

CORRECTED JOB CREATION RESOLUTION NO. 2013-06- 06

A temporary resolution fostering jobs in Clark County by streamlining the permit process and waiving application, service/development review fees and traffic impact fees under the county's transportation impact fee program found in CCC Title 6 and CCC 40.610.040.

For the purposes of this resolution, a "job creation permit" shall include site plan and other nonresidential development applications regulated by Title 40.

WHEREAS, RCW 82.02.020 authorizes counties to charge an applicant reasonable fees to cover the cost of processing applications, inspections, and plan and SEPA review;

WHEREAS, RCW 82.02.050 authorizes counties to charge traffic impact fees to cover a proportionate share of the cost of providing road improvements listed in the Capital Facilities Plan; and

WHEREAS, in accordance with RCW 82.02.050-82.02.070 and Clark County policy, the Board has adopted a traffic impact fee program, as set forth in Title 40.610 of the CCC; and

WHEREAS, the recession experienced in Clark County prior to 2009 has caused a significant loss of private sector jobs, an unemployment rate exceeding fifteen percent as reported by the Washington State Department of Economic Security (August 2010), and unemployment consistently exceeding ten percent every month from December 2008 to May 2013 with consequent damaging and debilitating ripple effects throughout every sector of the economy; and

WHEREAS, because of the economic recession, the construction of industrial, mixed use, business park, commercial retail, and office developments has slowed down, resulting in adverse effects on the creation of private sector jobs within the County and negative effects on sales, real estate excise tax, and other forms of County revenue that would otherwise flow from development activity; and

WHEREAS, due to a chronic lack of good jobs in Clark County, more than 60,000 Clark County residents commute daily for work out of state, and this results in an economic loss to the economy of Clark County exceeding \$130 million per year and a Clark County tax revenue loss of over \$12 million per year; and

WHEREAS, it is important to correct any perception that Clark County is a bedroom suburb of Portland; and

WHEREAS, the cost, time, and difficulty of obtaining permits act as significant deterrents to the creation/expansion of places of employment for business and jobs; and

WHEREAS, the Board desires to spur private sector jobs-producing economic development by waiving certain fees for a temporary period as a key strategic initiative to help reduce business costs and thereby stimulate development in Industrial, Mixed Use, Business Park, Commercial, and zones within County; and



WHEREAS, the Board has previously adopted resolutions waiving Development/Inspection and Traffic Impact fees under Resolutions numbered 2012-05-02 and 2012-05-03; 2013-02-18; and

WHEREAS, the Board seeks to make these options available to particular developments by amending Resolutions named above; and

WHEREAS, following its own duly advertised public hearing, the Board finds adoption of this resolution will further the public welfare; now, therefore,

BE IT ORDERED AND RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CLARK COUNTY, STATE OF WASHINGTON

SECTION 1. Findings.

The Board hereby adopts the findings and conclusions contained in the recital clauses above as findings supporting this resolution. The Board recognizes our local jobs crisis and the necessity to take decisive action to make job creation permits, a top priority to ensure the economic viability of Clark County. These corrective actions include investments from the General Fund to provide for needed staff, to cover the costs, and to speed the permit process for job creation permits.

The Board will collect information during the application process to measure success of this resolution and provide that information to the public.

SECTION 2. Amendatory. To the extent Resolutions numbered 2012-05-02, 2012-05-03, and 2013-02-18 are inconsistent with this Resolution, each of them is amended.

SECTION 3. Applicability.

Clark County shall not collect application and service fees normally collected under the following sections at the time of application for developments meeting the requirements of this resolution:

- CCC 6.110A.010 Section 2B; 2D through 2Q, 2T through 2W, excluding the cost of an EIS; and 2X through 2AB, 2AE through 2AI.
- CCC 6.110A.020;
- CCC 6.110A.030;
- CCC 6.110A.035;
- CCC 6.110A.040, excluding Section 1C, and 1F;
- CCC 6.120.040, Sections 1-10; and
- CCC 6.140 Sections 1, 2, and the non-residential portions of 4.

Similarly, Clark County will not collect traffic impact fees required by CCC 40.610.040 for developments that meet the requirements qualifying them for the county's development Traffic Impact fees (TIF) waiver program. The criteria are restated below for reference:

A. Non-residential developments involving tenant improvements to existing buildings, the construction of new/additional buildings or subject to Site Plan approval (Eligible Developments) shall receive a one hundred percent (100%) waiver of application and service fees set out above and TIFs (Eligible fees). Clark County businesses moving from one location to another, without increasing the number of employees, are not

eligible for any waiver of fees. Developments excluded from the phrase “non-residential” include hotels, motels, senior housing, and dormitories. Facilities, where medical treatment is provided, are included.

