

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON AMENDING TRANSPORTATION IMPACT FEES, AND AMENDING SECTIONS 15.04.070, 15.08.050 AND 15.16.040 OF THE OLYMPIA MUNICIPAL CODE

WHEREAS, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

WHEREAS, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "Transportation Impact Fees"; and

WHEREAS, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

WHEREAS, following said review of the 2017-2022 CFP, the Olympia City Council desires to amend Transportation Impact Fees to account for updates to the Transportation Impact Fee Rate Study; and

WHEREAS, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington Constitution; and

WHEREAS, this Ordinance is supported by the staff report, attachments, and documents on file with the Department of Public Works;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 15.04.070. Olympia Municipal Code Section 15.04.070 is hereby amended to read as follows:

15.04.070 Credits

A. A feepayer can request that a credit or credits for park and/or transportation impact fees be granted for the total value of dedicated land, improvements, and/or construction provided by the feepayer if the land, improvements, and/or construction facility are identified in the capital facilities plan as projects providing capacity to serve new growth. The Director may make a finding that such land, improvements, and/or facility would serve the goals and objectives of the capital facilities plan. For park and transportation impact fees, the feepayer can also request a credit or credits for significant past tax payments. For each request for a credit or credits for significant past tax payments for park and transportation impact fees, the feepayer shall submit receipts and a calculation of past tax payments earmarked for or proratable to the projects that provide capacity to serve new growth in the capital facilities plan.

B. Where the dedicated land, improvements, and/or construction is for the benefit of District No. 111, the feepayer shall direct the request for a credit or credits to District No. 111. District No. 111 shall first determine the general suitability of the land, improvements, and/or construction for District purposes. Second, District No. 111 shall determine whether the land, improvements, and/or the facility constructed are included within the District's adopted capital facilities plan or the Board of Directors for District No. 111 may make the finding that

such land, improvements, and/or facilities would serve the goals and objectives of the capital facilities plan of District No. 111. District No. 111 shall forward its determination to the Director, including cases where District No. 111 determines that the dedicated land, improvements, and/or construction are not suitable for District purposes. The Director may adopt the determination of District No. 111 and may award or decline to award a credit, or the Director may make an alternative determination and set forth in writing the rationale for the alternative determination.

C. For each request for a credit or credits, if appropriate, the Director shall select an appraiser or the feepayer may select an independent appraiser acceptable to the Director. The appraiser must be a Washington State Certified Appraiser or must possess other equivalent certification and shall not have a fiduciary or personal interest in the property being appraised. A description of the appraiser's certification shall be included with the appraisal, and the appraiser shall certify that he/she does not have a fiduciary or personal interest in the property being appraised.

D. The appraiser shall be directed to determine the total value of the dedicated land, improvements, and/or construction provided by the feepayer on a case-by-case basis.

E. Where the dedicated land, improvements, and/or construction is for the benefit of District No. 111 and District No. 111 has determined that the land, improvements, and/or construction would be suitable for District purposes, District No. 111 shall select an appraiser or the feepayer may select an independent appraiser acceptable to District No. 111. Such appraiser must meet and comply with the requirements set forth in subsection C above. The appraiser shall be directed to determine the value of the dedicated land, improvements, or construction provided by the feepayer on a case-by-case basis.

F. The feepayer shall pay for the cost of the appraisal or request that the cost of the appraisal be deducted from the credit which the Director may be providing to the feepayer, in the event that a credit is awarded.

G. After receiving the appraisal, or the determination of District No. 111, and where consistent with the requirements of this Section, the Director shall provide the applicant with a letter or certificate setting forth the dollar amount of the credit, the reason for the credit, the legal description of the site donated where applicable, and the legal description or other adequate description of the project or development to which the credit may be applied. The applicant must sign and date a duplicate copy of such letter or certificate indicating his/her agreement to the terms of the letter or certificate, and return such signed document to the Director before the impact fee credit will be awarded. The failure of the applicant to sign, date, and return such document within sixty (60) calendar days shall nullify the credit. The credit must be used within seventy-two (72) months of the award of the credit.

