Transportation Impact Fees

Presented to:
Sustainability & Transportation Committee
March 2018

City of Seattle

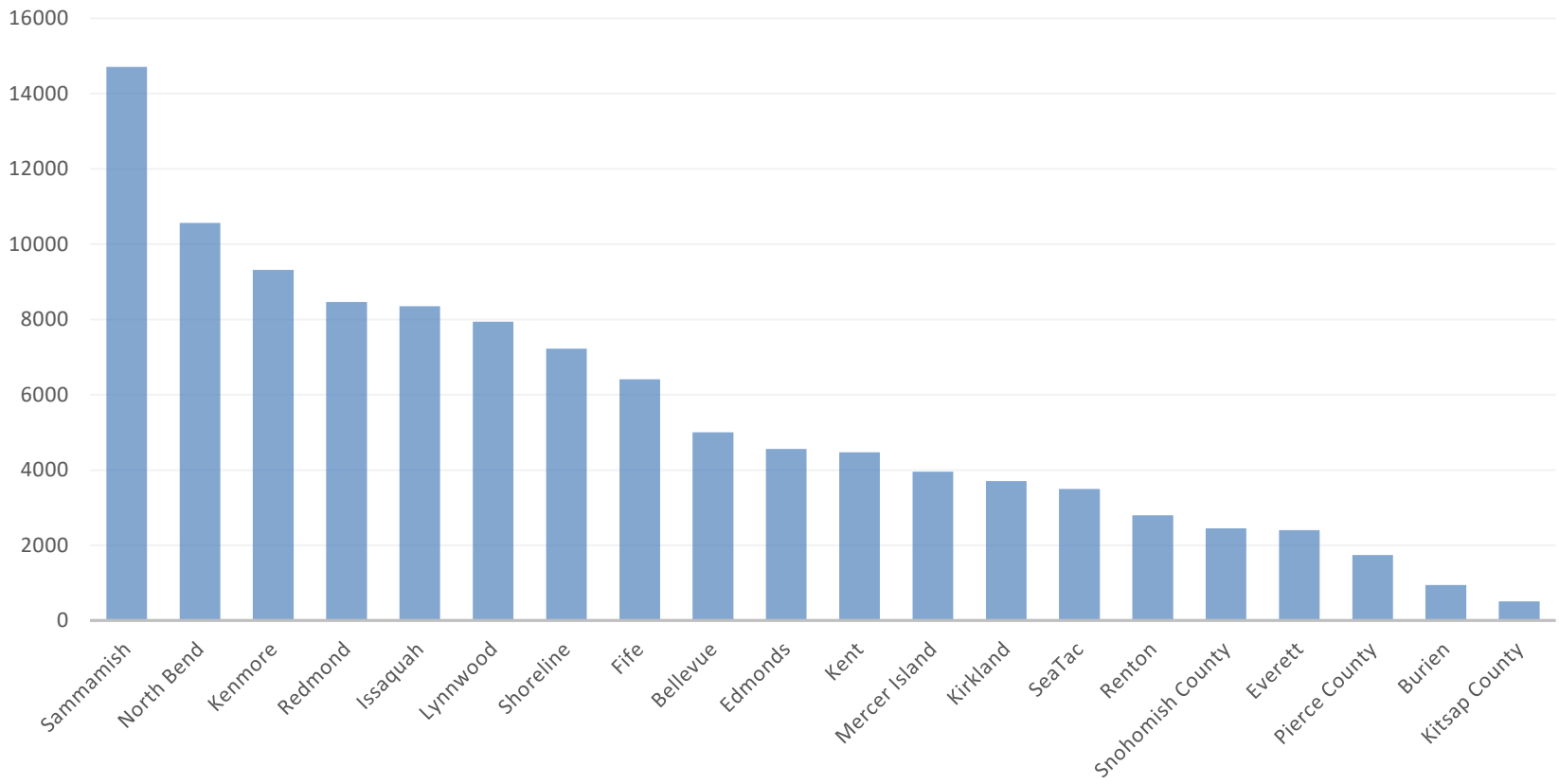
What Are Transportation Impact Fees?

- **One time charges** paid by new development
- Authorized by the **1990 GMA** as a funding source for transportation improvements
- Funds improvements that **add capacity** to the transportation network
- Transportation impact fees can only be used to fund facilities that serve new growth, **not for existing deficiencies**

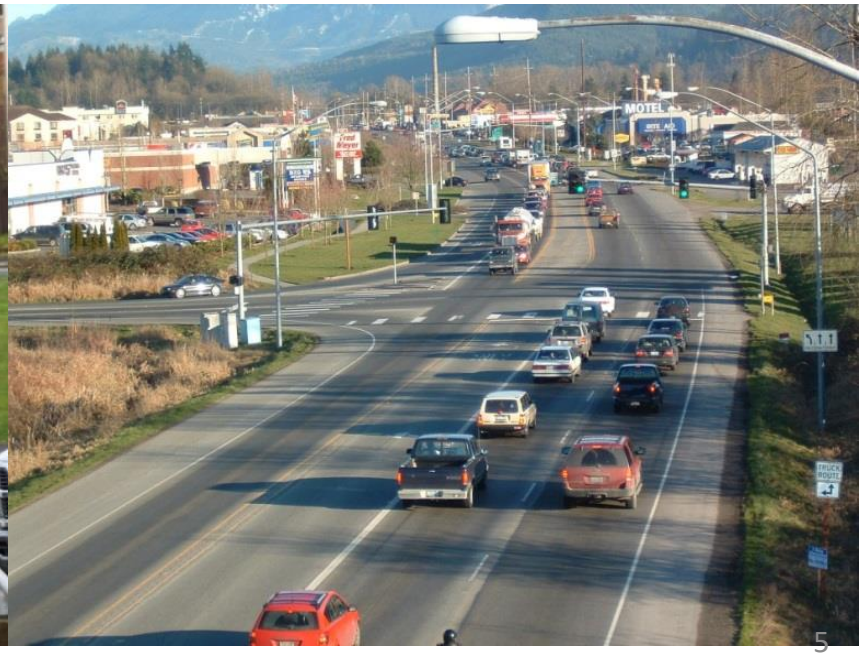
What Are Transportation Impact Fees?

- Must be used **within 10 years** on **public streets and roads**
- Projects must be in the **capital facilities element** of a comprehensive plan
- Some communities have begun funding more **multimodal projects** with transportation impact fees
- **Alternative to SEPA mitigation** for 'system improvements'

