

## **RULE 24.5 - CAPACITY FEE EXEMPTIONS FOR AFFORDABLE HOUSING**

### **A. PARTIAL FEE EXEMPTION FOR MODERATE INCOME HOUSING**

Each Residential Connection which supplies water to a Dwelling Unit that is required by deed restriction to continuously meet the District's definition of Moderate Income Housing shall be exempt from fifty percent (50%) of the Capacity Fee required pursuant to Rule 24. This partial fee exemption shall only apply to a Dwelling Unit available for private occupancy, and where ownership and/or occupancy is restricted by deed restrictions recorded by both the Jurisdiction and the District.

### **B. FEE EXEMPTION FOR LOW-INCOME HOUSING**

Each Residential Connection which supplies water to a Dwelling Unit that is required by deed restriction to continuously meet the District's definition of Low-Income Housing shall be exempt from all Capacity Fees required pursuant to Rule 24. This fee exemption shall only apply to a Dwelling Unit available for private occupancy, and where ownership and/or occupancy is restricted by deed restrictions recorded by both the Jurisdiction and the District.

### **C. CONDITIONS FOR APPROVAL FOR AFFORDABLE HOUSING CAPACITY FEE EXEMPTIONS**

1. All Capacity Fee adjustments granted pursuant to Rule 24.5 shall be enforced by deed restriction on the title of the property.

- a. Moderate Income Housing. This deed restriction shall be enforceable by either the District or the public and shall limit use of all Moderate Income Housing so that only households of "Moderate Income" or less shall qualify to occupy these units by purchase, by rent, or by lease.

The recorded deed restriction shall further provide notice to each subsequent owner that any change from Moderate Income Housing use to any other Residential or Non-Residential use shall constitute an Intensification of Use which shall require payment at the then-present value of Capacity Fees to the District both for any Intensified Water Use and for the increment of Water Use Capacity which had originally been exempted from the full Capacity Fee. The recorded deed restriction shall be in a form approved by the District's Board of Directors.

- b. Low-Income Housing. This deed restriction shall be enforceable by either the District or the public and shall limit use of all Low-Income Housing so that only households of "Low Income" or less shall qualify to occupy these units by purchase, by rent, or by lease. The recorded deed restriction shall further provide notice to each subsequent owner that

any change from a Low-Income Housing use to any other Residential or Non-Residential use shall constitute an Intensification of Use which shall require payment at the then-present value of Capacity Fees to the District both for any Intensified Water Use and for the increment of Water Use Capacity which had originally been exempted from the full Capacity Fee. The recorded deed restriction shall be in a form approved by the District's Board of Directors.

2. The Jurisdiction and the property owner shall notify the District of any change in the Affordable Housing status of the property.
3. A change of status from Low-Income Housing to Moderate Income Housing shall constitute an Intensification of Use, and shall require the imposition of the then-current Capacity Fee both for the increment of Water Use Capacity which had been exempted from the original Capacity Fee and for any increase in Water Use Capacity.
4. Any change of status from Affordable Housing shall constitute an Intensification of Use, and shall require the imposition of the then-current Capacity Fee both for the entire increment of Water Use Capacity which had been exempted from the original Capacity Fee and for any increase in Water Use Capacity.
5. All other Water Permit conditions, including fees set forth in Rule 60, shall apply to these Connections.

*Rule added by Ordinance No. 25 (7/14/86); amended by Ordinance No. 72 (03/21/94); by Ordinance No. 125 (9/18/2006); Ordinance No. 128 (6/18/2007); Ordinance No. 157 (12/9/2013)*