

Deferring Impact Fees and Sewer Connection Charges

The Pierce County Council recently passed two ordinances that allow deferral of some fees until later in the development process.

This voluntary deferral program is intended to stimulate economic activity in Pierce County by reducing up front costs for residential developers and builders.

This three-year program begins January 1, 2011 and ends December 31, 2013.

Traffic and Park Impact Fees

Traffic and Park Impact Fees for residential projects are paid prior to recording of the final plat or prior to the issuance of a building permit.

Ordinance 2010-65s allows owners of residential property being constructed for resale to defer paying Traffic and Park Impact Fees until the closing of sale.

To defer these impact fees, a voluntary lien is recorded against the property. This lien must be paid in full by the closing date of sale or two years from the date of building permit issuance, whichever comes first.

Sewer Connection Charges

Sewer Connection Charges for residential projects are paid prior to the issuance of a sewer service permit.

Ordinance 2010-67s allows owners of residential property in unincorporated Pierce County being constructed for resale to defer paying Sewer Connection Charges until the closing of sale.

To defer these charges, a voluntary lien is recorded against the property. This lien must be paid in full by the closing date of sale or two years from the date of sewer service permit issuance, whichever comes first.

For More Information:

Online

www.piercecountywa.org/deferral

By Phone

Traffic and Park Impact Fees Deferral

Jane Vandenberg, P.E.
(253) 798-2249

Sewer Connection Charges Deferral

Mike Galizio (253) 798-2865

General Lien Questions

Deferral Lien Administrator
(253) 798-4648

General Permit Questions

Permit Information Line
(253) 798-3739



Deferral Program Questions and Answers

Q. Who is eligible for the deferral program?

A. This program is available for all property owners applying for building permits or sewer service permits for residential property in unincorporated Pierce County. The owner must sign a certification statement that he or she plans to construct the property **for resale only**. This program is not available to non-residential (e.g. commercial or industrial) properties.

Q. What fees can be deferred?

A. Only Traffic Impact Fees, Park Impact Fees, and Sewer Connection Charges may be deferred. School Impact Fees, application fees, and other fees may not be deferred.

Q. Can I pay all my fees up front if I prefer?

A. Yes, this is a voluntary program. You can still pay your fees before your permit is issued without requiring a lien against your property.

Q. If I defer payment, can I rent my property prior to its sale?

A. Yes, but if a deferral lien has been recorded, you must make full payment of any deferred impact fees or connection charges plus any accrued interest charges prior to building occupancy.

Q. How do I defer my fees?

A. The property owner fills out a "Request for Deferral Lien" form and submits it to a PALS Permit Technician or Sewer Utility Technician at the Pierce County Development Center (2401 S. 35 Street, Tacoma, WA 98409). This form can also be printed out by the owner from the deferral program website: www.piercecountywa.org/deferral.

Q. Is there a cost to defer fees?

A. Yes. There is a \$250 non-refundable administrative fee for deferral liens. The owner must also pay the cost to record and release deferral liens with the Pierce County Auditor's office. The administrative fee and recording fee must be paid when the "Request for Deferral Lien" form is submitted.

Additionally, to comply with state law, "consideration" must be given by the owner for any deferral request. For deferred Traffic and Park Impact Fees, the owner must choose to either pay annual interest charges of 3%, OR waive their statutory right to a refund of Impact Fees not spent within six years. For deferred Sewer Connection Charges, the owner is required to pay annual interest charges of 3%.

Q. Will deferring fees add review time to my building permit application?

A. It depends. If you defer early in the permit process, the deferral is processed at the same time as the rest of the application. If you defer your fees just prior to issuance of your building permit, you must wait for the lien documents to be prepared and recorded.

Q. If Traffic Impact Fee rates go up before I sell my property, do I pay a higher rate?

A. No. The amount of your traffic impact fees will be based on the fee schedule in place when your building permit was issued.

Have a question not answered here?

More information is available online at www.piercecountywa.org/deferral

For questions about Traffic and Park Impact Fees Deferral, contact Jane Vandenberg, P.E. at (253) 798-2249.

For questions about Sewer Connection Charges Deferral, contact Mike Galizio at (253) 798-2865.



Pierce County
Public Works and Utilities