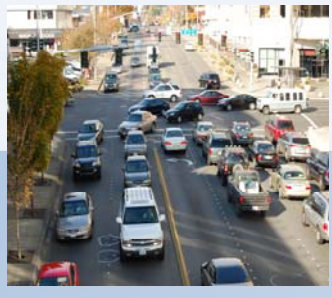
City of Bellevue

TRANSPORTATION IMPACT FEE PROGRAM REPORT

2022 UPDATE



Prepared by:

City of Bellevue Transportation Department

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

Adopted by reference, Ordinance 6688

Transportation Impact Fee Program Report

For Bellevue, Washington

2022 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 2019.
- New projects have been added to the City's Transportation Impact Fee Program in 2022 and other projects included in the 2019 Program have been completed but are being retained in the Program as they continue to provide roadway capacity for future growth (more information provided in Chapter 2) .
- 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, will create additional demand 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[1];
- 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,

[1] The Transportation Facilities Plan (TFP) is designated by the city's Capital Facilities Plan for the purpose of identifying the proposed transportation improvements reasonable and necessary to meet future development needs. The TFP identifies the specific subset of transportation improvements which make up the impact fee project list that forms the basis for the transportation impact fee program. BCC 22.16.040.

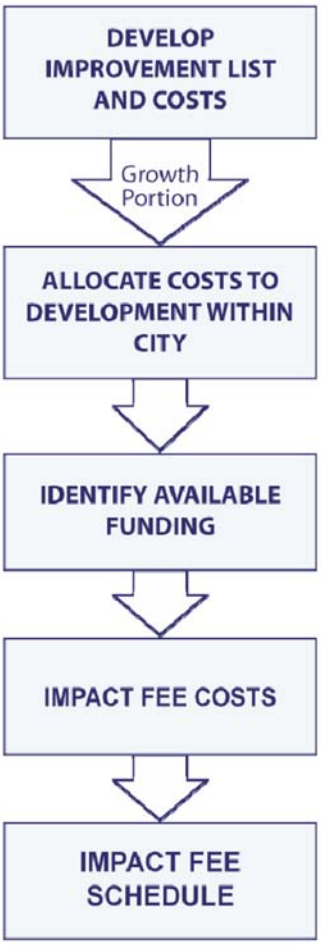
- Be simple to administer and not preclude other requirements of SEPA such as safety issues, access improvements, etc.

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.

Figure 1. Traffic Impact Fee Program Development Steps



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.

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 2033 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 2022-2033 TFP. The project list, shown in **Table 1** and illustrated in **Figure 2** includes 19 active TFP projects, totaling $192.5 million. The list also includes six (6) completed impact fee projects from the prior two TFPs, the 2016-2027 and the 2019-2030 Plan. Inclusion of these completed projects within the TFP is allowed by city code and state law. This approach is being included now because the City has incurred debt to pay for these six projects. The term of the debt will continue through the 12-year TFP period. These completed projects, with a total cost of $194.2 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 $386.7 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 Cost ($000s)	Total Impact Fee Eligible 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.	$1,682		$1,682
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.	$5,050		$5,050
3	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[1].	$21,300	$4,554	$25,854
4	TFP-215	NE Spring Blvd/130th to 132nd Avenues NE	R-174	Construct single westbound and eastbound travel lanes and other standard roadway improvements[1] on either side of the planned East Link light rail line and station 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.	$13,700	$2,923	$16,623
5	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.	$3,876		$3,876
6	TFP-223	Bellevue Way/NE 8th Street		Add southbound right turn lane.	$2,376		$2,376

TABLE 1. Transportation Impact Fee Projects (continued)

#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost ($000s)	Debt Service Cost ($000s)	Total Impact Fee Eligible Cost ($000s)
7	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 and the South Bellevue light rail station (formerly the South Bellevue park-and-ride lot).	$29,588	$215	$29,803
8	TFP-253	150th Avenue SE/ Eastgate Way SE		Add a second northbound left turn lane with a short westbound receiving lane and a third southbound through lane starting north of Eastgate Way and extending across the I-90 overpass. The southbound left turn lane will also be extended.	$5,150		$5,150
9	TFP-260	120th Avenue NE (Stage 4)/NE 16th Street and to Northup Way	R-186	Construct improvements to 120th Avenue NE between NE 16th Street and Northup Way, which will include widening, travel lanes, turn lanes, street lighting, traffic signals and other standard roadway improvements.	$29,800		$29,800
10	TFP-263	NE 8th Street/148th Avenue NE	R-198, 200	Widen all four approaches to provide a second left turn pocket serving each direction.	$3,300		$3,300
11	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 additional travel lanes, turn lanes, street lighting, traffic signals and other standard roadway improvements[1].	$40,500	$11,913	$52,413
12	TFP-273	Lakemont Blvd/ Forest Dr		Install a new traffic signal and widen Lakemont Blvd for a northbound to westbound left turn lane.	$1,751		$1,751
13	TFP-274	SE 8th Street / 114th Avenue SE		Widen the intersection to add a second southbound left turn lane and dedicated space for bicycles in the northbound and southbound directions.	$3,410		$3,410

TABLE 1. Transportation Impact Fee Projects (continued)

#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost ($000s)	Debt Service Cost ($000s)	Total Impact Fee Eligible Cost ($000s)
14	TFP-276	Lake Hills Connector/SE 8th St	R-198, 200	Add a second northbound left turn pocket to increase the queuing space for this movement and will convert the existing dedicated eastbound left turn lane to a westbound through lane to receive traffic from the new northbound left turn pocket.	$1,900		$1,900
15	TFP-277	NE 8th Street/140th Avenue NE	R-198, 200	Convert the existing southbound right turn lane to a through-right lane and will widen the south leg to create space for an approximately 250 foot receiving lane that will merge back into the existing through lane.	$1,600		$1,600
16	TFP-278	148th Avenue SE - Kelsey Creek Shopping Center	R-198, 200	Improve intersection delay at 148th Ave SE/Main St. and access to and from the shopping center from 148th Avenue SE by adding a new traffic signal and a southbound left turn lane accessing the south driveway and a left turn lane accessing southbound 148th Avenue SE from the driveway.	$2,380		$2,380
17	TFP-279	Lake Hills Blvd/148th Avenue SE	R-198, 200	Add a second westbound left turn pocket to increase the queuing space for this movement and to allow the eastbound and westbound through movements to run concurrently, reducing the overall intersection delay.	$1,300		$1,300
18	TFP-288	Lakemont Blvd/ Newport Way SE		Un-split the southbound and northbound traffic signal phasing by changing the center lane on the southbound approach to a dedicated left turn lane instead of a shared left/ through lane.	$1,545		$1,545

TABLE 1. Transportation Impact Fee Projects (continued)

#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost ($000s)	Debt Service Cost ($000s)	Total Impact Fee Eligible Cost ($000s)
19	TFP-289	Lake Washington Blvd/SE 60th St		Replace existing offset four way stop with a traffic signal that improves the east-west alignment into the intersection.	$2,678		$2,678
				Active Projects Total	**$172,886**	**$19,605**	**$192,491**

Notes:

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

[2] Total Impact Fee Eligible Cost has been updated (reduced) from the project's "Impact Fee Project Cost" presented in the adopted 2022-2033 TFP, to reflect a recalculation of the Debt Service Cost component of the project.