Most urban jurisdictions have them, but rates vary widely

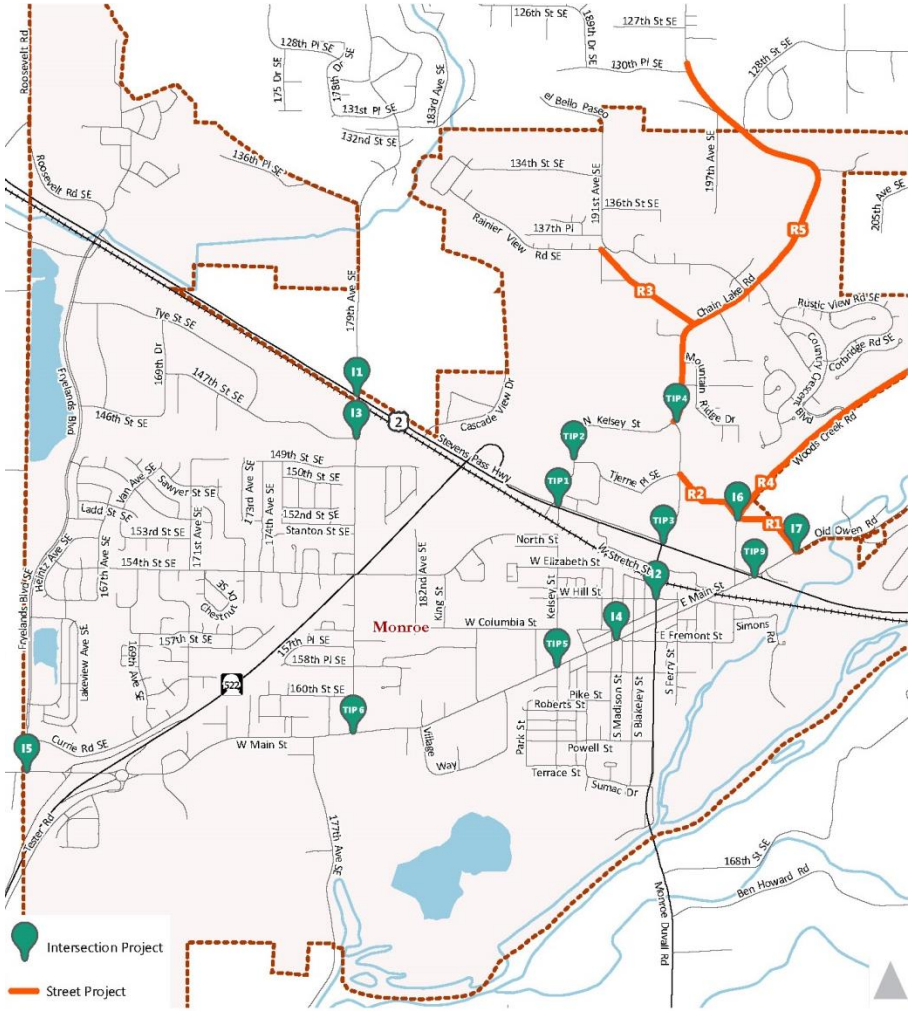


Basic Example: Monroe's Transportation Impact Fee Program



Review of City Projects

- Eligible projects identified by reviewing:
  - City's 2015-2020 Transportation Impact Program (TIP)
  - April 2015 draft of the Comprehensive Plan Transportation Element
- Projects were separated into categories:
  1. Base List
  2. Contingency
  3. Recently Completed



Eligible Projects

Base
Total = $18.1M

Location	Description	Estimated Cost
US 2 / 179th Avenue SE	Add northbound right-turn pocket	$1,000,000
S Lewis Street / Hill Street	Install traffic signal	$500,000
179th Avenue SE / 147th Street SE	Install traffic signal	$387,000
Main Street Gateway project	Street improvements	$387,000
Woods Creek Road / Tjerne Place Ext	Install traffic signal	$387,000
Tjerne Place extension	Extend Tjerne Place SE from Chain Lake Road to Woods Creek Road at Oaks Street	$4,091,000
Woods Creek Road, Phase 1	Install pedestrian/bike trail with curb/gutter and drainage system	$2,130,000
Chain Lake Road, Phase 2	Widen to 3-lane roadway section with curb, gutter, and sidewalk	$9,256,000

Contingency
Total = $8.6M

Location	Description	Estimated Cost
Main Street Gateway	Street improvements	$1,000,000
Fryelands Boulevard / Main Street	New Signal or Roundabout	$984,000
Old Owen Road/Oaks Street	New Signal	$387,000
Oak Street	Widening and Realignment	$1,215,000
North Kelsey Area	New east/west connecting lane	$5,032,000

Note: The Main Street Gateway project will be on the Base or Contingency list, depending on project cost

Completed Projects

Total = $9.1M

Location	*Description*	*Estimated Cost*
US2/ Kelsey	Construct a second eastbound left turn lane	$1,800,000
Kelsey/ Tjerne Place	Install traffic signal	$600,000
US 2/ Chain Lake	Install 2nd SB lane from Tjerne Place to US 2 and right-turn only lanes on US 2 for both EB and WB traffic at Chain Lake Road	$3,200,000
Chain Lake Rd/Kelsey Intersection	Construct a Roundabout	$1,675,000
Kelsey/Main	Install traffic signal	$700,000
179th/Main	Install traffic signal	$530,000
US 2/ Main Street/ Old Owen	Add right turn lane from eastbound Main onto US 2	$600,000

Three Ways to Structure the Program

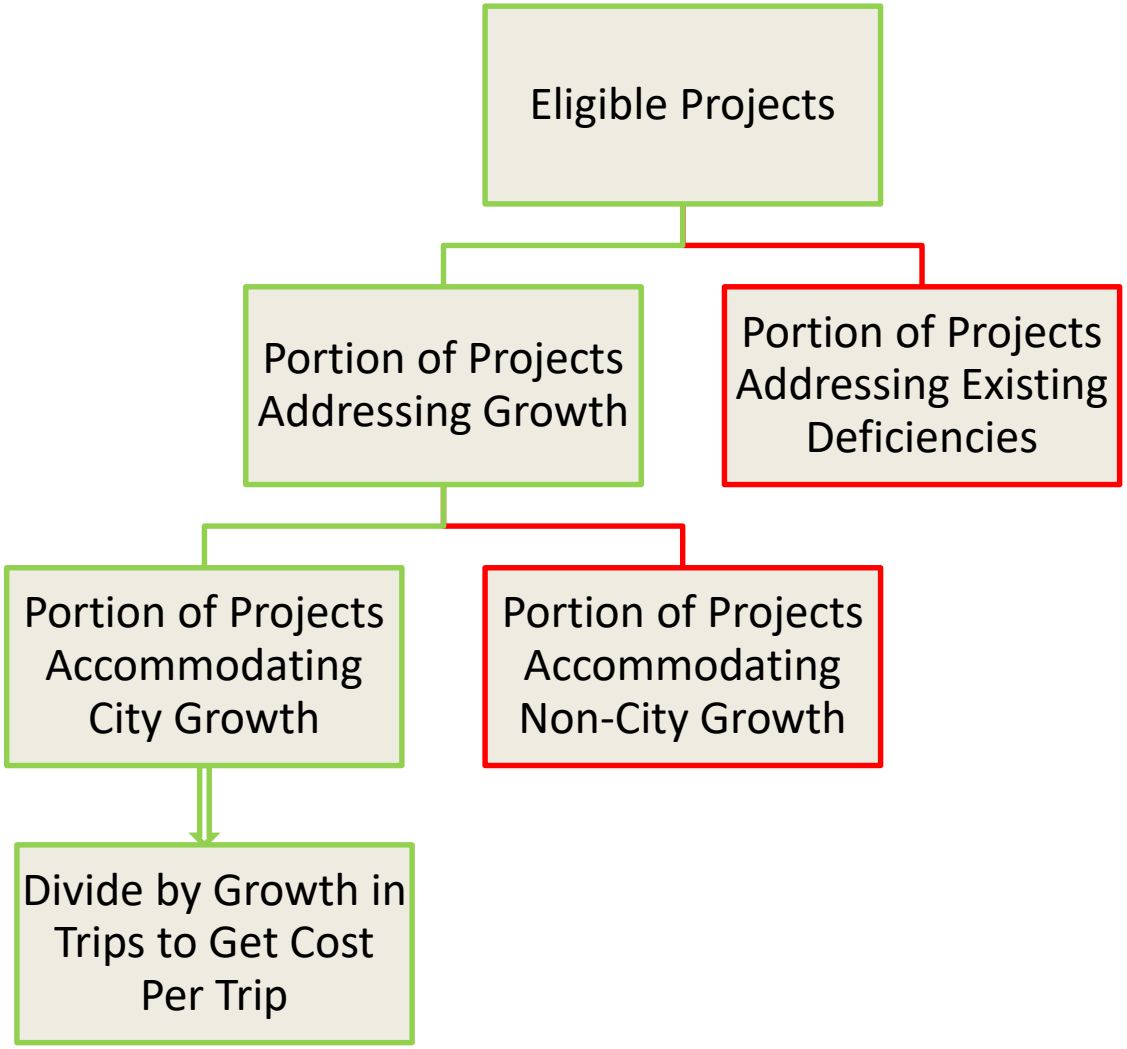
Program Structure	*Cost of Eligible Projects*
Base Projects	$18.1M
Contingency and Base Projects	$26.4M
Completed, Contingency, and Base Projects	$35.5M

In addition, TIF projects can fund administrative costs – 1-3% of project costs typical.

