

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: October 24, 2016

AGENDA ITEM: An Ordinance regarding an exemption for payment of Transportation Impact Fees for Low-Income Rental Housing.	
PREPARED BY: Dave Koenig	DIRECTOR APPROVAL:
DEPARTMENT: Community Development	
ATTACHMENTS: Proposed Ordinance	
BUDGET CODE:	AMOUNT:
SUMMARY:	

State Law RCW 82.02.060(3) allows for impact fees for low-income housing to be exempted. Up to 80% can be deferred without budget consequences. Above 80% the exempted amount is required to be paid from public funds other than the traffic impact fee account.

The attached ordinance provides for:

A transportation impact fee exemption which targets families whose income are 50% of median family income or lower.

The exemption is for 50% of the traffic impact fees.

The exemption would be reviewed on a case by case based on: the public benefit of the specific project, the financial hardship to the project to pay the traffic impact fees, the housing developer is a nonprofit agency, the extent that the applicant has sought other funding sources, the impacts on public facilities, and the consistency of the project with adopted city plans and policies.

A covenant is required to be placed on the property requiring payment of the transportation impact fee if and when the use changes.

RECOMMENDED ACTION: Staff recommends that Council authorize the Mayor to sign and execute the Ordinance regarding an exemption for payment of Transportation Impact Fees for Low-Income Rental Housing.

CITY OF MARYSVILLE
Marysville, Washington

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MARYSVILLE,
WASHINGTON, REGARDING AN EXEMPTION FOR PAYMENT OF
TRANSPORTATION IMPACT FEES FOR LOW-INCOME RENTAL HOUSING,
AMENDING CHAPTER 22D.030 OF THE MARYSVILLE MUNICIPAL CODE.**

WHEREAS, Chapter 82.02.060 RCW authorizes the city to provide an exemption of not more than eighty percent of impact fees for low-income housing with no explicit requirement to pay the exempted portion of the fee from public funds; and

WHEREAS, the Marysville City Council finds that there is a desire to help assist low income families to have decent and affordable housing;

WHEREAS, assisting low income families with housing promotes public health and welfare.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MARYSVILLE,
WASHINGTON, DO ORDAIN AS FOLLOWS:

SECTION 1. A new section is added to the Marysville Municipal Code as section 22D.030.071.

SECTION 2. Amendment of Municipal Code. The municipal code is amended as set forth in Exhibit "A."

SECTION 3. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

SECTION 4. Corrections. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection number and any references thereto.

SECTION 5. General Duty. It is expressly the purpose of this Ordinance to provide for and promote the health, safety and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever

upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees or agents.

SECTION 6. Effective Date. This ordinance shall become effective five days after the date of its publication by summary.

PASSED by the City Council and APPROVED by the Mayor this _____ day of _____, 2016.

CITY OF MARYSVILLE

By _____
JON NEHRING, MAYOR

Attest:

By _____
APRIL O'BRIEN, DEPUTY CITY CLERK

Approved as to form:

By _____
JON WALKER, CITY ATTORNEY

Date of publication: _____
Effective Date (5 days after publication): _____

EXHIBIT A

Section 22D.030.071. Exemption of Traffic Impact Fees for Low Income Housing

(1) The Chief Administrative Officer, or designee, may grant a partial exemption of not more than fifty percent of transportation impact fees, with no explicit requirement to pay the exempted portion of the fee from public funds for new low income housing units in accordance with the conditions specified under RCW 82.02.060(2).

(2) To qualify for the exemption, the developer shall submit an application to the Community Development Director for consideration by the city prior to application for building permit. Projects which have submitted a building permit prior to this ordinance taking effect and which do not have an occupancy permit, may apply after the effective date of the ordinance, but prior to receiving an occupancy permit.

(3) The following factors will be considered in a decision to grant, partially grant, or deny an exemption:

- (a) the public benefit of the specific project;
- (b) the extent to which the applicant has sought other funding sources;
- (c) the financial hardship to the project of paying the transportation impact fees;
- (d) that the applicant is a nonprofit housing developer;
- (e) the impacts of the project on public facilities and services; and
- (f) the consistency of the project with adopted city plans and policies relating to low-income housing.

(4) The determination of the Chief Administrative Officer shall be a final decision with respect to the exemption of traffic impact fees.

(5) Any claim of exemption not made before the payment of the traffic impact fee is waived.

(6) An exemption granted under this subsection must be conditioned upon requiring the developer to record a covenant approved by the Community Development Director that prohibits using the property for any purpose other than for low-income housing. At a minimum, the covenant must address price restrictions and household income limits for the low-income housing, and require that, if the property is converted to a use other than for low-income housing as defined in the covenant, the property owner must pay the applicable transportation impact fees in effect at the time of any conversion. Covenants required by this subsection must be recorded with the Snohomish County Auditor.

(7) For purposes of this section, low-income housing is defined as any housing with a monthly housing expense, that is no greater than thirty percent of fifty percent of the median family income adjusted for family size, for Marysville, as reported by the United States Department of Housing and Urban Development.