



Update on capacity charge studies

King County Wastewater Treatment Division (WTD) recently implemented new affordability options for capacity charge customers based on the findings of a Low-Income Customer Affordability Study. Another study, the Rate Design Study, is in progress and nearing completion.

New affordability options for capacity charge customers

To better serve low-income customers and improve the affordability of wastewater services and housing, WTD is offering new assistance programs to qualifying capacity charge customers. The new assistance programs approved by the King County Council and signed by the Executive took effect June 29, 2019. Assistance aimed at customers experiencing financial hardship include:

The capacity charge helps to pay for the system of pipes, treatment plants and other wastewater facilities that serve a growing regional customer base.

- **Payment deferral for low-income seniors and disabled individuals:** Customers who enroll in the State and County property tax exemption program for seniors and disabled individuals may be eligible to wait until they sell their property to pay the capacity charge. King County will place a property lien for the balance owed and collect the funds when the property is sold. The interest rate is reduced to 5 percent annually and late fees are waived, however a recording fee will apply.
- **Improved payment plan options:** Payment plans for the capacity charge can be more flexible. They allow customers to catch up on late bills through smaller, more frequent payment plans.
- **Connecting customers to resources:** Staff can refer customers to Washington 211, which provides referrals to a variety of health and human services.



New buildings that connect to the sewer system pay the capacity charge.

Affordability for new low income housing

Additionally, more types of eligible low-income housing can now qualify to receive a discounted capacity charge. This is part of WTD's effort to encourage affordable housing development in the region. Previously, only studio-sized low-income units in multi-family structures were eligible. As of June 29, 2019, new low-income housing in multi-family structures, single detached dwelling units, owner-occupied dwelling units, and shelter housing may qualify. Eligible new units will be assigned 0.32 residential customer equivalents (RCE), which in most cases is a 50 percent discount.

ALTERNATIVE FORMATS AVAILABLE
206-477-5371 / 711 (TTY Relay)



For details on qualifications by housing type, visit

www.kingcounty.gov/~media/services/environment/wastewater/capacity-charge/studies/190722_cap-charge-new-low-income-housing-qual.ashx?la=en

As part of the study, we looked at demographic trends and talked with local sewer agencies, developers and low-income housing agencies to better understand and address affordability concerns. We also conducted a public survey and provided a summary of comments to decision-makers for consideration.

Rate design study moves forward

We are nearing completion of a rate design study that looks at how the capacity charge is allocated to different types of buildings. We expect to have a recommendation to review later this year. The King County Council may consider legislation as early as this fall.

Currently, the capacity charge is based on the type of unit (for residential buildings) or plumbing fixtures (for commercial structures). The goal of the rate design study is to develop a basis for the capacity charge that:

- Reflects the approximate amount of wastewater each type of building sends to the sewer
- Is administratively workable

Interim rate for new accessory dwelling units

During the recent consideration and approval of capacity charge affordability options, the King County Council established an interim rate classification for new accessory dwelling units, whether attached or detached. The interim classification assigns 0.6 RCEs to each accessory dwelling unit. Previously, a detached accessory dwelling unit was 1 RCE. The interim rate will apply to new connections to the system beginning June 29, 2019. It will remain in place until the King County Council adopts new legislation.

How to stay updated

For more information, contact Eunice Lee, King County Wastewater Community Services, at elee@kingcounty.gov or 206-263-1614, or visit the capacity charge studies webpage:

<https://kingcounty.gov/services/environment/wastewater/capacity-charge/review-studies.aspx>.

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