In this case, it would be an additional $350,000-$1.05M

The above costs are not equal to the revenue that the impact fee program could generate, as impact fees can only pay for a portion of the total project costs

Cost Allocation Methodology



Potential Rates and Revenues

- Potential rates (cost per PM peak hour trip) for each of the three categories:

Program Structure	***Cost Per Trip***
Base Projects	$2,093
Contingency and Base Projects	$3,380
Completed, Contingency, and Base Projects	$3,449

- Assuming development pay according to fee schedule, approximately $15M would be generated over the next 20 years

Shifting our focus to Seattle…

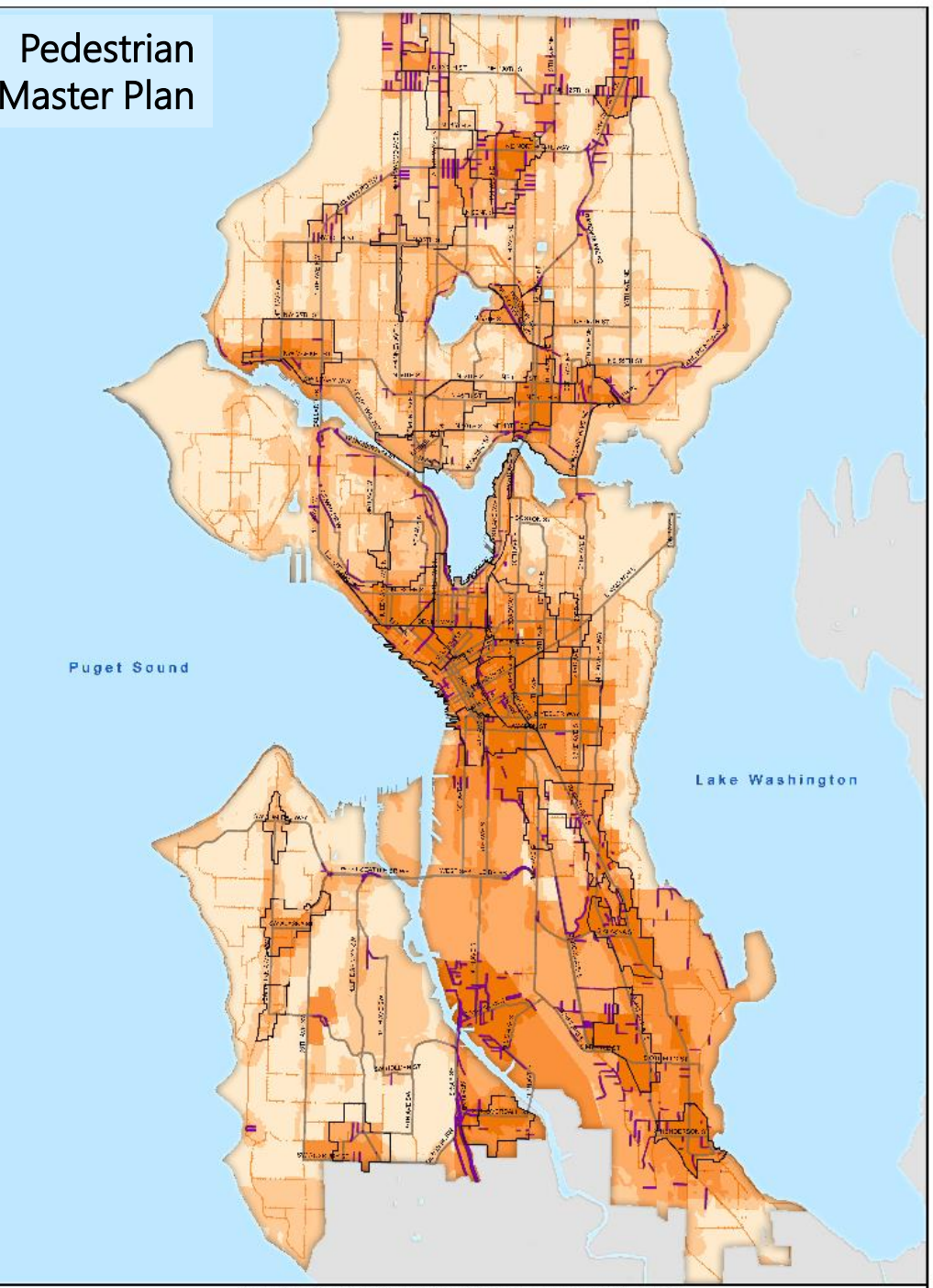
What We've Heard in 2015-16

- Program should be structured to fund projects that align with **Seattle's values**
- **Needs are great**, so no need to fund projects with questionable eligibility
- Still, there is a high interest in funding **innovative projects** (e.g. off-board fare payment; greenways)

Guidance for Program Structure in 2015-16

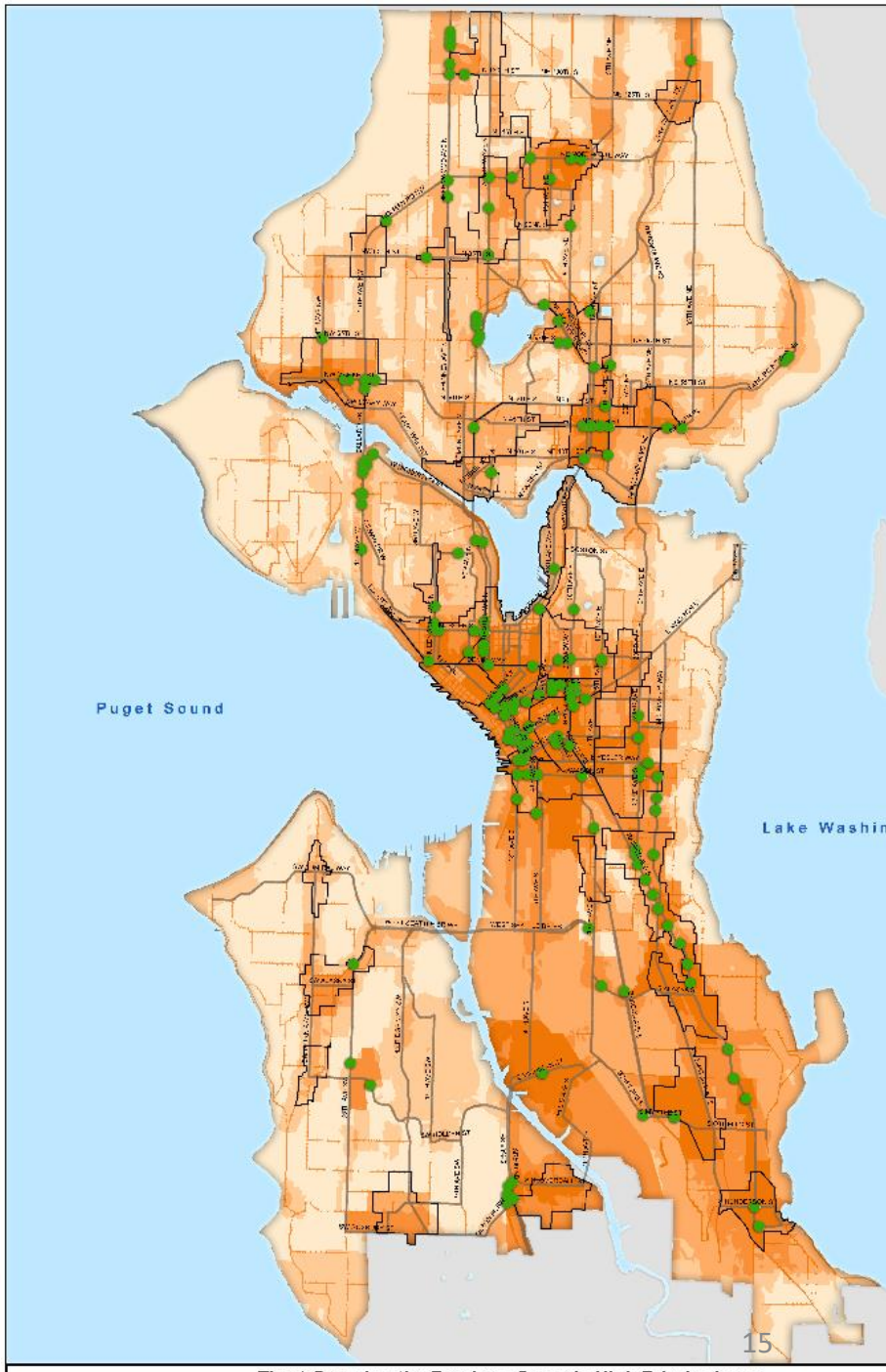
- Multimodal Program: Build around Move Seattle and modal networks
- Tie to City's new Mode Share level of service

