

ORDINANCE # 1638

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FERNDAL, WASHINGTON
AMENDING SECTION 13.04.090 OF THE FERNDAL MUNICIPAL CODE TO EXPAND THE
WATER/SEWER/STORM RATE ASSISTANCE PROGRAM TO ALL QUALIFYING LOW-
INCOME UTILITY CUSTOMERS

WHEREAS, the City Council determined a water/sewer/storm rate assistance program should be provided for low- income senior citizen utility customers (Ordinance No. 1456) as permitted by law; and

WHEREAS, the City Council also desires to expand the program to all qualifying low-income residents; and

WHEREAS, the City Council desires to redefine qualifications for low-income rate assistance;

NOW THEREFORE the Ferndale City Council does ordain as follows:

Section 1. Definitions. For purposes of this ordinance, the follow terms mean:

Gross income. – Gross income shall have the same definition provided by 26 United States Code Section 61 as stated below:

(a) General definition – Except as otherwise provided in this subtitle, gross income means all income from whatever source derived, including (but not limited to) the following items:

1. Compensation for services, including fees, commissions, fringe benefits, and similar items
2. Gross income derived from business;
3. Gains derived from dealings in property;
4. Interest;
5. Rents;
6. Royalties;
7. Dividends;
8. Alimony and separate maintenance payments;
9. Annuities;
10. Income from life insurance and endowment contracts;
11. Pensions;
12. Income from discharge of indebtedness;
13. Distributive share of partnership gross income;
14. Income in respect of a decedent; and
15. Income from an interest in an estate or trust.

Section 2. Title 13 Section 13.04.090 is hereby amended as follows:

Any low income resident who satisfies the reduced rate criteria in this section, and who lives in a residence receiving a separate water and/or sewer service is entitled to a 25% rate reduction for water and/or sewer and storm drainage utilities. The procedure to obtain the rate reduction shall be as follows:

A. Be a utility customer with a household gross income below the U.S. Federal Government Department of Health & Human Services 150% of Poverty Guidelines (attached) for the previous tax year.

B. A property owner who is residing at the residence may automatically qualify for the Rate Assistance Program if they are currently on Whatcom County's Property Tax Exemption Program; a copy of the approved application from the Assessor's Office must be submitted.

C. A property owner, not residing at the residence, may also obtain the reduction if the premises is rented to a qualified low income person and the owner certifies the savings are passed to the renter. The renter shall first be required to file an application with the City requesting the discount.

D. The applicant shall provide copies of tax returns (Form 1040 front and back) for all members of the household to verify the applicant's eligibility to participate in this reduced rate program. A customer may use IRS Form 4506T-EZ to receive a 1040 transcript.

E. If you are applying for a disability reduction, you must provide a current (less than three months old) statement of eligibility from the Social Security office.

F. Customers must renew their application annually in accordance with administrative procedures.

G. Customers must immediately notify the City when household income level changes, disabled status changes, the house has sold, or the house is no longer the primary residence.

Section 3. Repeal. All ordinances or portions thereof in conflict with the provisions of this ordinance are hereby repealed.

Section 4. Severability. In the event any portion of the Ordinance is adjudged to be invalid by a court of competent jurisdiction, any portion not affected by such adjudication shall remain in full force and effect.

DULY ADOPTED by the City Council of the City of Ferndale, this 7th day of February , 2011

ATTEST:

Gary Jensen, Mayor

Sam Taylor, City Clerk