

July 24, 1989
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Introduced by: Greg Nickels

Proposed No.: 89 - 162

MOTION NO. 7639

A MOTION endorsing the policies of the proposed Road Mitigation Payment System and requesting the King County executive to prepare a fee ordinance for enactment.

WHEREAS, the preamble to Ordinance No. 7544, related to the establishment of road adequacy standards, declared that "King County is committed to developing a Mitigation Payment System (MPS) which would equitably distribute the costs of road improvements needed to achieve the standards established" therein, and

WHEREAS, King County Comprehensive Plan policy F-212d states that "individual developments (should) contribute their fair share toward construction of off-site arterial improvements from which they benefit and to mitigate off-site traffic impacts from the development," and

WHEREAS, proportional financial participation by a developer in road improvements can equitably and effectively lead to mitigation of development impacts, and

WHEREAS, the state legislature has adopted "Local and Regional Transportation Improvements," Chapter 176, Washington Laws of 1988, a law enabling local governments to establish transportation impact fee programs, and

WHEREAS, the King County executive has prepared and transmitted a draft report for a road mitigation payment system;

WHEREAS, completion of development of the final program requires consensus on the policies implemented through a road mitigation payment system;

1 WHEREAS, there are no growth-related road projects in three of
2 the community planning areas (Snoqualmie Valley, Enumclaw &
3 Vashon) due to their rural character; and

4 WHEREAS, the fees generated in the community plan areas that
5 have no need for growth-related road projects would be minimal,
6 and administratively costly and burdensome to collect relative to
7 the benefit received;

8 NOW, THEREFORE BE IT MOVED by the Council of King County:

9 A. The following policies shall be implemented through the
10 Road Mitigation Payment System:

11 Policy MPS-1. Corridor-based Calculation: The calculation of
12 the impact fees should be based on a development's usage of a
13 corridor rather than its usage of a particular roadway, since a
14 development placing demand on an existing roadway which is
15 at-capacity may benefit greatly from improvements to a parallel
16 route without using the new road.

17 Policy MPS-2. Trip Generation Rates: Trip generation rates
18 from the Institute of Transportation Engineers should be used used
19 to determine the amount of traffic entering and exiting a site.

20 Policy MPS-3. Distance Limit: The MPS should not specify a
21 fixed distance limit away from a development beyond which impacts
22 are not charged. Impact fees should be calculated to include a
23 development's fair share of all road improvements in the MPS
24 program impacted by the new traffic generated by that development.

25 Policy MPS-4. Excess Capacity: Some of the roads for which
26 fees will be charged still have capacity when they are added to
27 the MPS capital program. All developments should share equally in
28 cost reductions related to the existence of this excess capacity.
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1 Policy MPS-5. New Development Exchange: Impact fees for new
2 development should be calculated to charge a development for total
3 traffic entering and exiting during the peak hour, except when
4 some of the trips begin or end within a jurisdiction with which
5 King County has executed a reciprocal MPS agreement or when the
6 developer can demonstrate that a specific number of the trips
7 begin or end in another development which is or has been subject
8 to MPS requirements, in which case the fee should be adjusted to
9 account for previous payments for the impact of those same trips.

10 The Executive will also prepare alternative legislation with
11 the following MPS-5 policy: Impact fees for new development
12 should be calculated to charge a development for one-half of the
13 total traffic entering or exiting a development during the peak
14 hour activity. Each of these trips is coming from or going to
15 another site. To the extent possible, these other sites should be
16 responsible for paying the other one-half of the cost of the
17 improvements made necessary by these new trips. No incentive
18 factor (MPS-6) would be applied under this alternative.

19 Policy MPS-6. Incentive Factor: A 15 percent reduction
20 factor should be applied to the fee of those developers who accept
21 the fee as calculated by the automated MPS process. This
22 reduction factor should not be applied to the fee of those
23 developers who choose not to use the automated MPS process but
24 require special customized calculations.