Pedestrian Master Plan



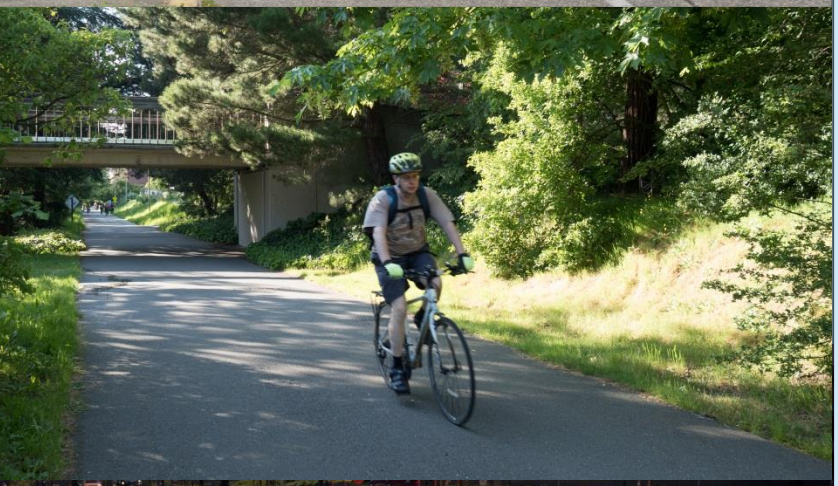
Legend

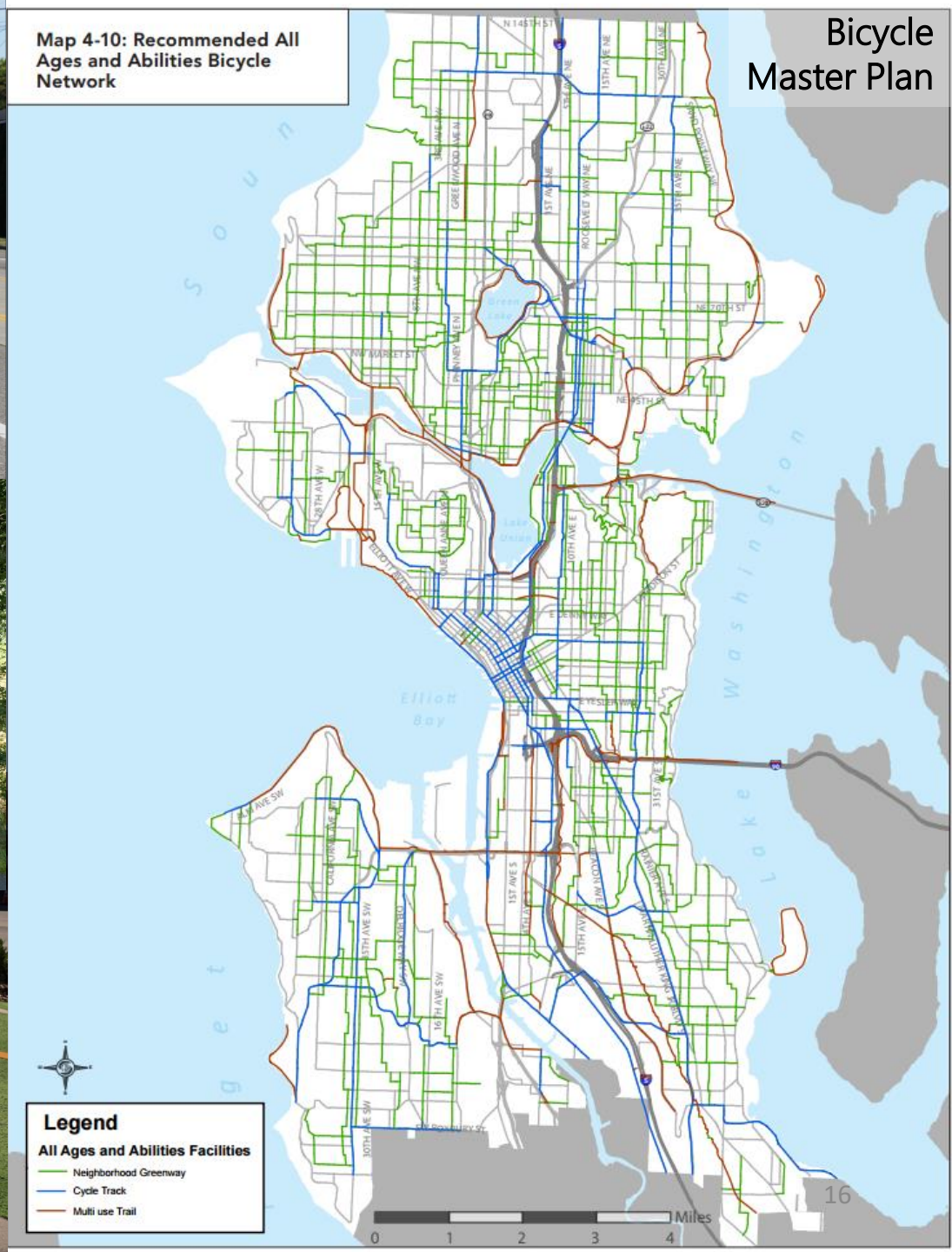
Tier 1 Along the Roadway Score in High Priority Areas