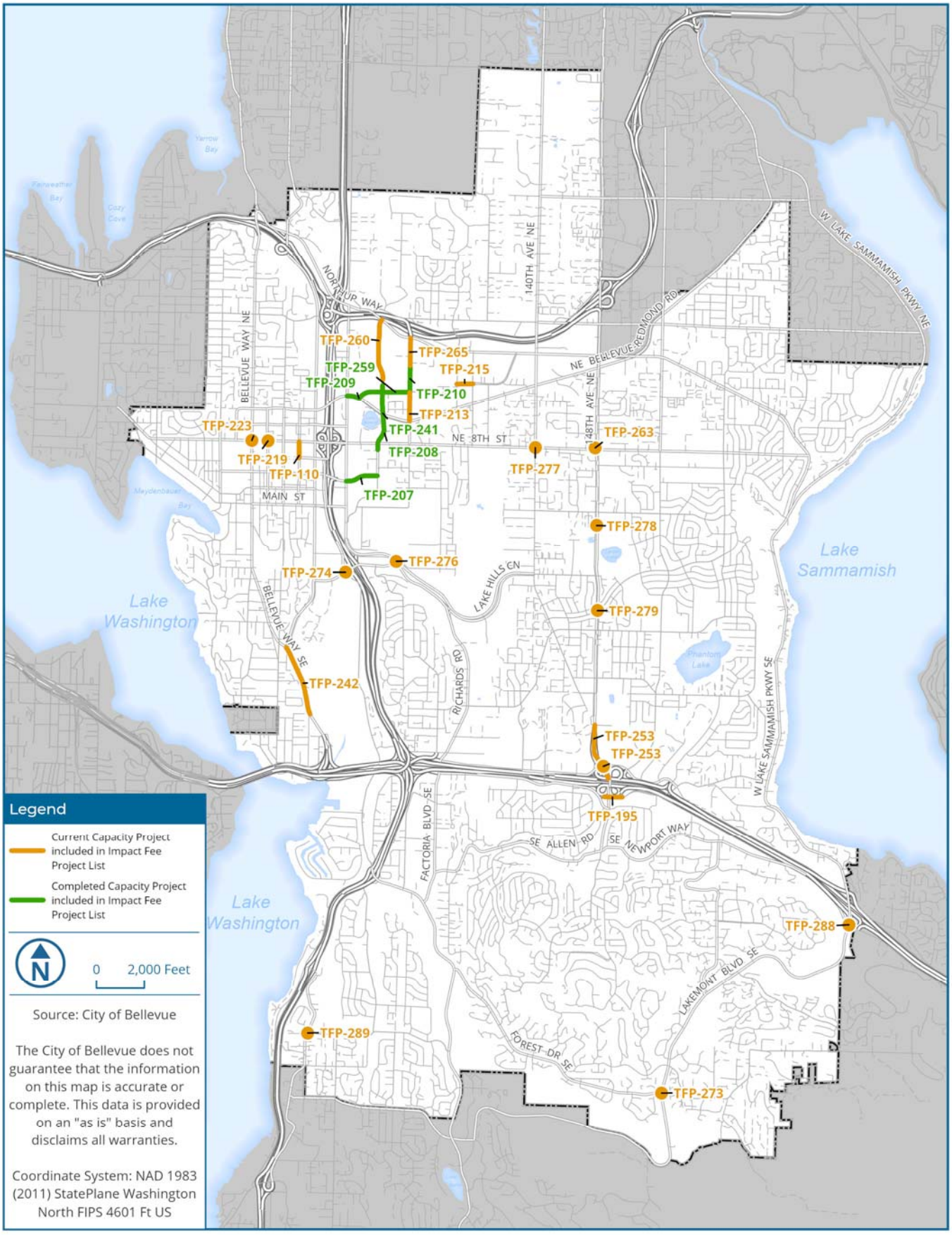
TABLE 1. Transportation Impact Fee Projects (continued)

COMPLETED IMPACT FEE PROJECTS							
#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost ($000s)	Debt Service Cost ($000s)	Total Impact Fee Eligible Cost ($000s)
20	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.	$35,542	$4,982	$40,524
21	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*.	$46,640	$8,578	$55,218
22	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*.	$31,700	$3,704	$35,404

TABLE 1. Transportation Impact Fee Projects (continued)

#	TFP # (Map ID)	Project Location	CIP #	Project Description	Project Cost ($000s)	Debt Service Cost ($000s)	Total Impact Fee Eligible Cost ($000s)
23	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.	$16,798	$637	$17,435
24	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*.	$12,530	$1,148	$13,678
25	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.	$29,090	$2,838	$31,928
				Completed Projects Total	**$172,300**	**$21,887**	**$194,187**
				Grand Total	**$345,186**	**$41,492**	**$386,678**

