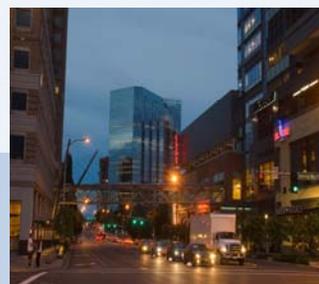




City of Bellevue

TRANSPORTATION IMPACT FEE PROGRAM REPORT

2019 UPDATE



Prepared by:

City of Bellevue Transportation Department

Transportation Implementation Planning,
Transportation Financial Services,
Modeling & Forecasting,
Development Review Divisions and
Capital Programming Services

Ordinance 6491

Draft Transportation Impact Fee Program For Bellevue, Washington 2019 Update



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CHAPTER 1. INTRODUCTION

The report provides an update to the Transportation Impact Fee Program for the City of Bellevue. The update was prepared for the following reasons:

- The Growth Management Act requires regular updates to impact fee programs. The original program was adopted in 1989. The most recent review and update to the City's Transportation Impact Fee Program was conducted in 2015.
- New projects have been added to the City's Transportation Impact Fee Program in 2019 and other projects included in the 2015 Program have been completed and are being retained.
- Implementation costs for projects on the impact fee project list have changed substantially due to inflation and scope changes since the previous program review and update.
- Traffic patterns, land use development and future growth projects have evolved.

The following sections describe the impact fee program methodology, the analyses performed, and the resulting recommendations.

DEFINITION OF IMPACT FEES

Impact fees are a broad category of charges on new development assessed to pay for capital improvements (e.g., parks, schools, roads, etc.) necessitated by new development. Cities collect transportation impact fees to fund improvements that add capacity to the transportation system accommodating the travel demand added by new development.

The City developed the program based on the following findings:

- Development activity in the City, including residential, commercial, retail, office, and industrial development, will create additional demand and need for public road facilities.
- Bellevue is authorized under the state's Growth Management Act (Chapter 82.02.050 RCW) to require new growth and development within the City to pay a proportionate share of the cost of new road facilities needed to serve that new growth and development through the imposition of impact fees.
- Impact fees may be collected and spent for public road facilities needed for system improvements that are included within the capital facilities plan in the City's comprehensive plan.

LEGAL BASIS

The primary enabling mechanism for imposing impact fees in Washington State is the Growth Management Act (GMA). Prior to the passage of the GMA, local agencies primarily relied on the State Environmental Policy Act (SEPA) process to require developers to fund mitigation projects necessitated by new development.

The GMA, passed in 1990, modified the portion of RCW 82.02.050 regarding impact fees and specifically authorized the use of impact fees for jurisdictions planning under the Growth Management Act. The GMA allows impact fees for system improvements that reasonably relate to and reasonably benefit new development, and specifies that fees are not to exceed a proportionate share of the costs of improvements.

For a city to impose GMA impact fees, the following specific provisions are required:

- The city must have an ordinance authorizing impact fees;
- Fees may apply only to improvements identified in a Capital Facilities Plan;
- The agency must establish one or more service areas for fees;
- A formula or other method for calculating impact fees must be established;
- The fees cannot be used to finance the portion of improvements needed to pay for existing capacity deficiencies. (Note: the fees can be used to recoup the cost of improvements already made to address the needs of future development);
- The fees may not be arbitrary or duplicative;
- The fees must be earmarked specifically and be retained in special interest-bearing accounts;
- Fees may be paid under protest; and,
- Fees not expended or encumbered within ten years of collection must be refunded with interest.

An accounting system is important to ensure that the impact fees collected are assigned to the appropriate improvement projects and the developer is not charged twice for the same improvement. Appendix B provides further discussion as to the legal basis and “Determining the Benefit to Development” of the City’s Transportation Impact Fee Program.

GUIDING PRINCIPLES

A set of guiding principles provides consistent direction for development of the transportation impact fee program. The program should:

- Be legally and technically defensible;
- Be financially constrained;
- Be fair, consistent and predictable in its development and application;
- Have reasonable rates based on improvements necessary to accommodate new growth and development under the Comprehensive Plan; and,
- Be simple to administer and not preclude other requirements of SEPA such as safety issues, access improvements, etc.

These guiding principles were used to test alternative ideas and select an appropriate method of calculating impact fees for the City.

IMPACT FEE STRUCTURE

The key steps involved in the impact fee process are shown in **Figure 1**. Steps include developing a list of road improvements and costs, allocating growth-related costs within the City, and identifying available funding. The remaining costs can be charged as impact fees, which are displayed in the form of a fee schedule. Each step is described in more detail in subsequent sections of this report.

ORGANIZATION OF REPORT

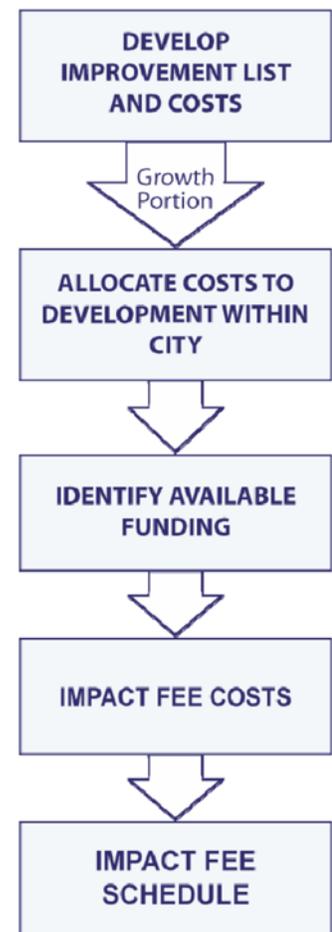
This report includes the following sections:

- Introduction
- Impact Fee Project List
- Cost Allocation
- Impact Fee Schedule

DATA ROUNDING

The data in this study were prepared using computer spreadsheet software. In some tables in this study, there will be very small variations from the results that would be obtained using a calculator to compute the same data. The reasons for these insignificant differences is that the spreadsheet software calculated the results to more places after the decimal than is reported in the tables in the report.

Figure 1. Traffic Impact Fee Program Development Steps



CHAPTER 2. IMPACT FEE PROJECT LIST

Washington State law RCW 82.02.050 specifies that Transportation Impact Fees are to be spent on 'system improvements.' System improvements can include physical or operational changes to existing roadways, as well as new roadway connections that are built in one location to benefit projected needs at another location. These are generally projects that add capacity (new streets, additional lanes, widening, signalization, etc.).

The impact fee structure for the City of Bellevue was designed to determine the fair share of road improvement costs that may be charged to new developments. During the City's transportation planning process, the City identified projects needed by 2030 to meet the transportation needs of the land use planned for in the adopted Transportation Facilities Plan (TFP). The task was accomplished by examining existing roadway deficiencies (if any) and forecasting future needs. The City of Bellevue used a city cost model to estimate the costs for these capacity improvements. These capital projects form the basis for the impact fee project list, which will be funded by a mix public and private sources. For purposes of the Transportation Impact Fee Program, the cost of the transportation improvement shall include any debt service payments, including interest, for any of these improvements. (BCC 22.16.020.V)

The impact fee project list is primarily composed of roadway capacity projects, with full implementation cost allocated in the City's 2019-2030 TFP. The project list, shown in **Table 1** and illustrated in **Figure 2** includes 15 active TFP projects, totaling \$296.9 million. The list also includes three completed impact fee projects from the prior 2016-2027 TFP. Inclusion of these completed projects within the TFP is allowed by city code and state law. In past Transportation Impact Fee Programs, completed projects have been removed from the program calculations. This approach is being included now because the City has incurred debt to pay for these three projects. The term of the debt will continue through the 12-year TFP period. These completed projects, with a total cost of \$105.6 million, have unused vehicle capacity that will serve additional land use growth into the future. Overall, the impact fee project list includes total costs, including debt service costs, of \$402.5 million. The total project costs may need to be adjusted during the analysis to account for previously collected impact fees, projected revenues from new Local Improvement Districts (LIDs) or similar assessment mechanisms, and costs to address existing system deficiencies, if any exist.

