

ORDINANCE NO. 2006-03-021

AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON RELATED TO IMPACT FEES, REPEALING BMC CHAPTER 13.60, "TRANSPORTATION IMPACT FEES" AND ADOPTING A NEW CHAPTER 19.06 ENTITLED "TRANSPORTATION IMPACT FEES" AS SET FORTH BELOW.

WHEREAS, a new Title 19 has been created in the Bellingham Municipal Code entitled "Impact Fees";

WHEREAS, the public and City of Bellingham benefit by having the Bellingham Municipal Code organized in the most easily accessed, intuitive format possible; and

WHEREAS, some minor changes to the Transportation Impact Fees structure are necessary for uniformity among the three types of impact fees imposed by the City of Bellingham.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BELLINGHAM DOES ORDAIN AS FOLLOWS:

Section 1. Chapter 13.60. Chapter 13.60 of the Bellingham Municipal Code is hereby repealed.

Section 2. Chapter 19.06. A new chapter 19.06 is hereby added to the Bellingham Municipal Code to read as follows:

TITLE 19 – IMPACT FEES

**Chapter 19.06
Transportation Impact Fees**

Sections:

- Section 19.06.010: Purpose
- Section 19.06.020: Definitions
- Section 19.06.030: Transportation Impact Fee
- Section 19.06.040: Transportation Impact Fee Rate Schedule and Zone
- Section 19.06.050: Appeals
- Section 19.06.060: TIF Accounts; Refunds

19.06.010 - Purpose

It is the purpose of this Transportation Impact Fee Ordinance to:

- A.** Ensure that adequate transportation facilities are available to serve new growth and development.

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- B. Promote orderly growth and development by establishing standards by which new developments pay a fair and proportionate share of the cost of transportation facilities necessary to serve new growth.
- C. Provide a means for financing growth-related transportation improvements which allows the imposition of fees levied through established consistent procedures and criteria.
- D. Maintain a minimum level of service E (LOS E) for the qualitative service level of transportation facilities of the City.

19.06.020 - Definitions

For the purposes of this chapter, the terms listed shall have the following meanings:

- A. **TIF** - Transportation Impact Fee.
- B. **PMPHV** - Afternoon Peak-Hour Vehicles.
- C. **TIFZONE** - Transportation Impact Fee Geographic Zone. The zones correspond to specific geographic areas of the City.
- D. **ITE TRIP GENERATION MANUAL** - Institute of Transportation Engineers Trip Generation Manual, 5th Edition.
- E. **TIM** - A land-use based transportation impact model known as TMODEL2.
- F. **Impact** - To add new vehicles to a transportation facility or reduce the physical capacity of a roadway or intersection.
- G. **Level of Service (LOS)** - The qualitative measure of traffic congestion referred to by a system of measurement ranging from A to F.
- H. **TCIP** - Transportation Capital Improvement Program; The Capital Facilities Element of the Comprehensive Plan.
- I. **Development** - Any construction, expansion or use of a building, or a structure. Any change in the use of a building or structure, or any changes in the use of land that creates additional demand and need for public transportation facilities.

19.06.030 - Transportation Impact Fee

- A. A Transportation Impact Fee (TIF) shall be levied upon each development that produces a PMPHV.

(1) The number of peak-hour traffic units generated by a development shall be calculated based upon the latest version of the ITE Trip Generation Manual.

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(2) The TIF shall be determined based upon the distribution of PMPHV generated by the development throughout the City TIM. The TIF will be calculated by the summation of the development's pro rata share of the impact on transportation improvement projects identified in the City's adopted TCIP. The pro rata share factor for computing the cost of the improvements shall be based upon the ratio of the development's PMPHV to the PMPHV of the transportation facility at LOS E.

B. Payment of the TIF shall be made prior to issuance of a building permit, or if no building permit is required, prior to approval by the City of the development.

C. Reductions in PM peak-hour traffic volume from a development as a result of traffic demand management practices, linked trips or other incentives to reduce PM peak-hour traffic loads will be considered; and if valid, reduce the TIF.

D. The TIF shall include a credit for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer, to facilities that are identified in the capital facilities plan and are required as a condition of the development.