Figure 2. Transportation Impact Fee Projects

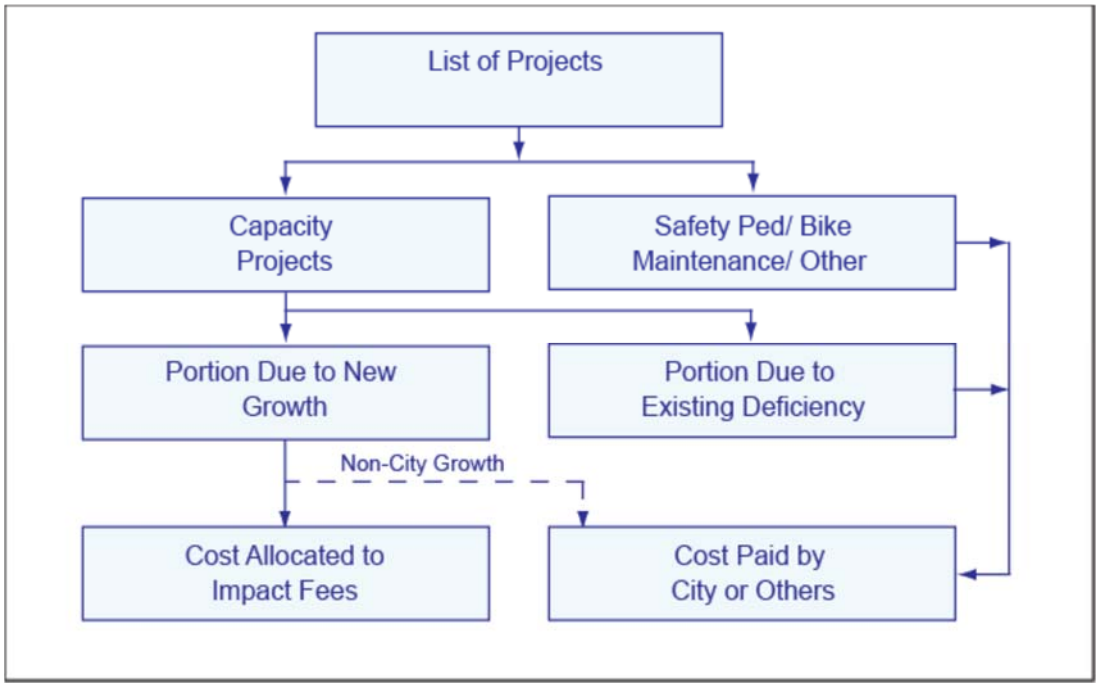


CHAPTER 3. COST ALLOCATION

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.

TRAVEL GROWTH

To match the 2022-2033 Transportation Facilities Plan, the City used a 14-year land use growth estimate (2019 through 2033). **Table 2** shows Bellevue land use forecasts in the nine categories as shown in Table 2 for the years 2019 and 2033 (the 2019 figures include existing development through December 31, 2019 and approved new development through December 31, 2021).

The housing and employment growth estimates were used as inputs to the BKRCast, the newly developed activity-based travel demand forecasting model, to derive PM peak hour vehicle trip ends[1]. These growth estimates result in an increase of 12,597 PM peak hour vehicle trip ends

[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.*

between the 2019 base year and 2033. This growth in vehicle trip ends was used to calculate the impact fee rates, described further below.

Table 2. Bellevue Land Use Growth

Land Use Category	Unit of Measure	2019	2033	Annual Average Growth	Growth
Single Family Housing	Dwelling Units	34,081	33,744	(24)	(337)
Multi-Family Housing	Dwelling Units	30,291	51,634	1,525	21,343
Education	Square Feet	4,727,000	5,268,000	38,600	541,000
Food Service	Square Feet	2,207,000	2,545,000	24,200	338,000
Government	Square Feet	1,260,000	1,346,000	6,200	86,000
Industrial	Square Feet	3,897,000	4,356,000	32,800	459,000
Medical	Square Feet	2,985,000	3,340,000	25,400	355,000
Office	Square Feet	18,981,000	38,786,000	1,414,700	19,805,000
Retail	Square Feet	5,595,000	6,336,000	52,900	741,000
Service	Square Feet	9,929,000	10,300,000	26,500	371,000
Others	Square Feet	1,144,000	1,207,000	4,400	63,000

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 19 current impact fee projects plus six (5) completed impact fee projects from the previous two TFPs.

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.

