CITY OF PORT ORCHARD

Transportation Impact Fee Rate Analysis

PREPARED BY

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2014

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1. Impact Fee Overview

1.1. Introduction

This analysis and report summarizes the policy and technical development of the updated Transportation Impact Fee program for the City of Port Orchard, Washington. This analysis describes the requirements for charging impact fees, basis for the fees, rate methodology, summary of eligible City projects, analyses performed to determine impact fees, and rate schedules.

1.2. Definition of Impact Fees

Impact fees are a comprehensive grouping of charges based on new development within a local municipality. These fees are assessed to pay for capital facility improvement projects necessitated by new development (including but not limited to parks, schools, streets/roads, etc.).

Transportation Impact Fees are collected to fund improvements that add capacity to the transportation system, accommodating the travel demand created by new development in Port Orchard. The Revised Code of Washington (RCW) Section 82.02.050 identifies the intent of impact fees as the following:

- To ensure that adequate facilities are available to serve new growth and development;
- To promote orderly growth and development by establishing standards by which counties, cities, and towns may require, by ordinance, that new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development; and
- To ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same impact.

1.3. Statutory Basis for Impact Fees

The purpose of this study is to establish the rates for impact fees for streets in the city of Port Orchard, Washington.

Transportation impact fees are a financing mechanism authorized by the Growth Management Act (GMA) of Washington State (see RCW 36.70A.070 and 82.02.050 et seq.). However, impact fees are not mandatory; they are simply authorized by the GMA as a local option. State law imposes strict limitations on impact fees. These limitations are intended to assure property owners that the fees collected are reasonably related to their actual impacts and will not be used for unrelated purposes.

If impact fees are imposed, the funds collected from developments can be expended only on transportation system improvements that are: (a) identified in the Comprehensive Plan as needed for growth, and (b) reasonably related to the impacts of the new development from which fees are collected.

Specifically, condition (a) requires that impact fees are not used on improvements needed to remedy existing deficiencies. Those needs must be entirely funded from other resources. Condition (b) is satisfied if the local government defines a reasonable service area, identifies the public facilities within the service area that require improvement during the designated planning period, and prepares a fee schedule taking into account the type and size of the development as well as the type of public facility being funded.

To achieve the goal of simplicity, impact fee calculations are applied on an average basis for the entire transportation system, rather than project-by-project. This is a key difference between impact fees and

State Environmental Policy Act (SEPA) voluntary mitigation payments, whereby pro-rata shares of specific project improvements are collected.

Pre-calculated impact fees are easier to administer than traditional SEPA development mitigation, at the point of development review. However, more complex administrative procedures are necessary to track the funds collected from each development. This is necessary to assure that the funds are expended only on eligible transportation system improvements, and also to assure that impact fee revenues are used within ten years. Fees not expended within ten years must be refunded with interest to the current owner of the property.

The methodology and results described next are consistent with the requirements of the GMA. All calculations are based on the adopted transportation facilities list described in the City of Port Orchard Comprehensive Plan. The procedures described herein can be formally enacted by an impact fee ordinance incorporating this report by reference.

2. Impact Fee Analysis

2.1. Methodology

The primary basis for the impact fee is that existing transportation facilities are not sufficient to provide the future transportation capacity needed to serve growth. The analysis focuses on those projects that provide capacity improvements needed for growth. The improvements for maintenance such as pavement overlays and physical obsolescence, as well as improvements necessary to mitigate existing level of service deficiencies and correct existing safety issues, are not eligible for funding with impact fees.

2.2. Current Impact Fee Methodology in Port Orchard

The City of Port Orchard currently does not have a transportation impact fee. Many cities have been conducting studies and implementing impact fee programs. This study will be the basis of a program that implements transportation impact fees for the City.

2.3. Other Impact Fee Methodologies

Other cities employ various methodologies to compute impact fees. Some cities charge the full cost of every project attributable to growth in their fee. This method assumes that existing residents get no benefit from the projects, and growth creates 100% of the need for the projects. This is seldom true and is not consistent with GMA requirements, but happens nevertheless.

Other agencies go through rigorous analyses to compute the growth share of every capital project to more accurately capture the growth share of each project. The City of Sammamish chose this approach. This approach requires significant analysis in traffic forecasting tools and proportionate share calculation. The Sammamish example is interesting in that the resulting impact fee, the highest in the state, represented about 35% of the City's Capital Program cost. The recovery of expended costs on capital projects that serve growth is rare, but was used in the City of Sammamish to recover the cost of the 228th Avenue Project.

Other agencies choose to set the impact fee by what they consider to be a rate acceptable to the market and comparable to their neighbors so as not to discourage development. This method typically results in an underfunded Capital Program that lags behind the impacts of growth.

Other cities use zone-based fee structures to capture the differences between commercial and residential zones. This can create challenges when the impact fee on the north side of the street is 10 times higher than the fee on the south side. This is why many cities use a single-zone structure.

Each method comes with advantages and risks. In general, the higher the fee, the more supporting documentation is required.

Cities also allow various levels of adjustment for special conditions within their impact fee ordinances. Deductions for trip length associated with certain land uses, reductions to trip generation in mixed-use areas, and credits for provision for alternative modes or TDM programs are all utilized.

