

ORDINANCE NO. 5046

AN ORDINANCE AMENDING 3.10.060, SYSTEMS DEVELOPMENT CHARGES - EXEMPTIONS, OF THE MCMINNVILLE MUNICIPAL CODE

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 development fees required; and

The McMinnville Affordable Housing Task Force after careful consideration and evaluation recommends the exemption of affordable housing from system development charges to help enable the development of affordable housing in the City of McMinnville; and

The McMinnville Affordable Housing Task Force recognizes the need to not include the Parks System Development Charges from the exemptions; and

The City Council having received the McMinnville Affordable Housing Task Force recommendation and staff report, and having deliberated;

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

1. That Chapter 3.10.060 of the McMinnville City Code is amended as provided in Exhibit A. Text that is added is shown in bold underlined font while text that is removed is shown in strikeout font.
2. That this Ordinance shall take effect 30 days after its passage by the City Council:

Passed by the Council this 9th day of January 2018, by the following votes:

Ayes: Drabkin, Garvin, Menke, Stassens

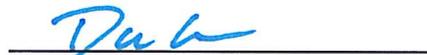
Nays: _____

SIGNATURE PAGE:

A handwritten signature in blue ink, appearing to read "Scott A. H.", written over a horizontal line.

MAYOR

Approved as to form:

A handwritten signature in blue ink, appearing to read "D. V.", written over a horizontal line.
CITY ATTORNEY

Attest:

A handwritten signature in blue ink, appearing to read "Melina Grace", written over a horizontal line.
CITY RECORDER

EXHIBIT A

PROPOSED AMENDMENTS TO THE MCMINNVILLE MUNICIPAL CITY CODE

New proposed language is represented by **bold underline font**, deleted language is represented by ~~strikethrough font~~.

3.10.060 Exemptions. ~~The following are exempt from the systems development charge imposed in Section 3.10.020.~~

A. An alteration, addition, remodel, replacement or change in use that does not increase the use of capital improvements **are exempt from the systems development charge imposed in Section 3.10.020.**

B. Affordable Housing.

1. The following affordable housing projects are exempt **from the transportation and wastewater systems development charge imposed in Section 3.10.020:**

- a. Housing for low-income residents which is exempt from real property taxes under state law. Applicants will need to provide proof of exemption 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 exemption or a commercial component, the exemption will be applied to only that portion of the project that qualifies.

~~2. The annual allocation to affordable housing exemptions will not exceed 75,000 unless it is approved by action of the McMinnville City Council.~~

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

34. In the event the property for which an exemption 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 exemption was granted shall be required to pay to the city the amount of the

exempted systems development charges.

4. The City of McMinnville City Council will evaluate this program for its effectiveness, need and financial impact to the Transportation and Wastewater funds in January, 2021, three years after the implementation of this program. At that time the McMinnville City Council will decide whether or not to continue to move forward with the exemptions or to sunset the program.