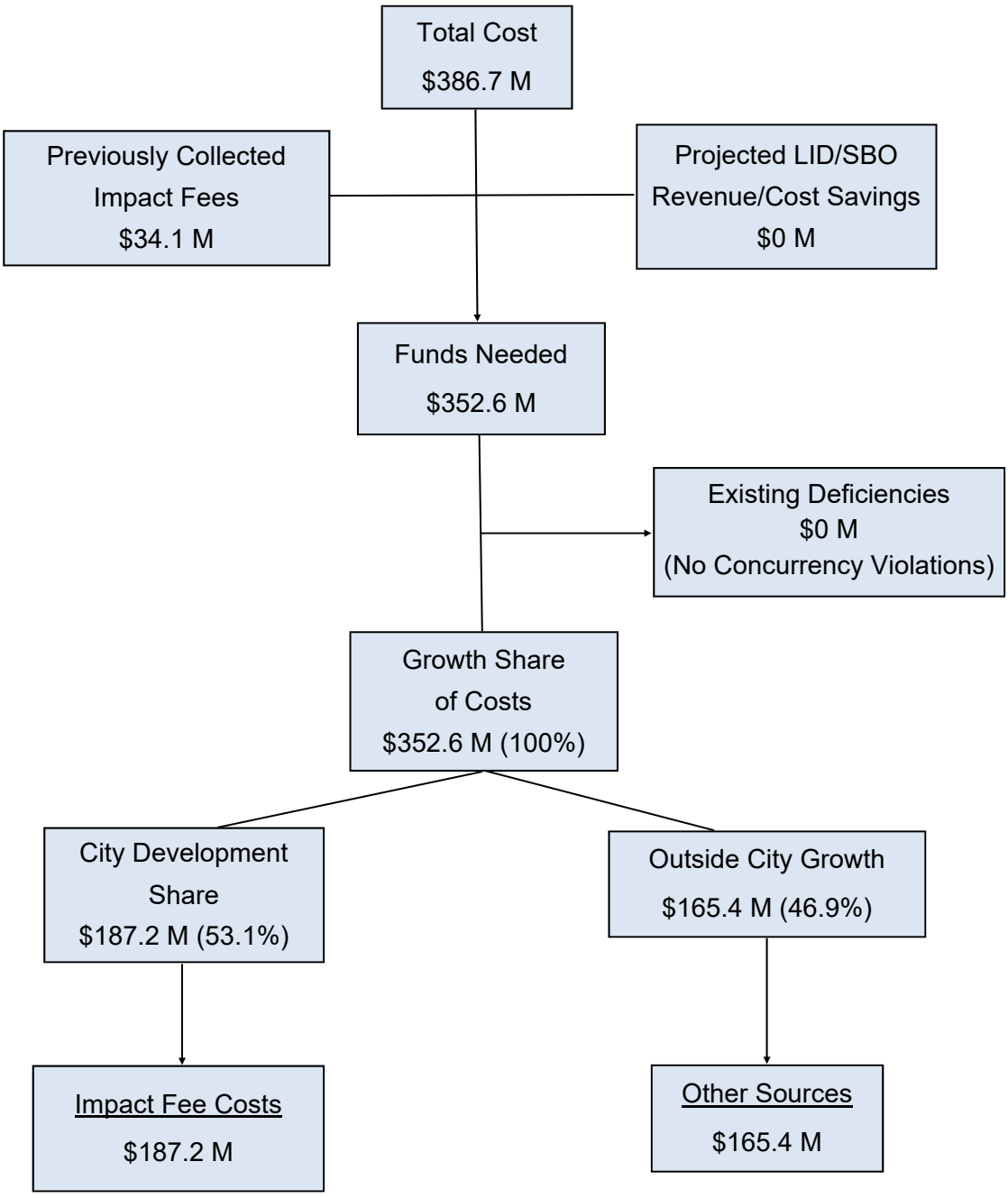
The cost allocation results include the total cost of the 19 active and six completed impact fee projects including debt service costs. The total cost is $386.7 million as shown in Table 1. As stated on the preceding page, the total cost will need to be adjusted for any previously collected impact

fees and/or any local improvement district (LID) revenue. Previously collected impact fees total $34.1 million, but the city has no active LIDs. Removing that impact fee revenue source leaves approximately, $352.6 million remaining to be funded, this is referred to as the 'growth share of costs'.

The $352.6 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 53.1 percent. This percentage is referred to as the 'City development share of cost'. The City development share, applied to the $352.6 million of the overall growth share of costs, yields an amount of approximately $187.2 million. This is the maximum allowable amount that can be charged to new city development using impact fees.

The City of Bellevue's 2022-2033 Transportation Facilities Plan (TFP) documents sufficient funds available from non-impact fee sources to cover the remaining $165.4 million needed for growth occurring outside the City.