TABLE 1. Transportation Impact Fee Projects

#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost (\$000s)	Debt Service (\$000s)	Total Cost (\$000s)
1	TFP-110	110th Avenue NE/NE 6th Street to NE 8th Street		Complete a five-lane roadway section with sidewalks where missing.	\$2,312		\$2,312
2	TFP-195	150th Avenue SE/ SE 37th Street/I-90 off-ramp		Widen the southbound approach to create a third southbound lane just south of the eastbound I-90 on-ramp that continues to the southbound right turn lane at SE 38th St. Extend the southbound left turn pocket by 75' to create more storage. Create a second eastbound right turn lane on the freeway off ramp. Widen the east leg to provide eastbound and westbound left turn pockets that are the full length of the block between 150th Ave SE and the eastbound I-90 on-ramp, ultimately resulting in a four lane cross-section on this block.	\$3,111		\$3,111
3	TFP-209	NE Spring Blvd/116th Avenue NE to 120th Avenue NE (Zone 1)	R-172	Construct a new multi-modal arterial street connection between NE 12th Street/116th Avenue NE and 120th Avenue NE. The planned roadway cross-section for the new arterial street between NE 12th Street and 120th Avenue NE will include two travel lanes in each direction with turn pockets, along with new traffic signals at the NE 12th Street and 120th Avenue NE intersections, a separated multi-purpose path along the north side and a sidewalk on the south side and other standard roadway improvements*.	\$45,061	\$4,338	\$49,399
4	TFP-210	124th Avenue NE/NE Spring Boulevard to NE 18th Street	R-166	Widen 124th Avenue NE from NE Spring Boulevard to NE 18th Street and reprofile the roadway in conjunction with Sound Transit East Link. The roadway cross section will consist of five lanes, including two travel lanes in each direction with turn pockets or a center turn lane, install curb, gutter, and sidewalk or multi-use trail on both sides, other standard roadway improvements* and a new signal at NE 16th Street.	\$23,748	\$1,019	\$24,767

TABLE 1. Transportation Impact Fee Projects (continued)

#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost (\$000s)	Debt Service (\$000s)	Total Cost (\$000s)
5	TFP-213	124th Avenue NE/NE 12th Street to NE Spring Boulevard	R-169	Widen roadway to five lanes with a separated multi-use path on both sides from Bel-Red Rd to NE Spring Boulevard and other standard roadway improvements*.	\$20,035	\$22,609	\$42,644
6	TFP-215	NE Spring Blvd/130th to 132nd Avenues NE	R-174	Construct a single westbound and eastbound travel lanes and other standard roadway improvements* on the north side of the planned East Link light rail line between 130th Avenue NE and 132nd Avenue NE. New traffic signal at 130th Avenue NE and modified signal at 132nd Avenue NE that will integrate traffic, pedestrian, and bicycle movements with the Sound Transit East Link Light Rail Transit (LRT) project.	\$21,786	\$18,401	\$40,187
7	TFP-216	112th Avenue NE/NE 2nd Street		Construct dual southbound to eastbound left-turn lanes, and a northbound to eastbound right-turn lane.	\$8,060		\$8,060
8	TFP-219	NE 8th Street/106th Avenue NE		Realign NE 8th Street to the south to allow three through lanes westbound from 106th Ave NE to Bellevue Way.	\$5,205		\$5,205
9	TFP-222	Bellevue Way/NE 4th Street		Add a southbound right turn lane and convert one northbound thru lane into a second left turn lane.	\$2,100		\$2,100
10	TFP-223	Bellevue Way/NE 8th Street		Add southbound right turn lane.	\$3,218		\$3,218
11	TFP-225	Bellevue Way/NE 2nd Street		Add a northbound right turn lane and a second southbound left turn lane.	\$4,315		\$4,315
12	TFP-242	Bellevue Way HOV lane/107th Ave SE to I-90	R-184	Widen Bellevue Way SE to add a southbound inside HOV lane and an outside sidewalk or shoulder between the Winter's House to the future South Bellevue light rail station (formerly the South Bellevue park-and-ride lot).	\$28,726	\$220	\$28,946
13	TFP-246	150th Avenue SE/ south of SE 38th Street to Newport Way	R-198 R-202	Construct a 600' southbound right turn pocket with sidewalk the length of the pocket on the west side of 150th Ave SE.	\$4,234		\$4,234

TABLE 1. Transportation Impact Fee Projects (continued)