E. Upon application by the owner, the City Council may exempt a low income housing development, as defined by the current City of Bellingham Consolidated Plan (or successor thereto), from all or part of the TIF upon such conditions as the City Council deems appropriate. The determination to grant or deny an exemption shall be in the sole discretion of the City Council after consideration of the public benefit of the development, the hardship to the development of the TIF, the impacts of the development, the availability of public funding to pay the development's TIF and other factors deemed relevant by the City Council. If an exemption is granted, the TIF attributable to the development shall be paid from public funds other than TIF accounts.

13.60.040 - Transportation Impact Fee Rate Schedule And Zone

A. The TIF rate schedule shall be as shown in Table 1. A revised schedule shall be adopted each year by the City Council subsequent to the adoption of the Six-Year Capital Improvement Program for arterial streets. The Public Works Department shall present projects for adoption each year along with the estimated project costs.

B. TIFs will be responsive to geographical locations of the City, cost of improvements included in the Six-Year Capital Improvement Program for arterial streets, and the type of development contemplated.

C. For purposes of this ordinance, the City is divided into transportation impact fees zones (TIFZONES) as set forth in Table 1. In each TIFZONE, a TIF rate is identified for one (1) PMPHV.

D. The TIF rate shall be determined by the computerized modeling system (TIM). A

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basic fee shall be established for one (1) PMPHV for each TIFZONE. The total TIF is determined using the ITE manual and the land-use designation of the development to determine the total number of PMPHVs generated by the development. The TIF shall be equivalent to the TIF rate multiplied by the number of PMPHVs.

E. TIF rates shall be calculated based upon the amount of public funds anticipated for system improvements in the TCIP and the actual amount of public funds expended over the previous 6 year period for improvements completed in the TCIP, to the extent that such improvements serve new growth and development.

13.60.050 - Appeals

A. Any person aggrieved by a determination of a TIF may appeal to the Public Works Director in writing describing the alleged defect of the TIF determination.

B. Appeals not satisfied by the Public Works Director shall be forwarded to the Bellingham Hearing Examiner for resolution.

C. The following determinations may be appealed pursuant to this section:

- (1) TIF rate.
- (2) Total number of PMPHV.
- (3) Interpretation of the ITE trip generation manual.
- (4) Reduction of the TIF rate.

D. Technical evidence shall be presented to the Public Works Department that clearly shows the basis and substantiation of the appeal upon submittal.

E. The Public Works Director and the Hearing Examiner shall have authority to affirm, modify or reverse the determination upon appeal. The TIF may be modified upon a finding that the original determination was erroneous or when, due to unique circumstances of the development, the TIF as determined by this ordinance imposes upon the development more than its fair pro rata share of the cost of facilities in the TCIP.

F. A TIF may be paid under protest in order to obtain a permit or approval.

13.60.060 - Tif Accounts; Refunds

A. All TIF receipts shall be retained in a separate interest bearing account of the Street Program. TIFs and interest thereon shall only be expended for the purpose for which the TIFs were imposed.

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B. TIFs shall be expended or encumbered within 6 years of receipt, unless the City Council, in writing, finds that there are extraordinary or compelling reasons for the TIFs to be held longer than 6 years.

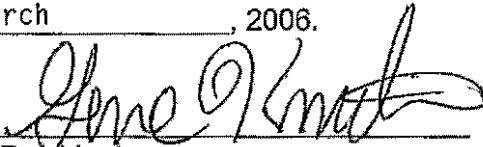
C. In the event a TIF is not expended or encumbered within 6 years of receipt, or such longer period of time as is established in this section, on public facilities intended to benefit the development for which the TIF was paid, the current owner of the property for which the TIF was paid may receive a refund of the unspent and unencumbered portion of the TIF, together with interest earned thereon. In order to receive a refund, the request must be submitted to the City in writing within one year of the expiration date. Notice of a potential refund is placed in the U.S. Mail, 1st Class, to the property owner as is then shown on the records of the Whatcom County Assessor. Any TIF not expended within the above-stated time limits for which no request for a refund is received, shall be held and expended on the indicated transportation facility.

D. A developer who has paid a TIF but does not proceed with a development, shall receive, upon request, a refund of the TIF, together with interest earned thereon, provided no impact has resulted from the development.

Section 3. Effective date


This ordinance shall be effective fifteen (15) days after passage and publication of the ordinance or a summary thereof.

PASSED by the Council this 6th day of March, 2006.

