
SENATE BILL 6386

State of Washington

66th Legislature

2020 Regular Session

By Senators Zeiger and Kuderer

1 AN ACT Relating to reducing impact fees for low-income housing;
2 and amending RCW 82.02.060.

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

4 **Sec. 1.** RCW 82.02.060 and 2012 c 200 s 1 are each amended to
5 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
8 adopted for each type of development activity that is subject to
9 impact fees, specifying the amount of the impact fee to be imposed
10 for each type of system improvement. The schedule shall be based upon
11 a formula or other method of calculating such impact fees. In
12 determining proportionate share, the formula or other method of
13 calculating impact fees shall incorporate, among other things, the
14 following:

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

17 (b) An adjustment to the cost of the public facilities for past
18 or future payments made or reasonably anticipated to be made by new
19 development to pay for particular system improvements in the form of
20 user fees, debt service payments, taxes, or other payments earmarked
21 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, and~~
7 ~~other~~) development activities with broad public purposes, from these
8 impact fees, provided that the impact fees for such development
9 activity shall be paid from public funds other than impact fee
10 accounts;

11 (3) May provide an exemption from impact fees for low-income
12 housing, including up to a full waiver. Local governments that grant
13 exemptions for low-income housing under this subsection (3) may
14 (~~either: Grant a partial exemption of not more than eighty percent~~
15 ~~of impact fees, in which case there is no explicit~~) do so without
16 any requirement to pay the exempted portion of the fee from other
17 public funds (~~other than impact fee accounts; or provide a full~~
18 ~~waiver, in which case the remaining percentage of the exempted fee~~
19 ~~must be paid from public funds other than impact fee accounts~~). An
20 exemption for low-income housing granted under subsection (2) of this
21 section or this subsection (3) must be conditioned upon requiring the
22 developer to record a covenant that, except as provided otherwise by
23 this subsection, prohibits using the property for any purpose other
24 than for low-income housing. At a minimum, the covenant must address
25 price restrictions and household income limits for the low-income
26 housing, and that if the property is converted to a use other than
27 for low-income housing, the property owner must pay the applicable
28 impact fees in effect at the time of conversion. Covenants required
29 by this subsection must be recorded with the applicable county
30 auditor or recording officer. A local government granting an
31 exemption under subsection (2) of this section or this subsection (3)
32 for low-income housing may not collect revenue lost through granting
33 an exemption by increasing impact fees unrelated to the exemption. A
34 school district who receives school impact fees must approve any
35 exemption under subsection (2) of this section or this subsection
36 (3);

37 (4) Shall provide a credit for the value of any dedication of
38 land for, improvement to, or new construction of any system
39 improvements provided by the developer, to facilities that are
40 identified in the capital facilities plan and that are required by

1 the county, city, or town as a condition of approving the development
2 activity;

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

7 (6) Shall include a provision for calculating the amount of the
8 fee to be imposed on a particular development that permits
9 consideration of studies and data submitted by the developer to
10 adjust the amount of the fee;

11 (7) Shall establish one or more reasonable service areas within
12 which it shall calculate and impose impact fees for various land use
13 categories per unit of development; and

14 (8) May provide for the imposition of an impact fee for system
15 improvement costs previously incurred by a county, city, or town to
16 the extent that new growth and development will be served by the
17 previously constructed improvements provided such fee shall not be
18 imposed to make up for any system improvement deficiencies.

19 For purposes of this section, "low-income housing" means housing
20 with a monthly housing expense, that is no greater than thirty
21 percent of eighty percent of the median family income adjusted for
22 family size, for the county where the project is located, as reported
23 by the United States department of housing and urban development.

--- END ---