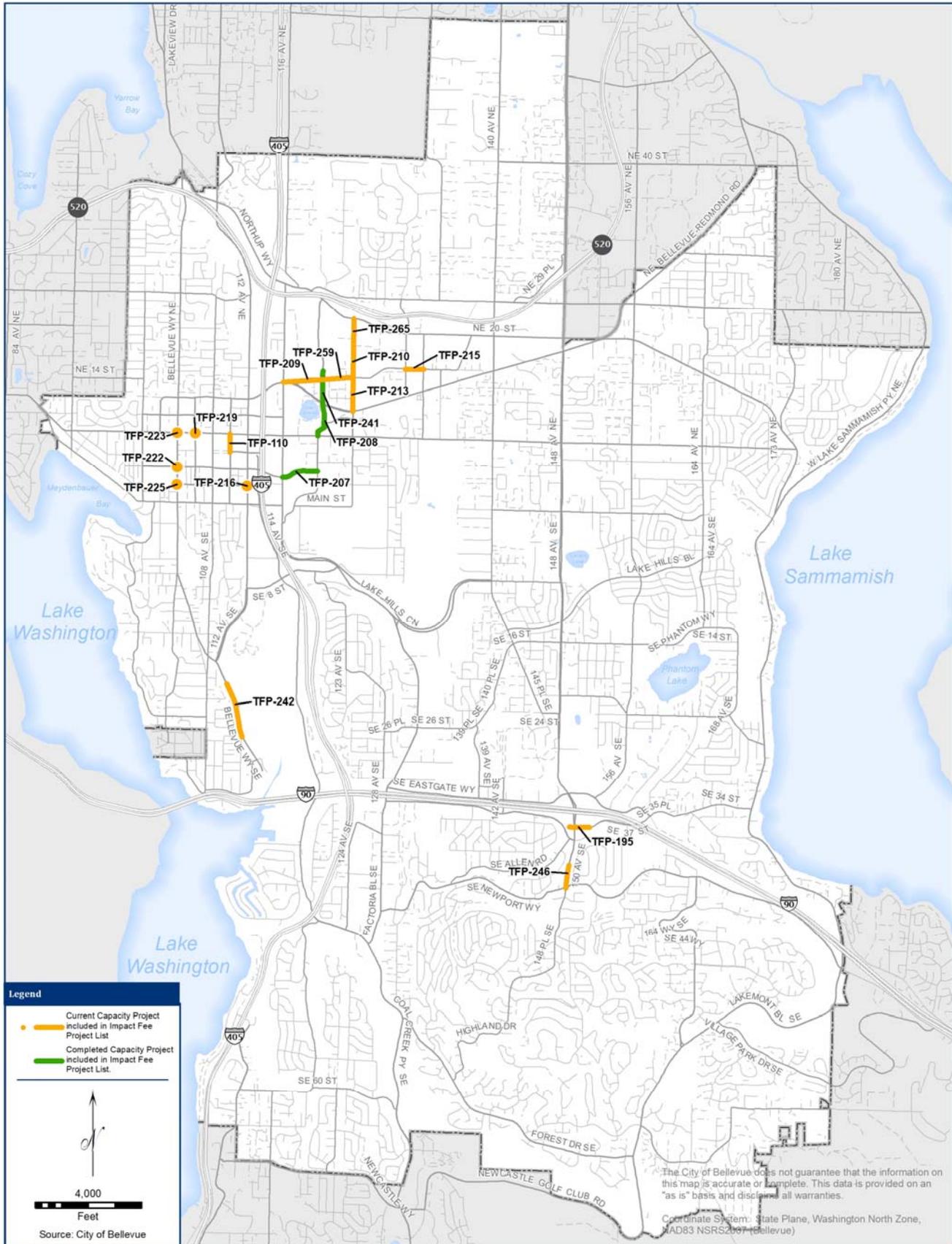
#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost (\$000s)	Debt Service (\$000s)	Total Cost (\$000s)
14	TFP-259	NE Spring Blvd/120th Avenue NE to 124th Avenue NE (Zone 2)	R-173	Construct a new arterial street connection between 120th and 124th Avenues NE, including signalized intersections at 120th, 121st, 123rd, and 124th Avenues NE. The planned roadway cross-section will include two travel lanes in each direction with widened outside lanes for shared bicycle use, turn pockets or center medians, curb, gutter, and wide sidewalks on both sides, and other standard roadway improvements*. An on-street parking and transit vehicle layover space will be provided along the north side of the roadway alignment.	\$28,365	\$13,588	\$41,953
15	TFP-265	124th Avenue NE/ Ichigo Way (NE 18th Street) to Northup Way	R-191	Construct improvements to 124th Avenue NE between Ichigo Way (NE 18th Street) and Northup Way, which will include travel lanes, turn lanes, street lighting, traffic signals and other standard roadway improvements*.	\$30,796	\$5,618	\$36,414
Active Project Totals:					\$231,073	\$65,793	\$296,866

*Other standard roadway improvements include but are not limited to landscaping, irrigation, illumination, storm drainage, water quality treatment, and other underground utilities.

TABLE 1. Transportation Impact Fee Projects (continued)

COMPLETED IMPACT FEE							
#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost (\$000s)	Debt Service (\$000s)	Total Cost (\$000s)
16	TFP-207	NE 4th Street Extension / 116th Avenue NE to 120th Avenue NE	R-160	Construct a new five lane arterial with two travel lanes in each direction and a center turn lane where necessary between 116th and 120th Avenues NE; include bike lanes, curb, gutter and sidewalk on both sides, other standard roadway improvements*, a new signalized intersection at NE 4th Street/120th Avenue NE and signal modifications at NE 4th Street/116th Avenue NE.	\$34,953	\$3,027	\$37,980
17	TFP-208	120th Avenue NE (stage 2)/ south of NE 8th Street to NE 12th Street	R-164	Stage 2 will extend, realign and widen 120th Ave NE from south of NE 8th St to NE 12th St. Includes all intersection improvements at NE 8th St, Lake Bellevue Drive/Old Bel-Red Rd. The roadway cross section will consist of five lanes, with two travel lanes in each direction and center turn lane or turn pockets; bike lanes, curb, gutter and sidewalk both sides and other standard roadway improvements*.	\$41,883	\$12,149	\$54,032
18	TFP-241	120th Avenue NE (Stage 3)/NE 12th to NE 16th Streets	R-168	Stage 3 will widen 120th Avenue NE from NE 12th Street to NE 16th Street, including all intersection improvements at NE 12th Street and reprofile the roadway in conjunction with Sound Transit East Link. The roadway cross-section will consist of five lanes, including two travel lanes in each direction with turn pockets or a center turn lane, improvement to, or installation where missing, bike lanes, curb, gutter and sidewalk on both sides, and other standard roadway improvements*.	\$12,281	\$1,364	\$13,645
Completed Project Totals:					\$ 89,117	\$16,540	\$105,657
Grand Totals:					\$320,190	\$82,333	\$402,523

Figure 2. Transportation Impact Fee Projects

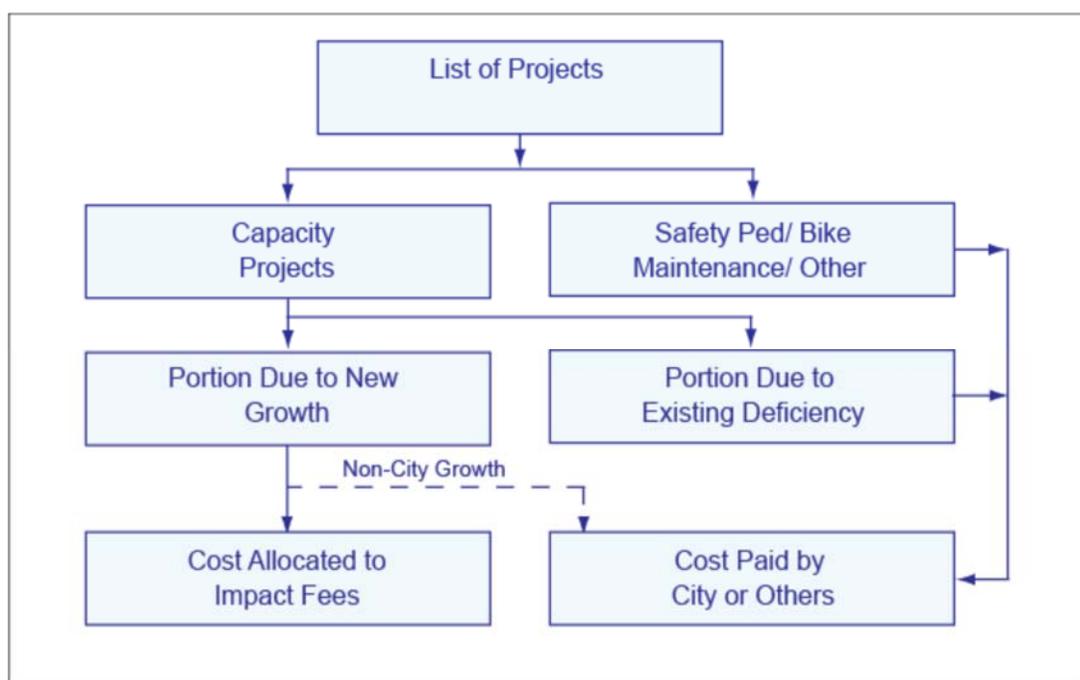


CHAPTER 3. COST ALLOCATION

METHODOLOGY

The cost allocation methodology is called a ‘marginal cost’ approach. The approach calculates the marginal growth cost of the project by determining, up front, the proportion of the project associated with growth. The impact fee methodology distinguishes between facility improvements that address existing deficiencies and those that are needed to serve new growth. For growth-related projects, this method assumes that traffic generated by future development is the reason for the improvement project(s). **Figure 3** diagrams the process.

