

Introduced by \_\_\_\_\_

First Reading \_\_\_\_\_

Second Reading \_\_\_\_\_

Ordinance No. \_\_\_\_\_

Council Bill No. B 290-18

**AN ORDINANCE**

repealing Ordinance No. 022853 which established affordable housing fee waiver and rebate programs and enacting new provisions related thereto; providing for an accessory dwelling unit fee waiver program; providing for repayment upon failure to meet program requirements for a minimum of five years; requiring an annual report from the Community Development Department; and fixing the time when this ordinance shall become effective.

WHEREAS, the City Council previously established an affordable housing permit fee waiver program and an affordable housing permit fee rebate program by passing Ordinance No. 022853 on June 20, 2016; and

WHEREAS, the City Council wishes to update such provisions and enact new provisions to support community housing development organizations (CHDOs) constructing affordable housing regardless as to whether a particular housing project receives federal funds; and

WHEREAS, the City Council finds that accessory dwelling units in existing neighborhoods are an efficient use of land and promote affordable living and desires to add a program to support and encourage the construction of accessory dwelling units.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. Ordinance No. 022853 is hereby repealed.

SECTION 2. The Affordable Housing Fee Waiver Program is hereby established.

(a) An applicant for an eligible affordable housing project receiving City funds for the development of affordable housing may apply for the waiver of certain permit and development related fees under the following conditions:

1. The application for the fee waiver must be submitted at the same time as the building permit application for the project.

2. The housing project must be submitted at the same time as the building permit application for the project.
3. The housing project must be an eligible new construction single-family residential and owner-occupied affordable housing project approved under programs operated by the Director of the Community Development Department.

(b) In furtherance of this affordable housing fee waiver program, the Director of the Community Development Department shall prepare, and amend as necessary, a list of approved affordable housing projects receiving funds for the development of affordable housing and distribute the list to the Division of Building and Site Development and the City Clerk. Once the foregoing conditions have been met, the fees set forth herein may be waived for approved affordable housing projects.

(c) Eligible projects shall include all single-family residential projects that are in compliance with the City of Columbia Code of Ordinances and authorized to receive funding from the City of Columbia through a City sponsored new housing construction affordable housing program.

(d) Upon review of a complete application for a building permit to construct a single family dwelling unit, an application for fee waiver, and certification by the Director of the Community Development Department that the project and plans comply with all applicable City ordinances, the Director may authorize the waiver of all or a portion of the following fees:

1. Building Permit Fees set forth in Section 6-17 of the City Code;
2. Sewer System Connection Fees set forth in Section 22-264 of the City Code;
3. Development Charge set forth in Section 26-151 of the City Code (collector and arterial streets);
4. Stormwater Development Charge set forth in Section 26-170 of the City Code; and
5. Water Service Fees set forth in Section 27-52 of the City Code (system equity charge, tap fee, and meter fee).

SECTION 3. The Affordable Housing CHDO Fee Waiver Program for construction of affordable housing units by community housing development organizations (CHDOs) is hereby established.

(a) Organizations that qualify as community housing development organizations (CHDOs) under the rules of U.S. Department of Housing and Urban Development and are

constructing affordable housing units without other assistance from the City may obtain a waiver of fees set forth herein, provided:

1. The applicant demonstrates to the satisfaction of the Director of Community Development by providing documentation of sources and uses of funds that the fee waiver is necessary to maintain an affordable housing price and does not result in the CHDO collecting a development fee higher than ten percent (10%) of total development cost; and
2. The applicant provides documentation that the fee waiver will benefit a household earning no more than eighty percent (80%) of the area median income.

(b) With the exception of the requirement that the affordable housing project must receive assistance from a City affordable housing program, an eligible project shall comply with all other requirements and procedures set forth in Section 2 of this ordinance and shall be eligible for the same fee waivers set forth in Section 2(b) above.

SECTION 4. The Accessory Dwelling Unit Fee Waiver Program is hereby established.

(a) An applicant for a building permit to construct an accessory dwelling unit, as defined in Chapter 29 of the City Code which is in full compliance with the standards set forth therein for accessory dwelling units, may apply for a waiver of certain building permit fees under the terms and conditions set forth in this section.

(b) The project shall be located in an area where public infrastructure already exists and the accessory dwelling unit construction does not involve the extension of any public infrastructure or new construction of streets, wastewater collection systems, or public water mains.

