

ORDINANCE 2008-51

TO BE ENTITLED: "AN ORDINANCE TO CREATE CHAPTER 4 OF TITLE 21 OF THE FRANKLIN MUNICIPAL CODE AND HEREAFTER REFERRED TO AS THE WATER AND WASTEWATER SYSTEM DEVELOPMENT AND ACCESS FEE INCENTIVE PROGRAM."

WHEREAS, for the purpose of promoting the public health, safety, comfort, convenience, and general welfare of the people of Franklin, Tennessee the Board of Mayor and Aldermen is authorized to prescribe regulations and standards for the location, design, construction, and maintenance of buildings and structures within the City; and

WHEREAS, in the legislative judgment of the Board of Mayor and Aldermen found that ordinances that regulate land use, development, and building construction must be dynamic and modified from time to time to reflect changes in best practices, model codes, building materials, land and labor costs, and safety standards necessary to preserve and promote the private and public interest; and

WHEREAS, the Board of Mayor and Aldermen, upon the recommendation of the Affordable/Workforce Housing Advisory Committee, found that in order to effectively promote the production and maintenance of affordable, moderately-priced, and workforce housing throughout all geographic and economic segments of the community that a separate Title of the Municipal Code be designated for defining, stating, and outlining various initiatives and strategies that will create and sustain affordable, moderately-priced, and workforce housing within the City of Franklin.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMAN OF FRANKLIN, TENNESSEE AS FOLLOWS:

SECTION I: That Title 12, Chapter 4 of the City of Franklin Municipal Code be hereby created and approved to read as follows:

Chapter 4

Water and Wastewater System Development and Access Fee Incentive Program

SECTION

- 21-401. Affordable/Workforce Housing Reserve.**
- 21-402. Deferral of Water and Wastewater System Development and Access Fees.**
- 21-403. Records of deferrals**
- 21-404. Forgiveness of deferrals for affordable housing.**
- 21-405. Deferrals for workforce housing.**
- 21-406. Limitations of deferrals.**
- 21-407. Termination of deferrals.**
- 21-408. Accounting for deferred amounts.**
- 21-409. Notification to Finance Office.**
- 21-410. Effect of deferral.**

21-411. Administrative procedures and guidelines.

21-401. Affordable/Workforce Housing Reserve. The Board of Mayor and Alderman shall establish an Affordable/Workforce Housing Reserve in the general fund to be used to defer City of Franklin Water and Wastewater System Development and Access Fees that are otherwise payable on development and construction of new residential dwelling units. The funds deposited in this reserve shall be determined annually by the Board of Mayor and Alderman and may originate from grants, the general fund, or from funds generated from city property owners who voluntarily agree to round off their monthly water utility bills to the next-highest dollar. In any budget year, the total amount of the Water and Wastewater System Development and Access Fees deferred for affordable or workforce housing shall not exceed the balance in the Affordable/Workforce Housing Reserve.

21-402. Deferral of Water and Wastewater System Development and Access Fees.

Water and Wastewater System Development and Access Fees may be deferred on owner-occupied residential dwelling units that qualify as affordable or workforce housing under this Title provided all of the following conditions are met.

1. Funds are available in the Affordable/Workforce Housing Reserve.
2. The dwelling units shall be owner-occupied and remain owner-occupied for the term of the deferral.
3. The title holder of record files a written request for deferral before the issuance of a building permit.
4. The applicant must provide proof of the value of the land and structure. The applicant shall submit the following:
 - a. A copy of the sales contract of the land or a comparable land sale in the immediate area or a current appraisal.
 - b. The "Building Valuation", as determined by the Codes Administration Department Director or their designee, will be added to the "Full Land Value" for dwelling units to be constructed or a contract invoice for the dwelling(s).
5. The title holder of record, on behalf of themselves and subsequent purchaser, agree to pay the amount of any deferral in full, except for amounts that are forgiven pursuant to Section 21-404.
6. The balance of the deferred Water and Wastewater System Development and Access Fees are paid when the residential dwelling unit is sold, transferred, or conveyed.
7. The property owner shall execute an agreement in a form prepared by the City Attorney to repay any balance due on deferred Water and Wastewater System Development and Access Fees, which agreement shall be recorded at the property owner's expense with the Williamson County Register of Deeds.

21-403. Records of deferrals. The City shall maintain a record for subject property containing:

1. the amount of deferral;
2. the tax map and parcel number; and,
3. the title holder of record and initial developer's name and address.

21-404. Forgiveness of deferrals for affordable housing. Deferrals for owner-occupied affordable housing, as defined in this title, shall be forgiven at the rate of ten percent (10%) of the original amount per year, pro rated for each portion of any 365 day period of occupancy.

21-405. Deferrals for workforce housing. Workforce housing that qualifies and is approved for a deferral shall be owner-occupied and the owner agreeing to reimburse the city, annually, a minimum of ten percent (10%) plus interest of the total amount of Water and Wastewater System Development and Access Fees that were deferred at the time a building permit was issued.

21-406. Limitations of deferrals. Except as provided, no more than twenty percent (20%) of the budgeted Affordable/Workforce Housing Reserve may be granted to any single applicant in any fiscal year and no more than twenty percent (20%) of the units in any subdivision or any phase thereof shall qualify for deferral of Water and Wastewater System Development and Access Fees under this Title.

Exception:

1. There is no limitation of deferrals for certified 501(c)(3) organizations.

21-407. Termination of deferrals. Deferred Water and Wastewater System Development and Access Fees for affordable/workforce housing terminate, except to the extent that owner-occupied affordable housing deferrals have been forgiven, and are due and payable immediately when the residential dwelling unit is sold, transferred, or conveyed.

21-408. Accounting for deferred amounts. When a deferral is approved, the Finance Director shall transfer the amount of deferred Water and Wastewater System Development and Access Fees from the Affordable/Workforce Housing Reserve to the appropriate Water and Wastewater System Development and Access Fees categories. When deferred Water and Wastewater System Development and Access Fees are collected, the funds shall be deposited into the Affordable/Workforce Housing Reserve.

21-409. Notification to Finance Department. If the Codes Administration Department Director or their designee determines that the proposed development qualifies for an affordable/workforce Water and Wastewater System Development and Access Fees deferral, he or she shall notify the Finance Director:

1. of the total amount of the Water and Wastewater System Development and Access Fees deferral that would be imposed on the new development.
2. the date the building permit was issued and deferral approved.

21-410. Effect of deferral. If the Codes Administration Department Director or their designee grants a deferral Water and Wastewater System Development and Access Fees otherwise due, the Finance Director shall transmit funds equal in amount to those categories affected by the deferral from the Affordable/Workforce Housing Reserve no later than the beginning of the fiscal year following the calendar year in which the deferral was granted.

21-411. Administrative procedures and guidelines. The Board of Mayor and Alderman, by resolution, may adopt administrative procedures and guidelines to implement the Affordable/Workforce Housing Water and Wastewater System Development and Access Fees Incentive Program.

SECTION II. Severability. In the event that any section, clause, provision, or part of this ordinance shall be found and determined to be invalid by a court of competent jurisdiction, all valid parts that are severable full force and effect. If any part of this ordinance is found to be invalid in any one or more of its several applications, all valid applications that are severable from the invalid applications shall remain in effect.

SECTION III. Repeal and Savings Clause. All ordinances or parts of ordinances in conflict herewith are hereby repealed; provided, however, that nothing herein contained shall affect any rights, actions or causes of action which shall have accrued to the City of Franklin prior to the effective date of this ordinance.

SECTION IV. Effective Date. BE IT FINALLY ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, Tennessee, that this ordinance shall take effect from and after its passage on second and final reading the health, safety and welfare of the citizens of Franklin, Tennessee requiring it.

ATTEST:

CITY OF FRANKLIN, TENNESSEE:

By: 
RUSSELL TRUELL
Interim City Administrator/Recorder

By: 
JOHN C. SCHROER
Mayor

PASSED FIRST READING

October 14, 2008

PASSED SECOND READING

October 28, 2008