

ORDINANCE NO. 1340

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO IMPACT FEES; AMENDING CHAPTER 19.12 OF THE GIG HARBOR MUNICIPAL CODE TO INCLUDE A DEFERRAL PROGRAM FOR SINGLE-FAMILY DETACHED AND ATTACHED RESIDENTIAL CONSTRUCTION; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

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WHEREAS, in 2015 the Washington State Legislature adopted Engrossed Senate Bill 5923 amending RCW 82.02.050 to require counties, cities and towns collecting impact fees to adopt and maintain a deferral program for the collection of impact fees for new single family residential construction by September 1, 2016; and

WHEREAS, the Gig Harbor City Council desires to update its municipal code now for consistency with current state law and to meet the requirements under ESB 5923, to be effective September 1, 2016; and

WHEREAS, the Gig Harbor City Council finds that this ordinance is in the best interests of the citizens of the City of Gig Harbor;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. GHMC 19.12.110A - Amended. Subsection A of Section 19.12.110 of the Gig Harbor Municipal Code is hereby amended as follows:

**19.12.110 Time of payment of impact fees.**

A. Payment of any required impact fees shall be made prior to the issuance of a building permit, unless deferred in accordance with GHMC 19.12.110D.

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Section 2. GHMC 19.12.110D - New. A new section "D", is hereby added to Section 19.12.110 of the Gig Harbor Municipal Code to read as follows:

**19.12.110 Time of payment of impact fees.**

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D. Single-Family Residential Deferral Program. An applicant for a building permit for a single-family detached or attached residence may request a deferral of the full impact fee payment until final inspection or eighteen (18) months from the date of original building permit issuance, whichever occurs

first. Single-Family residential is defined in GMC 17.04.300 Dwelling, single-family. Deferral of impact fees are considered under the following conditions:

- (1) An applicant for a building permit for a single-family detached or attached residence may request a deferral of the full impact fee payment until the date of final inspection or eighteen (18) months from the date of building permit issuance, whichever occurs first. Deferral of impact fees shall be granted under the conditions set forth in this Section. An applicant for deferral must request the deferral no later than the time of application for a building permit. Any request not so made shall be deemed waived.
- (2) To receive a deferral, an applicant must:
  - (a) Submit a deferred impact fee application and acknowledgement form for each single-family attached or detached residence for which the applicant wishes to defer payment of the impact fees;
  - (b) Pay any applicable administrative fee;
  - (c) Grant and record at the applicant's expense a deferred impact fee lien in a form approved by the City against the property in favor of the City in the amount of the deferred impact fee that:
    - i. includes the legal description, tax account number and address of the property;
    - ii. requires payment of the impact fees to the City prior to final inspection or 18 months from the date of original building permit issuance, whichever occurs first;
    - iii. is signed by all owners of the property, with all signatures acknowledged as required for a deed and recorded in Pierce County;
    - iv. binds all successors in title after the recordation; and
    - v. is junior and subordinate to not more than one mortgage for the purpose of construction upon the same real property granted by the person who applied for the deferral of impact fees.
- (3) The amount of impact fees deferred shall be determined by the fees in effect at the time the applicant applies for a deferral.


- (4) Prior to final inspection or 18 months from the date of original building permit issuance, the applicant may pay the deferred amount in installments, with no penalty for early payment.
- (5) The City shall withhold final inspection until the impact fees have been paid in full. Upon receipt of final payment of impact fees deferred under this subsection, the City shall execute a release of deferred impact fee lien for each single-family attached or detached residence for which the impact fees have been received. The applicant, or property owner at the time of release, shall be responsible for recording the lien release at his or her expense.
- (6) The extinguishment of a deferred impact fee lien by the foreclosure of a lien having priority does not affect the obligation of the applicant or the property owner to pay the impact fees as a condition of final inspection.
- (7) If impact fees are not paid in accordance with the deferral and provisions established herein, the City may institute foreclosure proceedings in accordance with Chapter 61.12 RCW.
- (8) Each applicant for a single family attached or detached residential construction permit, in accordance with his or her contractor registration number or other unique identification number, is entitled to annually receive deferrals under this section for the first 20 single-family residential construction building permits.
- (9) The City may collect an administrative fee from the applicant seeking to defer the payment of impact fees under this section as provided in the fee resolution adopted by the Gig Harbor City Council.

Section 3. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be 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.

Section 4. Effective Date. This ordinance shall take effect and be in full force and effect on September 1, 2016, or five days after passage and publication of an approved summary consisting of the title, whichever occurs later.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this 11th day of July, 2016.

CITY OF GIG HARBOR

  
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Mayor Jill Guernsey

ATTEST/AUTHENTICATED:

  
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Molly M. Towslee, City Clerk

APPROVED AS TO FORM:  
Office of the City Attorney

  
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Angela G. Summerfield

FILED WITH THE CITY CLERK: 07/06/16  
PASSED BY THE CITY COUNCIL: 07/11/16  
PUBLISHED: 07/21/16  
EFFECTIVE DATE: 07/26/16  
ORDINANCE NO: 1340