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SNOHOMISH COUNTY
EXECUTIVE OFFICE

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COUNTY COUNCIL
Snohomish County, Washington



CO00024652

AMENDED
ORDINANCE NO. 92-014

**PRIORITY PERMIT PROCESSING FOR LOW-INCOME HOUSING;
ENACTING SNOHOMISH COUNTY CODE TITLE 14**

WHEREAS, there is a demonstrated need for the construction and preservation of housing for low-income individuals and families in Snohomish County; and

WHEREAS, low-income housing is not currently being adequately developed by the private sector to meet the present need due to financial and market constraints; and

WHEREAS, public housing authorities and nonprofit housing organizations with the assistance of a variety of federal, state, county, city, and charitable resources are constructing and/or rehabilitating single family, multifamily, and group home dwellings for low-income tenants including families, elderly, handicapped, and special populations; and

WHEREAS, the Snohomish County Council recognizes the need for low-income housing and wishes to assist these agencies to develop these low-income units in a prioritized manner until such time as the county council determines the private sector is capable of developing an adequate supply of low-income housing.

NOW, THEREFORE, BE IT ORDAINED:

Section 1. A new Title 14 is added to the Snohomish County Code as follows:

TITLE 14
PERMIT ADMINISTRATION
CHAPTER 14.01

PRIORITY PERMIT PROCESSING

Sections:

- 14.01.010 Purpose and intent.
- 14.01.020 Definitions.
- 14.01.030 Projects eligible for priority permit processing.

- 14.01.040 Permits subject to priority processing.
- 14.01.050 Application for priority permit processing.
- 14.01.060 Low-income housing preservation agreements.
- 14.01.070 Priority permit processing procedure.
- 14.01.080 Administrative policies and procedures.

14.01.010 Purpose and intent.

Public housing authorities and nonprofit housing organizations shall be eligible to receive priority permit processing in accordance with this chapter from the department of planning and community development and the department of public works for all complete permit and development approval applications submitted for low-income housing projects owned by such public housing authorities and nonprofit housing organizations.

14.01.020 Definitions.

As used in this chapter, the following words and phrases shall have the meaning given in this section unless the context clearly indicates otherwise:

- (1) "Deferred interest loan" means a non-amortized debt instrument carried by a low-income owner-occupant which requires payment of interest or both principal and interest only upon the sale of the subject property or default of the loan agreement.
- (2) "Director" means the director of the planning division of the department of planning and community development.
- (3) "Displaced mobile home owner" means the owner of a mobile home who has been displaced within the last two years prior to the date of purchase of a low-income housing unit due to the closure of the mobile home park in which the owner previously resided or who has received from the owner (or agent of such owner) of the mobile home park where the owner of a mobile home currently resides notice that the mobile home park in which the owner lives will be closed within one (1) year following the date of purchase of a low-income housing unit.
- (4) "Eligible applicant" means a public housing authority or nonprofit housing organization which has a controlling ownership interest in a low-income housing project.

- (5) "First-time homebuyer" means
- (a) a household whose owner-occupants have not had an ownership interest in a principal residence at any time during the three-year period ending on the date of purchase of a low-income housing unit.
 - (b) a person who has held an ownership interest in a principal residence at any time during the three-year period ending on the date of purchase of a low-income housing unit, and during that three-year period has been either divorced, legally separated, or widowed, or has taken up residence in a dwelling other than the principal residence in order to avoid actual or threatened violence by the person's spouse.
- 6) "Low-income housing" means:
- (a) rental housing occupied or to be occupied by households whose gross income when adjusted for size is at or below 50% of the area median at occupancy and rises after occupancy to no greater than 80% of the area median as annually adjusted by the U.S. Department of Housing and Urban Development and whose housing expense (rent and utility cost) is no greater than 30% of the target population household's gross income; and
 - (b) owner-occupied housing which is purchased and can be financed under standard underwriting practices by first-time homebuyer households whose income when adjusted for size is at or below 80% of the area median as annually adjusted by the U.S. Department of Housing and Urban Development, who make a three percent (3%) down payment and whose housing expense is no greater than 30% of the household's gross income. Housing expense for owners includes house purchase loan principal and interest (except for deferred interest loans), real property taxes, homeowner's insurance and, if applicable, homeowner association costs.
- (7) "Nonprofit housing organization" means a not-for-profit corporation registered as such with the Washington Secretary of State which has been determined by the Internal Revenue Service as meeting the section 501(c)(3) requirements of the Internal Revenue Code and which is not controlled by a for-profit entity and which has a demonstrated record of housing development experience.

- (8) "Public housing authority" means a public housing authority organized pursuant to ((RCW)) Chapter 35.82 RCW or a public development authority organized pursuant to Section 35.21.730 RCW which has a demonstrated record of housing development experience.

14.01.030 Projects eligible for priority permit processing.

- (1) The following types of projects requiring a building permit or a land use approval and a building permit shall be eligible for priority permit processing:
- (a) Low-income housing projects in which 100% of units are low-income housing.
 - (b) Projects in which 100% of units are low-income housing which provide housing and/or pad space for displaced mobile home owner households whose gross income when adjusted for household size is at or below 80% of the area median as adjusted annually by the U.S. Department of Housing and Urban Development (~~in which 100% of units are low-income housing~~).
 - (c) Projects in which 100% of units are low-income housing which provide publicly subsidized lease/purchase housing to households whose gross income when adjusted for household size is at or below 80% of the area median as adjusted annually by the U.S. Department of Housing and Urban Development (~~in which 100% of units are low-income housing~~).
 - (d) Mixed-use residential projects in which at least 50% of the building's(s') floor space or at least 50% of the total number of units, whichever produces the greater number of units for low-income households, is devoted to providing low-income housing as defined in ((section)) SCC 14.01.020.
 - (e) mixed-income subdivisions or projects in which at least 50% of the total number of housing units are devoted to providing low-income housing as defined in ~~section~~ SCC 14.01.020.

- (2) For all projects meeting the eligibility criteria of subsection (1), the housing expense for low-income renter households shall be no greater than 30% of the target population household's gross income and the housing expense for low-income first-time homebuyer households shall be no greater than 30% of the respective homebuyer household's gross income. (~~"Housing expense" as used in this subsection includes rent and utilities for rental units and house purchase loan principal and interest (except for deferred interest loans), real property taxes, homeowner's insurance and, if applicable, homeowners association costs for owner-occupied units.~~)

14.01.040 Permits subject to priority processing.

Eligible applicants may apply for priority permit processing for the following:

- (1) All permits, approvals and reviews connected with the (~~department of community development's~~) community development division of the department of planning and community development's site development permit process including, but not limited to:
- (a) building permits issued pursuant to Title 17 SCC;
 - (b) completion permits issued pursuant to Title 17 SCC;
 - (c) mechanical permits issued pursuant to Title 17 SCC;
 - (d) mobile home/accessory permits issued pursuant to Title 17 SCC;
 - (e) drainage plan approvals granted pursuant to Title 24 SCC;
 - (f) demolition permits issued pursuant to Title 17 SCC;
 - (g) grading permits issued pursuant to Title 17 SCC;
 - (h) plumbing permits issued pursuant to Title 17 SCC;
 - (i) plan reviews conducted pursuant to Title 17 SCC; and

- (j) condominium conversion approval granted pursuant to Title 17 SCC;
- (2) All approvals and reviews connected with the planning division of the department of planning and community development's land use permit and approval process including, but not limited to:
- (a) short subdivision approvals granted pursuant to Title 20 SCC;
 - (b) preliminary and final subdivision approvals granted pursuant to Title 19 SCC;
 - (c) mobile home park approvals granted pursuant to Title 18 (~~and 19~~) SCC;
 - (d) boundary line adjustment approvals granted pursuant to Title 29 SCC;
 - (e) binding site plan approvals granted pursuant to Title 18 SCC;
 - (f) shoreline permits issued pursuant to Title 21 SCC;
 - (g) conditional use permits issued pursuant to Title 18 SCC;
 - (h) nonconforming use (~~reviews conducted~~) expansions granted pursuant to Title 18;
 - (i) townhouse approvals granted pursuant to Title 18 (~~and 19~~) SCC;
 - (j) planned residential development approvals granted pursuant to Title 18 (~~and 19~~) SCC;
 - (k) rezones (~~approvals~~) granted pursuant to Title 18 SCC;
 - (l) flood hazard permits issued pursuant to Title 27 SCC;
 - (m) environmental reviews conducted pursuant to Title 23 SCC;
 - ~~((n) special use permits issued pursuant to Title 18 SCC, and)~~

(n)~~((e))~~ variances granted pursuant to Title 18 SCC;

- (3) All permits, approvals and reviews connected with the department of public works' site development review process including, but not limited to:
- (a) traffic impact reviews conducted pursuant to Title 26B SCC;
 - (b) trail access permits issued pursuant to Title 13 SCC;
 - (c) road construction permits issued pursuant to Title 13 SCC;
 - (d) right-of-way permits issued pursuant to Title 13 SCC; ~~((and))~~
 - (e) temporary access permits issued pursuant to Title 13 SCC; and
 - (f) right-of-way vacation reviews conducted pursuant to Title 13 SCC.
- (4) Priority permit processing does not include any public hearing, hearing examiner or county council processes associated with any of the permits, approvals or reviews referred to in subsections (1), (2) or (3).

14.01.050 Application for priority permit processing.

Eligible applicants may submit applications for priority permit processing to the Director (~~of the planning department~~) upon forms provided by the planning division. Applications shall, at the Director's discretion include execution by the eligible applicant of a low-income housing preservation agreement, in a form provided by the department, by which the eligible applicant shall agree to keep the subject housing in compliance with eligibility criteria for low-income housing for a period of fifteen (15) consecutive years beginning on the day the preservation agreement is executed by the Director. Such agreement shall not be required if the Director determines the subject housing is adequately bound by other encumbrances to comply with the low-income requirements for 15 years.

14.01.060 Low-income housing preservation agreements.

- (1) Low-income housing preservation agreements submitted in accordance with ~~((section))~~ SCC 14.01.050 shall require that deed restrictions be recorded against the property upon which the proposed low-income housing project is to be built which require that the property be retained as low-income housing for a period of not less than 15 consecutive years beginning on the day the preservation agreement is executed by the Director. Such agreements shall also include a provision by which the applicant~~((s))~~ agrees that the initial value to the applicant~~((s))~~ of the priority permit processing benefit provided by the county is one percent (1%) of the estimated value of the improvements for which permits are sought as determined by the Director ~~((of planning))~~. All low-income housing preservation agreements shall be accompanied by deeds of trust or other securities acceptable to the Director ~~((of planning))~~ which secure the county's interest in the agreements. A preservation agreement shall be executed by the county pursuant to SCC 14.01.070(1) only after the Director ~~((of planning))~~ determines the county's interest in the agreement is adequately secured.

~~((2)) All low income housing preservation agreements shall include provisions addressing default and termination and shall include provisions for the payment of liquidated damages which meet the following requirements:~~

~~(a) Liquidated damages for low income rental housing. In the event of default or premature termination of an agreement, the owner shall be required to pay the county an amount as liquidated damages which equals the initial value to the applicant of the priority permit processing benefit multiplied by the percentage increase or decrease in the shelter component of the Seattle-Tacoma Area Consumer Price Index for Urban Workers (CPI-U) as compiled by the U.S. Bureau of Labor Statistics for the years and fractions thereof from the date of execution of the agreement through the date of recording of a notice of termination.~~

