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HOUSE BILL 2566

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State of Washington                      61st Legislature                      2010 Regular Session

By Representatives Simpson, Chase, and Ormsby

Prefiled 01/06/10. Read first time 01/11/10. Referred to Committee on Local Government & Housing.

1            AN ACT Relating to exempting low-income housing from impact fees;  
2 and amending RCW 82.02.060 and 43.21C.065.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 82.02.060 and 1990 1st ex.s. c 17 s 44 are each  
5 amended to read as follows:

6            The local ordinance by which impact fees are imposed:

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

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

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

1 (c) The availability of other means of funding public facility  
2 improvements;

3 (d) The cost of existing public facilities improvements; and

4 (e) The methods by which public facilities improvements were  
5 financed;

6 (2) May provide an exemption for low-income housing(~~(7)~~) and other  
7 development activities with broad public purposes(~~(7, from these impact~~  
8 ~~fees, provided that the impact fees for such development activity shall~~  
9 ~~be paid from public funds other than impact fee accounts)). An  
10 exemption for low-income housing granted under this subsection (2) must  
11 be conditioned upon requiring the developer to record a covenant that,  
12 except as provided otherwise by this subsection, prohibits using the  
13 property for any purpose other than for low-income housing. The  
14 covenant must provide that if the property is converted to a use other  
15 than for low-income housing, the property owner must pay the applicable  
16 impact fees in effect at the time of conversion. Covenants required by  
17 this subsection must be recorded with the applicable county auditor or  
18 recording officer. A local government granting an exemption under this  
19 subsection may not impose a fee under RCW 43.21C.060 for the system  
20 improvements for which the exemption applies;~~

21 (3) Shall provide a credit for the value of any dedication of land  
22 for, improvement to, or new construction of any system improvements  
23 provided by the developer, to facilities that are identified in the  
24 capital facilities plan and that are required by the county, city, or  
25 town as a condition of approving the development activity;

26 (4) Shall allow the county, city, or town imposing the impact fees  
27 to adjust the standard impact fee at the time the fee is imposed to  
28 consider unusual circumstances in specific cases to ensure that impact  
29 fees are imposed fairly;

30 (5) Shall include a provision for calculating the amount of the fee  
31 to be imposed on a particular development that permits consideration of  
32 studies and data submitted by the developer to adjust the amount of the  
33 fee;

34 (6) Shall establish one or more reasonable service areas within  
35 which it shall calculate and impose impact fees for various land use  
36 categories per unit of development; and

37 (7) May provide for the imposition of an impact fee for system  
38 improvement costs previously incurred by a county, city, or town to the

1 extent that new growth and development will be served by the previously  
2 constructed improvements provided such fee shall not be imposed to make  
3 up for any system improvement deficiencies.

4 **Sec. 2.** RCW 43.21C.065 and 1992 c 219 s 1 are each amended to read  
5 as follows:

6 (1) A person required to pay an impact fee for system improvements  
7 pursuant to RCW 82.02.050 through 82.02.090 shall not be required to  
8 pay a fee pursuant to RCW 43.21C.060 for those same system  
9 improvements.

10 (2) A local government granting an exemption under RCW 82.02.060(2)  
11 shall not impose a fee pursuant to RCW 43.21C.060 for the system  
12 improvements for which the exemption applies.

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