FIGURE 3: Impact Fee Cost Allocation Concept



The following sections describe each step in the process.

TRANSPORTATION DEFICIENCIES

RCW 82.02.050(5)(a)(i) requires that the Capital Facilities Element of a jurisdiction’s comprehensive plan identify ‘deficiencies in public facilities serving existing development.’ Under the GMA, future development cannot be held responsible for the portion of added roadway capacity needed to serve existing development.

To adequately assess both the extent of the existing roadway deficiencies and the magnitude of the future needs on arterial roadways, the City developed a standard evaluation criterion as part of its concurrency management program. The criterion selected is defined by the Highway Capacity Manual (HCM) as the average volume/capacity (v/c) ratio for intersections during the PM peak 2-hour period. The methodology calculates the v/c ratios for 97 ‘system intersections’ within 14

Mobility Management Areas (MMAs). System intersections are arterial street intersections controlled by traffic signals, and MMAs are geographic sub-areas of the city, designated for traffic analysis purposes.

The Transportation Element of the City’s adopted Comprehensive Plan includes two separate but related measures that must be met for its concurrency test. Both measures are based upon a maximum v/c ratio established, or ‘standard’, for each MMA. The first measure is that the average v/c ratio of all system intersections within each MMA cannot exceed that MMA’s standard. The second measure is that each MMA has a limit for the number of individual intersections that may exceed the standard. This is called the ‘Congestion Allowance’. Using the methodology described above, intersection v/c ratios are calculated for each system intersection in each MMA.

According to the annual concurrency update (August, 2019), the number of intersections citywide failing their respective MMA level of service standards was 19. This quantity of failing intersections across the entire city is not a system deficiency issue as no single MMA exceeds its congestion allowance. All MMAs were also within the average v/c ratio allowed and thus met both of the City’s adopted standards. Therefore, up to 100 percent of the project costs can potentially be allocated to new growth. **Table 2** is from the City of Bellevue Concurrency Update and summarizes the analysis findings.

Table 2. Comparison of 2-Hour Average LOS in Annual Concurrency through December, 2018

MMA		Concurrency Standard		2019 Concurrency Platform			
		V/C Ratio	Congestion Allowance	V/C Ratio Test		Congestion Allowance Test	
				V/C Ratio	Standard Met?	No. of Intersections Below the Standard	Standard Met?
1	North Bellevue	0.85	3	0.62	Yes	0	Yes
2	Bridle Trails	0.80	4	0.68	Yes	2	Yes
3	Downtown	0.95	9	0.74	Yes	3	Yes
4	Wilburton	0.90	3	0.78	Yes	1	Yes
5	Crossroads	0.90	2	0.71	Yes	0	Yes
6	Northeast Bellevue	0.80	2	0.71	Yes	0	Yes
7	South Bellevue	0.85	4	0.82	Yes	1	Yes
8	Richards Valley	0.85	5	0.73	Yes	1	Yes
9	East Bellevue	0.85	5	0.83	Yes	4	Yes
10	Eastgate	0.90	4	0.65	Yes	0	Yes
11	Newcastle	0.80	3	0.70	Yes	2	Yes
12	Bel-Red/Northup	0.95	7	0.75	Yes	2	Yes
13	Factoria	0.95	5	0.84	Yes	1	Yes

Notes: Model version MP6-R16. MMA 14, Newport Hills has no signalized intersections, and so is not considered.

TRAVEL GROWTH

To match the 2019-2030 Transportation Facilities Plan, the City used a 13-year land use growth estimate (2018 through 2030). **Table 3** shows Bellevue land use forecasts in the categories of single family housing, multi-family housing, office, retail, industrial, institutional and lodging units for the years 2017 and 2030 (the 2017 figures include existing development through December 31, 2017 and approved new development through December 31, 2018).

The housing and employment growth estimates were converted to PM peak hour vehicle trip ends¹ using trip generation rates from the Institute of Transportation Engineers (ITE) *Trip Generation Manual* (10th Edition, 2017). These growth estimates result in an increase of 12,599 PM peak hour vehicle trip ends within the City during the 12-year plan period. This growth in vehicle trip ends was used to calculate the impact fee rates, described further below.

Table 3. Bellevue Land Use Growth

Land Use Category	Unit of Measure	2017	2030	Annual Average	Growth
Single Family Housing	Dwelling Units	30,851	30,940	7	89
Multi-Family Housing	Dwelling Units	32,539	41,132	716	8,593
Office (incl. Institutional)	Square Feet	30,408,756	40,531,443	843,557	10,122,687
Retail	Square Feet	10,821,308	11,176,519	29,601	355,211
Industrial	Square Feet	5,094,789	4,633,441	(38,446)	(461,348)
Lodging	Rooms	7,009	9,434	202	2,425

COST ALLOCATION RESULTS

The cost allocation process distributes the growth costs for each project based upon the travel patterns within and outside the City limits. A ‘select link’ assignment procedure using the City’s travel demand forecasting model provided the origin and destination information for each vehicle trip traveling through the city’s transportation network, including the 15 current impact fee projects plus three (3) completed impact fee projects from the previous 2016-2027 TFP.

Trips that pass through Bellevue, but do not have any origins or destinations internal to Bellevue, were not allocated to Bellevue growth. Trips that have one end in Bellevue and the other end outside of Bellevue were allocated 50 percent to Bellevue growth.

Figure 4 summarizes and illustrates the cost allocation results. The dollar amounts shown in this figure and the following text descriptions are rounded and expressed in millions of dollars. The actual amounts used in the calculations are accurate to a single dollar.

