

ORDINANCE NO. 1314

CITY OF LACEY

AN ORDINANCE RELATING TO THE DEFERRAL OF WASTEWATER CONNECTION FEES AND GENERAL FACILITIES CHARGES FOR CERTAIN AFFORDABLE HOUSING DEVELOPMENTS, ADDING A NEW SECTION 1.20.030 TO THE LACEY MUNICIPAL CODE AND ADOPTING A SUMMARY FOR PUBLICATION.

WHEREAS, it is the policy of the City to encourage affordable housing for low income families, which, for purpose of this ordinance, are those families having a disposable income which is fifty percent (50%) or less of the adjusted median income for Thurston County as established by the Federal Department of Housing and Urban Development, and

WHEREAS, in order to promote such housing, it would be beneficial to the residents of the City to defer the payment of certain wastewater connection fees for that certain development by the Community Action Council known as Tolmie Cove Apartments and for other developments which meet the criteria set forth in the Council policy adopted by this ordinance,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, as follows:

Section 1. The City Council hereby adopts that certain policy entitled "Council Policy Regarding The Deferral Of Wastewater Connection Fees And General Facilities Charges For Certain Affordable Housing Developments," which policy shall be on file with the City Clerk.

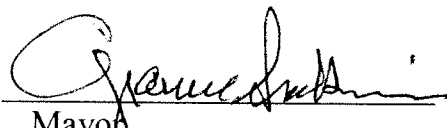
Section 2. There is hereby added to the Lacey Municipal Code a new Section 1.20.030 to read as follows:

1.20.030 The City Manager is authorized, in accordance with the standards and conditions set forth in that certain Council policy entitled "Council Policy Regarding The Deferral Of Wastewater Connection Fees And General Facilities Charges For Certain Affordable Housing Developments" and on file with the City Clerk, to defer the connection fees which otherwise would be required under Sections 13.16.010, 13.16.027 and 13.16.028 of the Lacey Municipal Code and, if the LOTT Alliance takes similar action, to defer those certain capacity development charges levied by Section 13.16.025 of the Lacey Municipal Code.


Section 3. The Summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON,  
this 14th day of August, 2008.


CITY COUNCIL

BY:   
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

Approved as to form:

  
\_\_\_\_\_  
City Attorney

## SUMMARY FOR PUBLICATION

### ORDINANCE NO. 1314

#### CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on August 14, 2008, Ordinance No. 1314, entitled "AN ORDINANCE RELATING TO THE DEFERRAL OF WASTEWATER CONNECTION FEES AND GENERAL FACILITIES CHARGES FOR CERTAIN AFFORDABLE HOUSING DEVELOPMENTS, ADDING A NEW SECTION 1.20.030 TO THE LACEY MUNICIPAL CODE AND ADOPTING A SUMMARY FOR PUBLICATION."

The main points of the Ordinance are described as follows:

1. The Ordinance adopts a Council policy regarding the deferral of wastewater connection fees for the Tolmie Cove Apartments owned and sponsored by the Community Action Council and for similar developments owned or proposed by Lacey based, non-profit, non-governmental 501.C.3 public benefit corporations, to be paid upon sale or other transfer of the property within 20 years after the deferral.
2. The Ordinance adopts a new Section 1.20.030 of the Lacey Municipal Code adopting such policy and granting authority for such action.
3. The Ordinance adopts this summary for publication.

A copy of the full text of this Ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

Published: August 18, 2008.

## City of Lacey

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### **COUNCIL POLICY REGARDING THE DEFERRAL OF WASTEWATER CONNECTION FEES AND GENERAL FACILITIES CHARGES FOR CERTAIN AFFORDABLE HOUSING DEVELOPMENTS**

- Purpose:** The purpose of this policy is to set forth specific requirements, parameters, and processes wherein the City Manager or his/her designee is authorized to defer the payment of wastewater connection fees and charges for affordable housing developments owned by Lacey based non-profit, non-governmental 501.C.3 public benefit corporations.
- Findings:** The City Council finds as follows:
- a) Affordable housing developments owned by Lacey based non-profit. Non-governmental 501.C.3 public benefit corporations with a long standing, positive record of providing services and affordable housing to residents of the City will aid in the accomplishment of the City's goal of affordable housing.
  - b) The Community Action Council is a Lacey based non-profit, non-governmental 501.C.3 public benefit corporation with such a long standing, positive record and its purchase and development of the Tolmie Cove Apartments will aid in the accomplishment of the City's goals.
  - c) In order to allow the Community Action Council to proceed with the Tolmie Cove Apartments development within available funds, it is necessary that wastewater connection fees and charges by the City be deferred.
  - d) The conversion of the Tolmie Cove Apartments from a failing septic tank system to public sewer will be of environmental benefit to the community.
- Policy:** It shall be the policy of the City Council to defer the payment of the service connection charges, general facilities charges and special connection charges for wastewater facilities as set forth in Sections 13.16.010, 13.16.027 and 13.16.028 of the Lacey Municipal Code for multi-family affordable housing projects meeting the terms of this policy document. It shall further be the policy of the City Council to defer or waive the payment of capacity development charges as set forth in Section 13.16.025 of the Lacey Municipal Code for such developments if, the LOTT Alliance determines to waive and/or defer such charges. In order to qualify for such deferral or waiver, the following requirements must be met:

- a) The development for which application is made shall be owned and sponsored by a Lacey based non-profit, non-governmental 501.C.3 public benefit corporation having a long standing, positive record of providing affordable housing.
- b) The development must be a multi-family development providing housing for families earning fifty percent (50%) or less of the adjusted median income for Thurston County as established by the Federal Department of Housing and Urban Development (HUD).
- c) The non-profit corporation for which the deferral is granted, must execute a Deed of Trust or other appropriate instruments requiring that if the real property upon which the development is located is sold or otherwise transferred within 20 years following the granting of the deferral, the amount of the connection charges deferred by the City shall be due and payable upon such sale together with interest at the rate earned by the City on its investments in the Washington State Local Government Investment Pool from the date the deferral is granted until the date of such sale or other transfer.

Procedure:

- a) The Lacey based non-profit, non-governmental 501.C.3 public benefit corporation shall submit to the Lacey City Manager a written request for a deferral of wastewater connection fees. The request shall demonstrate that the application meets the criteria of the policy set forth above.
- b) The deferral of connection fees does not remove responsibility for obtaining all inspection services by the City for the construction and connection of the wastewater system.
- c) The City Manager shall make arrangements for reimbursement of deferred fees to the City if the development or any portion thereof is sold or otherwise transferred within 20 years after the granting of such deferral.
- d) If application is made for any proposed project other than the Tolmie Cove Apartments, which application has already been reviewed, such application shall be forwarded to the Utilities Committee of the City Council with a recommendation from the City Manager as to whether or not such application meets the criteria of the policy set forth above.
- e) The Utilities Committee, upon recommendation of the City Manager, shall have the authority to grant a deferral and upon doing so, shall notify the Mayor and City Council of such action.

Policy approved: 8-14-08 / \_\_\_\_\_ / \_\_\_\_\_