SUBSTITUTE HOUSE BILL 2538

State of Washington 65th Legislature 2018 Regular Session

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

READ FIRST TIME 01/26/18.

- AN ACT Relating to exempting impact fees for low-income housing development; reenacting and amending RCW 82.02.090; providing an effective date; and declaring an emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 82.02.090 and 2010 c 86 s 1 are each reenacted and 6 amended to read as follows:
 - ((Unless the context clearly requires otherwise, the following definitions shall apply in RCW 82.02.050 through 82.02.090:)) The definitions in this section apply throughout RCW 82.02.050 through 82.02.090 unless the context clearly requires otherwise.
- 11 (1) "Development activity" means any construction or expansion of 12 a building, structure, or use, any change in use of a building or 13 structure, or any changes in the use of land, that creates additional 14 demand and need for public facilities. "Development activity" does 15 not include:
- 16 <u>(a) B</u>uildings or structures constructed by a regional transit 17 authority<u>; or</u>
- 18 <u>(b) Buildings or structures constructed as shelters that provide</u> 19 <u>emergency housing for people experiencing homelessness, or emergency</u>
- 20 <u>shelters for victims of domestic violence, as defined in RCW</u>

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1 (2) "Development approval" means any written authorization from a 2 county, city, or town which authorizes the commencement of 3 development activity.

- (3) "Impact fee" means 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, and that is reasonably related to the new development that creates additional demand and need for public facilities, that is a proportionate share of the cost of the public facilities, and that is used for facilities that reasonably benefit the new development. "Impact fee" does not include a reasonable permit or application fee.
- (4) "Owner" means the owner of record of real property, although when real property is being purchased under a real estate contract, the purchaser ((shall be)) is considered the owner of the real property if the contract is recorded.
- (5) "Project improvements" mean site improvements and facilities that are planned and designed to provide service for a particular development project and that are necessary for the use and convenience of the occupants or users of the project, and are not system improvements. $((N\Theta))$ An improvement or facility included in a capital facilities plan approved by the governing body of the county, city, or town ((shall be)) is not considered a project improvement.
- (6) "Proportionate share" means that portion of the cost of public facility improvements that are reasonably related to the service demands and needs of new development.
- (7) "Public facilities" means the following capital facilities owned or operated by government entities: (a) Public streets and roads; (b) publicly owned parks, open space, and recreation facilities; (c) school facilities; and (d) fire protection facilities.
- (8) "Service area" means a geographic area defined by a county, city, town, or intergovernmental agreement in which a defined set of public facilities provide service to development within the area. Service areas ((shall)) must be designated on the basis of sound planning or engineering principles.
- 36 (9) "System improvements" mean public facilities that are 37 included in the capital facilities plan and are designed to provide 38 service to service areas within the community at large, in contrast 39 to project improvements.

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<u>NEW SECTION.</u> **Sec. 2.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect April 1, 2018.

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