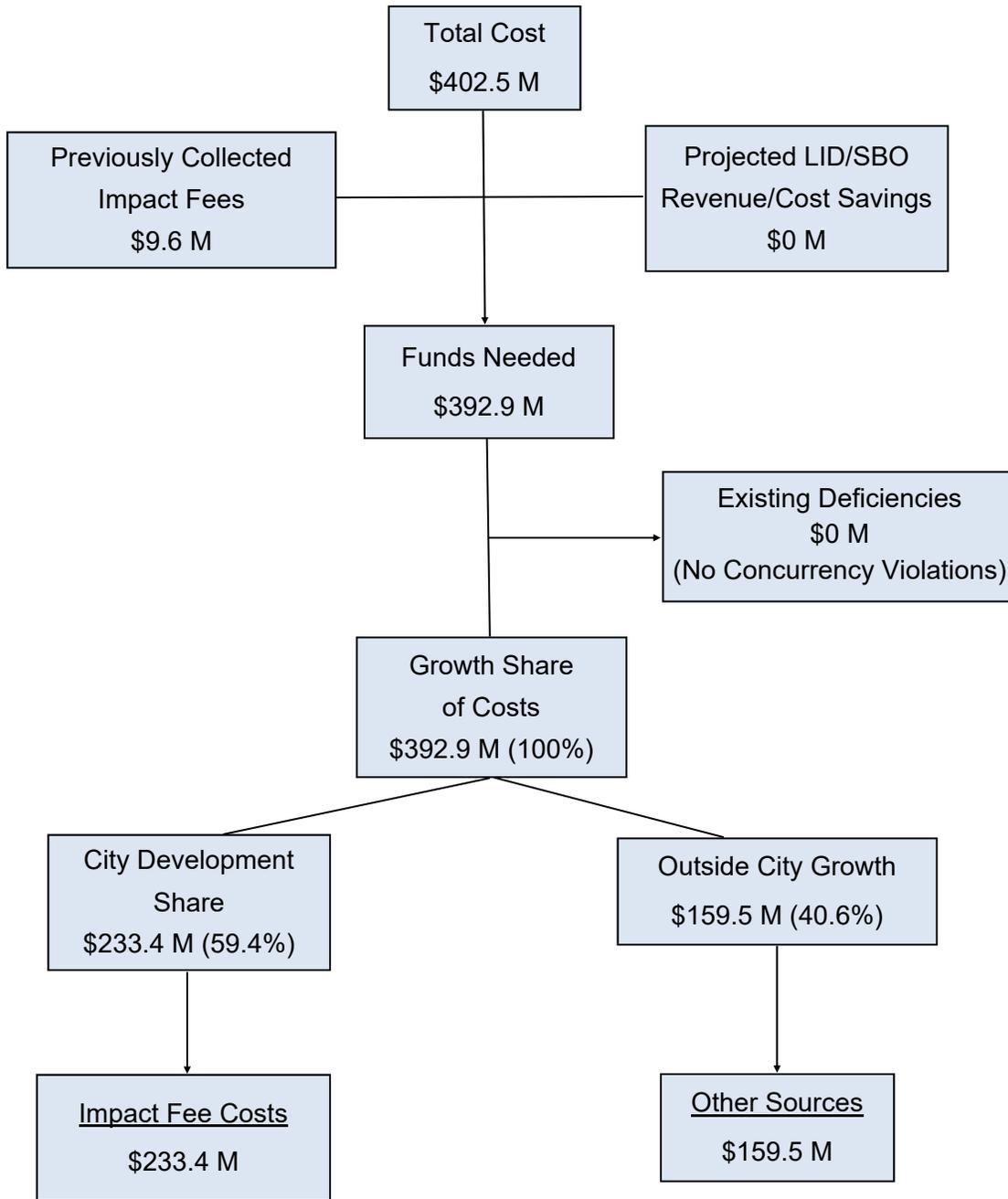
¹ A vehicle trip travels between an origin and a destination. Each vehicle trip has two trip ends, one each at the origin and destination. Trip ends represent the traffic coming to and from a given land use. The trip ends were calculated with trip generation formulas used by the *Institute of Transportation Engineers*.

The cost allocation results include the total cost of the 15 active and three completed impact fee projects including debt service costs. The total cost is \$402.5 million as shown in Table 1. As stated on the preceding page, the total cost will need to be adjusted for any previously collected impact fees and/or any local improvement district (LID) revenue. Previously collected impact fees total \$9.6 million, but the city has no active LIDs. Removing that impact fee revenue source leaves approximately, \$392.9 million remaining to be funded, this is referred to as the 'growth share of costs'.

The \$392.9 million total cost was split into 'city growth' and 'outside city growth' components using the City's travel demand model data. **Appendix A – Table A** shows the details of this calculation. Using these model results, the proportion of 'city growth' equaled 59.4 percent. This percentage is referred to as the 'City development share of cost'. The City development share, applied to the \$392.9 million of the overall growth share of costs, yields an amount of approximately \$233.4 million. This is the maximum allowable amount that can be charged to new city development using impact fees.

The City of Bellevue's 2019-2030 Transportation Facilities Plan (TFP) documents sufficient funds available from non-impact fee sources to cover the remaining \$159.5 million needed for growth occurring outside the City.

Figure 4. Impact Fee Cost Allocation Results



New PM Peak Hour Trip Ends = 12,599

Cost/Trip End = \$18,523

CHAPTER 4. IMPACT FEE RATE SCHEDULE

An impact fee rate schedule is developed by adjusting the ‘cost per trip end’ information to reflect differences in trip-making characteristics for a variety of land use types within the study area. The rates in the fee schedule represent dollars per unit for each land use category. **Table 4** shows the various components of the fee schedule (trip generation rates, new trip percentages, trip lengths, and trip length adjustment for each land use). The number of land use categories listed in **Table 4** have been reduced from previous editions of this report (from 46 references to 30) to reflect the land use most often proposed in Bellevue. Transportation Impact Fee characteristics for all other land use categories may be referenced in the Institute of Transportation Engineers (ITE) *Trip Generation* Manual (10th Edition, September 2017).

TRIP GENERATION COMPONENTS

Trip generation rates for each land use type are derived from the ITE *Trip Generation* Manual (10th Edition, September 2017). These “Basic Trip Rates” are expressed as vehicle trips entering and leaving a property during the PM peak hour. This 2019 Transportation Impact Fee Program Update is the first to use the ITE Trip Generation Manual, 10th Edition. The 2015 report used the previous 9th Edition.

Pass-By Trip Adjustment

Basic trip generation rates, described above, represent the total traffic entering and leaving a property at the driveway points. For certain land uses (e.g., retail), a substantial amount of this traffic is already passing by the property and merely turns into and out of the driveway. These pass-by trips do not significantly impact the surrounding street system and therefore are subtracted out prior to calculating the impact fee. The resulting trips are considered ‘new’ to the street system and are therefore subject to the impact fee calculation. The ‘new’ trip percentages are derived partially from ITE data and from available surveys conducted around the country.³ The latest ITE data (in this case from the ITE Trip Generation Handbook, 3rd Edition, September 2017) was used to update the City’s Impact Fee Rate Schedule.

Trip Length Adjustment

Another variable that affects traffic impacts is the length of the trip generated by a particular land use. The ‘cost per trip’ calculated in the impact fee program represents an average for all new trips generated within Bellevue. Being an average, there will be certain land uses that generate trips of different lengths. If a given trip length is shorter than the average, then its relative traffic impacts on the street system will be lower than average. Conversely, longer trips will impact a larger proportion of the transportation network. To account for these differences, an adjustment factor is

³ Trip Generation Sources: ITE *Trip Generation* (10th Edition, Sept. 2017); ITE *Trip Generation Handbook*, (3rd Edition, Sept. 2017); *Pinellas County (FL) Impact Fee Study (1991)*, *Osceola County (FL), Alternative Traffic Generation Rate Study (2004)*, *Polk County (FL) Transportation Impact Fee Study (2005)*.

used, calculated as the ratio between the trip length for a particular land use type and the ‘average’ trip length for the city.

For many years, trip length data were estimated using limited national survey results.³ In 2014, the Puget Sound Regional Council (PSRC) conducted the “Puget Sound Regional Travel Study”. The PSRC data includes the average trip length for various categories of trips that start and end in Bellevue. The overall average trip length for all trips within the City was determined to be 2.9 miles. This locally based data has been applied to the specific land uses listed in the City’s Impact Fee Schedule, in Tables 4 and 5, adjusting the relative impact fee charged.

TRIP GENERATION RATE ADJUSTMENTS IN THIS REPORT

The trip rates for many of the land use categories have been adjusted up or down based on the updated data available in the ITE *Trip Generation Manual*, 10th Edition. Other rates have been added, modified, or removed to more closely align with the ITE *Trip Generation Manual*’s definitions for specific uses. These updates include the elimination of separate, differential trip generation rates applied to office, hotel, and multi-family uses within Downtown Bellevue.