H. Any claim for credit must be made no later than twenty (20) calendar days after the submission of an application for a building permit.

- I. In no event shall the credit exceed the amount of the impact fees that would have been due for the proposed development activity.
- J. No credit shall be given for project improvements.
- K. Determinations made by the Director pursuant to this Section shall be subject to the appeals procedures set forth in OMC Chapter 18.75.
- L. The fee payer may also apply for a credit for transportation demand management strategies. The Director shall determine the actual amount of the credit to be granted to a specific project for the transportation demand management strategies that the feepayer will implement. The Director may consider the possible impacts on adjacent residential parking when considering a request for credit. At the discretion of the Director, eligible projects may reduce transportation impact fees by the following amounts:

ACTION	TRANSPORTATION IMPACT FEE REDUCTION
Operational Improvements:	
Installation of centralized Transportation Demand Management (TDM) information center with maintained information.	1%
Commercial development which would be occupied by employees subject to Commute Trip Reduction ordinance or evidence to voluntarily comply with Commute Trip Reduction ordinance.	32%
Installation of parking spaces which are designated as paid parking (by residents or employees).	3%
Signage and enforcement designating parking lots to be used for carpool or vanpool parking for non-building occupants.	1%
Physical Improvements:	
Construction of direct walkway connection to the nearest arterial.	1%
Installation of on-site sheltered bus stop, or bus stop within 1/4 mile of site with adequate walkways as determined by Transportation Division staff.	12%
Installation of bike lockers or employee showers.	1%
Construction of on-site internal walk/bikeway network which connects to existing City bicycle/pedestrian networks.	1%
Installation of preferential carpool/vanpool parking facilities.	2%
Underbuild median parking requirements by at least 20% OR underbuild by at least 30% OR underbuild by at least 40%.	2% or 4% or 7%

ACTION	TRANSPORTATION IMPACT FEE REDUCTION
Downtown construction that provides no parking for employees or customers.	±0%
Other:	
Other operational or physical Transportation Demand Management measures identified by the developer (with supporting documentation).	Up to 20 <u>5</u> % based upon peak hour trip reductions
Maximum Reduction	Up to 20 <u>10</u> %

The following guidelines define the conditions under which transportation demand management credits may be granted. The Director shall request documentation or other sureties to ensure the effectiveness and continuation of the impact of these credits.

OPERATIONAL

~~1. Kiosks must be centrally located transportation information centers in areas of high visibility to employees and customers. The kiosk must contain at least alternative mode, ride share, and flex time information which is updated quarterly or more often.~~

21. Applicants requesting credit because they will house employers subject to the Commute Trip Reduction (CTR) Act must provide a signed five-year lease or other evidence in a form approved by the City Attorney that obligates the occupants to reduce peak hour trips.

~~3. Paid parking space credit will be given only if 25% or more of the actual parking stalls are clearly designated and administered as paid parking.~~

PHYSICAL

~~1. Bike lockers must designated for be a minimum of three spaces or at least 1% of the actual parking area constructed for the building.~~

21. "Carpool/vanpool only" parking must be designated for a minimum of three spaces or 15% of the actual constructed parking area.

Transportation Impact Fee Reduction for Underbuilding Median Parking:

1. Any physical/operational improvements required by the City to reduce parking are not eligible for individual TIF reductions.

2. Physical/operational improvements being proposed above and beyond those required for parking reductions are eligible for TIF reductions.

*Plus other possible TDM credits as identified by the applicant which reduces single occupancy vehicle trips.

Section 2. Amendment of OMC 15.08.050. Olympia Municipal Code Section 15.08.050 is hereby amended to read as follows:

15.08.050 Transportation impact fees

A. The transportation impact fees in Schedule D, Section 15.16.040, are generated from the formula for calculating impact fees set forth in the Transportation Study. The fees to be charged are outlined in the 2009 Transportation Impact Fee Collection Rate Document. One copy of the Transportation Study and one copy of the 2009 Rate document will be kept on file with the office of the City Clerk and each is hereby adopted and incorporated by reference. Except as otherwise provided in OMC Sections 15.04.050 through 15.04.070, all new developments and changes in use in the City will be charged the transportation impact fees in Schedule D.

