

ORDINANCE NO. 2072

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, AMENDING THE IMPACT FEE EXEMPTIONS IN SECTIONS 20D.60.10-040, 20D.60.10-050, AND 20D.210.10-180 OF THE REDMOND MUNICIPAL CODE AND THE REDMOND COMMUNITY DEVELOPMENT GUIDE AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Redmond's comprehensive plan calls for providing housing affordable to all income groups; and

WHEREAS, Redmond Comprehensive Plan Policy HO-27 calls for minimizing the negative effects of impact fees on affordable housing by considering exemptions for such housing; and

WHEREAS, Redmond Comprehensive Plan Policy LU-128 directs the City to adopt and maintain development regulations that implement the City's plans and are clear and not duplicative; and

WHEREAS, the Planning Commission has held two public hearings on this proposed ordinance and recommends that it be adopted; and

WHEREAS, the City Council of the City of Redmond desires to encourage affordable housing and to improve the city's development regulations and acknowledges that this ordinance is for the benefit of the public health, safety, and welfare, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Adoption of Findings and Conclusions. After carefully reviewing the record and considering the evidence, analysis, and arguments in the record, the City Council hereby

adopts the findings and conclusions in the *Planning Report DGA 99-005, Proposed Impact Fee Waivers for Affordable Housing* (March 21, 2000) for the proposed amendments to the extent they are consistent with the provisions of this ordinance.

Section 2. Section 20D.60.10-040, *Exemptions to the Requirement to Pay Impact Fees*, of the Redmond Community Development Guide and Redmond Municipal Code is hereby amended to read as follows:

20D.60.10-040 Exemptions to the Requirement to Pay Impact Fees.

- (1) The following shall be exempt from the requirement to pay some or all of the required impact fees that would otherwise be required by RCDG Title 20D, *City-Wide Regulations*, if the applicable requirements of this section are met. It is only necessary to qualify for one subpart to be exempt from the requirement to pay some or all of the required impact fees.
 - (a) Accessory dwellings approved by the City under RCDG 20C.30.35, *Accessory Dwelling Units*, or its successor shall be exempt from the requirement to pay all impact fees.
 - (b) The alteration, reconstruction, remodeling, or replacement of existing buildings or structures, including mobile homes or manufactured homes, that meet the requirements of this subpart shall be exempt from the requirement to pay all impact fees. To qualify for this exemption, all of the following applicable requirements shall be met:
 - (i) For nonresidential structures or the non-residential part of mixed-use structures, no additional gross floor area may be added.
 - (ii) For residential structures or the residential part of mixed-use structures, no additional housing units may be added.
 - (iii) No additional demand will occur on the transportation, fire, and parks, recreation, open space, and trail systems over and above that produced by the existing use.
 - (iv) The use is not changed.
 - (v) For replacement structures, the structure being replaced shall have been demolished or moved outside the City of Redmond.
 - (c) The construction of accessory structures where no additional transportation, fire and park, recreation, open space and trail demand will occur over and above that produced by the principal building or use of the land shall be exempt from the requirement to pay all impact fees.

- (d) Parking garages and building space that is constructed solely to park motor vehicles that are not for sale, lease or rent or part of a stock in trade are exempt from the requirement to pay all impact fees. The conversion of parking garages or vehicle parking areas exempted by this subpart to other uses requires the payment of impact fees.
 - (e) Temporary uses and structures authorized by RCDG 20D.190, *Temporary Uses* or its successor, are exempt from the requirement to pay all impact fees.
 - (f) The property on which the development activity will take place is exempt from the payment of transportation, fire or park, recreation, open space and trail facilities impact fees under RCW 82.02.100, or its successor, because the property is part of a development activity that mitigated its impacts on all of the system improvements funded by impact fees under the State Environmental Policy Act (SEPA). To be exempt from an impact fee for a system type, a development activity shall have mitigated its system improvement impacts for that system type. For example, to be exempt from fire impact fees, the use or development activity shall have mitigated its impact on the fire systems improvements funded by the fire impact fees. If some of the system improvements have been mitigated under SEPA, the applicant may be eligible for an impact fee credit.
 - (g) Developments owned and operated by the City of Redmond.
- (2) Any claim of exemption shall be made no later than the time of application for a building permit. If a building permit is not required for the development activity, the claim shall be made when the fee is tendered. Any claim not made when required by this section shall be deemed waived.
 - (3) Developments that are not exempt from the requirement to pay impact fees may be entitled to a credit or adjustment. See the following sections for impact fee credits and adjustments: RCDG 20D.60.10-060, *Computing Required Impact Fees Using Adopted Impact Fee Schedules*, RCDG 20D.60.10-080, *Credits and Adjustments to Required Impact Fee Payments*, RCDG 20D.210.10-120, *Computation of the Transportation Impact Fee and Administrator Decision*, and RCDG 20D.210.10-190, *Credits Against Payment of Transportation Impact Fees*. (Ord. 1913; Ord. 1909 (20C.110.050))

Section 3. Section 20D.60.10-050, *Exemptions to the Requirement to Pay Impact Fees for Low- and Moderate-Income Housing*, of the Redmond Community Development Guide and Redmond Municipal Code is hereby amended to read as follows:

20D.60.10-050 Exemptions to the Requirement to Pay Impact Fees for Low- and Moderate-Income Housing.