Figure 4. Impact Fee Cost Allocation Results



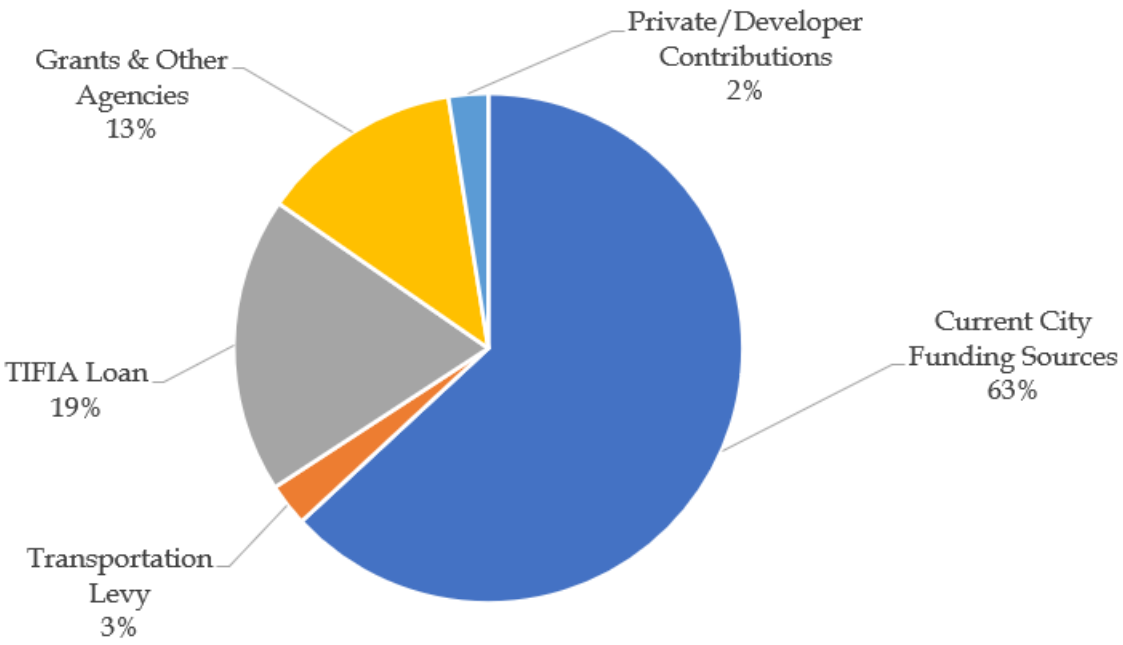
New PM Peak Hour Trip Ends = 12,597

Cost/Trip End = $14,864*

*Cost/Trip End calculated using whole numbers, see pg. 16 for full detail.

Figure 5 shows the approximate percentages of other, non-impact fee funds by source necessary to fully fund the outside city growth share of project costs. Current City funds, grants and other agency contributions, and non-impact fee developer contributions would comprise the funding package.

Figure 5. Estimated Non-Impact Fee Funding Sources ($165.4 million)



The final step in the cost allocation process involves calculating the 'cost per new trip end' for the City development share. This was derived by dividing the total eligible growth share of project costs by the total number of new PM peak hour trip ends based in Bellevue. A total of 12,597 new PM peak hour vehicle trip ends are estimated to occur due to development within the City between 2019 and 2033.

The analysis produced the following results:

Active and Completed TFP Impact Fee Projects	
Impact fee costs	$187,243,323
Divided by:	
PM peak hour trip ends	÷ 12,597
Equals:	
Impact fee per PM Peak Hour trip end[2]	$ 14,864

[2] BCC 22.16 uses the term 'trip' rather than 'trip end'. This is done for ease of understanding by the public. For purposes of the code, the term trip and trip end are the same.

The $14,864 value represent the “maximum allowable impact fee rate” that may be charged and meet GMA requirements. The Bellevue City Council may set the actual impact fee rate to be charged to new development at any amount up to the maximum amount. Any lowering of the actual impact fee rate charged necessitates that additional non-impact fee funds be identified to fully fund the City development share of projects costs.

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 3** 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 land use categories listed in **Table 3** have been updated from previous editions of this report to include new categories available in the reference material and to delete categories that are used very infrequently. Transportation Impact Fee characteristics for all other land use categories not included in **Table 3** may be referenced in the Institute of Transportation Engineers (ITE) *Trip Generation* Manual (11th Edition, September 2021).

TRIP GENERATION COMPONENTS

Trip generation rates for each land use type are derived from the ITE *Trip Generation* Manual (11th Edition, September 2021). These "Basic Trip Rates" are expressed as vehicle trips entering and leaving a property during the PM peak hour. This 2022 Transportation Impact Fee Program Update is the first to use the ITE Trip Generation Manual, 11th Edition. The 2019 report used the previous 10th 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. 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 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. 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 3 and 4, 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, 11th Edition. Some rates have been added, modified, or removed to more closely align with the ITE *Trip Generation Manual*'s definitions for specific uses and to reflect types of development occurring in Bellevue. These updates include the addition of four land use types and the deletion of three land use types.