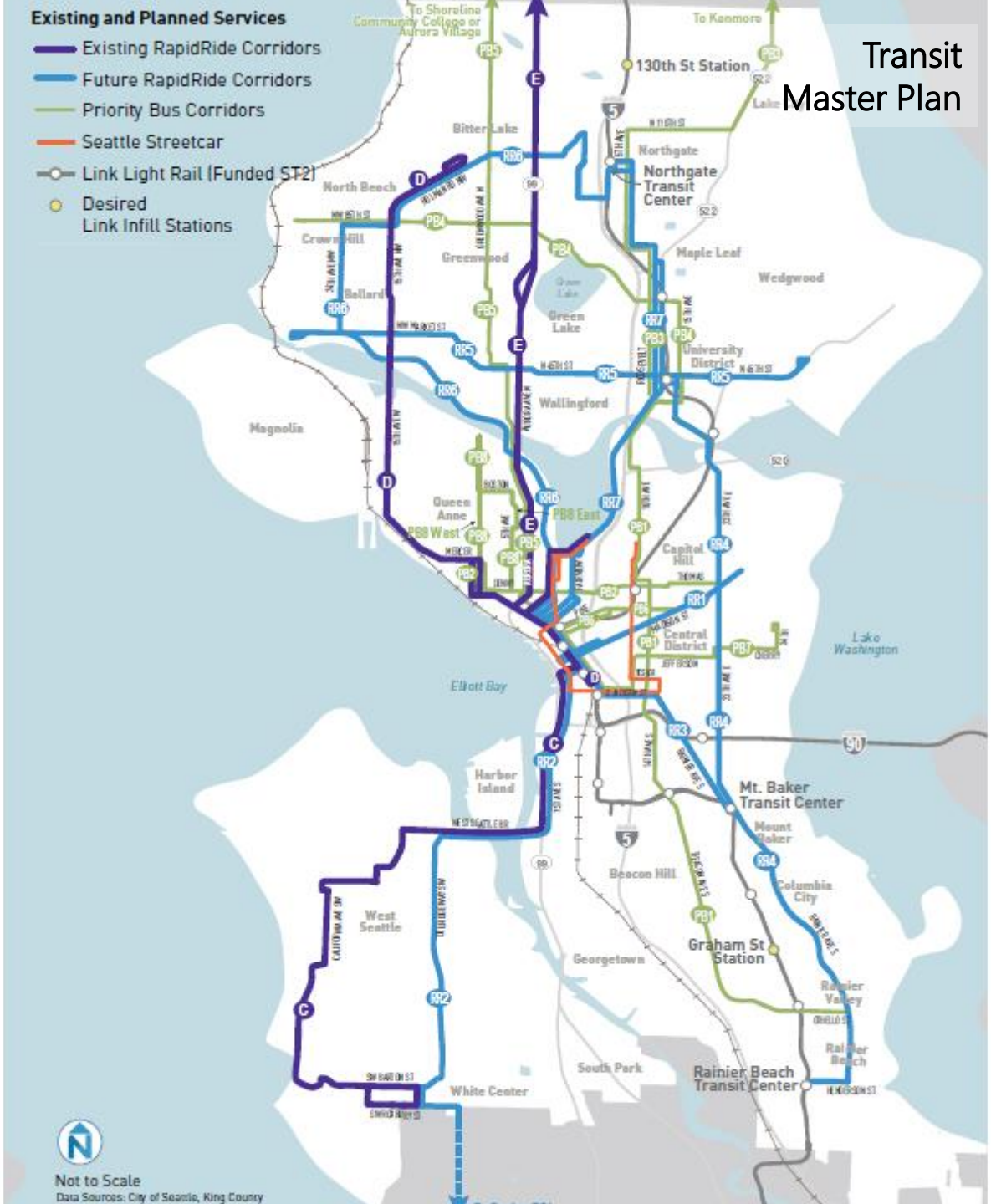
Legend

Tier 1 Crossing the Roadway Score in High Priority Areas

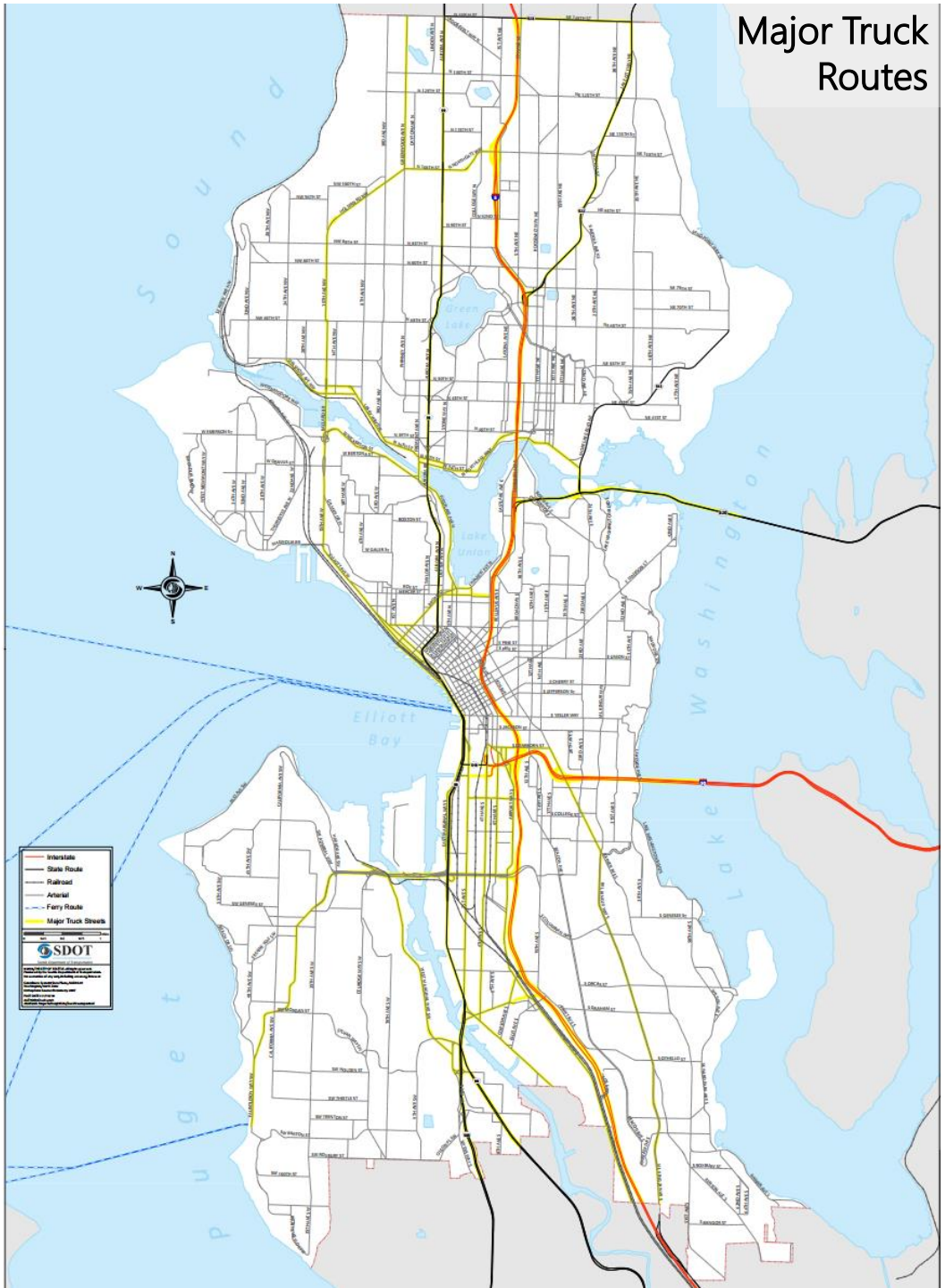



Map 4-10: Recommended All Ages and Abilities Bicycle Network
Legend
All Ages and Abilities Facilities
Neighborhood Greenway
Cycle Track
Multi use Trail
Miles
0
1
2
3
4
Elliott Bay
Lake Washington

