

EHB 1398 - S COMM AMD

By Committee on Financial Institutions, Housing & Insurance

ADOPTED AS AMENDED 03/01/2012

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

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

5 The local ordinance by which impact fees are imposed:

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

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

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

19 (c) The availability of other means of funding public facility
20 improvements;

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

22 (e) The methods by which public facilities improvements were
23 financed;

24 (2) May provide an exemption for low-income housing((~~τ~~)) and other
25 development activities with broad public purposes((~~τ~~)) from these
26 impact fees, provided that the impact fees for ((~~such~~)) development
27 ((~~activity~~)) activities with broad public purposes shall be paid from
28 public funds other than impact fee accounts. Local governments that
29 grant exemptions for low-income housing under this subsection (2) are
30 not obligated to pay the exempted fees. An exemption for low-income

1 housing granted under this subsection (2) must be conditioned upon
2 requiring the developer to record a covenant that, except as provided
3 otherwise by this subsection, prohibits using the property for any
4 purpose other than for low-income housing. At a minimum, the covenant
5 must address price restrictions and household income limits for the
6 low-income housing, and that if the property is converted to a use
7 other than for low-income housing, the property owner must pay the
8 applicable impact fees in effect at the time of conversion. Covenants
9 required by this subsection must be recorded with the applicable county
10 auditor or recording officer. A local government granting an exemption
11 under this subsection for low-income housing may not collect revenue
12 lost through granting an exemption by increasing impact fees unrelated
13 to the exemption;

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

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

23 (5) Shall include a provision for calculating the amount of the fee
24 to be imposed on a particular development that permits consideration of
25 studies and data submitted by the developer to adjust the amount of the
26 fee;

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

30 (7) May provide for the imposition of an impact fee for system
31 improvement costs previously incurred by a county, city, or town to the
32 extent that new growth and development will be served by the previously
33 constructed improvements provided such fee shall not be imposed to make
34 up for any system improvement deficiencies; and

35 (8) For purposes of this section, "low-income housing" means
36 housing with a monthly housing expense, that is no greater than thirty
37 percent of eighty percent of the median family income adjusted for

1 family size, for the county where the project is located, as reported
2 by the United States department of housing and urban development."

EHB 1398 - S COMM AMD

By Committee on Financial Institutions, Housing & Insurance

ADOPTED AS AMENDED 03/01/2012

3 On page 1, line 1 of the title, after "fees;" strike the remainder
4 of the title and insert "and amending RCW 82.02.060."

EFFECT: A local government that exempts low-income housing from paying impact fees may not automatically also exempt the housing from any fees otherwise due under the State Environmental Policy Act. Provides a definition of low-income housing and requires the developer's recorded covenant to include restrictions on rental payments and household income.

--- END ---