Single family Attached Housing was added as a new land use type in ITE 11th Edition and has been added to the table. Health/Fitness Club was also added to the table as this land use type is commonly used in Bellevue. The 11th Edition also redefined the Shopping Center land use type to be applicable to centers with over 150,000 square feet. Centers between 40,000 and 150,000 square feet are now called Shopping Plazas, and those with less than 40,000 square feet are called Strip Retail Plaza, and these two land use types have been added to the table as well. Retail land use type has been removed from the land use types as it is no longer in the ITE manual. Furniture Store, Industrial Park and Warehousing have also been removed as they are seldom used.

TABLE 3. 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 Adjust-ment
Residential							
Single Family	210	Dwelling	1.00	100%	1.00	2.9	1.00
Single Family Attached Housing	215	Dwelling	0.57	100%	0.57	2.9	1.00
Multi-Family Low Rise (1-2 stories)	220	Dwelling	0.51	100%	0.56	2.9	1.00
Multi-Family Mid Rise (3-10 stories)	221	Dwelling	0.39	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 Adult Housing - Multifamily	252	Dwelling	0.25	100%	0.26	2.9	1.00
Commercial - Services							
Walk-in Bank	911	sf/GFA	12.13	65%	7.88	2.3	0.79
Hotel	310	Room	0.59	100%	0.59	2.9	1.00
Day Care Center	565	sf/GFA	11.12	75%	8.34	2.3	0.79
Health/Fitness Club	492	sf/GFA	3.45	100%	3.45	2.3	0.79
Commercial - Institutional							
Religious Institution	560	sf/GFA	0.49	100%	0.49	2.9	1.00
Assisted Living	254	Bed	0.24	100%	0.24	2.9	1.00
Medical Clinic	630	sf/GFA	3.69	75%	2.77	3.3	1.14
Hospital	610	sf/GFA	0.86	80%	0.69	3.3	1.14
Commercial - Restaurant							
Fine Dining Restaurant	931	sf/GFA	7.80	56%	4.37	2.7	0.93
Fast Casual Restaurant	930	sf/GFA	12.55	50%	6.28	2.3	0.79
Fast Food Restaurant without Window	933	sf/GFA	33.21	50%	16.61	2.3	0.79
Fast Food Restaurant with Window	934	sf/GFA	33.03	45%	14.86	2.3	0.79
Commercial - Retail Shopping							
Shopping Center (over 150k sf)	820	sf/GLA	3.40	71%	2.41	2.7	0.93
Shopping Center (40k to 150k sf)	821	sf/GFA	5.19	60%	3.11	2.7	0.93
Strip Retail Plaza (under 40k)	822	sf/GFA	6.59	60%	3.95	2.7	0.93
Supermarket	890	sf/GFA	8.25	76%	6.27	2.7	0.93

See next page for notes

TABLE 3. 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 - Retail Shopping, con't							
Pharmacy	880	sf/GFA	8.51	50%	4.26	2.3	0.79
Automobile Sales	840	sf/GFA	2.42	80%	1.94	3.3	1.14
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	3.93	75%	2.95	3.3	1.14
Industrial							
Manufacturing	110	sf/GFA	0.74	100%	0.74	3.3	1.14
Mini-Warehouse	151	sf/GFA	0.15	100%	0.15	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 4.** 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 4. Impact Fee Schedule (Maximum Allowable Rates)

Land Use	ITE Land Use Code	Unit of Measure	Impact Fee Rate
Residential			
Single Family	210	Dwelling	$14,864
Single Family Attached Housing	215	Dwelling	$8,472
Multi-Family Low Rise (1-2 stories)	220	Dwelling	$7,581
Multi-Family Mid Rise (3-10 stories)	221	Dwelling	$5,797
Multi-Family Mid Rise - Downtown/TOD	222	Dwelling	$2,824
Multi-Family High Rise (10+ stories)	222	Dwelling	$2,824
Senior Adult Housing - Multifamily	252	Dwelling	$3,716
Commercial - Services			
Walk-in Bank	911	sf/GFA	$92.95
Hotel	310	Room	$8,770
Day Care Center	565	sf/GFA	$98.32
Health/Fitness Club	492	sf/GFA	$40.67
Commercial - Institutional			
Religious Institution	560	sf/GFA	$7.28
Assisted Living	254	Bed	$3,567
Medical Clinic	630	sf/GFA	$46.81
Hospital	610	sf/GFA	$11.64
Commercial - Restaurant			
Fine Dining Restaurant	931	sf/GFA	$60.45
Fast Casual Restaurant	930	sf/GFA	$73.97
Fast Food Restaurant without Window	933	sf/GFA	$195.75
Fast Food Restaurant with Window	934	sf/GFA	$175.22
Commercial - Retail Shopping			
Shopping Center (over 150k sf)	820	sf/GLA	$33.41
Shopping Center (40k to150k sf)	821	sf/GFA	$43.09
Strip Retail Plaza (under 40k sf)	822	sf/GFA	$54.72
Supermarket	850	sf/GFA	$86.77

