

FINAL BILL REPORT

SHB 2538

C 133 L 18
Synopsis as Enacted

Brief Description: Exempting impact fees for low-income housing development.

Sponsors: House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives McBride, Barkis, Appleton, Peterson, Springer, Slatter, Gregerson, Kagi, Wylie, Chapman, Senn, Stanford, Kloba and Santos).

House Committee on Community Development, Housing & Tribal Affairs
Senate Committee on Local Government

Background:

Counties that meet certain population thresholds are required to develop a comprehensive land-use plan to address a variety of elements relating to the impacts of economic and population growth. Counties that do not meet the population thresholds may also opt to develop such a plan.

Any county that is required, or otherwise opts, to create a comprehensive land-use plan is authorized to impose impact fees, through local ordinances, on development activities, as specified in such ordinances, to assist in the financing of system improvements to public facilities. "Development activity" is defined as any construction or expansion of a building or change in use of a building or land that creates additional demand for public facilities, except buildings constructed by a regional transit authority.

Local ordinances imposing impact fees may provide an exemption from such fees for low-income housing, and other unspecified development activities with "broad public purpose," in which case, the impact fees that otherwise would have been paid by the developer must be paid from other public funds. Low-income housing is defined as housing with a monthly rent capped at an amount equal to 30 percent of 80 percent of the county median family income. When a local ordinance exempts low-income housing from impact fees, it must be through one of the following mechanisms:

- a partial exemption up to 80 percent of the impact fee, in which case the exempted amount is not required to be paid from other public funds; or
- a full waiver beyond the allowed exemption amount (up to 80 percent), in which case the amount waived beyond the allowed exemption must be paid from other public funds.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary:

The definition of "development activity" does not include buildings or structures constructed as shelters that provide emergency housing for people experiencing homelessness, or emergency shelters for victims of domestic violence. As a result, the building of shelters is not subject to impact fees.

Votes on Final Passage:

| | | |
|--------|----|---|
| House | 96 | 2 |
| Senate | 45 | 4 |

Effective: April 1, 2018