In addition to the exemptions in RCDG 20D.60.10-040, the following shall be exempt from the requirement to pay all impact fees that would otherwise be

required by RCDG Title 20D, *City-Wide Regulations*, if the applicable requirements of this section are met.

- (1) The City Council may by motion waive some or all of the impact fees that would otherwise be required by RCDG Title 20D, *City-Wide Regulations*, if the City Council concludes the proposed development meets all of the applicable requirements of this section. The City Council may waive up to the following percentage of the required impact fees.

The housing unit is affordable to and reserved for households earning the following percentages of the King County median family income adjusted for household size.	If its owner will occupy the housing unit, the impact fee may be reduced to the following percentage of the impact fees required for the housing unit.	If the housing unit will be renter-occupied, the impact fee may be reduced to the following percentage of the impact fees required for the housing unit.
60 percent or less	0 percent	0 percent
Between 80 and 61 percent	50 percent	No Reduction Allowed by this section

- (2) As a condition of receiving an exemption under this section, the owner shall execute and record in King County’s real property title records a City approved lien, covenant, or other contractual provision against the property that provides for all of the following:
 - (i) If the housing unit qualified for a waiver under the owner-occupied housing column in subsection (1), the housing unit shall be occupied by the owner.
 - (ii) The housing unit shall be occupied by a household that has a maximum annual income no greater than the income level at which the housing unit qualified in subsection (1). For owner-occupied housing units, the income level shall be verified before the sale of the unit closes and the new owner moves in. For renter-occupied units, the income level shall be verified before the occupants move into the housing unit. This condition shall apply to all subsequent changes of ownership and occupancy for the term of the contractual provision.
 - (iii) The City Council shall set a term of between 25 and 55 years for this contractual provision.
 - (vi) The lien, covenant, or other contractual provision shall run with the land and apply to subsequent owners and assigns.
- (3) In determining affordability, the income levels shall be adjusted for household size. The applicable the regulations of the U.S. Department of Housing and Urban Development for determining rents and housing payments affordable for the various income levels shall be used.

- (4) The City Council may condition a waiver under this section to ensure the project will meet the requirements of this section or to lessen impacts on systems funded by the impact fees that are waived.
- (5) To qualify for an exemption under this section, the proposal shall not have received a full exemption under RCDG 20D.60.10-040, *Exemptions to the Requirement to Pay Impact Fees*, or its successor. If a partial exemption has been granted under that section, the City Council may waive the balance under this section up to the limits in subsection (1).
- (6) To qualify for an exemption under this section, the housing shall help implement the following policies:
 - (a) The housing shall help meet an unfulfilled portion of Redmond's affordable housing targets.
 - (b) The location shall meet Redmond's policies and zoning for the proposed housing type and density.
- (7) To qualify for an exemption under this section, the waiver should not result in an unacceptable adverse impact on the systems funded by the impact fees proposed for a waiver.
- (8) Any claim or request for an exemption under this section shall be made no later than the time of application for a building permit. If a building permit is not required for the development activity, the claim shall be made when the fee is tendered. Any claim not made when required by this section shall be deemed waived. (Ord. 1909 (20C.110.060))

Section 4. Section 20D.210.10-180, *Exemptions from Payment of Transportation Impact Fees*, of the Redmond Community Development Guide and Redmond Municipal Code is hereby amended to read as follows:

20D.210.10-180 Exemptions from Payment of Transportation Impact Fees.
 See RCDG 20D.60.10-040, *Exemptions to the Requirement to Pay Impact Fees* or its successor, and 20D.60.10-050, *Exemptions to the Requirement to Pay Impact Fees for Low- and Moderate-Income Housing* or its successor, for the transportation impact fee exemptions. (Ord. 1928; Ord. 1908 (20C.100.040(90)))

Section 5. Severability. If any section, sentence, clause, or phrase of this ordinance or any tax or law adopted or amended hereby should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or

constitutionality of any other section, sentence, clause or phrase of this ordinance or any tax or law adopted or amended hereby.

Section 6. Effective Date. This ordinance, being an exercise of a power specifically delegated to the city legislative body, is not subject to referendum, and shall take effect five days after passage and publication of an approved summary thereof consisting of the title.

CITY OF REDMOND
/S/ MAYOR ROSEMARIE IVES

ATTEST/AUTHENTICATED:
/S/ CITY CLERK, BONNIE MATTSON

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:
/S/ CITY ATTORNEY, JAMES E. HANEY

FILED WITH THE CITY CLERK:	March 16, 2000
PASSED BY THE CITY COUNCIL:	March 21, 2000
SIGNED BY THE MAYOR:	March 21, 2000
PUBLISHED:	March 25, 2000
EFFECTIVE DATE:	March 30, 2000
ORDINANCE NO.:	<u>2072</u>