Previously trip rates for those uses in Downtown Bellevue were reduced from the ITE basic rates using localized survey results from National Highway Cooperative Research Program (NCHRP) Report 323, *Travel Characteristics at Large-Scale Suburban Activity Centers*. The lower trip generation rates were due to the higher density of buildings, a diverse mixture of land uses, and the proximity to substantial transit service and facilities.

The ITE 10th Edition introduced a change in how the rates for some land uses can be applied by identifying a “Setting/Location” to differentiate the land use context of the development. This change allows better estimation of trip generation for mixed-use urban areas with a high-level of transit availability by using the Dense Multi-Use Urban rates that are now available. This data better represents the trip generating characteristics of Downtown Bellevue and the areas surrounding some of the EastLink light rail stations that have been zoned for Transit Oriented Development. Dense Multi-Use Urban office use trip rates are used in these areas, and General Urban/Suburban office trip rates are used in all other parts of the City.

The ITE 10th Edition also eliminated the aggregated Apartment category used in previous reports from the multi-family land use categories, and replaced with categories for Multifamily Low-Rise, Mid-Rise, and High-Rise.

³ Ibid. 5

TABLE 4. Impact Fee Schedule Components

Land Use	ITE Land Use Code	Unit of Measure	Basic Trip Rate	New Trip %	New Trip Rate	Avg. Trip Length (miles)	Trip Length Adjustment
Residential							
Single Family	210	dwelling	1.00	100%	1.00	2.9	1.00
Multi-Family Low Rise (1-2 stories)	220	dwelling	0.56	100%	0.56	2.9	1.00
Multi-Family Mid Rise (3-10 stories)	221	dwelling	0.44	100%	0.44	2.9	1.00
Multi-Family Mid Rise - Downtown/TOD	222	dwelling	0.19	100%	0.19	2.9	1.00
Multi-Family High Rise (10+ stories)	222	dwelling	0.19	100%	0.19	2.9	1.00
Senior Citizen Dwelling	252	dwelling	0.26	100%	0.26	2.9	1.00
Commercial - Services							
Bank/ S&L without Window	911	sf/GFA	12.13	60%	7.28	2.3	0.79
Hotel	310	room	0.60	100%	0.60	2.9	1.00
Day Care Center	565	sf/GFA	11.12	100%	11.12	2.3	0.79
Commercial - Institutional							
Religious Institution	560	sf/GFA	0.49	100%	0.49	2.9	1.00
Assisted Living	254	bed	0.26	100%	0.26	2.9	1.00
Medical Clinic	630	sf/GFA	3.26	75%	2.45	3.3	1.14
Hospital	610	sf/GFA	0.93	80%	0.74	3.3	1.14
Commercial - Restaurant							
Quality Restaurant	931	sf/GFA	7.80	56%	4.37	2.7	0.93
Fast Casual Restaurant	930	sf/GFA	14.13	50%	7.07	2.3	0.79
Fast Food Restaurant without Window	933	sf/GFA	28.34	50%	14.17	2.3	0.79
Fast Food Restaurant with Window	934	sf/GFA	32.67	50%	16.34	2.3	0.79
Commercial - Retail Shopping							
Shopping Center	820	sf/GLA	3.81	66%	2.51	2.7	0.93
Supermarket	850	sf/GFA	9.24	64%	5.91	2.7	0.93
Retail	820	sf/GFA	3.81	66%	2.51	2.3	0.79
Furniture Store	890	sf/GFA	0.52	47%	0.24	2.7	0.93
Pharmacy	880	sf/GFA	8.51	50%	4.26	2.3	0.79
Automobile Sales	840	sf/GFA	2.43	80%	1.94	3.3	1.14

See next page for notes

TABLE 4. Impact Fee Schedule Components (Continued)

Land Use	ITE Land Use Code	Unit of Measure	Basic Trip Rate	New Trip %	New Trip Rate	Avg. Trip Length (miles)	Trip Length Adjust-ment
Commercial - Office							
Office	710	sf/GFA	1.15	90%	1.04	3.3	1.14
Downtown Office	710	sf/GFA	0.87	90%	0.78	3.3	1.14
TOD Office	710	sf/GFA	0.87	90%	0.78	3.3	1.14
Medical/ Dental Office	720	sf/GFA	3.46	75%	2.60	3.3	1.14
Industrial							
Light Industry/Manufacturing	110	sf/GFA	0.63	100%	0.63	3.3	1.14
Industrial Park	130	sf/GFA	0.40	100%	0.40	3.3	1.14
Warehousing	150	sf/GFA	0.19	100%	0.19	3.3	1.14
Mini-Warehouse	151	sf/GFA	0.17	100%	0.17	3.3	1.14

Notes:

sf/GFA = square feet Gross Floor Area

sf/GLA = square feet Gross Leasable Area

TOD = Transit Oriented Development

For uses with Unit of Measure given in sf, trip rate is given as trips per 1,000 sf

SCHEDULE OF RATES

The impact fee schedule using maximum allowable rates is shown in **Table 5**. In the fee schedule, fees are shown as dollars per unit of development for various land use categories, as defined in **Appendix C**. The impact fee program is flexible in that if a proposed development does not fit into one or more of the categories, the City may calculate the impact fee due based on the development's projected trip generation using data from the ITE Trip Generation Manual or other credible resources.

TABLE 5. Impact Fee Schedule (Maximum Allowable Rates)

Land Use	ITE Land Use Code	Unit of Measure	Impact Fee Rate
Residential			
Single Family	210	dwelling	\$18,523
Multi-Family Low Rise (1-2 stories)	220	dwelling	\$10,373
Multi-Family Mid Rise (3-10 stories)	221	dwelling	\$8,150
Multi-Family Mid Rise - Downtown/TOD	222	dwelling	\$3,519
Multi-Family High Rise (10+ stories)	222	dwelling	\$3,519
Senior Citizen Dwelling	252	dwelling	\$4,816
Commercial - Services			
Bank/ S&L without Window	911	sf/GFA	\$106.92
Hotel	310	room	\$11,114
Day Care Center	565	sf/GFA	\$163.36
Commercial - Institutional			
Religious Institution	560	sf/GFA	\$9.08
Assisted Living	254	bed	\$4,816
Medical Clinic	630	sf/GFA	\$51.54
Hospital	610	sf/GFA	\$15.68
Commercial - Restaurant			
Quality Restaurant	931	sf/GFA	\$75.33
Fast Casual Restaurant	930	sf/GFA	\$103.79
Fast Food Restaurant without Window	933	sf/GFA	\$208.17
Fast Food Restaurant with Window	934	sf/GFA	\$239.97
Commercial - Retail Shopping			
Shopping Center	820	sf/GLA	\$43.37
Supermarket	850	sf/GFA	\$101.98
Retail	820	sf/GFA	\$36.94
Furniture Store	890	sf/GFA	\$4.21
Pharmacy	880	sf/GFA	\$62.51
Automobile Sales	840	sf/GFA	\$40.98

see next page for notes

TABLE 5. Impact Fee Schedule (Maximum Allowable Rates) Continued

Land Use	ITE Land Use Code	Unit of Measure	Impact Fee Rate
Commercial - Office			
Office	710	sf/GFA	\$21.82
Downtown Office	710	sf/GFA	\$16.50
TOD Office	710	sf/GFA	\$16.50
Medical/ Dental Office	720	sf/GFA	\$54.70
Industrial			
Light Industry/Manufacturing	110	sf/GFA	\$13.28
Industrial Park	130	sf/GFA	\$8.43
Warehousing	150	sf/GFA	\$4.00
Mini-Warehouse	151	sf/GFA	\$3.58

Notes:

sf/GFA = square feet Gross Floor Area

sf/GLA = square feet Gross Leasable Area

TOD = Transit Oriented Development

For uses with Unit of Measure in sf, trip rate is given as trips per 1,000 sf

Tables 6 provides three examples (residential, commercial office and commercial office (Downtown/TOD) of the calculation.

Table 6. Example Calculations of Impact Fee Rate (Maximum Allowable Rate)

	Calculations	Residential: Single Family	Commercial Office	Commercial Office Downtown/TOD
	PM Peak Hour Trip Generation (per unit) ¹	1.00/ dwelling	1.15/ 1,000 sq. ft.	0.87/ 1,000 sq. ft.
x	Percent New Trips	100%	90%	90%
x	New Trip Rate	= 1.00/ dwelling	= 1.04/ 1,000 sq. ft.	= 0.78/ 1,000 sq. ft.
	Trip Length (miles)	2.9	3.3	3.3
÷	÷	÷	÷	÷
	Average Trip Length (miles)	2.9	2.9	2.9
x	Trip Length Adjustment	= 1.00	= 1.14	= 1.14
x	Average Cost per Trip End	\$18,523	\$18,523	\$18,523
÷	Divide by 1,000 for rate per square foot	NA	1,000	1,000
=	Impact Fee Rate (per unit)	\$18,523/ dwelling	\$21.82/ sq. ft.	\$16.50/ sq. ft.
¹ ITE Trip Generation Manual, 10th Edition, 2017				

APPENDIX A – COST ALLOCATION RESULTS

The cost allocation results are summarized in this Appendix. **Table A** illustrate how the impact fee project costs (shown in Table 1) were divided into growth-related costs attributable to City growth. In order to determine this proportion, the City’s travel demand model was used to identify the portion of trip-making associated with existing and growth-related traffic. A technique called ‘select-link’ analysis was used to isolate the vehicle trips using each of the impact fee projects.

Table A-1. Cost Allocation

Project Type	Project Implementation Costs	Plus Debt Service	Subtract Costs to fix Deficiencies and Previously Collected Impact Fees	Total Eligible Project Costs
Active	\$ 231,073,000	\$ 65,793,000	\$ 9,648,769	\$ 287,217,231
Completed	\$ 89,117,000	\$ 16,540,000		\$ 105,657,000
Totals	\$ 320,190,000	\$ 82,333,000	\$ 9,648,769	\$ 392,874,231

Total Eligible Project Costs	\$ 392,874,231
Percent of New Project Traffic due to Growth within City	X 59.4%
Total Eligible Impact Fee Project Costs	\$ 233,367,293

APPENDIX B – DETERMINING THE BENEFIT TO DEVELOPMENT

The Growth Management Act and more specifically RCW 82.02.050 outlines that the benefit provided to development by impact fees shall be determined by three provisions, or tests. The impact fees, a) shall only be imposed, and expended, for system improvements that are reasonably related to the new development; b) shall not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and c) shall be used for system improvements that will reasonably benefit new development.

a) Reasonably Related:

Two provisions of the law reinforce the requirement that expenditures be “reasonably related” to the development that paid the impact fee.

- First, the requirement that fee revenue must be allocated to and expended on specific public facilities identified in a capital facilities plan (defined as the 12-year Transportation Facilities Plan (TFP) in Bellevue City Code) that the City has determined will benefit new development. The specific growth-related facility improvements in the current Transportation Impact Fee Program are identified in Chapter 2 of this report, Impact Fee Project List.
- Second, impact fee revenue must be expended or encumbered on the identified projects within 10 years. This provision ensures timeliness of the benefit to the fee payer.

b) Proportionate Share of Costs

There are essentially three elements to the proportional share requirement.

- First, the proportionate share requirement means that impact fees can only be charged for the portion of the cost of public facilities that is “reasonably related” to new development. Impact fees cannot be charged to pay for the cost of reducing or eliminating deficiencies in existing facilities. The current status of existing transportation system deficiencies in Bellevue is provided in Chapter 3 of this report. Other non-growth related facility improvements included within the City’s 12-year TFP are excluded from the Impact Fee Project List used to develop the maximum impact fee rates.
- Second, the costs of facilities that will benefit new development and existing users must be apportioned between the two groups in determining the amount of the fee. The City’s impact fee program accomplishes this by calculating the cost per trip but only applying the cost to new development when calculating a maximum impact fee rate. This follows the rationale that growth benefiting facility improvements would not be necessary if not for growth. The analysis of this test for the current Transportation Impact Fee Program is also included in Chapter 3 of this report, Cost Allocation.

- Third, the proportionate share requirement incorporates a requirement to provide adjustments to and/or credits against impact fees where appropriate. The ‘adjustments’ requirement reduces the impact fee due to account for separate past or known future payments of other revenue which will fully or in part fund the same facilities to serve growth that are the basis for the impact fee rates (These payments may include, but are not limited to Local Improvement District (LID) assessments and monetary payments required by the State Environmental Policy Act (SEPA)). The ‘credits’ requirement reduces impact fees due by the value of dedicated land or facility improvement construction (deemed acceptable by the City) provided by the fee payer for any of the facility improvements for which impact fees are collected.

c) Reasonably Benefit:

There are a many ways to fulfill the requirement that impact fees be “reasonably related” to a development’s need for roadway improvements. These include personal use of the facility by occupants, tenants or customers of the development (direct benefit), use by persons or organizations who provide goods or services to the fee-paying development (indirect benefit), and geographic proximity (presumed benefit). These measures of benefit are implemented by the following techniques:

- Impact fees for roads are charged to developments which benefit from new roads. The City’s Bellevue-Kirkland-Redmond (BKR) travel demand model was used to evaluate the vehicular trip origins and destinations of all 2030 PM peak hour trips with at least one trip end within one of the City’s 14 Mobility Management Areas (MMAs). The findings suggest that vehicles coming from or going to each MMA impact the transportation system within each of the other 13 MMAs – and that drivers will reasonably benefit from transportation system improvements made in other MMAs.

To help illustrate this, **Table B-1** shows the modeling data reflecting the total in-city trips (both trip ends within Bellevue) that are traveling between a “Focus MMA” and all other MMAs and the percentage of the total in-city trips that are traveling between the Focus MMA and one of the five (5) MMAs in which one or more facility improvement (impact fee) projects are located.

Table B-1: PM Peak Hour Vehicle Trips between City of Bellevue MMAs

Focus MMA	Total In-City Trips between Focus MMA and All Other MMAs	Percent of Total In-City Trips between Focus MMA and Any of the Six MMAs with Impact Fee Projects (Downtown, Wilburton, S. Bellevue, SE Bellevue, Bel-Red/Northup, Eastgate)
1-North Bellevue	1,797	76%
2-Bridle Trails	1,393	60%
3-Downtown	13,234	76%
4-Wilburton	1,669	68%
5-Crossroads	1,599	55%
6-NE Bellevue	1,164	52%
7-South Bellevue	2,540	76%
8-Richards Valley	1,984	69%
9-East Bellevue	3,499	60%
10-Eastgate	3,633	61%
11-SE Bellevue	3,124	73%
12-Bel-Red/ Northup	6,309	60%
13-Factoria	1,915	67%
14-Newport Hills	892	70%

Notes: -Table data does not represent trips to destinations or from origins outside the City of Bellevue.
 -Table data does not represent the MMAs that trips must traverse – and impact – to reach their destination MMA.