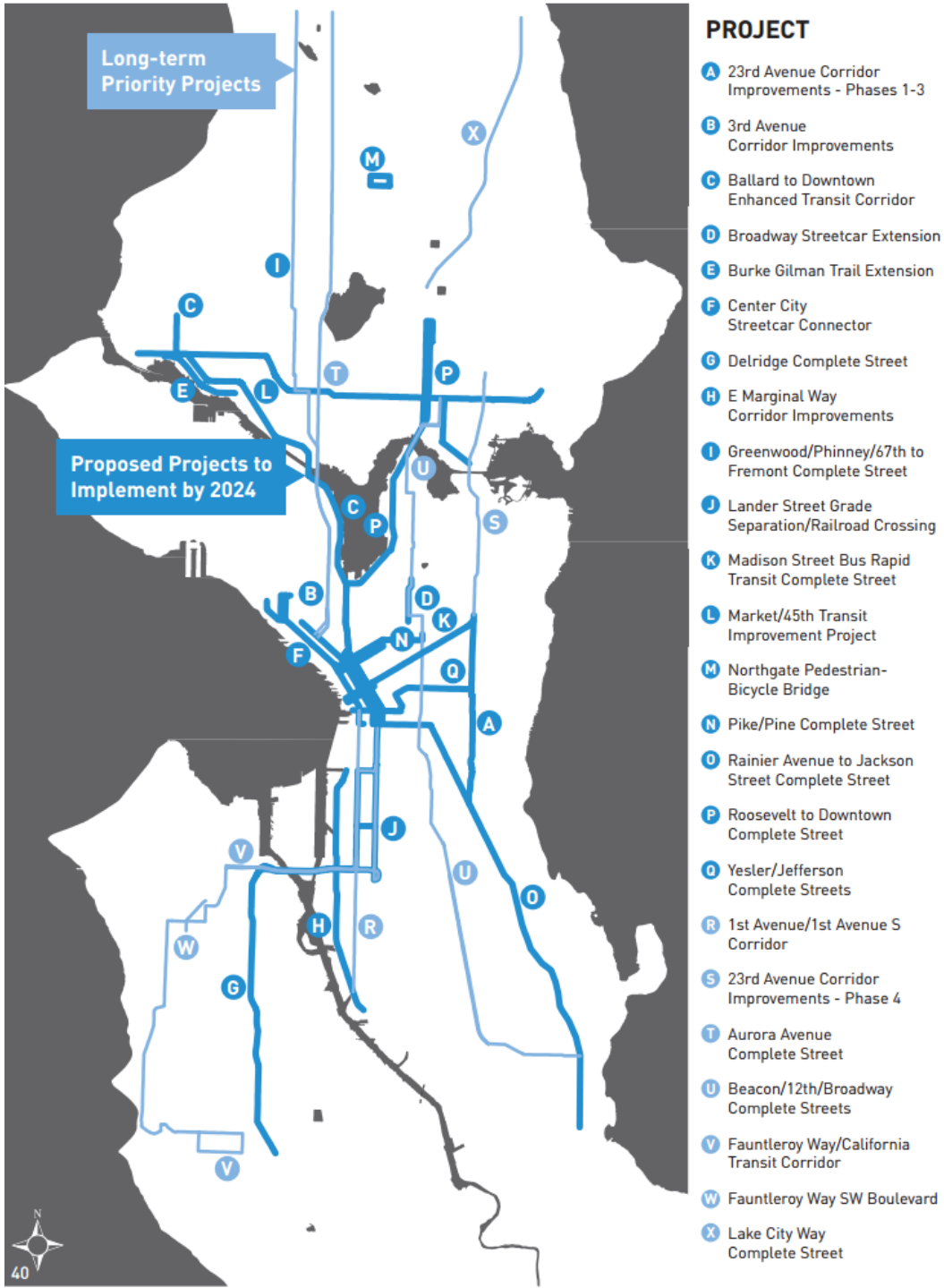
Transit Master Plan



Major Truck Routes

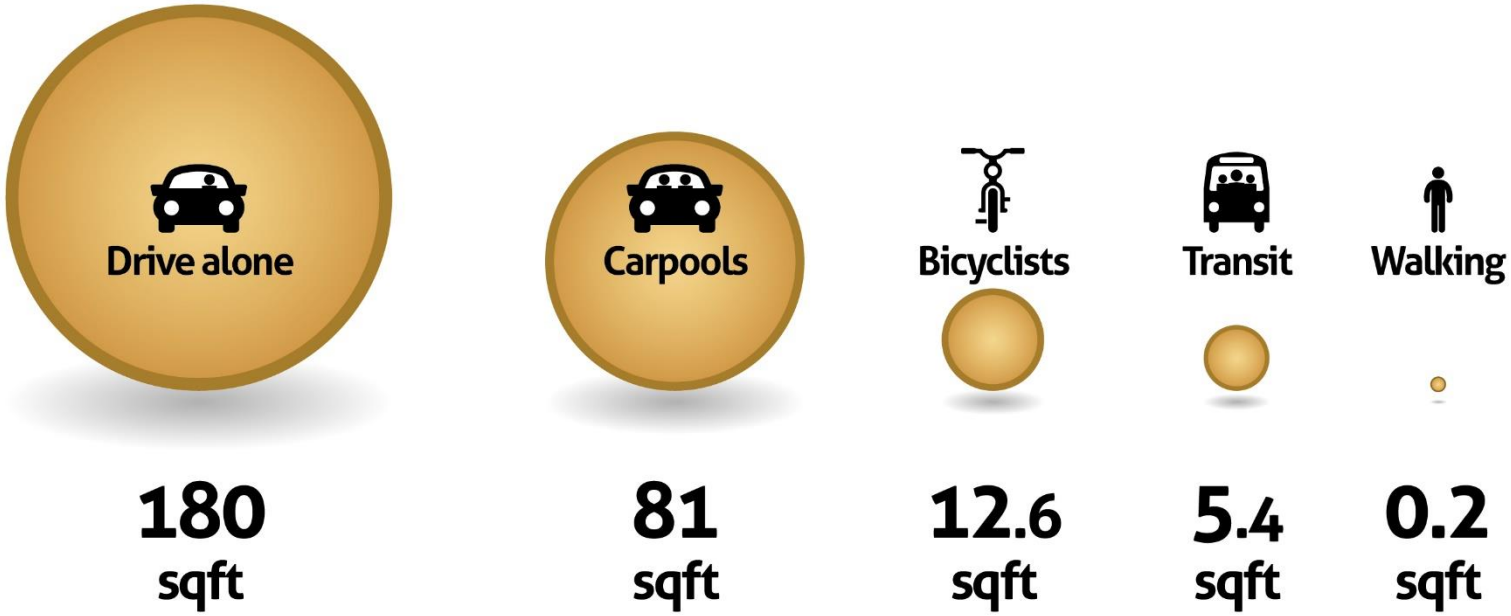


Move Seattle

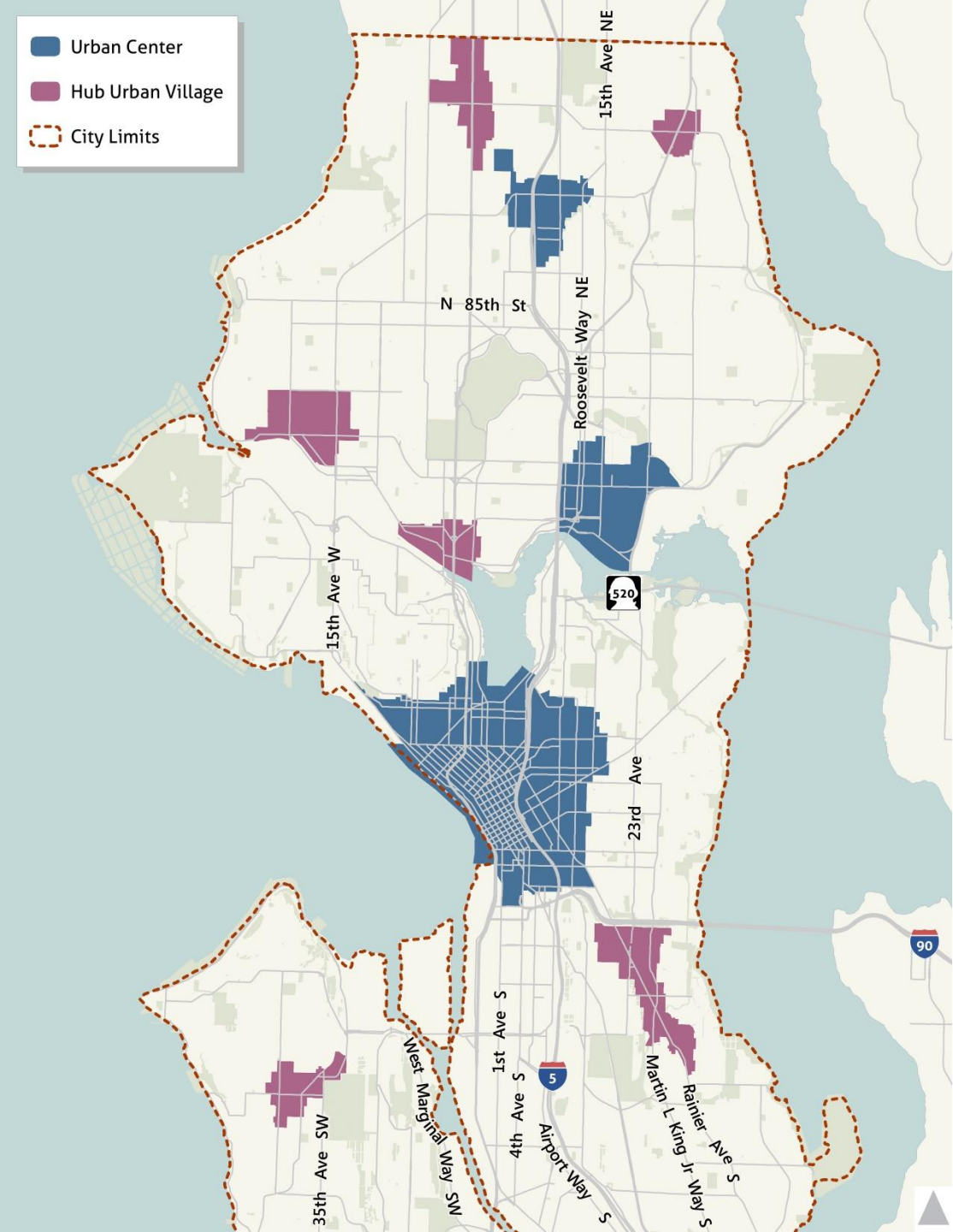


Mode Share LOS

Relative footprint of a person trip by mode



