

MEMORANDUM

DATE: June 22, 2020

TO: Eric Holmes- City Manager

FROM: Peggy Sheehan-Programs Manager

CC: Chad Eiken, Director, Community & Economic Development

RE: **Impact Fee Waiver Requests – Neals Lane and WXV Apartments**

In 2004 Council adopted Ordinance M-3643 allowing collection of impact fees to ensure that adequate facilities for schools, parks, and roads are available to serve new developments. Project developers are required to pay a proportionate share of the cost of infrastructure facilities needed to serve new development and maintain prescribed levels of service.

In 2016 Council approved Ordinance M-4154 extending partial and full waiver of impact fees for low income affordable housing projects. Low-income housing is defined as housing for which the monthly housing expense is no greater than thirty percent of eighty percent of the median family income adjusted for family size for Clark County, Washington, as reported by the United States Department of Housing and Urban Development. The 2019 HUD median income for a family of four in this region is \$87,900. At 80% of the area median the income for a family of four is \$70,300. The 30% monthly housing expense would be \$1,758.

| 1-Person Household | | 2-Person Household | | 4-Person Household | |
|--------------------|---------------------------------|--------------------|---------------------------------|--------------------|---------------------------------|
| 80% AMI | Maximum affordable monthly rent | 80% AMI | Maximum affordable monthly rent | 80% AMI | Maximum affordable monthly rent |
| \$49,250 | \$1,231 | \$56,250 | \$1,406 | \$70,300 | \$1,758 |

For residential developments of four or more units City Council may, by Resolution, fully waive the park and transportation impact fees at 100% or partially waive them up to 80% the impact fees. If Council only partial exempts the development up to 80% of the impact fee there is no requirement to pay the exempted portion of the fee from public funds. If Council waives 100% of the development from impact fees the remaining 20% of the waived impact fee must be paid from public funds other than impact fee accounts.

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Two projects eligible for partial exemption of full waiver of development impact fees are nearing permit approval. The amount of impacts fees for each project depends on the location of the projects in individual fee districts, the number of units proposed, and vehicle trips generated.

This project is for 9 multifamily units located at 2705 Neals Lane. The developer, Ginn Group LLC is requesting an 80% waiver of impact fees. The units will be reserved for households earning at or below 50% of the area median income. Upon completion the project will be owned and operated by Second Step Housing.

| Fee District | Impact Fee | After 80% reduction |
|---|-------------|---------------------|
| Vancouver District- \$2,381.93 per unit | \$19,055.44 | \$19,055.44* |
| Park District A- \$1,639.00 per unit | \$13,112.00 | \$2,622.40 |
| Columbia District- | \$7,343.15 | \$1,468.63 |
| Total | \$39,510.59 | \$23,146.47 |

[illegible]

Affordable Housing Impact Fee Waiver

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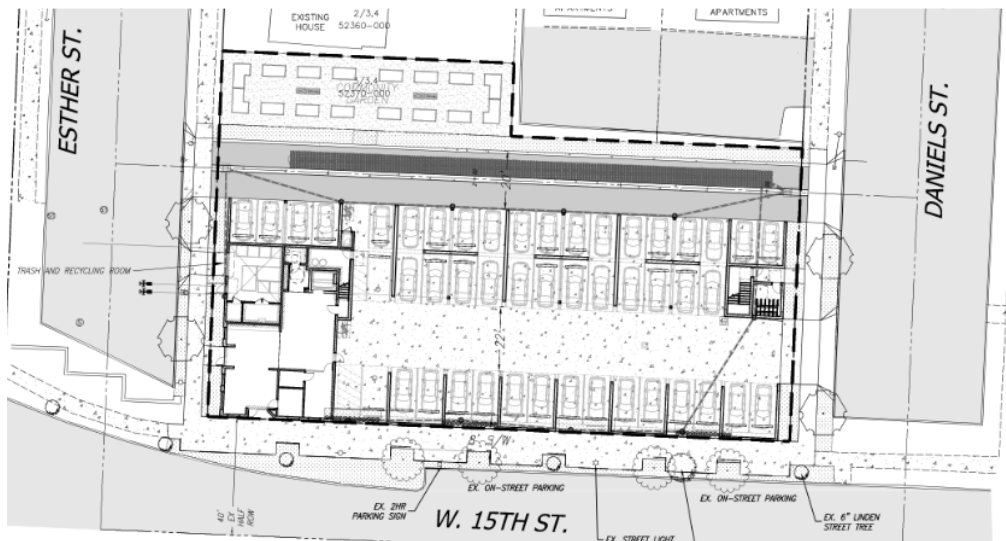
WXV Apartments

The WXV apartment project is for 69 multifamily units for people over 62 years of age and earning at or below 50% of the area median income. The project is located at 1501 Esther. Upon completion the project will be owned and operated by WXV Senior Housing LLC with Vancouver Housing Authority as a general partner.

Fee waiver Calculation:

| Fee District | Impact Fee | After 80% reduction |
|------------------------------------|---------------------|---------------------|
| Vancouver District- Exempt | Exempt W/ covenant* | Exempt W/ covenant* |
| Park District A - \$1,639 per unit | \$113,091.00 | \$22,618.20 |
| Columbia District- | \$22,029.45 | \$4,405.89 |
| Total | \$135,120.45 | \$27,024.09 |

*Provided the applicant records a covenant restricting the units to persons 62 years and older school impact fees will not apply (20.915.070).



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Action requested /next steps:

Request on July 20, 2020 that City Council approve by resolution an 80% reduction of City of transportation and park impact fees for both the WXV and Neals Lane apartment affordable housing projects.



To request other formats, please contact:
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