- The City of Bellevue provides its transportation network to all users of property within the City, regardless of type of use. The relative needs, and impacts, of different types of land use growth are considered in establishing the trip generation rates, and thus the fee amounts, by use in the Impact Fee Schedule. The Impact Fee Schedule, listing the current maximum allowable impact fee rates for each identified land use is included in Chapter 4 of this report, Impact Fee Schedule.
- Specific developments can pay a lesser impact fee than indicated by the adopted impact fee schedule if they demonstrate that their development will have a lower trip generation rate or otherwise lower impact than is indicated by the impact fee schedule calculation for the proposed use. This provision is included within the Bellevue City Code (Sections 22.16.080.D and F).

APPENDIX C – LAND USE DEFINITIONS

The following land use definitions are derived from the ITE *Trip Generation* (10th Edition). They have been modified as appropriate for the City of Bellevue. Rates for other land uses not defined on this list should be based on data found in the ITE 10th edition Trip Generation Manual or an analysis of the specific trip generating characteristics of the development.

RESIDENTIAL

Single Family: A detached dwelling unit located on an individual lot. Also includes accessory dwelling units. (ITE # 210)

Multi-Family Low Rise: An apartment, townhouse or condominium unit located within the same building with at least three other units that has one or two levels. (ITE #220)

Multi-Family Mid Rise: An apartment, townhouse or condominium unit located within the same building with at least three other units that has between three and ten levels. (ITE #221)

Multi-Family High Rise: An apartment, townhouse or condominium unit located within a building with at least ten levels. (ITE #222)

Senior Adult Housing: A residential unit in an independent living development without centralized dining or on-site health facilities. (ITE # 252)

COMMERCIAL SERVICES

Walk-in Bank: A financial institution without a drive-up window but may have non-drive-through ATMs. May or may not be a free-standing building. (ITE # 911)

Hotel: A place of lodging providing sleeping accommodations and supporting facilities including restaurants, cocktail lounges, meeting and banquet rooms or convention facilities. (ITE #'s 310)

Day Care Center: A facility providing care for preschool age children during the daytime hours. May also provide after-school care for school-age children. Generally includes classrooms, offices, eating areas, and a playground. (ITE # 565) **May be exempt from impact fees per BCC 22.16.070 B1.**

COMMERCIAL-INSTITUTIONAL

Religious Institution: A building providing public worship facilities. May house an assembly hall or sanctuary, meeting rooms, classrooms, and occasionally dining facilities. Religious institutions which hold major activities or services on weekdays or which provide day care may need to be analyzed using the specific trip generating characteristics of the site. (ITE # 560)

Assisted Living: A residential facility that provides protective oversight or assistance with activities necessary for independent living, commonly with separate living quarters for residents. Limited skilled medical care may be provided. (ITE # 253)

Clinic: A facility which provides diagnostic and outpatient care but which is unable to provide

prolonged in-house medical/surgical care. May have lab facilities, supporting pharmacies, or other services. (ITE # 630)

Hospital: An institution where medical or surgical care and overnight accommodations are provided to ambulatory and non-ambulatory patients. (ITE # 610). **Non-profit hospitals are exempt from impact fees.**

COMMERCIAL-RESTAURANT

Quality Restaurant: A high-quality eating establishment, with a duration of stay of at least one hour. Patrons wait to be seated, are served by wait staff, order from menus, and pay after eating. (ITE # 931)

Fast Food Restaurant without Window: A limited service eating establishment with a large carry-out clientele and high turnover rates for eat-in customers. These restaurants do not provide table service and customers pay before they eat. Restaurants in this category do not have a drive-up window. (ITE # 933)

Fast Food Restaurant with Window: A limited service eating establishment with a large carry-out clientele and high turnover rates for eat-in customers. These restaurants do not provide table service and customers pay before they eat. Restaurants in this category have a drive-up window. (ITE # 934)

COMMERCIAL-RETAIL SHOPPING

Shopping Center: An integrated group of commercial establishments that is planned, developed, owned, or managed as a unit. On-site parking facilities are provided sufficient for its own demand. Peripheral buildings located on the perimeter of the center can be included. High generating uses such as supermarkets or fast food restaurants may be required to be considered as separate uses. This use is measured as gross leasable area (GLA). (ITE # 820)

Supermarket: Retail store that sells a complete assortment of food, food preparation and wrapping materials, and household cleaning and servicing items. May also contain a limited service bank or pharmacy. (ITE # 850)

Retail: Establishments primarily engaged in selling goods or merchandise to the general public for personal or household consumption and rendering services incidental to the sales of such goods. Included in this category are florists, liquor stores, and other small shops specializing in apparel or hard goods. This category is intended for retail land uses that cannot be readily related to another retail category. The closest comparative land use is a shopping center. (ITE # 820)

Furniture Store: Furniture stores specialize in the sale of furniture that is primarily pre-assembled and ordered for delivery. The stores are generally large and include storage areas. (ITE # 890)

Pharmacy: A retail facility that sells prescription and non-prescription drugs, cosmetics, toiletries, medications, stationery, personal care products, limited food products, and general merchandize. These stores do not have drive-through windows. (ITE # 880*, 881)

Automobile Sales – New A sales dealership typically located along major street characterized with abundant commercial development. The sale or leasing of new cars is the primary business; however, auto services, parts sales, and used-car sales may be available. (ITE # 841)

COMMERCIAL-OFFICE

Office, Downtown Office, and TOD Office : An office building houses one or more tenants and is the location where affairs of a business, commercial or industrial organization, professional person or firm are conducted. The building or buildings may be limited to one tenant, either the owner or lessee, or contain a mixture of tenants including professional services, insurance companies, investment brokers, and company headquarters. Services such as a bank or savings and loan, a restaurant or cafeteria, miscellaneous retail facilities, and fitness facilities for building tenants may also be included.

This category contains subcategories that are characterized by the Setting/Location as defined in ITE 10th Edition Volume 1: Desk Reference. **Downtown Office** and **TOD Office** use the Dense Multi-use Urban Setting/Location data appropriate for areas with dense, varied development and significant transit. **Office** uses the General/Urban Suburban Setting/Location data that is associated with higher vehicle access. **Downtown Office** is used in the Downtown MMA #3. **TOD Office** is used in transit-oriented development areas that are zoned for high density development and are within one-half mile of a light rail station or transit center. **Office** is used in all other areas. (ITE # 710)

Medical Office/Dental Clinic: A facility which provides diagnoses and outpatient care on a routine basis but which is unable to provide prolonged in-house medical/surgical care. A medical office is generally operated by one or more private physicians or dentists. (ITE # 720)

INDUSTRIAL

Manufacturing: A facility where the primary activity is the conversion of raw materials or parts into finished products. Generally also have offices and associated functions. (ITE # 140)

Industrial Park: Areas containing a number of industrial or related facilities. They are characterized by a mix of manufacturing, service and warehouse facilities with a wide variation in the proportion of each type of use from one location to another. (ITE # 130)

Warehousing: Facilities primarily devoted to the storage of materials, manufactured goods and vehicles. They may also include office and maintenance areas. (ITE # 150)

Mini-Warehouse: Buildings in which a number of storage units or vaults are rented for the storage of goods. Such facilities typically contain a large number of relatively small units. (ITE # 151)

