

Sec. 41.150. Exemptions.

- (a) The charge imposed under this chapter shall not apply to the following:
- (1) Development for which applications for building permits, or mobile home park use permits have been filed prior to the effective date of the resolution initially establishing the methodology for the SDC, providing the information accompanying the application was sufficiently complete to meet the requirements for issuance of a permit for the entire structure.
 - (2) Reconstruction or repair of a building or structure, or portion thereof, which was damaged or destroyed by earthquake, fire, flood, or other natural causes over which the owner had no control, but only if:
 - (A) Such reconstruction or repair is done pursuant to a building permit issued within one year after such damage or destruction; and
 - (B) There is no change in the size of the water meter, development or impervious area.
 - (3) Replacement structures for any forced acquisition wherein a building or structure is acquired for city purposes through eminent domain, provided that:
 - (A) The owner obtains a building permit for the replacement structure within two years of the acquisition; and
 - (B) There is no change in the size of the water meter, development, or impervious area.
 - (4) Any public use or development which is or by agreement will be undertaken by the City, Oregon; the Housing Authority of the City; or the Urban Renewal Agency of the City.
 - (5) Any housing unit that is rental or lease-to-purchase housing located in a housing project of one or more housing units if the project receives federal housing funds administered by the City or is affordable to households with an income at or below 80 percent of the area median income as determined by the State Housing Council based on information from the United States Department of Housing and Urban Development. Eligible rental or lease-to-purchase housing units under this subsection shall be exempted at a rate of 1/30th per year of affordability for a time period not less than 5 years and not more than 30 years as elected by the applicant and must also meet the following standards:
 - (A) If new development consists of only part of the uses described in this subsection, only that portion of the development that qualifies under this subsection is eligible for an exemption;
 - (B) A deed restriction is recorded that maintains affordability of the property as required in this subsection for not less than the number of years elected for exemption; and
 - (C) In the event that the project or portion of the development subject to this subsection is no longer affordable as required in this subsection, the exemption shall terminate, and the City shall make due and payable all previously exempt portions of the system development charges based on rates in effect on the date of submittal of a complete building permit application, plus accrued interest from the date of issuance of the building permit to the date of the termination of the exemption. The City may collect reinstated system development charges by filing a lien in the City's lien docket, or by recording a lien in the lien records of the applicable county.
 - (6) Any owner-occupied housing unit that is affordable to households with an income at or below 80 percent of the area median income as determined by the State Housing Council based on information from the United States Department of Housing and Urban Development. Eligible owner-occupied housing units under this subsection must also meet the following standards:
 - (A) The developer of the housing unit is a non-profit corporation partnering with owner-occupants who do not qualify for a traditional mortgage.
 - (B) The developer shall demonstrate to the satisfaction of the Director that owner-occupants do not have a financial incentive to sell the housing unit for profit within less than 20 years after the housing unit is completed and occupied.
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- (7) In the event of a redevelopment, that portion of the development which was pre-existing, as determined from City records or other source acceptable to the Director.
 - (8) Development occurring within a development district established pursuant to SRC 200.200 through 200.275.
 - (9) ~~Any~~An accessory dwelling unit ~~for which a building permit application was received after June 30, 2019, and before July 1, 2024.~~
 - (10) SDC reimbursement fees shall be reduced by the amount of connection fees, assessments, or deferred assessments paid under SRC chapter 21 prior to the date of connection.
 - (11) A reduction of the Transportation SDC of up to 15 percent is allowed for an approved transportation demand management plan as defined in the City of Salem Public Works Street Design Standards adopted by the Director and on file in the Department of Public Works, prepared by the applicant, approved by the Director and designed to reduce generated trips as set forth in the adopted Transportation SDC Methodology.
 - (12) Other development exempted from the charge according to a methodology adopted pursuant to SRC 41.170.
- (b) The charge imposed under this chapter for water supply service connections that provide water supply and fire sprinkler systems through the same meter shall be the charge for the meter size required to provide water supply as if the fire sprinkler system was not included.
 - (c) Nothing in this chapter shall be construed as imposing a charge upon any person when imposition of such charge upon that person would be in violation of the Constitution of the United States or the Constitution of the State.