(c) The project shall be constructed for monthly or annual rental, for related living (i.e., family or household members), or for owner-occupancy. "Short-term rentals," "vacation homes," "game day condos," or other quarters for tourists, visitors, or guests who lease or occupy the premises for any period less than thirty (30) days shall not qualify for the fee waiver.

(d) Upon review of a complete application for a building permit to construct an accessory dwelling unit, an application for fee waiver, and certification by the Director of the Community Development Department that the project and plans comply with all applicable City ordinances, the Director may authorize the waiver of all or a portion of the following fees:

1. Building Permit Fees set forth in Section 6-17 of the City Code;
2. Sewer System Connection Fees set forth in Section 22-264 of the City Code;

3. Development Charge set forth in Section 26-151 of the City Code (collector and arterial streets);
4. Stormwater Development Charge set forth in Section 26-170 of the City Code; and
5. Water Service Fees set forth in Section 27-52 of the City Code (system equity charge, tap fee, and meter fee).

SECTION 5. The Affordable Housing Energy Efficiency Construction Rebate Program is hereby established.

(a) A project receiving Homeownership Assistance Neighborhood Development Program funding may be awarded an affordable housing energy efficiency construction rebate, in an amount not to exceed three thousand five hundred dollars (\$3,500.00), for energy efficiency upgrades under the following conditions:

1. The housing project must be an eligible Homeownership Assistance Neighborhood Development Program project, which has been approved under one or more of the programs managed by the Community Development Department, and the housing construction must meet certain additional energy efficiency requirements as set forth in subsection (d) of this section.
2. The application for the rebate must be submitted to the Community Development Department prior to closing.

(b) Upon determination of program eligibility, the awarded rebate will be provided at final closing as a credit to the income eligible buyer. The funds will be provided as a zero percent (0%) interest loan due upon transfer of title. Upon home resale and repayment of the loan, the rebate-funded loan proceeds shall be recaptured and managed by the Community Development Department for future affordable housing programs.

(c) In furtherance of this affordable housing energy efficiency construction rebate program, the Director of the Community Development Department shall prepare, and amend as necessary, a list of approved affordable housing projects receiving Homeownership Assistance Neighborhood Development Program funding and distribute the list to the Division of Building and Site Development and the City Clerk.

(d) An Affordable Housing Energy Efficiency Construction Rebate is available for an eligible project which incorporates one or more of the following energy efficiency upgrades:

1. LED Lighting: Twenty dollar (\$20.00) rebate per fixture with a maximum of ten (10) LED lights for a maximum rebate of two hundred dollars (\$200.00).

2. Wall Cellulose Insulation: Five hundred dollar (\$500.00) rebate for utilizing blown-in cellulose insulation in all exterior walls.
3. R-50 Attic Insulation: Five hundred dollar (\$500.00) rebate for homes with attic insulated to R-50.
4. Windows: One-hundred twenty dollar (\$120.00) rebate per window upgraded to a triple pane window. A maximum of ten (10) windows shall be allowed for a maximum rebate of one thousand two hundred dollars (\$1,200.00).
5. Energy Audit: Two part energy audit (one at insulation stage and one at completion of the home, both are required for rebate). Five hundred dollar (\$500.00) rebate for an energy audit performed by a City approved energy auditor.
6. On Demand Water Heater: Six hundred dollar (\$600.00) subsidy for installation of an on-demand water heater.

(e) An eligible project must be an owner-occupied housing project that is in compliance with the City of Columbia Code of Ordinances and authorized to receive funding from the City of Columbia through the City's Homeownership Assistance Neighborhood Development Program.

(f) The Director of the Community Development Department is hereby authorized to approve and issue energy efficiency rebates under the terms and conditions set forth in this section for eligible affordable housing projects. Approved rebates shall be applied to the purchase price of the home at the time of closing on the real estate transaction and shall not be paid to either the buyer or seller in the form of cash.

SECTION 6. The failure of any recipient of a fee waiver established by this ordinance to meet eligibility requirements for a period of at least five (5) years following issuance of the certificate of occupancy in connection with the applicable construction project shall result in revocation of the waiver of such fees and all fees which were subject to such waiver shall become immediately due and payable.

SECTION 7. The Community Development Department shall provide an annual report to the City Council on each of the programs established herein. Upon evaluation and review of the effectiveness of such programs, the City Council may elect to modify, expand, or terminate any or all of the programs established herein without further notice.

SECTION 8. This ordinance shall be in full force and effect from and after its passage.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor and Presiding Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
City Counselor