

SENATE BILL REPORT

SB 6388

As of January 30, 2020

Title: An act relating to impact fees for multifamily and single-family housing.

Brief Description: Concerning impact fees for multifamily and single-family housing.

Sponsors: Senator Zeiger.

Brief History:

Committee Activity: Housing Stability & Affordability: 1/27/20.

Brief Summary of Bill

- Prohibits local ordinances from charging a higher per unit impact fee for multifamily residential construction than for single-family residential construction.

SENATE COMMITTEE ON HOUSING STABILITY & AFFORDABILITY

Staff: Brandon Popovac (786-7465)

Background: Growth Management Act. The Growth Management Act (GMA) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA established numerous planning requirements for counties and cities obligated by mandate or choice to fully plan under the GMA, known as planning jurisdictions, and a reduced number of directives for all other counties and cities. Twenty-eight 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. Impact fees may only be imposed for system improvements reasonably related to the new development, may not exceed a proportionate share of the costs of system improvements, and must be used for system improvements that will reasonably benefit the new development.

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.

Impact fees may be collected and spent only for qualifying public facilities 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 owned or operated by government entities:

- public streets and roads;
- publicly owned parks, open space, and recreation facilities;
- school facilities; and
- fire protection facilities.

County and city ordinances by which impact fees are imposed must conform with specific requirements.

Summary of Bill: Any local ordinance that imposes impact fees may not charge a higher per unit fee for multifamily residential construction than for single-family residential construction.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Multifamily housing, like apartments and condominiums, should be part of the solution to address the recently reported 225,000 housing unit shortfall in Washington State. This bill will address current jurisdictions using impact fees or other policies to disincentivize a certain type multifamily housing and provide more balance to encourage certain types of multifamily housing development. The bill was a part of the discussion during negotiations for ESSHB 1923 from last session. Some cities already differentiate impact fees with less costs for multifamily housing compared to single-family housing but not all do so consistently.

CON: Recent surveys of cities have indicated that the fire protection facility impact fee was higher for multifamily housing than single-family housing because its likely more expensive to treat fires for units that require a higher degree of service. Jurisdictions already provide a sophisticated formula to establish impact fees and there is much local discretion in setting these fees. Transportation impacts can vary depending on the number of trips generated by a certain project. School impact fees are based on calculations that are later evaluated by city councils for any needed adjustments. Other jurisdictions are basing impact fees on square footage per unit or per bedroom.

Persons Testifying: PRO: Senator Hans Zeiger, Prime Sponsor; Jan Himebaugh, Building Industry Association of Washington; Bill Riley, citizen.

CON: Carl Schroeder, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: No one.