

SSB 6294 - H COMM AMD

By Committee on Community Development, Housing & Tribal Affairs

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 82.02.060 and 2012 c 200 s 1 are each amended to
4 read as follows:

5 (1) The local ordinance by which impact fees are imposed:

6 ~~((1) Shall))~~ (a) Must include a schedule of impact fees ~~((which~~
7 ~~shall be))~~ that are adopted for each type of development activity
8 that is subject to impact fees, specifying the amount of the impact
9 fee to be imposed for each type of system improvement. The schedule
10 ~~((shall))~~ must be based upon a formula or other method of calculating
11 such impact fees. In determining proportionate share, the formula or
12 other method of calculating impact fees ~~((shall))~~ must incorporate,
13 among other things, the following:

14 ~~((a))~~ (i) The cost of public facilities necessitated by new
15 development;

16 ~~((b))~~ (ii) An adjustment to the cost of the public facilities
17 for past or future payments made or reasonably anticipated to be made
18 by new development to pay for particular system improvements in the
19 form of user fees, debt service payments, taxes, or other payments
20 earmarked for or proratable to the particular system improvement;

21 ~~((c))~~ (iii) The availability of other means of funding public
22 facility improvements;

23 ~~((d))~~ (iv) The cost of existing public facilities improvements;
24 and

25 ~~((e))~~ (v) The methods by which public facilities improvements
26 were financed;

27 ~~((2))~~ (b) May provide an exemption for ~~((low-income housing,~~
28 ~~and other))~~ development activities with broad public purposes, from
29 these impact fees, provided that the impact fees for such development
30 activity ~~((shall be))~~ are paid from public funds other than impact
31 fee accounts;

1 ~~((3))~~ (c) May provide an exemption from impact fees for low-
2 income housing. Local governments that grant exemptions for low-
3 income housing under this subsection ~~((3))~~ (1)(c) may either: Grant
4 a partial exemption of not more than eighty percent of impact fees,
5 in which case there is no explicit requirement to pay the exempted
6 portion of the fee from public funds other than impact fee accounts;
7 or provide a full waiver, in which case the remaining percentage of
8 the exempted fee must be paid from public funds other than impact fee
9 accounts. An exemption for low-income housing granted under (b) of
10 this subsection ~~((2) of this section)~~ or this subsection ~~((3))~~
11 (1)(c) must be conditioned upon requiring the developer to record a
12 covenant that, except as provided otherwise by this subsection,
13 prohibits using the property for any purpose other than for low-
14 income housing. At a minimum, the covenant must address price
15 restrictions and household income limits for the low-income housing,
16 and that if the property is converted to a use other than for low-
17 income housing, the property owner must pay the applicable impact
18 fees in effect at the time of conversion. Covenants required by this
19 subsection must be recorded with the applicable county auditor or
20 recording officer. A local government granting an exemption under
21 ~~((subsection (2) of this section or))~~ this subsection ~~((3))~~ (1)(c)
22 for low-income housing may not collect revenue lost through granting
23 an exemption by increasing impact fees unrelated to the exemption. A
24 school district who receives school impact fees must approve any
25 exemption under ~~((subsection (2) of this section or))~~ this subsection
26 ~~((3))~~ (1)(c);

27 ~~((4) Shall)~~ (d) Must provide a credit for the value of any
28 dedication of land for, improvement to, or new construction of any
29 system improvements provided by the developer, to facilities that are
30 identified in the capital facilities plan and that are required by
31 the county, city, or town as a condition of approving the development
32 activity;

33 ~~((5) Shall)~~ (e) Must allow the county, city, or town imposing
34 the impact fees to adjust the standard impact fee at the time the fee
35 is imposed to consider unusual circumstances in specific cases to
36 ensure that impact fees are imposed fairly;

37 ~~((6) Shall)~~ (f) Must include a provision for calculating the
38 amount of the fee to be imposed on a particular development that
39 permits consideration of studies and data submitted by the developer
40 to adjust the amount of the fee;

1 (~~(7) Shall~~) (g) Must establish one or more reasonable service
2 areas within which it (~~shall~~) calculates and imposes impact fees
3 for various land use categories per unit of development; and

4 (~~(8)~~) (h) May provide for the imposition of an impact fee for
5 system improvement costs previously incurred by a county, city, or
6 town to the extent that new growth and development will be served by
7 the previously constructed improvements provided such fee (~~shall~~)
8 may not be imposed to make up for any system improvement
9 deficiencies.