B. This Resolution does not authorize waiver of Eligible Fees to a Development by any type of governmental agency, district or unit, except the waiver is available to post-secondary school non-residential developments in the University Zoning District.

C. Where questions of applicability arise, the Community Development Director shall determine development eligibility.

D. Eligibility under this resolution is limited to those, who by written agreement, commit to the obligations under this resolution. Purchasers of real property with development approvals, subject to waivers under this resolution, must sign an agreement with Clark County and accept both the obligations and benefits under this resolution or pay the fees subject to waiver.

The agreement will require, in addition to the other requirements of this ordinance:

- (1) the amount of taxable retail sales generated by the business, both one-time and on an ongoing basis; and
- (2) report on an annual calendar-year basis.

SECTION 4. Commencement of Construction.

Applicants receiving waivers of Eligible Fees pursuant to this Resolution must obtain approval of the first required building inspection on projects subject to this Resolution as follows:

A. For tenant improvements in existing commercial, office, and industrial buildings, no later than six (6) months from the date of permit issuance; and

B. For new construction, no later than nine (9) months from completion and acceptance of site improvements.

The applicant shall diligently pursue construction thereafter. “Diligently pursue” shall mean that the Applicant shall obtain an inspection approval at least every two months (or four months for buildings valued at greater than three million dollars).

SECTION 5 Fully-funded Transportation Improvement Program.

Eligible Applicants may also have the TIF fees, otherwise due, waived if they develop in compliance with this resolution. Developments, for which TIF fees are waived, are not entitled to TIF credits. Public Works staff shall calculate each TIF waived, monitor, and track each project as they qualify for a waiver to ensure compliance with the provisions of this resolution.

Once the development is granted final occupancy (or final approval for developments not requiring occupancy) the TIF waiver becomes permanent for each development. The waived or exempted TIF fee shall become a public share obligation of the county for Capital facility funding purposes.

SECTION 6. Abandoned Developments.

An Applicant receiving a waiver of Fees pursuant to this Resolution who fails to satisfy all of the requirements of this resolution and Applicants who fail to diligently commence or diligently pursue construction shall forfeit their approvals, and their applications will be deemed abandoned and expired, Provided, if an Applicant completes all the requirements for one class of permits such as site plan or subdivision approval, such approvals and waivers shall be final. In the event of a dispute regarding the applicability of this section, the Community Development Director shall make the final decision pursuant to the standards in this Resolution.

SECTION 7. Program Monitoring and Automatic Review of Resolution

To monitor the effectiveness of the job creation program, staff will report to the Board every six months, the number of job creation permits, the economic health, the unemployment status of Clark County, and the cost and revenue attributed to the projects that have received fee reductions or waivers.

The County discretionary portion of sales tax reported by qualifying businesses shall be identified and used to repay a proportional share of all fees waived under this program.

SECTION 8. Re-evaluation.

The Board will review eligibility for waiver of Fees including TIF's, permitting, and development/inspection fees within sixty days after the unemployment rate for covered employment in Clark County is lower than the Washington State average or immediately if the Board concludes that such action is necessary.

SECTION 9. Effective Date.

This resolution shall take effect on July 15th, 2013. Applicants who file in the interim period between June 11th, 2013 and July 15th, 2013 will be eligible for relief under this resolution.

ADOPTED this 11th day of June 2013.

BOARD OF COMMISSIONERS
FOR CLARK COUNTY


Attest:


Clerk to the Board

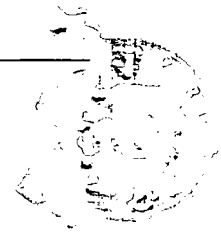
By: _____
Steve Stuart, Chair

Approved as to form only:
ANTHONY F. GOLIK
Prosecuting Attorney

By: 
Tom Mielke, Commissioner


Christopher Horne, WSBA #12557
Civil Deputy

By: 
David Madore, Commissioner



CLARK COUNTY STAFF REPORT

DEPARTMENTS: Community Development & Public Works

DATE: June 7, 2013

REQUEST: Consideration of the Job Creation Resolution, to Waive or Reduce Development and Service Application Fees and Traffic Impact Fees in Accordance with Specified Criteria for a Temporary Period

CHECK ONE: Consent Public Hearing

BACKGROUND

In response to the economic recession, the Board of Clark County Commissioners adopted a resolution waiving a broad range of building, engineering, fire, and site planning application and service fees. Resolution 2010-10-04 contained locational criteria for eligible projects but did not have a jobs-creating requirement. This first resolution expired December 30, 2011. Many proposals, from small building projects to large site plans with requisite engineering plans, took advantage of this particular resolution throughout 2010 and 2011. The total amount of fees waived was approximately \$430,000.