2.4. Service Area

The City of Port Orchard impact fee is calculated based upon a single service area encompassing the entire city.

2.5. Projects Eligible for Impact Fees

Not all planned transportation projects and programs are eligible for impact fees. The complete list of projects is divided below into the following categories, in order to arrive at a list of qualifying improvements that will form the basis for impact fees calculated for the City of Port Orchard:

- Project Improvements
- Planned Roadway Projects needed within 20 years
- Maintenance Projects

2.5.1. Project Improvements

Project improvements are transportation improvements necessary for a specific development that do not provide significant system benefits. These are typically low-volume local streets that serve driveways and parking areas. They may provide connections to other developments, but not for the purpose of significant system capacity. Other project improvements include safety improvements and new access connections to existing arterials that serve only one development. Project improvements are typically required by other development regulations or as SEPA mitigation for specific development impacts not anticipated in the Comprehensive Plan. Project improvements are not eligible for impact fees. There are some cases in which a proportion of a project improvement may be eligible for impact fees. For the purpose of this rate analysis, roadway extensions that connected existing developments, but were not significant arterials, were considered project improvements that could be required under other City codes and regulations.

2.5.2. Planned Roadway Projects

The roadway projects identified in the Six-Year Transportation Improvement Program (TIP) are anticipated to be needed to serve motorized traffic growth for the next 20 years. The roadway capacity provided is accomplished by adding turn lanes to increase through lane capacity, adding signals for intersection capacity, and other improvements to increase the capacity of the roadway system for motorized vehicles. The proportional share of these projects reasonably related to growth is eligible for impact fees.

2.5.3. Maintenance Projects and Programs

Maintenance programs, general studies, and non-capital activities are not eligible for impact fees. A component of ongoing pavement preservation could be eligible for impact fees if it is demonstrated that growth increases the magnitude of pavement reconstruction requirements. For instance, if existing conditions require a two-inch asphalt overly, but added traffic from growth requires a three-inch asphalt overlay to achieve the same pavement life, the cost of the additional inch of asphalt could be attributed to growth.

The projects not included in the impact fee calculation list, because of their classification as non-growth, existing deficiencies, or maintenance projects include the following:

Project Title	TIP Priority Number	Project Description	Cost Budgeted
Arnold Creek Crossing	1.2	Replace wooden span under Bay Street for Arnold Creek culvert.	$300,000
Annual Residential Paving Program	1.4	May include repairing or replacing the existing paving in residential areas.	$450,000
Sidewalk Improvement Project	1.5	Repair and replace concrete sidewalk as needed.	$60,000
Sidney Avenue (north of SR 16) Overlay	2.4	Overlay Sidney Avenue and construct a shoulder.	$500,000
Bay Street & Rockwell Avenue Intersection	2.13	Improvements are needed at the intersection for driver safety and visibility.	$100,000
Cline Avenue Rehabilitation	2.14	Replace sidewalk and parking strip on the west side of the road, the east side has already been replaced	$250,000
		Total	**$1,660,000**

2.6. Project Costs

Total project costs for each eligible group of impact fee projects in the city of Port Orchard are summarized below. These costs include various elements, all necessary for the construction of transportation improvements including design, permitting, right-of-way, construction, and construction management. Ongoing or future maintenance is not an eligible impact fee cost. Some projects have been removed from the project list because they are not capacity projects or are considered maintenance projects/programs.

2.6.1. Planned Roadway Projects

The cost of planned roadway projects identified in the City's Transportation Improvement Program totals $108,325,950 and is summarized below.

Project Title	TIP Priority Number	Project Description	Cost Budgeted
Tremont Street Widening: SR 16 to Port Orchard Blvd.	1.1	Widen Tremont from two travel lanes to four travel lanes with sidewalks and stormwater improvements.	$21,800,000
Bay Street Pedestrian Path	1.3	Install guardrail, street improvements, and sidewalks from Downtown Port Orchard to the Annapolis Foot Ferry Terminal which links to the Washington State Ferry System.	$4,775,950
Maple Street Improvements	1.7	Revise well site, rebuild Maple Street, and acquire property to secure road right-of-way.	$1,350,000

