ORDINANCE 3802

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO ROAD IMPACT FEES; AND AMENDING SECTION 27.04.030 OF THE KIRKLAND MUNICIPAL CODE.

WHEREAS, in Ordinance No. 3685, passed on April 6, 1999, the City Council established a Road Impact Fee Ordinance, codified at Chapter 27.04 of the Kirkland Municipal Code; and

WHEREAS, Section 27.04.030 of the Kirkland Municipal Code currently requires that building permit applicants pay road impact fees prior to building permit issuance; and

WHEREAS, due to the current economy, applicants for building permits for certain large-project developments have indicated that they will allow their building permit applications to expire, or will delay permit issuance, rather than pay the road impact fees prior to permit issuance; and

WHEREAS, the City Council desires to adopt a one-year interim amendment to KMC 27.04.030 to allow the payment of certain road impact fees to be deferred until the start of the construction project; now therefore,

THE CITY COUNCIL OF THE CITY OF KIRKLAND DO ORDAIN AS FOLLOWS:

<u>Section 1</u>. Section 27.04.030 of the Kirkland Municipal Code is amended by the addition of a new subsection (h) to read as follows:

## Section 27.04.030 Assessment of impact fees.

(h) Notwithstanding the provisions of subsection (b) and (g) of this section, for a period of one-year following the effective date of this Ordinance, an applicant for a building permit that meets the criteria of this subsection (h), may defer the payment of impact fees imposed on the building permit until the start of construction of the development that is authorized by the permit. For the purposes of this subsection (h), the following criteria shall apply:

(1) Only an applicant for a building permit subject to an impact fee of \$10,000 or greater is eligible to defer the impact fee payment until the start of construction of the development that is authorized by the permit.

(2) <u>"Start of construction" is defined as the initial</u> performance of any clearing, grading, underground utilities work, foundation work, or other construction activity of any nature whatsoever on the development that is authorized by the building permit.

(3) If the applicant allows the building permit to expire without starting construction of the development that is authorized by the permit, the applicant shall not be required to pay the impact fees to the City.

(4) <u>The building permit applicant shall post a performance</u> security equal to the amount of the fee prior to the issuance of the building permit. The performance security shall be released

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upon payment of the impact fee or expiration of the building permit, whichever occurs first.

(5) The deferment of the payment of the impact fee by the applicant shall have no effect on (a) the expiration date of the building permit, or (b) the requirement in KMC 27.04.130 that an appeal of the imposition of the impact fee be filed prior to issuance of the building permit.

(6) If the applicant starts construction of the development authorized by the building permit prior to paying the impact fee, the City shall issue and post a stop work order on the development. The applicant shall have no right to appeal or challenge a stop work order posted pursuant to this subsection (h)(6).

(7) <u>The owner of the property that is the subject of the building permit shall sign an agreement, in a form approved by the City Attorney, to be recorded with the King County Records Office, acknowledging the following:</u>

(a) <u>The owner has opted to defer the payment of the impact</u> fee, indicating the amount of the impact fee.

(b) <u>The deferred impact fee is due to the City at the start of construction.</u>

(c) <u>The owner can not appeal the payment of the impact fee.</u>
(d) The owner is subject to a Stop Work order if the owner

(d) <u>The owner is subject to a Stop Work order if the owner</u> starts construction before paying the impact fee, and such Stop Work order can not be appealed.

(e) <u>The owner will forfeit the performance security if the</u> owner defaults on the impact fee payment.

Section 2. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Section 3. This ordinance shall expire one year after its effective date.

Passed by majority vote of the Kirkland City Council in open meeting this 16th day of October, 2001

Signed in authentication thereof this 16th day of October, 2001

Attest:

Clerk

Approved as to Form:

City Attorney

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