AN ORDINANCE OF THE CITY OF SAMMAMISH, WASHINGTON, AMENDING TITLE 14A.15 OF THE SAMMAMISH MUNICIPAL CODE INCREASING THE TIME ALLOWED TO SPEND/ENCUMBER IMPACT FEES FROM SIX YEARS TO TEN YEARS

WHEREAS, pursuant to the provisions of state law, Chapter 82.02.070 of the Revised Code of Washington, the Sammamish City Council has adopted the Sammamish Municipal Code (SMC), Title 14A which regulates impact fees; and

WHEREAS, a need exists to amend SMC 14A.15.070 and 14A.15.080 to ensure consistency with RCW 82.02.070(3)(a) in that the time allowed to encumber/spend the impact fees has been increased by state law from six years to ten years; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAMMAMISH, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The proposed amendments subject to this ordinance set forth in Attachment “A” are adopted.

Section 2. Severability. The above “Whereas” clauses of this ordinance constitute specific findings by the Council in support of passage of this ordinance. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances is not affected.

Section 3. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on March 1, 2013.

ADOPTED BY THE CITY COUNCIL AT A SPECIAL MEETING THEREOF ON THE 22nd DAY OF JANUARY 2013.

CITY OF SAMMAMISH

[Signature]
Mayor Thomas T. Odell

ATTEST/AUTHENTICATED:

[Signature]
Melonie Anderson, City Clerk
Approved as to form:

[Signature]

Bruce L. Disend, City Attorney

Filed with the City Clerk: January 2, 2013
First Reading: January 8, 2013
Passed by the City Council: January 22, 2013
Publication Date: January 28, 2013
Effective Date: March 1, 2013
14A.15.070 Establishment of impact fee accounts.
(1) Impact fee receipts shall be earmarked specifically and deposited in a special interest-bearing impact fee account maintained by the City.
(2) There is hereby established the street impact fee account for the fees collected pursuant to this title. Funds withdrawn from this account must be used in accordance with the provisions of SMC 14A.15.090 and applicable state law. Interest earned on the fees shall be retained in the account and expended for the purposes for which the impact fees were collected.
(3) On an annual basis, the finance department shall provide a report to the City council on the street impact fee account showing the source and amount of all moneys collected, earned, or received, and the system improvements that were financed in whole or in part by impact fees.
(4) Impact fees for system improvements shall be expended only in conformance with the capital facilities plan element of the City's comprehensive plan.
(5) Impact fees shall be expended or encumbered within six-ten years of receipt, unless the council identifies in written findings extraordinary and compelling reason or reasons for the City to hold the fees beyond the six-ten-year period. Under such circumstances, the council shall establish the period of time within which the impact fees shall be expended or encumbered. (Ord. O2006-208 § 2; Ord. O2004-140 § 1; Ord. O2004-136 § 1)

14A.15.080 Refunds.
(1) If the City fails to expend or encumber the impact fees within six-ten years of when the fees were paid, or where extraordinary or compelling reasons exist and the council has established other time periods pursuant to SMC 14A.15.070, the current owner of the property on which impact fees have been paid may receive a refund of such fees. In determining whether impact fees have been expended or encumbered, impact fees shall be considered expended or encumbered on a first-in, first-out basis.
(2) The City shall notify potential claimants by first class mail deposited with the United States Postal Service at the last known address of such claimants. A potential claimant or claimant must be the owner of the property for which the impact fee was paid.
(3) Owners seeking a refund of impact fees must submit a written request for a refund of the fees to the director within one year of the date the right to claim the refund arises or the date that notice is given, whichever is later.
(4) Any impact fees for which no application for a refund has been made within this one-year period shall be retained by the City and expended on the appropriate public capital facilities.
(5) Refunds of impact fees under this section shall include any interest paid at the statutory rate.
(6) When the City seeks to terminate any or all components of the impact fee program, all unexpended or unencumbered funds from any terminated component or components, including interest earned, shall be refunded pursuant to this section. Upon the finding that any or all fee requirements are to be terminated, the City shall place notice of such termination and the availability of refunds in a newspaper of general circulation at least two times and shall notify all potential claimants by first class mail at the last known address of the claimants. All funds available for refund shall be retained for a period of one year. At the end of one year, any remaining funds shall be retained by the City, but must be expended for the appropriate public facilities. This notice requirement shall not apply if there are no unexpended or unencumbered balances within the account or accounts being terminated.
(7) The City shall refund to the current owner of property for which impact fees have been paid all impact fees paid, including interest earned on the impact fees pursuant to RCW 82.02.080(3), if the development for which the impact fees were imposed did not occur; provided, that if the City has expended or encumbered the impact fees in good faith prior to the application for a refund, the director shall determine whether an impact has resulted and whether all or a portion of the impact fees paid shall be refunded. (Ord. O2006-208 § 2; Ord. O2004-140 § 1; Ord. O2004-136 § 1)