Project Title	TIP Priority Number	Project Description	Cost Budgeted
Bethel Avenue	2.2	Widen Bethel Avenue from two travel lanes to four travel lanes and add sidewalks, street lighting, and stormwater improvements.	$4,000,000
Bethel Avenue West	2.3	Bethel Road is currently two lanes wide – it needs to be widened to four lanes with street lights, sidewalks, and stormwater upgrades.	$5,000,000
Pottery Avenue Widening (Tremont Street to Melcher Street)	2.5	Widen road to two travel lanes with sidewalks on both sides and stormwater system improvements.	$1,600,000
Melcher Street Widening	2.6	Melcher Street West is currently a narrow two-lane road; the reconstruction would widen the road to allow two safe travel lanes.	$400,000
Fireweed Road Widening	2.7	Fireweed is a two-lane road currently; it needs to be widened to include shoulders, and a stormwater system needs to be installed.	$500,000
Sherman Avenue Widening	2.8	Sherman Avenue is currently two travel lanes wide, but needs shoulders and a stormwater system.	$750,000
Port Orchard Gateway Entry Phase II	2.9	Port Orchard Boulevard is currently three lanes wide with narrow shoulders. As a continuation of the Tremont Widening Project, it will need to be widened to include sidewalks traffic calming, and traffic control at the intersection with Bay Street.	$16,000,000
Pottery Avenue Widening (Tremont Street to SR 16)	2.11	Pottery Avenue is currently a two-lane road. It needs to be widened to a four-lane road with sidewalks, traffic calming, and upgrades to the stormwater system.	$5,700,000
Sidney Avenue (South of SR 16) Widening	2.12	Sidney Avenue is currently two lanes wide. It needs to be widened to four lanes including the addition of sidewalks, traffic calming, and stormwater system improvements.	$5,700,000
Bethel Corridor Improvements	2.15	Widen roadway (Bethel Road from Ives Mill Road to Lincoln Avenue).	$40,750,000
		Total	**$108,325,950**

2.6.2. McCormick Urban Village Development

The above table does not include the McCormick Urban Village Development projects because they are captured in a separate mitigation fee, which is only applied to the parcels located within the development. There are four (4) projects within the TIP that are primarily funded by the impact fees associated with the McCormick Urban Village Development and are not included in the citywide impact fee calculated above. Refer to the table below for the four (4) projects covered within the McCormick Development impact fee. The mitigation fees for these projects are collected through pre-existing agreements and are, in some cases, subject to credits for improvements already made to support the McCormick Urban Village Development.

Project Title	TIP Priority Number	Project Description	Cost Budgeted
Anderson Hill & Old Clifton Road Intersection Improvements	1.6	Intersection Improvements at Anderson Hill & Old Clifton Road.	$400,000
Old Clifton Road & Campus Parkway Intersection Improvements	2.1	Construct roundabout at Old Clifton Road and the Campus Parkway intersection.	$400,000

Project Title	TIP Priority Number	Project Description	Cost Budgeted
Old Clifton Road Widening	2.10	Old Clifton Road is currently a two-lane road without sidewalks. This project would widen the road to four lanes and add street lighting, sidewalks, and storm drainage.	$1,734,000
Old Clifton Road & McCormick Woods Drive Intersection Signal Improvements	2.16	Signal improvements at the intersection of Old Clifton Road & McCormick Woods Drive.	$270,000
		Total	**$2,804,000**

2.7. Impact Fee Calculation

The impact fee for the City of Port Orchard has been computed based upon trip generation (the increase in traffic) resulting from growth, and the cost of improvements related to growth.

2.7.1. Growth Share of Roadway Projects based on Trip Generation

Trip generation is a function of land use. While Port Orchard is predominately residential, the commercial uses do have a contribution in trip generation. For simplicity, the trip generation associated with growth was calculated based upon trip generation for residential units and employment in the city of Port Orchard. This information was obtained from the City of Port Orchard, Puget Sound Regional Council, and U.S. Census. This approach assumes that the need for projects is proportional to the added growth in the city. This is the most conservative approach, as some growth projects address a need solely created by growth, while others address a combination of existing deficiencies (unallowable for impact fees), and still others provide capacity in excess of the current projected growth. In this case, the growth share is ultimately proportional to the growth's utilization of each improvement.

Year	Single-Family Units	Multi-Family Units	Employees	Single-Family Trips	Multi-Family Trips	Employee-Generated Trips	Total Trips
2014	8,182	4,141	3,647	8,346	2,568	5,471*	16,385
2035	13,651	6,907	6,779	13,924	4,283	10,169*	28,376
						Net New Trips	**11,991**
						Growth Share as a Proportion of Total Trips	**42.3%**

*employee trip rate estimated as a mix of office/retail

2.8. Impact Fee Formula

Impact fees were calculated based upon the costs identified in Section 2.6 above. The impact fee for planned roadway projects based upon a conservative and defensible fee established from the total project costs and growth traffic is shown below:

Total Project Costs of $108,325,950 times ratio of growth trips to total trips of 42.3% divided by 11,991 new trips = $3,822/trip

This fee is substantially less than 100% of the cost of the growth projects, and was not adjusted for other payments made relative to transportation as there are currently no fees or taxes being collected from growth and dedicated to transportation in the city.

If adopted in the new impact fee ordinance, the growth share impact fee for a single-family unit would be $3,898, and $2,370 for a multi-family unit. General office impact fee rates would be $5.69 per square foot while the specialty retail center rates would be $7.25 per square foot of development. This methodology is used as a basis throughout the remainder of this analysis.

