

# Wilburton Connections Project Funding: Frequently Asked Questions

## **Q. How will the city pay for the Wilburton Connections projects?**

**A.** On Jan. 20, 2009, the Bellevue City Council endorsed a [10-year financing plan for the Mobility and Infrastructure Initiative](http://www.bellevuewa.gov/pdf/City%20Council/PacketRegularSession1-20-0911a.pdf) (<http://www.bellevuewa.gov/pdf/City%20Council/PacketRegularSession1-20-0911a.pdf>), which includes three road construction projects in the Wilburton area. The plan identifies potential funding sources to speed up implementation of high priority projects. Many of the funding strategies could be applied to the three Wilburton Connections projects, such as property tax increases, state and federal grants, transportation impact fees, and formation of a Local Improvement District (LID).

## **Q. How much will property taxes increase?**

**A.** The Mobility and Infrastructure Initiative Financing Plan included an option for the City Council to raise property taxes by an additional 1 percent per year for 10 years to help fund high priority projects in Wilburton, downtown Bellevue, and the Bel-Red area. Council also extended a previously approved 2 percent annual increase in property taxes for an additional two years. This action, which recognizes the general public benefit of these projects, could generate \$105 million in bonding capacity over 10 years. The first increase was approved in December 2008 for 2009. Because of a downturn in the economy, the Council chose not to approve an incremental increase for 2010.

## **Q. What state and federal grants does the city pursue?**

**A.** The City seeks outside funding awards through virtually every grant program for which it's eligible. For transportation improvements such as the Wilburton Connections projects, the City applied for a variety of state and federal grants. Bellevue already has secured a federal grant of \$2.6 million for construction of the 120<sup>th</sup> Avenue Northeast Improvement project.

## **Q. What are transportation impact fees?**

**A.** Impact fees are a one-time charge paid by developers when they build a new project. The revenue helps pay for new roads and other transportation infrastructure needed to serve the increased number of trips generated by the new development.

## **Q. Why do governments charge impact fees?**

**A.** Washington State's Growth Management Act requires agencies to balance the impacts of growth with the benefits of growth. One tool to accomplish this goal is an impact fee, which charges developers based on the size of their project and the projected increase in traffic.

## **Q. What do impact fees pay for?**

**A.** Impact Fees must be used for improvements that boost the capacity of the transportation system, so it can better handle the increased number of trips that result from development. The fees cannot be used for stand-alone improvements such as safety projects, pavement preservation, or pedestrian and bicycle facilities.

**Q. How much revenue is generated by impact fees?**

**A.** The collection of impact fees depends on the amount of development activity. Since 1990, the city has collected an average of approximately \$1 million per year from impact fees based on a historical average rate of \$935 per new trip generated. Effective Jan. 1, 2010, the City Council authorized an increase in the impact fee rate to \$2,000 per trip. As future development activity increases or decreases in Bellevue, impact fee revenue will change accordingly.

**Q. How do Bellevue's impact fees compare to other cities?**

**A.** The city's newly adopted rate is \$2,000 per PM peak trip (afternoon rush hour) generated by new development. Kirkland charges \$3,787 per trip; Issaquah \$4,839 per trip; Redmond \$8,462 per trip; and Sammamish \$14,707 per trip. Ordinance 5871, adopted by the Bellevue City Council on May 4, 2009, provides Council the option to raise impacts fees to \$3,000 starting in 2013 and \$5,000 starting in 2016.

**Q. How can I find out more about Bellevue's Transportation impact fee program?**

**A.** The city's program is described in [Chapter 22.16 of the Bellevue City Code](#). Or, contact Eric Miller, Capital Programming Division Manager at 425-452-616 or [emiller@bellevuewa.gov](mailto:emiller@bellevuewa.gov).

**Q. Where can I get more information on financing options for the Wilburton Connections Project?**

**A.** For general information on project financing, visit [the project website](#) (<http://www.bellevuewa.gov/mobility-financing.htm>). For online information about Local Improvement Districts, see "[LIDs in Bellevue: Frequently Asked Questions](#)" ([http://www.bellevuewa.gov/pdf/Transportation/lid\\_faqs.pdf](http://www.bellevuewa.gov/pdf/Transportation/lid_faqs.pdf)).