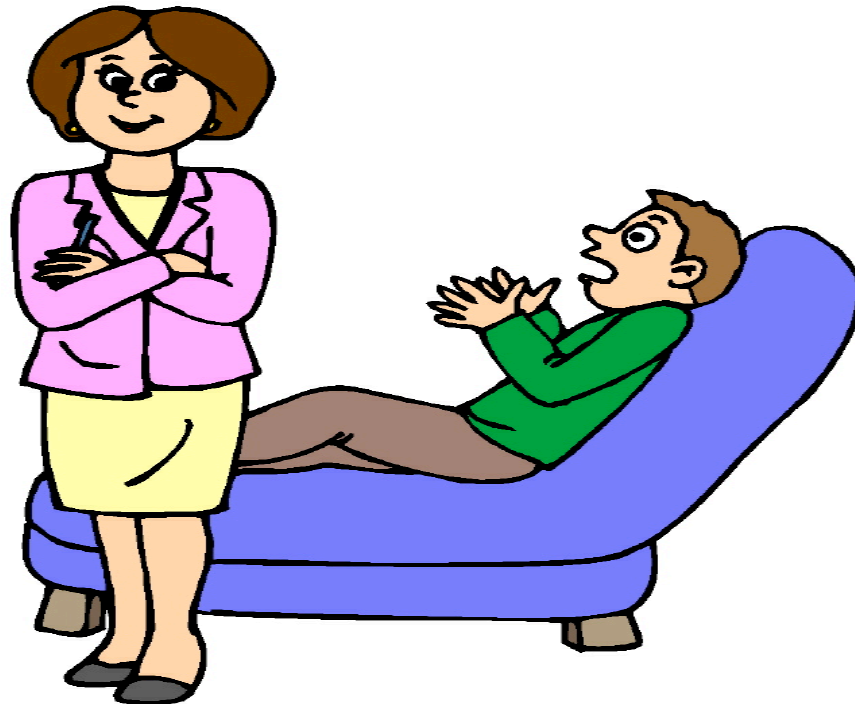
## Similar Outcome in Snohomish County Case

- Sundquist Homes et al. v. Snohomish County, et al. (2006)
  - U.S. District Court Judge dismissed the case.
  - Needed to pay the fees under protest.
  - Needed to exhaust administrative remedies.
  - U.S. Ninth Circuit Court of Appeals affirmed in 2006 after the James decision.



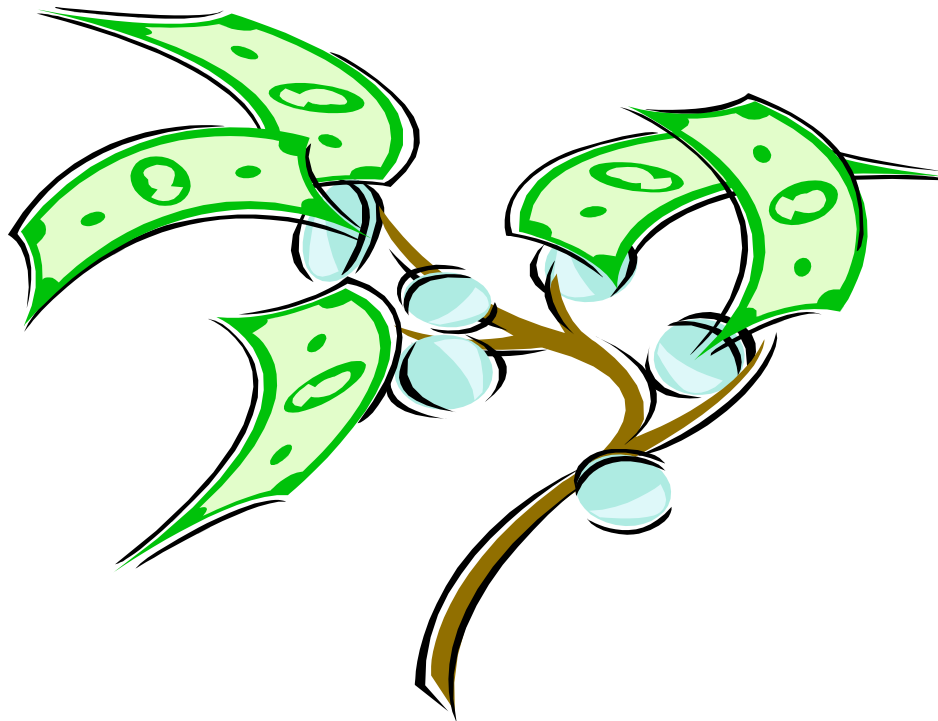
## Myth No. 4

- Cities and counties always win impact fee cases.



## Limits to Collaborative Planning

- Nolte v. City of Olympia, 96 Wn. App. 944 (1999).



# The Objective