2.9. Upper Limit of Impact Fee Calculation

The impact fee was calculated based upon the ratio of growth-generated trips to total trips in Section 2.7 above. This represents the lower limit of the impact fee rate that could be collected by the City of Port Orchard. The growth projects in Port Orchard's TIP clearly provide significant new capacity for new growth. A growth share as high as 75% of the total cost of a project could be supported with additional analysis. The upper limit of the impact fee calculation is shown below:

Total Project Costs of $108,325,950 times growth share of 75% divided by 11,991 new trips = $6,776/trip

3. Additional Issues for Consideration

3.1. Anticipated Annual Revenues from Impact Fees

Based on anticipated residential and employment projections for the City of Port Orchard, below is the anticipated annual revenue from the proposed transportation impact fees:

Projects Planned: 600 trips/year x $3,822/trip = $2,293,200/year

3.2. Anticipated Grant Revenue

Roadway projects are generally eligible for state and federal grant funds. These funds are not predictable and vary in amount by grantor. Fifty percent of the total project cost is a reasonable estimate for grants on roadway projects.

3.3. Anticipated Need for Other Public Funds

Based on a growth share of 42.3% and a 50% assumption for grants, the City will still need to identity other revenue sources to cover approximately 7.7% of the cost of planned roadway projects.

4. Impact Fee Rate Table

The table in **Appendix A** establishes the effective Transportation Impact Fee for various land uses both residential and non-residential in Port Orchard. It includes adjustments for pass-by trips.

5. Future Impact Fee Updates

5.1. Future Impact Fee Program Update

The Port Orchard impact fee rate analysis generated in this report should be reviewed and approved or updated in the following manner:

A. *The schedule in **Attachment A** shall be reviewed by the Council no later than three years after the effective date of the approved ordinance, and every three years thereafter.*

B. *The schedule in **Attachment A** may be reviewed by the Council as it deems appropriate in conjunction with the update of the Transportation Improvement Program.*

6. Transportation Impact Fee Comparison

6.1. Comparison of 2013 TIF Base Rates in Western Washington

To provide a relative comparison of the City of Port Orchard Transportation Impact Fees to those within the State of Washington and on a national level, below are some road impact fee metrics from the *Comparison of 2013 TIF Base Rates in 60 Cities and 5 Counties in Western Washington*[1]. The Port Orchard rate of $3,885 per trip would be above the average impact fee, but far from the highest in Washington.

Washington Average Transportation Impact Fee: $2,880
Washington Maximum Transportation Impact Fee: $14,707 (City of Sammamish)
Washington Minimum Transportation Impact Fee: $515 (Kitsap County)
Proposed Port Orchard Transportation Impact Fee: $3,822

Appendix B provides the *Comparison of 2013 TIF Base Rates in 60 Cities and 5 Counties in Western Washington* documentation identified above.

[1]City of Bellingham, WA Public Works. "*Comparison of 2013 TIF Base Rates in 60 Cities and 5 Counties in Western Washington*" (Chris Comeau, AICP, 2012)

7. Credits and Adjustments

7.1. Impact Fee Credits

An applicant may request that credit for impact fees be awarded to him/her for the total value of system improvements, including dedications of land, improvements, and/or construction provided by the applicant. Credits should be considered on a case-by-case basis and should not exceed the impact fee payable.

Claims for credit should be made before the payment of the impact fee. Credits for the construction should be provided only if the land, improvements, and/or the facility constructed are listed as planned transportation projects in the Rate Analysis and Impact Fee Ordinance. No credit should be given for code-based frontage improvements or right-or-way dedications, or direct access improvements to and/or within the subject development (project improvements) unless the improvement is part of a project listed in the Rate Analysis and Impact Fee Ordinance.

7.2. Impact Fee Adjustments

An applicant may submit an independent fee calculation for the proposed development activity. The documentation submitted should be prepared by a traffic engineer licensed in Washington State and should be limited to adjustments in the trip generation rates used in the fee calculation. The impact fee per trip should not be adjusted.

Appendix A

IMPACT FEE RATE TABLE

Transportation Impact Fee Rate Worksheet - Residential

				Impact Fee Per Trip Rate : $ 3,822					
Land Use Group	ITE Code [1]	ITE Land Use Category [1]	ITE Trip Rate [2]	% Pass By Trips [3]	Net New Trips per Development Unit	Impact Fee per Development Unit [4]			
Dwelling	210	Single Family Detached Housing	1.02	0%	1.020	$ 3,898	per	DU
Dwelling	220	Apartment	0.62	0%	0.620	$ 2,370	per	DU
Dwelling	231	Low-Rise Condo / Townhouse	0.78	0%	0.780	$ 2,981	per	DU
Dwelling	240	Mobile Home park	0.59	0%	0.590	$ 2,255	per	DU
Dwelling - Group	251	Sr. Housing Detached	0.27	0%	0.270	$ 1,032	per	DU
Dwelling - Group	252	Sr. Housing Attached	0.25	0%	0.250	$ 956	per	DU
Dwelling - Group	253	Congregate Care Facility	0.17	0%	0.170	$ 650	per	DU
Dwelling - Group	254	Assisted Living (limited data)	0.22	0%	0.220	$ 841	per	Bed
Dwelling - Group	620	Nursing Home	0.22	0%	0.220	$ 841	per	Bed

[1] Institute of Transportation Engineers, Trip Generation Manual (9th Edition)

[2] Trip generation rate per development unit, for PM Peak Hour of the adjacent street traffic (4-6 pm). Note: Sq. Ft. rate expressed per 1,000 SF

[3] Average Pass-by Rates, per Trip Generation Manual (9th Edition) User's Guide and Handbook: an ITE Recommended Practice, 2012. Additional pass-by rat adjusted based on local conditions and engineering judgment.

[4] DU = Dwelling Unit

Transportation Impact Fee Rate Worksheet - Non-Residential

				Impact Fee Per Trip Rate :	$ 3,822		
Land Use Group	ITE Code[1]	ITE Land Use Category[1]	ITE Trip Rate[2]	% Pass By Trips[3]	Net New Trips per Development Unit	Impact Fee per Development Unit[4]	
Education	520	Public Elementary School	1.21	0%	1.210	$ 4.62 per	Sq. Ft.
Education	522	Public Middle/Junior High School	1.19	0%	1.190	$ 4.55 per	Sq. Ft.
Education	530	Public High School	0.97	0%	0.970	$ 3.71 per	Sq. Ft.
Education	534	Private School K-8 (limited data)	3.27	0%	3.265	$ 12.48 per	Sq. Ft.
Education	536	Private School K-12 (limited data)	2.75	0%	2.750	$ 10.51 per	Sq. Ft.
Industrial	110	General Light Industrial	0.97	0%	0.970	$ 3.71 per	Sq. Ft.
Industrial	130	Industrial Park	0.85	0%	0.850	$ 3.25 per	Sq. Ft.
Industrial	140	Manufacturing	0.73	0%	0.730	$ 2.79 per	Sq. Ft.
Medical	610	Hospital	0.93	0%	0.930	$ 3.55 per	Sq. Ft.
Medical	630	Clinic (limited data)	5.18	0%	5.180	$ 19.80 per	Sq. Ft.
Medical	720	Medical/Dental Office	3.57	0%	3.570	$ 13.64 per	Sq. Ft.
Office	710	General Office	1.49	0%	1.490	$ 5.69 per	Sq. Ft.
Office	715	Single Tenant Office	1.74	0%	1.740	$ 6.65 per	Sq. Ft.
Office	750	Office Park	1.48	0%	1.480	$ 5.66 per	Sq. Ft.
Park and Ride	090	Park and Ride with Bus Service	0.62	0%	0.620	$ 2,370 per	Space
Recreation	420	Marina (limited data)	0.19	25%	0.143	$ 545 per	Slip
Recreation	430	Golf Course	0.30	25%	0.225	$ 860 per	Acre
Recreation	441	Live Theater (limited data)	0.02	25%	0.015	$ 0.06 per	Sq. Ft.
Recreation	491	Racquet/Tennis Club	0.84	25%	0.630	$ 2.41 per	Sq. Ft.
Recreation	492	Health Fitness Club	3.53	25%	2.648	$ 10.12 per	Sq. Ft.
Recreation	495	Recreational Community Center	2.74	25%	2.055	$ 7.85 per	Sq. Ft.
Retail - Automotive	853	Convenience Market w/Gas Pumps	19.07	66%	6.484	$ 24,781 per	VSP
Retail - Automotive	941	Quick Lubrication Vehicle Shop	5.19	42%	3.010	$ 11,505 per	VSP
Retail - Automotive	944	Gasoline/Service Station	13.87	42%	8.045	$ 30,746 per	VSP
Retail - Automotive	945	Gas Station w/Convenience Market	13.51	56%	5.944	$ 22,719 per	VSP
Retail - Automotive	946	Gas Station w/Convenience Market and Car Wash	13.86	42%	8.039	$ 30,724 per	VSP
Retail - Automotive	947	Self Serve Car Wash	5.54	42%	3.213	$ 12,281 per	VSP
Retail - Large	445	Multiplex Movie Theater	4.91	34%	3.241	$ 12.39 per	Sq. Ft.
Retail - Large	814	Variety Store	6.82	34%	4.501	$ 17.20 per	Sq. Ft.
Retail - Large	815	Free Standing Discount Store	4.98	17%	4.133	$ 15.80 per	Sq. Ft.
Retail - Large	850	Supermarket	9.48	36%	6.067	$ 23.19 per	Sq. Ft.
Retail - Large	854	Discount Supermarket	8.34	23%	6.422	$ 24.54 per	Sq. Ft.
Retail - Large	862	Home Improvement Super Store	2.33	48%	1.212	$ 4.63 per	Sq. Ft.
Retail - Large	863	Electronics Super Store	4.50	40%	2.700	$ 10.32 per	Sq. Ft.
Retail - Large	867	Office Supply Superstore	3.40	48%	1.768	$ 6.76 per	Sq. Ft.
Retail - Regional	813	Free Standing Discount Superstore	4.35	34%	2.871	$ 10.97 per	Sq. Ft.
Retail - Regional	820	Shopping Center < 1 Million Sq Ft	3.71	34%	2.449	$ 9.36 per	Sq. Ft.
Retail - Regional	861	Sporting Goods Superstore	1.84	34%	1.214	$ 4.64 per	Sq. Ft.
Retail - Small	590	Library	7.30	0%	7.300	$ 27.90 per	Sq. Ft.
Retail - Small	816	Hardware/Paint Store	4.84	43%	2.759	$ 10.54 per	Sq. Ft.
Retail - Small	826	Specialty Retail Center	2.71	30%	1.897	$ 7.25 per	Sq. Ft.
Retail - Small	848	Tire Store	4.15	28%	2.988	$ 11.42 per	Sq. Ft.
Retail - Small	849	Tire Superstore	2.11	28%	1.519	$ 5.81 per	Sq. Ft.
Retail - Small	851	Convenience Market	52.41	61%	20.440	$ 78.12 per	Sq. Ft.
Retail - Small	880	Pharmacy/Drug Store w/o Drive-Thru	8.40	49%	4.284	$ 16.37 per	Sq. Ft.
Retail - Small	881	Pharmacy/Drug Store w/Drive-Thru	9.91	53%	4.658	$ 17.80 per	Sq. Ft.
Retail - Small	896	DVD/Video Rental Store	13.60	49%	6.936	$ 26.51 per	Sq. Ft.
Retail - Small	911	Walk in Bank (limited data)	12.13	47%	6.429	$ 24.57 per	Sq. Ft.
Retail - Small	912	Drive-in Bank	24.30	47%	12.879	$ 49.22 per	Sq. Ft.
Retail - Small	931	Quality Restaurant	7.49	44%	4.194	$ 16.03 per	Sq. Ft.
Retail - Small	932	High Turnover Restaurant	9.85	43%	5.615	$ 21.46 per	Sq. Ft.
Retail - Small	933	Fast Food wo Drive-Thru	26.15	49%	13.337	$ 50.97 per	Sq. Ft.
Retail - Small	934	Fast Food w/Drive-Thru	32.65	50%	16.325	$ 62.39 per	Sq. Ft.
Retail - Small	936	Coffee/Donut Shop wo Drive-Thru	40.75	44%	22.820	$ 87.22 per	Sq. Ft.
Retail - Small	942	Automobile Care Center	3.11	28%	2.239	$ 8.56 per	Sq. Ft.
Services	151	Mini Warehouse	0.26	0%	0.260	$ 0.99 per	Sq. Ft.
Services	310	Hotel	0.60	0%	0.600	$ 2.29 per	Sq. Ft.
Services	320	Motel	0.47	0%	0.470	$ 1.80 per	Sq. Ft.
Services	560	Church	0.55	0%	0.550	$ 2.10 per	Sq. Ft.
Services	565	Day Care Center	12.34	75%	3.085	$ 1.00 per	Sq. Ft.
Services	732	US Post Office	11.22	47%	5.947	$ 22.73 per	Sq. Ft.

