AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2305 §3, AS CODIFIED AT TUKWILA MUNICIPAL CODE SECTION 9.48.060; PROVIDING A PROCESS FOR THE DEFERRAL OF TRANSPORTATION IMPACT FEES TO ENCOURAGE RESIDENTIAL DEVELOPMENT WITHIN CERTAIN PORTIONS OF THE SOUTHCENTER AREA OF THE CITY; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted Ordinance No. 2043 on May 3, 2004, which established that transportation impact fees be paid by applicants seeking development approvals in the City; and

WHEREAS with adoption of the Southcenter Plan, the City laid out a vision to encourage more housing within certain portions of the Southcenter area of the City; and

WHEREAS, market data indicates placement of housing within the Southcenter area is difficult to accommodate under traditional financing methods; and

WHEREAS, developers often must make significant cash outlays prior to commencing construction on projects; and

WHEREAS, restructuring the timing of payment of impact fees may assist in making residential development within the Southcenter area of the City more successful; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:
Section 1. TMC Section 9.48.060 Amended. Ordinance No. 2305 §3, as codified at Tukwila Municipal Code (TMC) Section 9.48.060, is hereby amended to read as follows:

9.48.060 Time of Payment of Impact Fees.

A. The impact fees imposed pursuant to this chapter shall be assessed by the City at the time of the application for the development permit, and shall be due and payable in full at the time of issuance of such permit, unless a fee deferral agreement is executed pursuant to TMC 9.48.095. The fee paid shall be the amount in effect as of the date of the permit issuance.

B. Impact fees may be paid under protest in order to obtain a permit or other approval of development activity.

Section 2. Regulations Established. A new TMC Section 9.48.095, "Transportation Impact Fee Deferral," is hereby established to read as follows:

9.48.095 Transportation Impact Fee Deferral

A. In order to encourage residential and mixed-use development within the Tukwila Urban Center Transit-Oriented Development (TUC-TOD) zoning district, fee deferrals of all or a portion of the required transportation impact fees for a project may be granted provided the following criteria are met:

1. The property owner must submit a technically-complete building permit application clearly depicting the project for which the fee deferral agreement would apply.

2. Before issuance of the building permit, the property owner must submit a written letter requesting that the transportation impact fee be deferred. The City will not consider any fee deferral requests from a tenant, contractor, or other third party. The request must be submitted to the City no later than December 31, 2016.

3. The project must be located west of the Green River and be within the TUC-TOD zoning district per Figure 18-16, District Map, in Title 18 of the Tukwila Municipal Code.

4. The project must include at least 100 residential units and at least 50 percent of the gross building square footage must be used for residential purposes. For purposes of this section, the term “residential” does not include hotels, motels, bed and breakfasts or other similar transient lodging accommodations.
5. A fee deferral agreement between the City and the property owner must be executed prior to issuance of the building permit. The Mayor is authorized to execute such agreements on behalf of the City. Provisions must be included in the agreement to secure payment of the deferred impact fees, plus accrued interest, in the case of default by the property owner. Provisions may include, but are not limited to, a lien against subject property, letter of credit and/or surety bond.

6. As part of the agreement, the property owner must agree to waive any appeals under TMC Section 9.48.120.

B. The Mayor may consider other relevant information in approving fee deferral requests including, but not limited to, the ability of the property owner to satisfy the obligations of the agreement and pay the deferred impact fees. The Mayor is authorized to include any other provisions or requirements in the deferral agreement that he/she deems necessary to meet the intent of this chapter, to protect the financial interest of the City, and/or to protect the public welfare.

C. Transportation impact fees may be deferred up to 10 years from the date of building permit issuance. The property owner shall make 8 equal, annual installment payments to the City, with the first payment due to the City no later than 36 months after issuance of the building permit, with the final payment being due no later than 120 months from issuance of the building permit. The property owner may pay off the entire balance any time prior to the end of the 10-year deferral term.

D. Interest shall be charged on deferred transportation impact fees. The interest rate shall be the same as the stated interest rate on the Ten Year US Treasury Note on the date the building permit is issued (or closest date thereof). Interest shall be compounded annually and shall begin to accrue upon issuance of the building permit.

E. The transportation impact fee deferral agreement may be consolidated with any agreements to defer fire, parks, or building permit fees as outlined in TMC Chapters 16.26 and 16.28, and the consolidated permit fee resolution adopted by the City Council.

Section 3. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 4. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.
Section 5. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 10th day of October, 2015.

ATTEST/AUTHENTICATED:

Christy O'Flaherty, MMC, City Clerk

Jim Haggerton, Mayor

APPROVED AS TO FORM BY:

Rachel B. Turpin, City Attorney

Filed with the City Clerk: 10-14-15
Passed by the City Council: 10-19-15
Published: 10-23-15
Effective Date: 10-27-15
Ordinance Number: 2484
City of Tukwila Public Notice of Ordinance Adoption for Ordinances 2483-2486.

On October 19, 2015 the City Council of the City of Tukwila, Washington, adopted the following ordinances, the main points of which are summarized by title as follows:

**Ordinance 2483:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, GRANTING A NON-EXCLUSIVE FRANCHISE TO PUGET SOUND ENERGY, INC., A WASHINGTON CORPORATION, TO CONSTRUCT, INSTALL, REPLACE, MAINTAIN, REPAIR, AND OPERATE ELECTRIC LIGHT, POWER, AND NATURAL GAS SYSTEMS IN, UPON, OVER, UNDER, ALONG, ACROSS, AND THROUGH THE FRANCHISE AREA; REPEALING ORDINANCE NOS. 471 AND 1178; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

**Ordinance 2484:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2305 §3, AS CODIFIED AT TUKWILA MUNICIPAL CODE SECTION 9.48.060; PROVIDING A PROCESS FOR THE DEFERRAL OF TRANSPORTATION IMPACT FEES TO ENCOURAGE RESIDENTIAL DEVELOPMENT WITHIN CERTAIN PORTIONS OF THE SOUTHCENTER AREA OF THE CITY; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

**Ordinance 2485:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2366 §1 (PART), AS CODIFIED AT TUKWILA MUNICIPAL CODE SECTION 16.28.040; PROVIDING A PROCESS FOR THE DEFERRAL OF PARKS IMPACT FEES TO ENCOURAGE RESIDENTIAL DEVELOPMENT WITHIN CERTAIN PORTIONS OF THE SOUTHCENTER AREA OF THE CITY; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

**Ordinance 2486:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2365 §1 (PART), AS CODIFIED AT TUKWILA MUNICIPAL CODE SECTION 16.26.040; PROVIDING A PROCESS FOR THE DEFERRAL OF FIRE IMPACT FEES TO ENCOURAGE RESIDENTIAL DEVELOPMENT WITHIN CERTAIN PORTIONS OF THE SOUTHCENTER AREA OF THE CITY; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of these ordinances will be provided upon request.

Christy O’Flaherty, MMC, City Clerk

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