25 Policy MPS-7. Peak Demand Period: The evaluation of
26 development should be based on the afternoon peak demand period.
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1 Policy MPS-8. Development Types: Any development action that
2 results in the addition of net new traffic to the transportation
3 system should be charged an impact fee.

4 Policy MPS-9. Tax Adjustment: An adjustment should be made
5 to the impact fees to the extent that property taxes paid by the
6 development are earmarked for and pay for the same projects as the
7 impact fee.

8 Policy MPS-10. Transit/High Occupancy Vehicle (HOV) Credit:
9 King County should move ahead quickly toward adoption of
10 comprehensive transportation management policies which can be
11 implemented in part through the MPS program. In the interim, prior
12 to adoption of a TSM ordinance, the number of trips generated by a
13 development may be reduced in calculating the MPS fee if TSM
14 programs or services are implemented at the development.

15 Policy MPS-11. Credit for Dedications: A developer should
16 receive a credit against the payment of the impact fee for any
17 property or improvements dedicated to the county that are related
18 to projects included in the private-public capital funding program.

19 Policy MPS-12. Precalculated Fee: Impact fees for single
20 dwelling units and possibly other small developments should be
21 standardized within small geographic areas, if at all possible, to
22 avoid the cost and delays related to calculating individual fees
23 for each permit application.

24 Policy MPS-13. MPS Project List: The MPS program should seek
25 to fund road improvements needed to accommodate the demands of
26 growth between now and 2000 as identified in the King County
27 Transportation Plan. The project list should include those
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1 projects for which public funding is projected to be available and
2 for which there is a high degree of certainty that the projects
3 will be constructed. The MPS projects list should be adopted by
4 ordinance as part of the council's annual review of the Roads CIP
5 and amended by the council periodically throughout the year as
6 needed. Projects proposed by the Executive for inclusion on the
7 MPS project list should be consistent with King County
8 Comprehensive Land Use Plan policies related to coordination of
9 facilities and services with growth.

10 Policy MPS-14. Exclusion of Freeways: The MPS project list
11 should not include freeways, in keeping with the exclusion of
12 freeways currently included in the Road Adequacy Standards
13 Ordinance No. 7544, Section 6, (K.C.C.21.49.040).

14 Policy MPS-15. State Projects: A limited number of
15 non-freeway improvements under the jurisdiction of the Washington
16 State Department of Transportation should be included in the MPS
17 joint funding program in order to address the severe and growing
18 congestion problems on State facilities that are exacerbated by
19 new development activity.

20 Policy MPS-16. Low Income Housing: Low income housing
21 developed by public or private non-profit agencies should be
22 exempt from the MPS fee. Criteria for reduced fees for low income
23 housing provided by private developers should be developed by the
24 King County Housing and Community Development Division for council
25 adoption.

26 Policy MPS-17. Inter-jurisdictional Coordination: Since
27 roads and traffic congestion problems do not recognize
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1 jurisdictional boundaries, the county should actively seek the
2 participation of suburban cities in the MPS program.

3 Policy MPS-18. Use of the Public Off-Set: Public funds that
4 will become available because developer impact fees will off-set
5 the cost of projects previously funded totally by public funds
6 should be deposited in a CIP "flexible" fund. These funds should
7 be used to provide funds for: (1) interim financing for current
8 MPS projects; (2) needed public matching funds for future
9 additions to the MPS projects list; and (3) smaller-scale
10 improvements that are clearly growth-related but can not be placed
11 on the MPS program.

12 Policy MPS-19. Time Payment Option: State law requires, and
13 King County will provide, an option to pay the impact fee over a
14 five year period. The rate of interest to be charged to
15 developers choosing to make payments over time shall be at least
16 the rate of interest that King County must pay to developers if
17 impact fees must be returned. Fees not expended within six years
18 from the date of full payment will be refunded when required by
19 statute. The six year time period for expenditure of fees shall
20 begin upon receipt of the final fee payment.

21 Policy MPS-20. SEPA and the Mitigation Payment System:

22 A. All developments will be subject to environmental review
23 pursuant to SEPA and other applicable King County ordinances and
24 regulations.

25 B. Payment of the MPS fee will constitute complete mitigation
26 of those traffic impacts related to the specific improvements
27 identified on the MPS project list if Level of Service D or better
28 is achieved.
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C. Further mitigation in addition to MPS fee shall be required in any of the following circumstances:

- if the Level of Service D or better is not achieved through the MPS program;
- if impacts not addressed by the MPS project list are identified as adverse impacts appropriate for mitigation pursuant to SEPA;
- if impacts not addressed by the MPS project list are identified pursuant to other county regulations that require mitigation other than through SEPA.

D. Nothing in this policy shall be construed to limit the county's authority to deny permits for development projects when a proposal would result in significant adverse traffic impacts identified in an environmental impact statement and reasonable mitigation measures are insufficient to mitigate the identified impact, or if the improvements necessitated by development have other environmentally unacceptable impacts.

Policy MPS-21. Geographic Area: The geographic area of the county's MPS program shall be only unincorporated King County unless interlocal agreements are entered into to extend the program reciprocally to one or more of the cities. Interlocal agreements with the suburban cities are favored as one tool to address regional transportation needs.

Policy MPS-22. Growth Management: It is the county's intent to develop a system of addressing road impacts generated by growth and development which is fair, comprehensive, and integrated, and which furthers the King County Comprehensive Land Use Plan. The

1 MPS is only one of several mechanisms on which King County intends
2 to rely to regulate traffic improvements necessitated by growth.
3 The King County Road Adequacy Standards and SEPA shall also be
4 applied to all proposals not exempt from their provisions,
5 including those impacting roads which are not on the MPS project
6 list. . KCC Chapter 21.49 and the King County SEPA policy should be
7 examined and revised as necessary as part of the review of the
8 proposed MPS.

9 Policy MPS-23. Local Authority: The MPS should be
10 established as a new regulatory measure under the legal authority
11 provided to local governments by the Local Transportation Act of
12 1988 (Chapter 39.92 RCW) and the powers of the county legislative
13 authority pursuant to Chapter 36.32 RCW and the County Charter.

14 B. The department of public works should incorporate the
15 above policies into the Mitigation Payment System computer
16 programs.

17 C. The executive is requested to prepare a fee ordinance
18 incorporating the policies herein. Such ordinance and report
19 shall be transmitted for the consideration of the county council
20 by November 15, 1989.

21 D. The executive is requested to provide an analysis of the
22 unmet roads financing needs of King County which relates
23 historical and projected roads CIP projects and the Transportation
24 Needs Report of the Transportation Plan to policies F-102, F-103
25 and F-107 of the King County Comprehensive Land Use Plan. The
26 executive is requested to recommend to the council criteria and
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1 formulae for CIP funding which are consistent with the
2 above-referenced land use policies.

3 E. The executive is requested to develop a mechanism for the
4 transference of MPS fees between the county and the affected city
5 for improvements in areas that incorporate or are annexed to an
6 incorporated area. This mechanism should require interlocal
7 agreements between the county and the affected jurisdiction that
8 would commit the affected jurisdiction to implementation of the
9 improvement prior to transference of funds if the improvement has
10 not been constructed, and that assure the county will be
11 reimbursed for the cost of capital improvements that it has
12 constructed in potential annexation or incorporation areas with
13 the anticipation of future MPS fees from those areas.

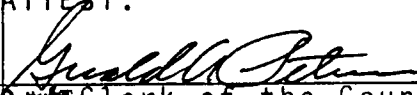
14 F. The executive is requested to prepare an analysis of the
15 impact of a sliding fee scale in potential annexation areas of
16 cities. The sliding fee would provide for a lower fee for
17 developments of seven or more units per acre in potential
18 annexation areas. Developments with less than seven units per
19 acre would be charged the full fee. The analysis should include
20 an estimate of the additional tax revenue that would be generated
21 from the encouragement of higher density development.

22 PASSED this 7th day of August, 1989.

23
24 KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

25 
26 Chair

27 ATTEST:

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29 Deputy Clerk of the Council