[1] Institute of Transportation Engineers, Trip Generation Manual (9th Edition)

[2] Trip generation rate per development unit, for PM Peak Hour of the adjacent street traffic (4-6 pm). Note: Sq. Ft. rate expressed per 1,000 SF.

[3] Average Pass-by Rates, per Trip Generation Manual (9th Edition) User's Guide and Handbook: an ITE Recommended Practice, 2012. Additional pass-by rate adjusted based on local conditions and engineering judgment.

[4] Sq. Ft. = Square Feet, VSP = Vehicle Servicing Position

Appendix B

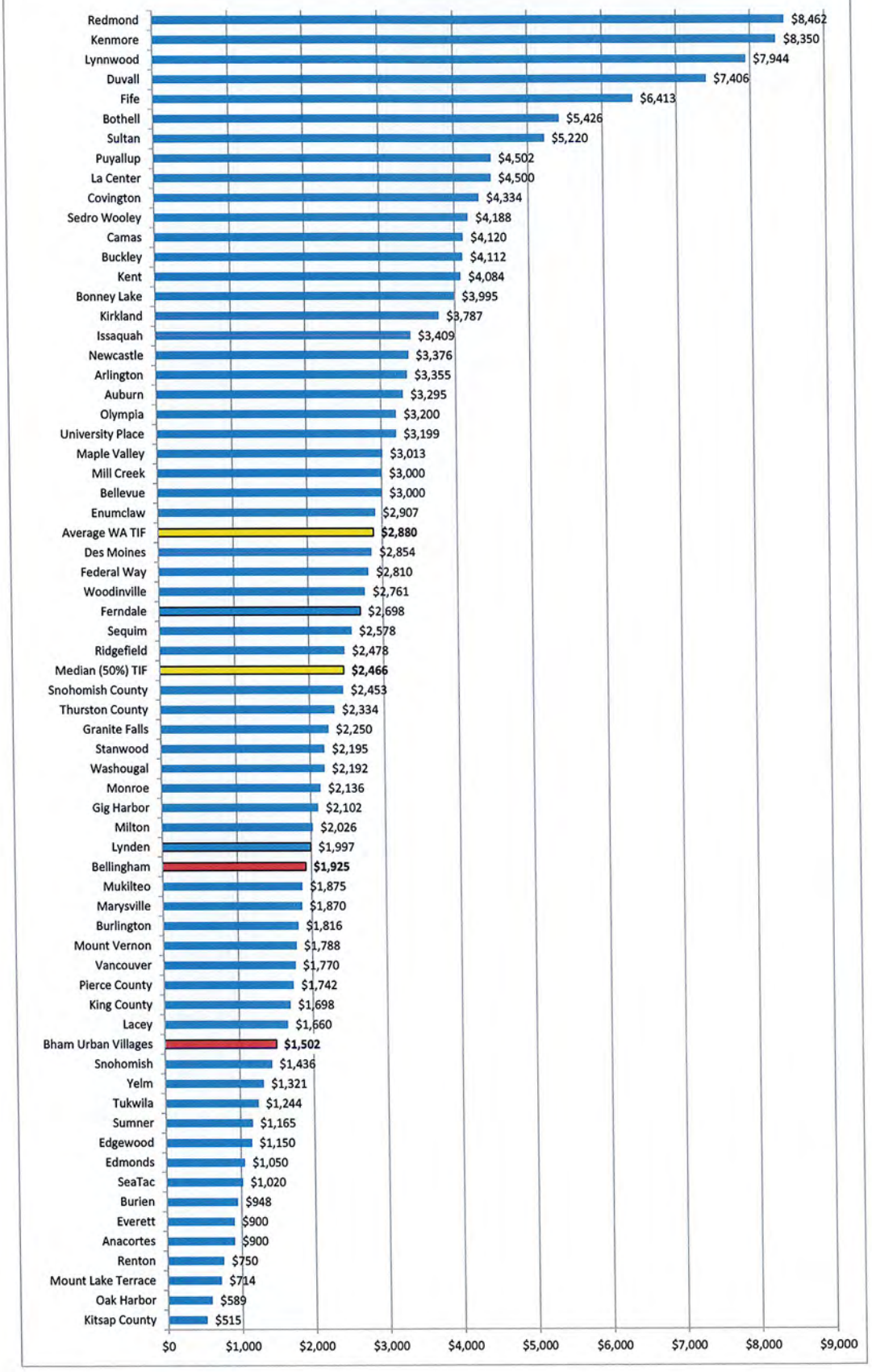
COMPARISON OF 2013 TIF BASE RATES IN 60 CITIES AND 5 COUNTIES IN WESTERN WASHINGTON

A Comparison of 2013 TIF Base Rates in 60* Cities and 5 Counties in Western Washington

With Whatcom County Cities and Bellingham's Urban Village TIF Reduction Highlighted for Emphasis

*[*City of Sammamish, WA $14,707 TIF base rate excluded from graphic]*

(Data compiled December 2012 by Chris Comeau, AICP, Transportation Planner, Bellingham Public Works)



Comparison of 2013 Transportation Impact Fee Rates In 60 Cities and 5 Counties in Western Washington

Data compiled in December 2012 by Chris Comeau, AICP, Transportation Planner, Bellingham Public Works Engineering

City	Population	2013 Base Rate	2013 Per SFD	2013 CBD	City	Population	2013 Base Rate	2013 Per SFD	2013 CBD
Anacortes[1]	14,600	$900	$909		Milton	825	$2,026	$2,046	
Arlington	17,050	$3,355	$3,388		Monroe	16,550	$2,136	$2,158	
Auburn	60,400	$3,295	$3,882		Mount Vernon[21]	32,139	$1,788	$3,176	
Bellevue[2]	119,200	$3,000	$2,651		Mount Lake Terrace[22]	20,930	$714	$721	$854
Bellingham[3]	77,000	$1,925	$1,925	$1,502	Mukilteo	20,050	$1,875	$1,875	
Bonney Lake[4]	16,220	$3,995	$40		Newcastle	9,720	$3,376	$1,704	
Bothell	17,130	$5,426	$5,481		Oak Harbor[23]	22,638	$589	$907	