10 (2) For purposes of this section, "low-income housing" means
11 housing with a monthly housing expense, that is no greater than
12 thirty percent of eighty percent of the median family income adjusted
13 for family size, for the county where the project is located, as
14 reported by the United States department of housing and urban
15 development.

16 **Sec. 2.** RCW 82.02.090 and 2010 c 86 s 1 are each reenacted and
17 amended to read as follows:

18 (~~Unless the context clearly requires otherwise, the following~~
19 ~~definitions shall apply in RCW 82.02.050 through 82.02.090:~~) The
20 definitions in this section apply throughout RCW 82.02.050 through
21 82.02.090 unless the context clearly requires otherwise.

22 (1) "Development activity" means any construction or expansion of
23 a building, structure, or use, any change in use of a building or
24 structure, or any changes in the use of land, that creates additional
25 demand and need for public facilities. "Development activity" does
26 not include:

27 (a) Buildings or structures constructed by a regional transit
28 authority; or

29 (b) Buildings or structures constructed as shelters that provide
30 emergency housing for people experiencing homelessness, or emergency
31 shelters for victims of domestic violence, as defined in RCW
32 70.123.020.

33 (2) "Development approval" means any written authorization from a
34 county, city, or town which authorizes the commencement of
35 development activity.

36 (3) "Impact fee" means a payment of money imposed upon
37 development as a condition of development approval to pay for public
38 facilities needed to serve new growth and development, and that is
39 reasonably related to the new development that creates additional

1 demand and need for public facilities, that is a proportionate share
2 of the cost of the public facilities, and that is used for facilities
3 that reasonably benefit the new development. "Impact fee" does not
4 include a reasonable permit or application fee.

5 (4) "Owner" means the owner of record of real property, although
6 when real property is being purchased under a real estate contract,
7 the purchaser (~~(shall be)~~) is considered the owner of the real
8 property if the contract is recorded.

9 (5) "Project improvements" mean site improvements and facilities
10 that are planned and designed to provide service for a particular
11 development project and that are necessary for the use and
12 convenience of the occupants or users of the project, and are not
13 system improvements. (~~(No)~~) An improvement or facility included in a
14 capital facilities plan approved by the governing body of the county,
15 city, or town (~~(shall be)~~) is not considered a project improvement.

16 (6) "Proportionate share" means that portion of the cost of
17 public facility improvements that are reasonably related to the
18 service demands and needs of new development.

19 (7) "Public facilities" means the following capital facilities
20 owned or operated by government entities: (a) Public streets and
21 roads; (b) publicly owned parks, open space, and recreation
22 facilities; (c) school facilities; and (d) fire protection
23 facilities.

24 (8) "Service area" means a geographic area defined by a county,
25 city, town, or intergovernmental agreement in which a defined set of
26 public facilities provide service to development within the area.
27 Service areas (~~(shall)~~) must be designated on the basis of sound
28 planning or engineering principles.

29 (9) "System improvements" mean public facilities that are
30 included in the capital facilities plan and are designed to provide
31 service to service areas within the community at large, in contrast
32 to project improvements.

33 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
34 preservation of the public peace, health, or safety, or support of
35 the state government and its existing public institutions, and takes
36 effect April 1, 2018."

37 Correct the title.

EFFECT: Removes a reference to shelters in the covenant recording requirement for low-income housing developers to receive an exemption from income fees.

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