

Costs associated with the development process, such as impact fees and building permit fees, can be reduced or eliminated to encourage selected types of development. For example, jurisdictions may enact measures to reduce or waive such fees for projects that include a percentage or number of affordable housing units.

## BACKGROUND

Since impact or mitigation fees can increase the construction cost of affordable housing, some jurisdictions have enacted measures to reduce, waive, or defer such fees for projects that include affordable housing units. To reduce barriers to affordable housing, state law (RCW 82.02.060) grants cities authority to exempt low-income housing and other projects with public benefit from impact fees.

The Growth Management Act (RCW 36.70A.540) allows jurisdictions to reduce or waive other development fees, like permitting, planning, water connection, or sewer connection costs, for projects that include affordable housing units. Some jurisdictions offer exemptions or reductions from certain development requirements, which can provide flexibility that makes additional units possible or reduces construction costs per unit (e.g., parking reductions, density bonuses, and zero-lot line development).

To implement, jurisdictions should review all current development fees and impact fees to determine where reductions and/or waivers for affordable housing projects may be appropriate.



## **TOOL PROFILE**

## **Objectives**

Housing in Centers and Near Transit

Housing Options in Expensive Markets

**Missing Middle Density** 

Type of Tool Incentives

- **Project Type** 
  - **Multifamily**
  - **Ownership**
  - Rental