Buckley	4,560	$4,112	$4,153		Olympia[24]	46,100	$3,200	$3,200	$2,560
Burien[5]	31,540	$948	$957		Puyallup	36,930	$4,502	$4,547	
Burlington[6]	6,800	$1,816	$1,835		Redmond[25]	51,320	$8,462	$6,916	
Camas[7]	17,950	$4,120	$4,202		Renton[26]	78,780	$750	$750	
Covington	18,514	$4,334	$4,378		Ridgefield	4,409	$2,478	$2,478	
Des Moines[8]	29,180	$2,854	$2,883		Sammamish[27]	40,550	$14,707	$14,854	
Duvall	5,980	$7,406	$7,480		SeaTac	25,720	$1,020	$777	
Edgewood[9]	9,595	$1,150	$1,162		Sedro Wooley[28]	11,024	$4,188	$4,230	
Edmonds	40,760	$1,050	$1,196		Sequim	5,840	$2,578	$2,893	
Enumclaw	11,470	$2,907	$2,937		Snohomish	9,020	$1,436	$1,450	
Everett[10]	102,300	$900	$900		Stanwood	5,445	$2,195	$2,216	
Federal Way[11]	88,040	$2,810	$3,205		Sultan	4,550	$5,220	$5,272	
Ferndale[12]	11,681	$2,698	$2,300	$2,070	Sumner	9,060	$1,165	$1,165	
Fife[13]	7,525	$6,413	$6,478		Tukwila[29]	18,080	$1,244	$1,244	
Gig Harbor	6,910	$2,102	$2,124		University Place	31,440	$3,199	$3,199	
Granite Falls	3,290	$2,250	$2,250		Vancouver[30]	162,400	$1,770	$1,770	
Issaquah[14]	26,320	$3,409	$3,409		Washougal	13,807	$2,192	$2,192	
Kenmore	20,220	$8,350	$8,434		Woodinville[31]	9,200	$2,761	$2,761	
Kent[15]	85,631	$4,084	$3,702	$2,858	Yelm	6,242	$1,321	$1,321	
Kirkland[16]	48,410	$3,787	$3,825						
La Center[17]	2,576	$4,500	$4,545						
Lacey	42,046	$1,660	$1,660		**County**	**Population**	**2013 Base Rate**	**2013 SFD**	
Lynden[18]	12,125	$1,997	$2,016		King County	1,916,441	$1,698	$1,698	
Lynnwood[19]	34,017	$7,944	$8,023	$4,341	Kitsap County	240,862	$515	$515	
Maple Valley	20,480	$3,013	$3,043		Pierce County	796,836	$1,742	$1,742	
Marysville[20]	37,060	$1,870	$5,300		Snohomish County	694,571	$2,453	$2,453	
Mill Creek	17,770	$3,000	$3,030		Thurston County[32]	256,591	$2,334	$2,334	

Notes:

1. Anacortes uses a very old TIF system with very low rates, which needs to be updated.
2. Bellevue TIF base rate will increased by 50% from $2,000 in 2010 to $3,000 in 2013 and will increase by another 66.6% to $5,000 in 2016.
3. Bellingham allows automatic 22% to 25% TIF reduction in Urban Villages; voluntary TDM performance measures up to 50% Urban Village TIF reduction.
4. Bonney Lake voted to created TIF credits for 2 years to spur single family home building.
5. Burien uses a very old TIF system with very low rates, which needs to be updated.
6. Burlington cut TIFs by 50% (From $3,633 to $1,818.50) through March 2013 due to economic recession.
7. Camas charges $4,120 in north Camas; $1,653 in south Camas.
8. Des Moines is incrementally increasing TIFs to $5,000 per pm peak trip (plus construction cost index for Seattle) by 2017.
9. Edgewood Council voted to reduce TIF by 75% for a 3-year period beginning July 20, 2011.
10. Everett uses a very old TIF system with very low rates, which needs to be updated. Allows up to 50% trip reduction in CBD.
11. Federal Way charges 3% non-refundable administrative fee in addition to base rate + 3-year WSDOT construction cost index.
12. Ferndale uses 3-zone TIF system. $2,783 citywide; $3,243 for 443-acre "Main Street" Planned Action; $2,070 downtown Ferndale.
13. Fife uses a VMT-based TIF system adjusted from ITE ADT rates.
14. Issaquah created development incentive in which the first 10,000 SF of commercial TIF is paid from other public funding sources (per WA State law).
15. Kent TIF system allows up to 30% reduction in downtown.
16. Kirkland suspended change of use TIF Jan 2011 to Dec 2013 to encourage redevelopment. $500,000 TIF revenue loss, has NOT spurred development.
17. La Center allows TIF to be deferred to occupancy by requiring lien on property.
18. Lynden TIF allows up to 50% reduction in industrial areas where there is a significant chance that grants can be obtained.
19. Lynnwood has two TIF zones ($5,107/trip & $7,944/trip) and reduces TIF by 15% (per ITE) in portion of City Center.
20. Marysville has temporarily reduced TIF base rate until July 2015; Commercial = $1,870/trip, SFD residential = $5,300/unit
21. Mount Vernon temporarily reduced TIF until September 2013; Commercial = $1,788/trip, SFD residential = $3,176.50/unit
22. Mount Lake Terrace reduced TIF base rates 33% from Aug 2011 to Oct 2014 due to economic recession.
23. Oak Harbor uses a very old TIF system with very low rates, which needs to be updated.
24. Olympia TIF allows up to 20% reduction in downtown for accepted TDM performance measures.
25. Redmond uses "Person Trips/Mobility Units" for Concurrency and TIF
26. Renton uses pre-GMA (1990) SEPA-based mitigation fees; Revising to GMA-based TIFs of $2,856 per pm peak trip phased in 2013-2016.
27. Sammamish has highest TIF $14,707 in all of Washington due to exclusive residential development with little to no pass-by, diverted link trips.
28. Sedro-Woolley uses a 15-zone TIF system with a low of $2,000/SFD and a high of $8,062/SFD; Average = $4,230/SFD
29. Tukwila uses a 4-zone TIF system with a low of $819/trip and a high of $1,737/trip; Average = $1,244/trip
30. Vancouver uses 5-zone ADT-based TIF system. Low of $65/ADT, High of $264/ADT; translates to $1,770 per SFD. In process of TIF system revision.
31. Woodinville calculates ADT and is phasing in new TIF at $290/ADT in 2013, increasing 51% to $440/ADT by 2017; translates to $2,761 per SFD in 2013.
32. Thurston County uses a 6-zone TIF system with a low of $1,208, high of $3,058; Average = $2,334