
Local Government Committee

HB 2604

Brief Description: Exempting low-income housing and development activities with broad public purposes from impact fees.

Sponsors: Representatives Simpson, Ormsby and Chase.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Deletes a provision obligating local governments to pay impact fees from qualifying public funds upon exempting low-income housing or other broad public purpose development activities from fee requirements.
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Hearing Date: 1/24/08

Staff: Ethan Moreno (786-7386).

Background:

Growth Management Act

The Growth Management Act (GMA or Act) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA establishes numerous requirements for local governments obligated by mandate or choice to fully plan under the Act (planning jurisdictions) and a reduced number of directives for all other counties and cities. Twenty-nine of Washington's 39 counties, and the cities within those counties, are planning jurisdictions.

Impact Fees

Planning jurisdictions may impose impact fees on development activity as part of the financing of public facilities needed to serve new growth and development. This financing must provide a balance between impact fees and other sources of public funds and cannot rely solely on impact fees. Additionally, impact fees:

- May only be imposed for system improvements, a term defined in statute, that are reasonably related to the new development;
- May not exceed a proportionate share of the costs of system improvements; and

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- Must be used for system improvements that will reasonably benefit the new development.

Impact fees may be collected and spent only for qualifying public facilities that are included within a capital facilities plan element of a comprehensive plan. "Public facilities," within the context of impact fee statutes, are the following capital facilities that are owned or operated by government entities:

- Public streets and roads;
- Publicly owned parks, open space, and recreation facilities;
- School facilities; and
- Fire protection facilities in jurisdictions that are not part of a fire district.

County and city ordinances by which impact fees are imposed must conform with specific requirements. Among other obligations, these ordinances:

- Must include a schedule of impact fees for each type of development activity for which a fee is imposed;
- May provide an exemption for low-income housing and other development activities with broad public purposes. The impact fees for this development activity, however, must be paid from public funds other than impact fee accounts; and
- Must allow the imposing jurisdiction to adjust the standard impact fee for unusual circumstances in specific cases to ensure that fees are imposed fairly.

Summary of Bill:

A provision requiring local governments to pay impact fees from qualifying public funds upon exempting low-income housing or other broad public purpose development activities from impact fees is deleted.

Appropriation: None.

Fiscal Note: Requested on 1/19/2008.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.