In early 2012, a revised resolution was adopted that was tailored to the types of job-creating activities desired by the Board. Rather than locational criteria, Resolution 2012-02-01 targeted development in the various employment zones in Clark County. It also contained a jobs-creating requirement of a minimum of fifteen (15) full-time equivalent (FTE's) employees. By May 2012, the Board re-adopted the resolution for projects whose business or businesses create at least ten (10) full-time equivalent (FTE) jobs in Clark County. The Board also adopted a companion resolution to waive or reduce Traffic Impact Fees, which included the same eligibility criteria.

Commonly referred to as 'fee holiday' resolutions, the fees waived or reduced include application and service fees normally imposed per Clark County Code (CCC) Chapter 6.110A.010 (preliminary plan review fees) section 1, 2A, 2B and 2D through 2AK, 6.110A.020 (development engineering plan review fees), 6.110A.030 (development inspection fees), 6.140 (building fees), and 6.120 (Fire Marshal fees) sections 1 to 9, 10 A, B, and D, and section 11 and Traffic Impact Fees imposed by CCC 40.610.040

On February 26, the Board adopted Resolution 2013-02-18. This resolution combined two resolutions into a single resolution and clarified that residential projects (single family, multi-family, etc.) would not be eligible to receive any fee reductions or waivers.

CURRENT PROPOSAL

The Board is interested in making a more impactful difference during this construction season specifically and with job-creation generally. In keeping with this desire, a number of amendments to Resolution 2013-02-18 are proposed as follows:

- 1) Waiving the same fees (building, development, engineering and Traffic Impact Fees) as previous resolutions;

- 2) Eliminating the job-creating requirement to hire 10 FTE's;
- 3) Providing a 100% fee waiver to projects that result in businesses creating jobs;
- 4) Eliminating churches, private non-profit organizations, and Clark County projects from the ineligible list of proponents;
- 5) Providing for a monitoring program to report to the Board every six (6) months;
- 6) Replacing the termination clause from a date certain (tied to the County's 2013-2014 budget) to the time when unemployment rate for covered employees in Clark County is at or less than that of Washington state.

COMMUNITY OUTREACH

Through a variety of media sources (such as the county website, news releases, etc.), Clark County and Public Information and Outreach Office staff will promote and work with economic development organizations to foster local job creation to help get Clark County back to work.

BUDGET AND POLICY IMPLICATIONS

Fee waivers or reductions in the proposed resolution represent a cost to the county budget since those fees would normally be collected for services performed by the Community Development, Environmental Services, and Public Works departments.

Regarding waiving building, development and engineering review and inspection fees, the impact to the General Fund is estimated to be \$1.8 million per year, based on the adopted 2013-2014 budget. Regarding waiving Traffic Impact Fees (TIF's), the impact to the Road Fund is estimated to be less than \$1.5 million per year as this number includes residential TIFs which would not be waived.

FISCAL IMPACTS

Yes (see attached form) No

ACTION REQUESTED

Hold a public hearing on this proposed resolution. Consider the proposed Job Creation Resolution and any proposed amendments from the public and/or the Board members. Adopt the Job Creation Resolution as proposed or with agreed to amendments.

DISTRIBUTION

Board of Clark County Commissioners; County Auditor; Budget Director; Community Development Director; Environmental Services Director; Public Works Director



 Martin L. Snell, Director
 Community Development

Approved: _____
 CLARK COUNTY
 BOARD OF COMMISSIONERS

FISCAL IMPACT ATTACHMENT

Part I: Narrative Explanation

I. A – Explanation of what the request does that has fiscal impact and the assumptions for developing revenue and costing information

Based on the adopted 2013-2014 budget, building, development and engineering review and inspection fees, an estimated \$1.8 million could be waived. The General Fund would then be obligated to cover the fees waived. In addition, the Traffic Impact Fee Funds which support Road Fund projects will forego about \$3,000,000 in revenue.

Part II: Estimated Revenues

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
GF Reimbursement to 1011 and 1012		3,600,000				
Loss of TIF Revenue to TIF Funds		-3,000,000				
Total		600,000				

II. A – Describe the type of revenue (grant, fees, etc.)

Part III: Estimated Expenditures

III. A – Expenditures summed up

Fund #/Title	FTE's	Current Biennium		Next Biennium		Second Biennium	
		GF	Total	GF	Total	GF	Total
GF Reimbursements		3,600,000	3,600,000				
Total		3,600,000	3,600,000				

III. B – Expenditure by object category

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
Salary/Benefits						
Contractual						
Supplies						
Travel						
Other controllables (ER&R)						
Capital Outlays						
Inter-fund Transfers (IER&R)	3,600,000	3,600,000				
Debt Service						
Total	3,600,000	3,600,000				