B. The transportation impact fees in Schedule D will be reviewed annually to consider adjustments to the fees to account for system improvement cost increases due to increased costs of labor, construction materials and real property. The City Council intends that such review should occur concurrently with the annual review of the Capital Facilities Plan element of the City's Comprehensive Plan.

C. The cost of administering the impact fee program for transportation impact fees shall also include a \$20 administrative fee per new P.M. (afternoon) peak hour trip generated. The administrative fee shall be deposited into an administrative fee account within the Transportation Impact Fee Fund. The administrative fee shall be used to defray the cost incurred by the City in the administration and update of the Transportation Impact Fee Program, including, but not limited to, review of independent fee calculations and the value of credits. The administrative fee is not creditable or refundable under OMC 15.04.070.

Section 3. Amendment of OMC 15.16.040. Olympia Municipal Code Section 15.16.040 is hereby amended to read as follows:

15.16.040 Schedule D, Transportation Impact Fees

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, ~~2016~~2017**

Land Uses	Unit of Measure	Rate
Cost per New Trip Generated:		\$2,913 <u>\$2,999</u>
<i>Residential</i>		
Single Family (Detached)	dwelling	\$3,432 <u>\$3,498</u>
Multi Family-Townhouse & Duplex	dwelling	\$2,227 <u>\$2,293</u>
Senior Housing & Accessory Dwelling	dwelling	\$843 <u>\$868</u>
Mobile Home	dwelling	\$2,005 <u>\$2,064</u>
<i>Commercial – Services</i>		
Bank	sq ft / GFA	\$18.80 <u>\$23.68</u>
Day Care	sq ft / GFA	\$18.15 <u>\$24.67</u>
Hotel/Motel	room	\$2,292 <u>\$2,399</u>
Service Station ¹	fueling position	\$6,626 <u>\$10,101</u>
Quick Lubrication Vehicle Shop	servicing positions	\$5,997 <u>\$6,173</u>
Automobile Care Center	sq ft / GLA	\$5.42 <u>\$5.13</u>
Movie Theater	seat	\$133 <u>\$137</u>
Health Club	sq ft / GFA	\$7.97

SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, ~~2016~~2017

Land Uses	Unit of Measure	Rate
		<u>\$8.20</u>
Marina	berth	\$515 <u>\$530</u>
<i>Institutional</i>		
Elementary /Jr. High/ High School	student	\$202 <u>\$208</u>
University/College	student	\$551 <u>\$459</u>
Church	sq ft / GFA	\$1.98 <u>\$2.03</u>
Hospital	sq ft / GFA	\$4.43 <u>\$3.72</u>
Assisted Living, Nursing Home, Group Home	bed	\$598 <u>\$616</u>
<i>Industrial</i>		
Light Industry/Manufacturing/Industrial Park	sq ft / GFA	\$4.26 <u>\$4.33</u>
Warehousing/Storage	sq ft / GFA	\$1.58 <u>\$1.63</u>
Mini Warehouse	sq ft / GFA	\$1.29 <u>\$1.33</u>
<i>Restaurant</i>		
Restaurant	sq ft / GFA	\$19.78 <u>\$14.25</u>
Fast Food Restaurant	sq ft / GFA	\$32.86 <u>\$32.64</u>
<u>Coffee/Donut Shop with Drive-Through Window</u>	<u>sq ft / GFA</u>	<u>\$27.81</u>
<u>Coffee/Donut Shop with Drive-Through Window and No Indoor Seating</u>	<u>sq ft / GFA</u>	<u>\$10.72</u>

