

**CITY OF MONROE
ORDINANCE NO. 012/2025**

AN ORDINANCE OF THE CITY OF MONROE, WASHINGTON,
AMENDING CHAPTER 13.02 MMC UTILITY SERVICE, RATES
AND CHARGES; CLARIFYING SYSTEM DEVELOPMENT
CHARGE REQUIREMENTS FOR ACCESSORY DWELLING
UNITS; PROVIDING FOR SEVERABILITY; AND
ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Monroe is authorized under RCW 35.92.025 to impose system development charges (SDCs), also referred to as connection charges, for municipal water and sewer utilities; and

WHEREAS, such charges are intended to ensure that new or expanded connections to the City's water and sewer systems contribute an equitable share toward the capital cost of facilities that support growth; and

WHEREAS, the City currently assesses SDCs based on Meter Capacity Equivalents (MCE), with each residential dwelling unit assigned one MCE regardless of meter size; and

WHEREAS, the City desires to clarify the circumstances under which accessory dwelling units are subject to system development charges and utility separation requirements; and

WHEREAS, this ordinance supports the City's commitment to fiscal responsibility, infrastructure sustainability, and compliance with state law;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONROE, WASHINGTON, DO ORDAIN AS FOLLOWS

Section 1. Amendment of MMC 13.02.010. Subsections 13.02.010(A)(3) and (A)(4) of the Monroe Municipal Code are hereby amended to provide, respectively, as follows (additions are shown in **underline**, deletions are shown in ~~striketrough~~):

....

3. Exceptions.

a. One-bedroom or studio residential units located in the downtown commercial zone shall be charged for 0.333 MCE per unit.

b. Accessory Dwelling Units.

- i. Attached accessory dwelling units (as defined in Chapter 22.12 MMC) shall be subject to system development charges unless the attached accessory dwelling unit utilizes the same water meter as the principal unit (as defined in Chapter 22.12 MMC). If an attached accessory dwelling unit is or becomes separately owned from the principal unit,**

system development charges shall be assessed upon the attached accessory dwelling unit at the same rate that would otherwise apply to the principal unit (as defined by Chapter 22.12 MMC) under the City's adopted fee schedule.

ii. Detached accessory dwelling units (as defined in Chapter 22.12 MMC) shall be subject to water and sewer system development charges unless the detached accessory dwelling unit utilizes the same water and sewer utility service connections as the principal unit. Upon: (1) transfer of ownership of a detached accessory dwelling unit separate from the principal unit, or (2) disconnection of a detached accessory dwelling unit from the utility service of the principal unit, the detached accessory dwelling unit shall install separate and dedicated water service lines in accordance with applicable City standards, and system development charges shall be assessed upon the detached accessory dwelling unit at the same rate that would otherwise apply to the principal unit under the City's adopted fee schedule.

iii. Each accessory dwelling unit that is subject to system development charges under this chapter shall be charged one Meter Capacity Equivalent (MCE) for the purposes of SDC calculation, regardless of meter size.

iv. Payment of water and sewer system development charges for accessory dwelling units may be deferred until such time as the accessory dwelling unit is: (1) sold or otherwise conveyed separately and independently of the principal unit, or (2) disconnected or otherwise separately metered from the principal unit. Deferral shall only be allowed when, prior to issuance of the building permit for the accessory dwelling unit, the applicant:

a. Submits a deferred payment application form for the accessory dwelling unit regarding which the applicant is requesting deferral of the system development charge payment; and

b. Grants and records a deferred payment lien against the property in favor of the city of Monroe in a form as approved by the city. The lien shall require full payment of the deferred system development charges to the city no later than the date the accessory dwelling unit is: (1) sold or otherwise conveyed separately and independently of the principal unit or, (2) disconnected or otherwise separately metered from the principal unit. Recording and release of the deferred payment lien shall be at the expense of the applicant.

Applications for a system development charge payment deferral shall be accompanied by payment of an administrative fee as provided for in the city's adopted fee resolution.

The amount of the system development charge that may be deferred under this subsection (iv) shall be determined by the charges in effect at the time the applicant applies for a deferral.

In addition to any other recourse, remedy, and/or penalty allowed by law or in equity, including without limitation the provisions of Chapter 1.04 MMC, the city may enforce the provisions of this subsection (iv) through a collection action against the applicant and/or owner(s) of the subject property, jointly and severally.

4. Exemptions.

a. ~~Accessory Dwelling Units. Permitted accessory dwelling units (as defined in MMC Title 22) contained within the structure of the primary dwelling unit or detached from the primary dwelling unit shall be exempt from system development charges if using the same water meter as the primary dwelling unit.~~

b. Homeless Transitional Shelters.

i. The utility system development charge imposed by subsection (A) of this section shall not apply to transitional housing for homeless persons operated by federal, state, county or municipal agencies or public benefit nonprofit corporations. In order to qualify for this exemption, the transitional housing must focus upon providing counseling, training and/or opportunities to the homeless to enable them to find employment and support themselves. All persons who use the transitional home shall either be homeless individuals, support staff or others involved in the operations of the shelter. For purposes of this section, homeless persons shall be deemed to be individuals who do not have the resources for a fixed place to sleep at night. Such persons must qualify as "very low-income" individuals as defined in the city of Monroe comprehensive plan.

ii. As a condition of granting this exemption, the property owner shall record a covenant prepared by the city that provides that if the use is subsequently changed in a manner that no longer qualifies it for ~~this~~ the exemption in subsection (A)(4)(a) of this section, this section shall be applied at the time the exempted use was changed as if the exempted use had never occurred. Under these circumstances, system development charges assessed for a change in use shall be based upon the change in use from the use immediately preceding the exempted use to the use to which the exempted use was converted. Similarly, if the exempted use was the first utility use of the property, the system development charges assessed at the time the exempted use is changed shall be assessed as if the changed use were the first utility use of the property.

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iii. This exemption shall only apply to the first thirty meter capacity equivalents (MCEs) that qualify. Any exempted uses that are subsequently discontinued shall not qualify as one of the thirty MCEs.

. . . .

Section 2. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such ruling shall not affect the validity or constitutionality of the remaining provisions.

Section 3. Effective Date. This ordinance shall take effect five (5) days after its publication in the official newspaper of the City, as provided by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Monroe, at a regular meeting held this 8th day of July, 2025.

First Reading: 06/10/2025
Adoption: 07/08/2025
Published: 07/11/2025
Effective: 07/16/2025

CITY OF MONROE, WASHINGTON:


Geoffrey Thomas (Jul 9, 2025 11:51 PDT)

Geoffrey Thomas, Mayor

ATTEST:

APPROVED AS TO FORM:


Jodi Wycoff (Jul 9, 2025 12:18 PDT)

Jodi Wycoff, City Clerk


Zach Lell (Jul 9, 2025 07:43 PDT)

J. Zachary Lell, City Attorney

Ord 012 2025 - FINAL ADU SDC Amendments - Adopted 20250708

Final Audit Report

2025-07-09

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