

**ORDINANCE NO. 1949**

**AN ORDINANCE OF THE CITY OF BURLINGTON, WASHINGTON IN THE MATTER OF WAIVING, REDUCING, OR DELAYING THE COLLECTION OF FEES FOR AFFORDABLE HOUSING PROJECTS**

**WHEREAS**, Washington State law (RCW 35.92.385) allows municipalities to waive, reduce, or delay the collection of connection charges for affordable housing projects, and

**WHEREAS**, Washington State law (RCW 35.92.385) specifies that the cost of any connection charge waivers granted by a municipality be funded using general funds, grant dollars, or another identified revenue stream, and

**WHEREAS**, Washington State law (RCW 35.92.380) specifies that any connection charge waivers granted by a municipality shall be authorized by a program established pursuant to an ordinance, and

**WHEREAS**, Washington State law (RCW 82.02.060) authorizes local governments to waive or reduce impact fees for affordable housing projects, and

**WHEREAS**, there is a well-documented need for affordable housing in the City of Burlington and throughout Skagit County, and

**WHEREAS**, waiving or reducing connection charges, impact fees, and permitting fees reduces the cost of producing affordable housing, creates an incentive to produce more affordable housing, and allows more affordable housing units to be produced for each dollar of public support invested, and

**WHEREAS**, the Washington State Legislature authorized the creation of the Connecting Housing to Infrastructure Program (CHIP) which provides money to local governments to offset the cost of waiving or reducing connection charges, and

**WHEREAS**, as a condition of receiving CHIP funding, municipalities must adopt a fee waiver program by ordinance, and

**WHEREAS**, the City of Burlington has received a grant through the CHIP program to offset the cost of waiving connection charges for an affordable housing project being constructed by the nonprofit organization Volunteers of America (VOA), and

**WHEREAS**, the City of Burlington must, under the terms of City's CHIP grant, adopt a program for waiving connection charges, and

**WHEREAS**, policies 3.4.7.5, and 3.4.7.6 of the Burlington Comprehensive Plan support the adoption of a fee waiver program for affordable housing,

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BURLINGTON DO ORDAIN AS FOLLOWS:**

**SECTION 1.** An interim fee waiver program is hereby created. The interim fee waiver program shall remain in effect until a more comprehensive permanent fee waiver program can be developed and adopted.

**SECTION 2. Qualifying Projects.** Fee waivers may be granted under this ordinance for affordable housing projects owned or developed by, or on behalf of, a nonprofit organization, public development authority, housing authority, or local agency that

provides emergency housing, transitional housing, or permanent supportive housing consistent with RCW 35.92.385(1).

**SECTION 3. Fees Waived.**

1. **Connection Charges.** Connection charges shall be waived for qualifying projects if the cost of the waiver is offset by grant funding provided through a program such as CHIP. Connection charges may be waived for other, non-grant funded, qualifying projects on an individual basis by the City Council provided an appropriate funding source to offset the cost of the waiver is identified.
2. **Impact Fees.** Impact fees collected pursuant to RCW 82.020.050 shall be waived for all qualifying projects.
3. **Permit Fees.** All permit fees shall be waived for qualifying projects.

**SECTION 4. Implementation.** The Community Development Department shall create a program for reviewing and approving fee waivers under this ordinance for the purpose of ensuring compliance with the terms of this ordinance and Washington State laws and regulations authorizing fee waivers. The Community Development Department is authorized to adopt such rules and policies as may be necessary to implement the fee waiver program established pursuant to this ordinance.

**SECTION 5. Compliance.** At such time that a property or development receiving a fee waiver under the terms of this ordinance is no longer operating as a qualifying project the waiver of fees is no longer required any fees waived under the terms of this ordinance shall be immediately due. Development agreements, contracts, and recorded title notices may be required as necessary to ensure compliance with the terms of this ordinance.

**SECTION 6. Future Action.** The Community Development Department shall, by December 31, 2025, develop a permanent fee waiver program for City Council consideration. If adopted by the City Council the permanent fee waiver program shall be codified in the Burlington Municipal Code and shall replace and supersede the interim fee waiver program established pursuant to this ordinance.

**SECTION 7. Definitions.** For purposes of interpreting this ordinance the following definitions shall apply:

1. "Affordable housing" shall have the same meaning as defined in RCW 36.70A.030.
2. "Connection charges" means the one-time capital and administrative charges, as authorized by RCW 35.92.025, that are imposed by a utility on a building or facility owner for a new utility service and costs borne or assessed by a utility for the labor, materials, and services necessary to physically connect a designated facility to the respective utility service.
3. "Qualifying project" means a project or property consistent with RCW 35.92.385(1).

**INTRODUCED AND PASSED** at a regular meeting of the City Council of the City of Burlington on this 12<sup>th</sup> day of December 2024.

**THE CITY OF BURLINGTON**

  
 Bill Aslett, Mayor

ATTEST:

  
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Joe Stewart, Finance Director

APPROVED AS TO FORM:

  
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Leif Johnson, City Attorney

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