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, ~~2016~~2017**

Land Uses	Unit of Measure	Rate
<i>Commercial – Retail</i>		
Retail Shopping Center:		
up to 49,999	sq ft / GLA	\$6.34 <u>\$6.15</u>
50,000-99,999	sq ft / GLA	\$5.61 <u>\$5.43</u>
100,000-199,999	sq ft / GLA	\$5.51 <u>\$5.34</u>
200,000-299,999	sq ft / GLA	\$5.04 <u>\$4.89</u>
300,000-399,999	sq ft / GLA	\$6.01 <u>\$5.82</u>
over 400,000	sq ft / GLA	\$6.76 <u>\$6.57</u>
Supermarket > 5,000 SF	sq ft / GFA	\$16.06 <u>\$12.74</u>
Convenience Market < 5,000 SF	sq ft / GFA	\$29.77 <u>\$33.37</u>
Furniture Store	sq ft / GFA	\$0.45 <u>\$0.36</u>
Car Sales - New/Used	sq ft / GFA	\$9.25 <u>\$9.64</u>
Nursery/Garden Center	sq ft / GFA	\$5.42 <u>\$10.20</u>
Pharmacy/Drugstore	sq ft / GFA	\$6.95 <u>\$6.71</u>
Hardware/Building Materials Store < 25,000 SF	sq ft / GFA	\$5.49 <u>\$5.65</u>
Discount Merchandise Store (Free Standing)	sq ft / GFA	\$6.34 <u>\$6.24</u>

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, ~~2016~~2017**

Land Uses	Unit of Measure	Rate
Video Rental	sq ft / GFA	\$10.10 \$10.40
Home Improvement Superstore > 25,000 SF	sq ft / GFA	\$2.66 \$2.84
Miscellaneous Retail	sq ft / GLA	\$6.52 \$5.87
<i>Commercial – Office</i>		
Administrative Office:		
0-99,999	sq ft / GFA	\$12.08 \$12.34
100,000-199,999	sq ft / GFA	\$7.35 \$7.52
200,000-299,999	sq ft / GFA	\$6.42 \$6.56
over 300,000	sq ft / GFA	\$6.02 \$6.15
Medical Office/Clinic	sq ft / GFA	\$12.09 \$12.85
<i>Downtown² Fees</i>		
Multi Family-Townhouse, & Duplex	dwelling	\$913 \$1,004
Senior Housing & Accessory Dwelling	dwelling	\$378 \$380
Assisted Living, Nursing Home, Group Home	bed	\$406 \$367
Hotel/Motel	room	\$1,699 \$1,431
Movie Theater	seat	\$110 \$89

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, 2016-2017**

Land Uses	Unit of Measure	Rate
Marina	berth	\$315
		<u>\$316</u>
Downtown Services/Retail ³	sq ft / GLA	\$3.85
		<u>\$3.87</u>
Administrative Office:		
	0-99,999	\$7.84
		<u>\$8.53</u>
	100,000-199,999	\$5.88
		<u>5.20</u>
	200,000-299,999	\$5.10
		<u>\$4.53</u>
	over 300,000	\$4.31
		<u>\$4.25</u>
Medical Office/Clinic	sq ft / GFA	\$10.58
		<u>\$8.87</u>
Industrial Park	sq ft / GFA	\$2.67
		<u>\$2.99</u>
Warehousing/Storage	sq ft / GFA	\$0.99
		<u>\$1.13</u>
Mini Warehouse	sq ft / GFA	\$0.81
		<u>\$0.92</u>

Notes: For uses with Unit of Measure in "sq ft / GFA" or "sq ft/GLA", impact fee is dollars per square foot.

- 1) Service Station can include Mini Mart (less than or equal to 2,500 square feet) and/ or Car Wash. Mini Mart greater than 2,500 square feet is calculated separately.
- 2) Downtown: As defined in Olympia Municipal Code 15.04.020.O.
- 3) Downtown Services/Retail includes Retail Stores, Restaurants, Supermarkets, Convenience Markets, Video Rentals, Banks, Health Clubs, Day Cares, and Libraries.

Section 4. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

Section 5. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 6. Effective Date. This Ordinance shall take effect January 1, 2017, after its passage by the Olympia City Council and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED: