First Regular Session - 2019

## IN THE HOUSE OF REPRESENTATIVES

## HOUSE BILL NO. 91

## BY LOCAL GOVERNMENT COMMITTEE

1	AN ACT
2	RELATING TO DEVELOPMENT IMPACT FEES; AMENDING SECTION 67-8203, IDAHO CODE,
3	TO REVISE A DEFINITION AND TO MAKE TECHNICAL CORRECTIONS; AND DECLARING
4	AN EMERGENCY.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 67-8203, Idaho Code, be, and the same is hereby amended to read as follows:

## 67-8203. DEFINITIONS. As used in this chapter:

- (1) "Affordable housing" means housing affordable to families whose incomes do not exceed eighty percent (80%) of the median income for the service area or areas within the jurisdiction of the governmental entity.
- (2) "Appropriate" means to legally obligate by contract or otherwise commit to use by appropriation or other official act of a governmental entity.
- (3) "Capital improvements" means improvements with a useful life of ten (10) years or more, by new construction or other action, which increase the service capacity of a public facility.
- (4) "Capital improvement element" means a component of a comprehensive plan adopted pursuant to chapter 65, title 67, Idaho Code, which component meets the requirements of a capital improvements plan pursuant to this chapter.
- (5) "Capital improvements plan" means a plan adopted pursuant to this chapter that identifies capital improvements for which development impact fees may be used as a funding source.
- (6) "Developer" means any person or legal entity undertaking development, including a party that undertakes the subdivision of property pursuant to sections 50-1301 through 50-1334, Idaho Code.
- (7) "Development" means any construction or installation of a building or structure, or any change in use of a building or structure, or any change in the use, character or appearance of land, which creates additional demand and need for public facilities or the subdivision of property that would permit any change in the use, character or appearance of land. As used in this chapter, "development" shall not include activities that would otherwise be subject to payment of the development impact fee if such activities are undertaken by a taxing district, as defined in section 63-201, Idaho Code, or by an authorized public charter school, as defined in section 33-5202A, Idaho Code, in the course of carrying out the taxing district's public its statutory responsibilities, unless the adopted impact fee ordinance expressly includes taxing districts or public charter schools as being subject to development impact fees.
- (8) "Development approval" means any written authorization from a governmental entity which that authorizes the commencement of a development.

- (9) "Development impact fee" means a payment of money imposed as a condition of development approval to pay for a proportionate share of the cost of system improvements needed to serve development. This term is also referred to as an impact fee in this chapter. The term does not include the following:
  - (a) A charge or fee to pay the administrative, plan review, or inspection costs associated with permits required for development;
  - (b) Connection or hookup charges;

- (c) Availability charges for drainage, sewer, water, or transportation charges for services provided directly to the development; or
- (d) Amounts collected from a developer in a transaction in which the governmental entity has incurred expenses in constructing capital improvements for the development if the owner or developer has agreed to be financially responsible for the construction or installation of the capital improvements, unless a written agreement is made pursuant to section 67-8209(3), Idaho Code, for credit or reimbursement.
- (10) "Development requirement" means a requirement attached to a developmental approval or other governmental action approving or authorizing a particular development project including, but not limited to, a rezoning, which requirement compels the payment, dedication or contribution of goods, services, land, or money as a condition of approval.
- (11) "Extraordinary costs" means those costs incurred as a result of an extraordinary impact.
- (12) "Extraordinary impact" means an impact  $\frac{\text{which}}{\text{that}}$  is reasonably determined by the governmental entity to:
  - $(\pm \underline{a})$  #Result in the need for system improvements, the cost of which will significantly exceed the sum of the development impact fees to be generated from the project or the sum agreed to be paid pursuant to a development agreement as allowed by section 67-8214(2), Idaho Code<sub>T</sub>; or
  - $(\frac{iib}{b})$  \*Result in the need for system improvements which that are not identified in the capital improvements plan.
- (13) "Fee payer" means that person who pays or is required to pay a development impact fee.
- (14) "Governmental entity" means any unit of local government that is empowered in this enabling legislation to adopt a development impact fee ordinance.
  - (15) "Impact fee." See development impact fee.
- (16) "Land use assumptions" means a description of the service area and projections of land uses, densities, intensities, and population in the service area over at least a twenty (20) year period.
- (17) "Level of service" means a measure of the relationship between service capacity and service demand for public facilities.
- (18) "Manufactured home" means a structure, constructed according to HUD/FHA mobile home construction and safety standards, transportable in one (1) or more sections, which, in the traveling mode, is eight (8) feet or more in width or is forty (40) body feet or more in length, or when erected on site, is three hundred twenty (320) or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained

therein, except that such term shall include any structure which that meets all the requirements of this subsection except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the secretary of housing and urban development and complies with the standards established under 42 U.S.C. 5401, et seq.

- (19) "Modular building" is as defined in section 39-4301, Idaho Code.
- (20) "Present value" means the total current monetary value of past, present, or future payments, contributions or dedications of goods, services, materials, construction or money.
- (21) "Project" means a particular development on an identified parcel of land.
- (22) "Project improvements" means site improvements and facilities that are planned and designed to provide service for a particular development project and that are necessary for the use and convenience of the occupants or users of the project.
- (23) "Proportionate share" means that portion of the cost of system improvements determined pursuant to section 67-8207, Idaho Code, which reasonably relates to the service demands and needs of the project.
  - (24) "Public facilities" means:

- (a) Water supply production, treatment, storage and distribution facilities;
- (b) Wastewater collection, treatment and disposal facilities;
- (c) Roads, streets and bridges, including rights-of-way, traffic signals, landscaping and any local components of state or federal highways;
- (d) Storm water collection, retention, detention, treatment and disposal facilities, flood control facilities, and bank and shore protection and enhancement improvements;
- (e) Parks, open space and recreation areas, and related capital improvements; and
- (f) Public safety facilities, including law enforcement, fire, emergency medical and rescue and street lighting facilities.
- (25) "Recreational vehicle" means a vehicular type unit primarily designed as temporary quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle.
- (26) "Service area" means any defined geographic area identified by a governmental entity or by intergovernmental agreement in which specific public facilities provide service to development within the area defined, on the basis of sound planning or engineering principles or both.
- (27) "Service unit" means a standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards for a particular category of capital improvements.
- (28) "System improvements," in contrast to project improvements, means capital improvements to public facilities  $\frac{1}{2}$  which are designed to provide service to a service area including, without limitation, the type of improvements described in section 50-1703, Idaho Code.
- (29) "System improvement costs" means costs incurred for construction or reconstruction of system improvements, including design, acquisition, engineering and other costs attributable thereto, and also including, with-

out limitation, the type of costs described in section 50-1702(h), Idaho Code, to provide additional public facilities needed to serve new growth and development. For clarification, system improvement costs do not include:

- (a) Construction, acquisition or expansion of public facilities other than capital improvements identified in the capital improvements plan;
- (b) Repair, operation or maintenance of existing or new capital improvements;
- (c) Upgrading, updating, expanding or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental or regulatory standards;
- (d) Upgrading, updating, expanding or replacing existing capital improvements to provide better service to existing development;
- (e) Administrative and operating costs of the governmental entity unless such costs are attributable to development of the capital improvements plan, as provided in section 67-8208, Idaho Code; or
- (f) Principal payments and interest or other finance charges on bonds or other indebtedness except financial obligations issued by or on behalf of the governmental entity to finance capital improvements identified in the capital improvements plan.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval.