

RESOLUTION NO. 2016 - 81

A Resolution establishing reduced permit fees (building and planning) for affordable housing projects.

RECITALS:

The City of McMinnville understands the value and need for affordable housing in the City of McMinnville; and

The McMinnville City Council would like to increase the availability of affordable housing for low and no-income residents of the City of McMinnville; and

The City of McMinnville created a McMinnville Affordable Housing Task Force on April 26, 2016 with Resolution No. 2016-20; and

The City of McMinnville is able to reduce the costs of building affordable housing by reducing the amount of permit fees required; and

The McMinnville Affordable Housing Task Force after careful consideration and evaluation recommends the reduction of permit fees by 50% to help enable the development of affordable housing in the City of McMinnville.

**NOW, THEREFORE, THE COMMON COUNCIL FOR THE CITY OF MCMINNVILLE ORDAINS AS FOLLOWS:**

Section 1. That permit fees (building and planning) for new or remodel housing construction projects be reduced by 50% that meet the following criterion:

- a. Housing for low-income persons which is exempt from real property taxes under state law. Applicants will need to provide proof of qualification at the time of application.
- b. Owner-occupied or lease-to-purchase housing for households with an income at or below 80% of the Area Median Income as determined by the State Housing Council based on information from the United States Department of Housing and Urban Development. Income levels will need to be certified and provided by the applicant at the time of application.
- c. Homeless Shelter Developments.
- d. If the project has units that do not qualify for the reduction or a commercial component, the reduction will be based on a percentage of the total permit fee.

Section 2. The annual allocation to affordable housing reductions will not exceed \$75,000 (including SDC exemptions) unless it is approved by action of the McMinnville City Council.

Section 3. Upon issuance of the certificate of occupancy, the city shall record the certificate of exemption documenting the date and amount of the reduction with the Yamhill County Recorder's office.

Section 4. In the event the property for which a reduction is granted ceases to be utilized for housing for low-income persons within ten years from the date the certificate of exemption is recorded, the person to whom the reduction was granted shall be required to pay to the city the amount of the reduced permit fees.

Section 5. That this policy shall be reviewed by the City Council no later than three years from its adoption to ensure it remains an effective tool for encouraging affordable housing in McMinnville while also balancing the needs of McMinnville's development programs.

Section 6. This Resolution shall take effect January 1, 2017, and shall continue in full force and effect until revoked or replaced.

Passed by the Council this 8<sup>th</sup> day of November, 2016 by the following votes:

Ayes: Drabkin, Hill, Jeffries, Menke, Ruden, Yoder

Nays: \_\_\_\_\_

Approved this 8<sup>th</sup> day of November, 2016.

  
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COUNCIL PRESIDENT

Approved as to form:

  
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CITY ATTORNEY