see next page for notes

TABLE 4. Impact Fee Schedule (Maximum Allowable Rates) Continued

Land Use	ITE Land Use Code	Unit of Measure	Impact Fee Rate
Commercial - Retail Shopping			
Pharmacy	880	sf/GFA	$47.15
Automobile Sales	840	sf/GFA	$32.75
Commercial - Office			
Office	710	sf/GFA	$17.51
Downtown Office	710	sf/GFA	$13.24
TOD Office	710	sf/GFA	$13.24
Medical/ Dental Office	720	sf/GFA	$49.85
Industrial			
Manufacturing	110	sf/GFA	$12.52
Mini-Warehouse	151	sf/GFA	$2.54

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

Table 5 provides three examples (residential, commercial office and commercial office (Downtown/TOD) of the calculation.

Table 5. 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	$14,864	$14,864	$14,864
÷	Divide by 1,000 for rate per square foot	NA	1,000	1,000
=	Impact Fee Rate (per unit)	$14,864/ dwelling	$17.51/ sq. ft.	$13.24/ sq. ft.

[1] ITE Trip Generation Manual, 11th Edition, 2021

APPENDIX A – COST ALLOCATION RESULTS

The cost allocation results are summarized in this Appendix. **Table A-1** illustrates 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	$ 172,886,000	$ 19,605,000	$ 34,054,039	$ 158,436,961
Completed	$ 172,300,000	$ 21,887,000		$ 194,187,000
Totals	**$ 345,186,000**	**$ 41,492,000**	**$ 34,054,039**	**$ 352,623,961**

Total Eligible Project Costs	$ 352,623,961
Percent of New Project Traffic due to Growth within City	X 53.1%
Total Eligible Impact Fee Project Costs	**$ 187,243,323**

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 proportionate 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. 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 an obligation 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 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 roadway capacity. The City's Bellevue-Kirkland-Redmond (BKR) travel demand model was used to evaluate the vehicular trip origins and destinations of all 2033 PM peak hour trips with at least one trip end within the City.

- 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* (11th 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 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)

Single Family Attached: A single-family housing unit that shares a wall with an adjoining dwelling unit, whether the walls are for living space, a vehicle garage, or storage space. (ITE #215)

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

Multi-Family Mid Rise: An apartment, townhouse or condominium unit located within the same building 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 of living space. (ITE #222)

Senior Adult Housing: A residential unit in an age-restricted single family or multi-family independent living development without centralized dining or on-site health facilities. (ITE # 251 & 252)

COMMERCIAL AND RECREATIONAL 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 # 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. (ITE # 565) **May be exempt from impact fees per BCC 22.16.070 B1.**

Health/Fitness Club: A privately-owned facility focusing on individual fitness or training. Typically is a membership club that includes exercise classes, fitness equipment, spa lockers, and ancillary facilities. (ITE #492)

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 per BCC 22.16.070 B8.**

COMMERCIAL-RESTAURANT

Fine Dining Restaurant: A full service 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 Casual Restaurant: A sit-sown restaurant with no or limited wait staff or table service. Customers pay before they eat and seat themselves and the typical duration of stay is forty minutes or less. (ITE #930)

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 (over 150k sf): 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 trip 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)

Shopping Plaza (40k to 150k sf): An integrated group of commercial establishments that is planned, developed, owned, or managed as a unit. In additional to retail tenants, these may contain office space, restaurants, banks, or other services. High trip generating uses may be required to be considered as separate uses. This use is measured as gross leasable area (GLA). (ITE # 821)

Strip Retail Plaza (less than 40k sf): An integrated group of commercial establishments that is planned, developed, owned, or managed as a unit. High trip generating uses may be required to be considered as separate uses. This use is measured as gross leasable area (GLA). This category may be used for small tenant spaces (less than 5,000 sf) in mixed use buildings. (ITE # 822)

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

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

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 housing 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 11th 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 Subarea. **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 these facilties also have offices and associated functions. (ITE # 140)

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)