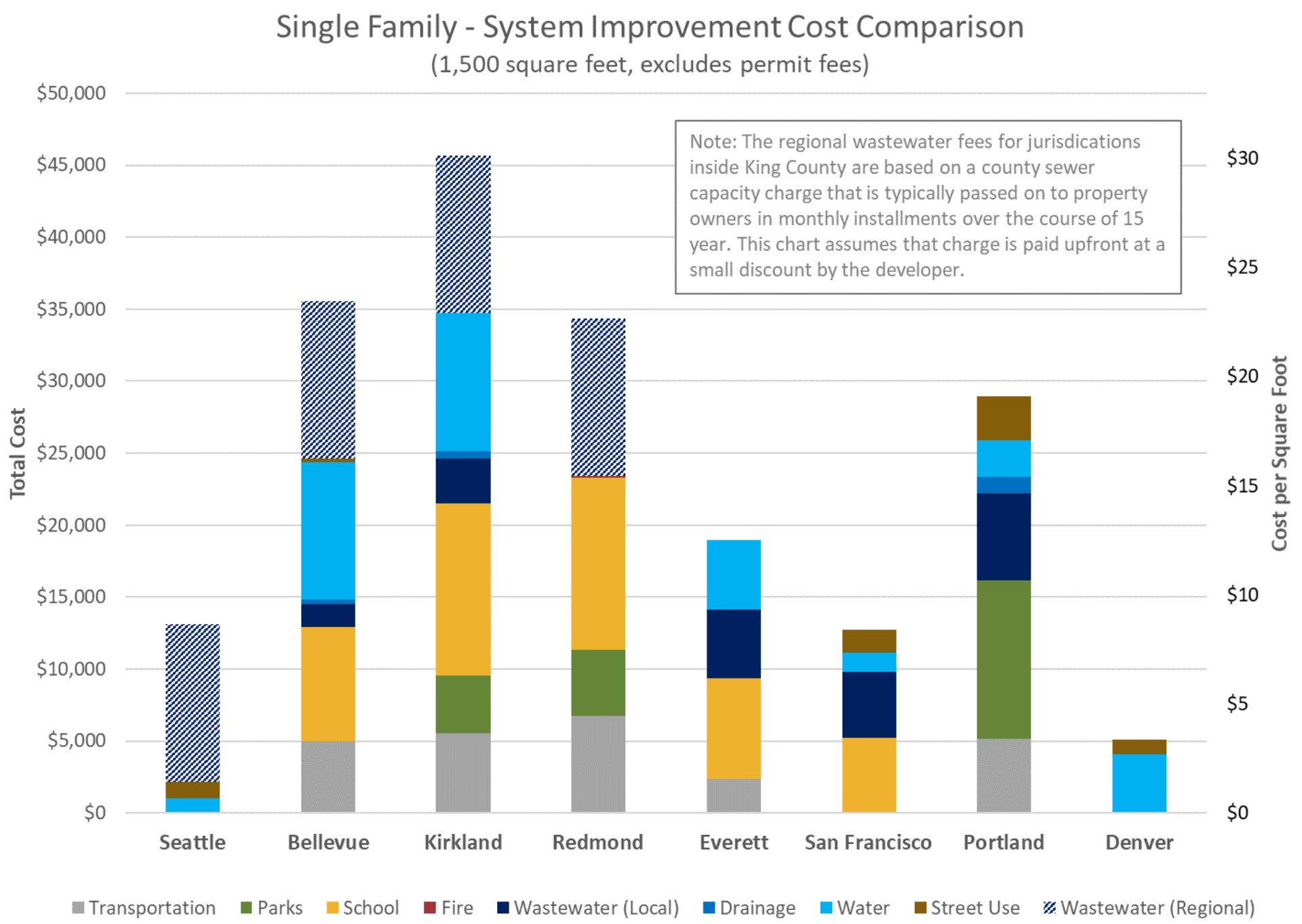
- Fees could vary by area of the city in recognition of how transportation impacts are different
- Urban Centers and Hub Urban Villages generate fewer auto trips, given great densities and transit availability



Comparing Seattle with Peer Cities

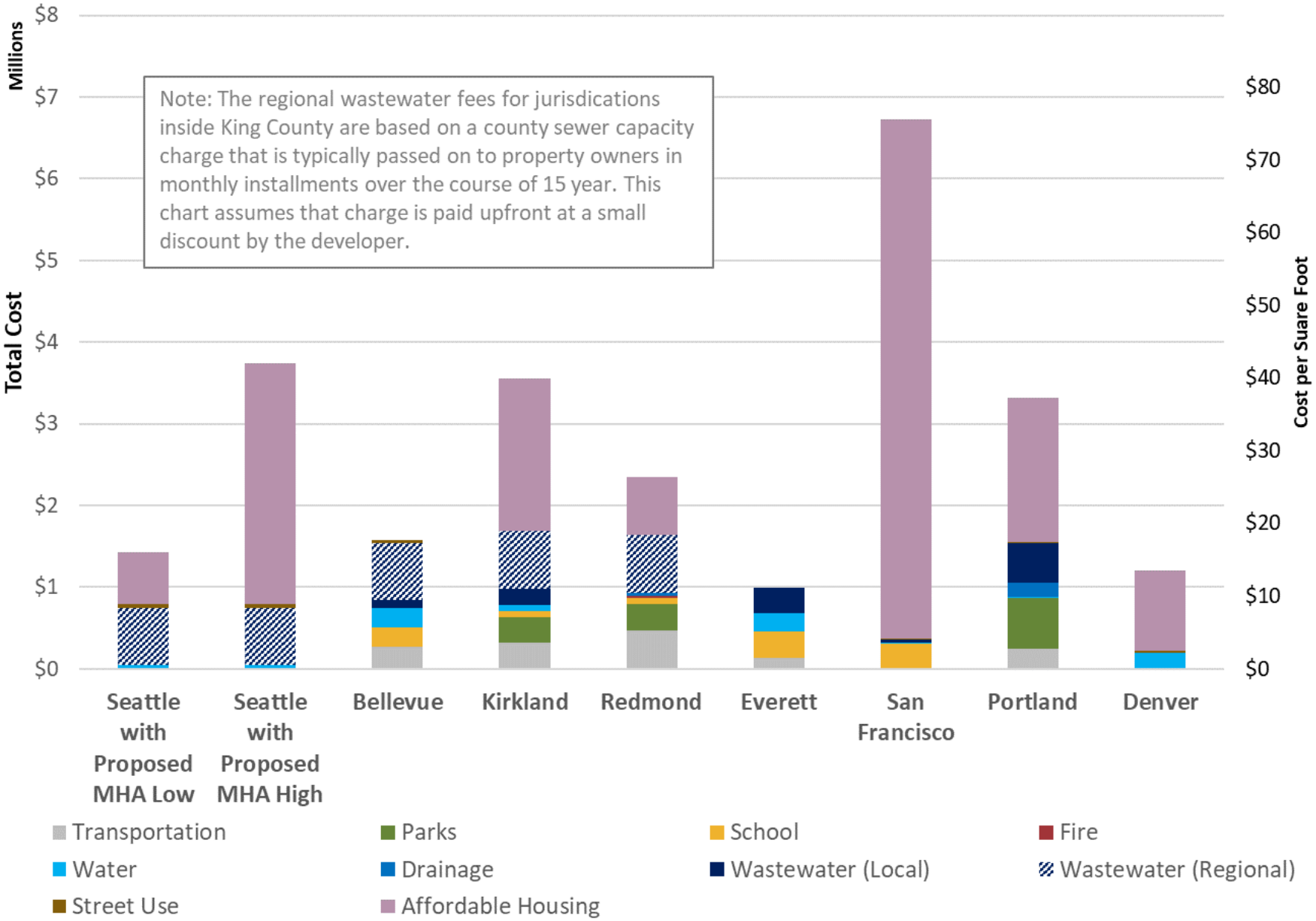
System Improvement Fee Cost Comparison

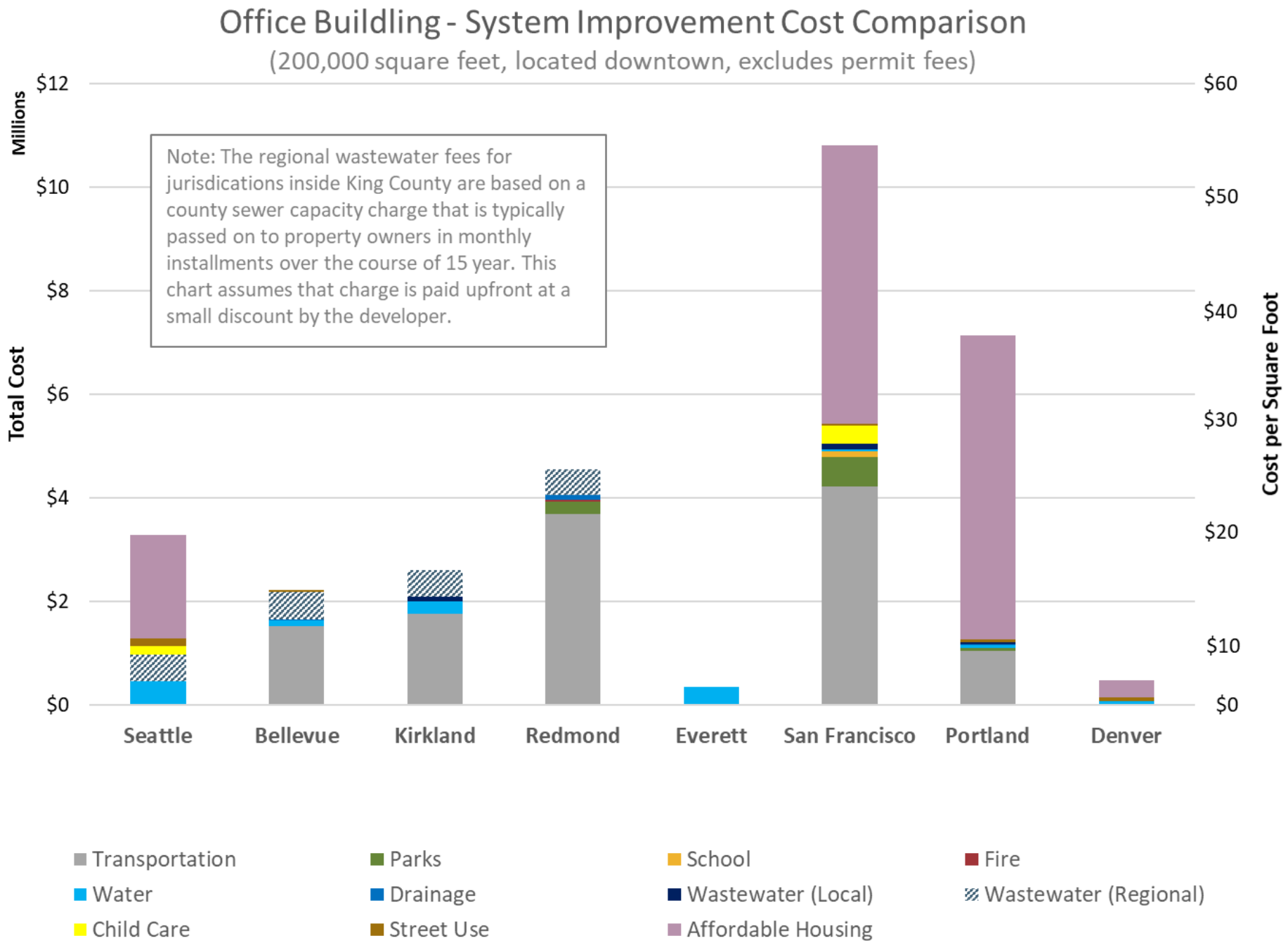
- Comparison of cumulative cost burden associated with system improvement fees
  - Impact fees (transportation, schools, parks, fire, etc.)
  - Water connection charges
  - Sewer capacity charges
  - Street use
  - Child care
  - Affordable housing requirements
- Three development types:
  - Single family home
  - Multi-family (100 units)
  - Office (200,000 sq ft)


Single Family - System Improvement Cost Comparison
(1,500 square feet, excludes permit fees)
Note: The regional wastewater fees for jurisdications inside King County are based on a county sewer capacity charge that is typically passed on to property owners in monthly installments over the course of 15 year. This chart assumes that charge is paid upfront at a small discount by the developer.
Total Cost
$50,000
$45,000
$40,000
$35,000
$30,000
$25,000
$20,000
$15,000
$10,000
$5,000
$0
Cost per Square Foot
$30
$25
$20
$15
$10
$5
$0
Seattle
Bellevue
Kirkland
Redmond
Everett
San Francisco
Portland
Denver
Transportation
Parks
School
Fire
Wastewater (Local)
Drainage
Water
Street Use
Wastewater (Regional)

Multi-Family - System Improvement Cost Comparison

(100 dwelling unit outside of Downtown, excludes permit fees)




Office Buildling - System Improvement Cost Comparison
(200,000 square feet, located downtown, excludes permit fees)
Note: The regional wastewater fees for jurisdications inside King County are based on a county sewer capacity charge that is typically passed on to property owners in monthly installments over the course of 15 year. This chart assumes that charge is paid upfront at a small discount by the developer.
Total Cost
Millions
$12
$10
$8
$6
$4
$2
$0
Cost per Square Foot
$60
$50
$40
$30
$20
$10
$0
Seattle
Bellevue
Kirkland
Redmond
Everett
San Francisco
Portland
Denver
Transportation
Parks
School
Fire
Water
Drainage
Wastewater (Local)
Wastewater (Regional)
Child Care
Street Use
Affordable Housing