~~(b) Liquidated damages for low income owner/occupied housing. In the event of default or premature termination of an agreement, the owner shall be required to pay the county an amount as liquidated damages which equals the initial value to the applicant of the priority permit processing benefit multiplied by~~

~~the percentage increase or decrease in the shelter component of the Seattle-Tacoma Area Consumer Price Index for Urban Workers (CPI-U) as compiled by the U.S. Bureau of Labor Statistics for the years and fractions thereof from the date of execution of the agreement through the date of recording of a notice of termination.)~~

(2) All low-income housing preservation agreements shall include provisions addressing default and termination which require, in the event of default or premature termination of an agreement, that the owner pay the county an amount as liquidated damages which equals the initial value to the applicant of the priority permit processing benefit multiplied by the percentage increase or decrease in the shelter component of the Seattle-Tacoma Area Consumer Price Index for Urban Workers (CPI-U) as compiled by the U.S. Bureau of Labor Statistics for the years and fractions thereof from the date of execution of the agreement through the date of recording of a notice of termination.

(3) Any and all liquidated damages received by the county shall be paid into the Housing Trust Fund established by ((Chapter)) SCC 4.68 in order to fund replacement low-income housing.

(4) In the event an agreement is terminated prior to the expiration of its term either due to default or mutual agreement, a notice of termination shall be filed of record by the director only after liquidated damages owed to the county, if any, have been paid. The notice of termination shall remove the encumbrance of the agreement from the property upon which the low-income housing project is situated.

14.01.070 Priority permit processing procedure.

(1) After receiving an application submitted pursuant to ((section)) SCC 14.01.050, the Director ((of the planning department)) shall review the application in accordance with administrative policies and procedures adopted pursuant to ((section)) SCC 14.01.080 and shall determine whether or not the proposed low-income housing project is eligible for priority permit processing. If the proposed project is determined to be eligible, the director ((of the planning department)) shall execute a low-income housing preservation agreement with the applicant. Following

execution of the agreement, the director (~~(of the planning department)~~) shall issue a certificate of eligibility to the applicant and shall transmit copies of the certificate of eligibility to the departments of planning and community development, and public works which will authorize and require the departments to provide the proposed low-income housing project priority permit processing.

- (2) The departments of planning and community development, and public works shall review and process permits for which certificates of eligibility have been issued in the most expeditious manner allowable under state law and county ordinance. Priority permit processing shall begin on the next working day immediately following receipt by the department of a certificate of eligibility. Departmental staff shall, upon receipt of a permit application and accompanying certificate of eligibility, process the permit application ahead of all (~~nonprioritized~~) permit applications /not accompanied by a certificate of eligibility. Whenever possible, applications for multiple permits for a single low-income housing project shall be processed on a concurrent, rather than sequential basis.

14.01.080 Administrative policies and procedures.

The director (~~(of the planning division of the department of planning and community development)~~) is hereby authorized and required to adopt administrative policies and procedures to implement the priority permit process authorized by this chapter. Such policies and procedures shall address low-income housing preservation agreements including provisions concerning default or termination of such agreements and provisions for liquidated damages upon default or termination of such agreements. Policies and procedures shall also provide for a methodology for the valuation of the priority permit processing benefit and other criteria and procedures relating to the implementation of this chapter.

PASSED this 1st day of April, 1992.

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington

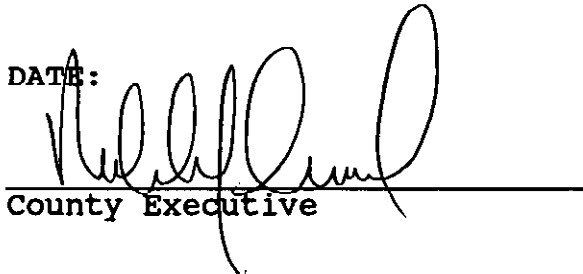

Chairperson

ATTEST:


Clerk of Council, *asst.*

- APPROVED
- VETOED
- EMERGENCY

DATE:


County Executive

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