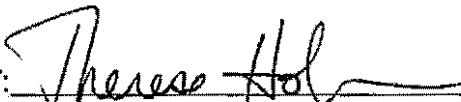


Council President

APPROVED by me this 10th day of March, 2006.




Mayor

ATTEST: 

Finance Director

APPROVED AS TO FORM:



Office of the City Attorney

Published: March 10, 2006

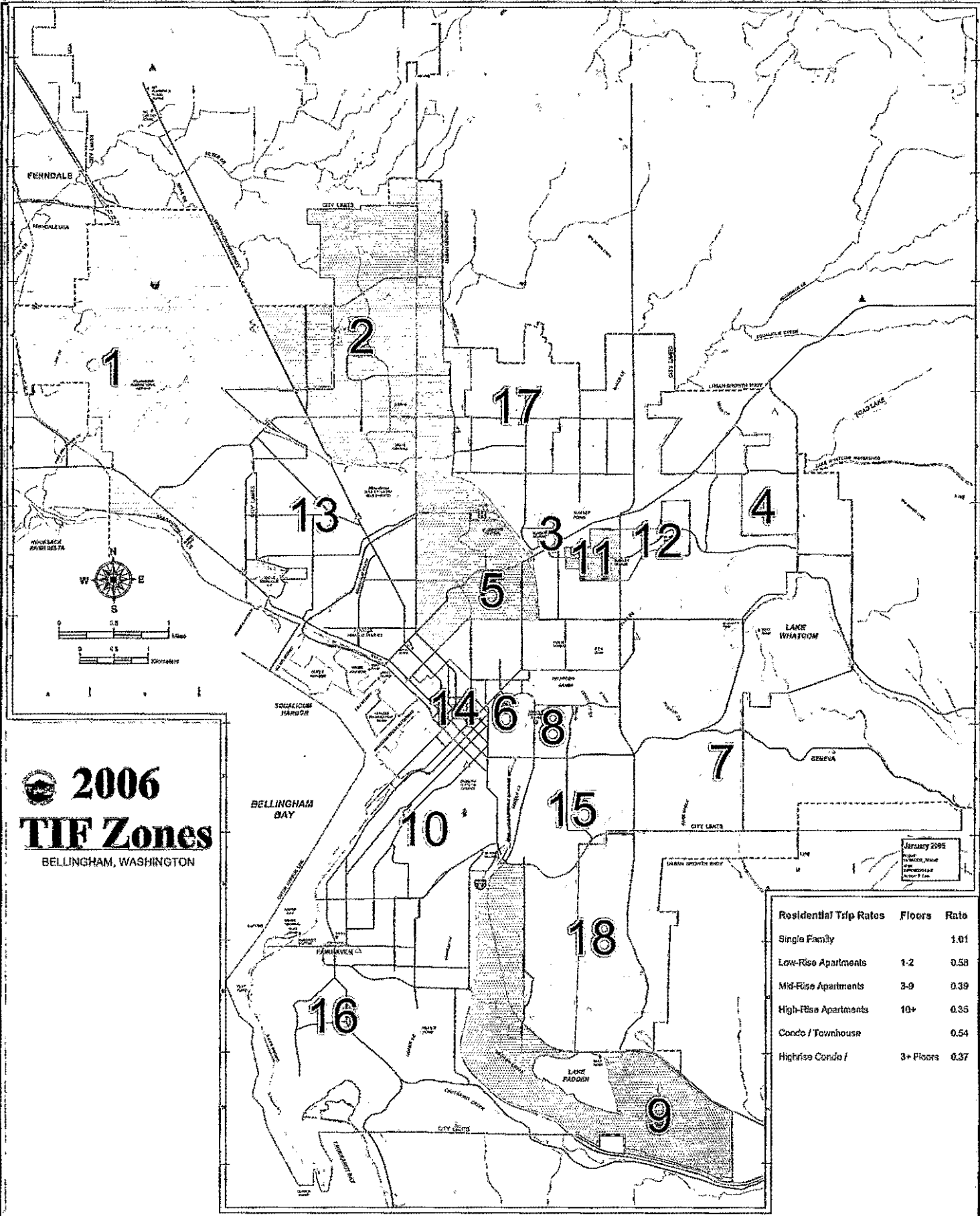
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TABLE 1

TIF RATES 2006

Zone No.	Residential	Retail	Non-Retail
	2006 (x 1.5)	2006 (x 1.5)	2006 (x 1.5)
Zone 1	149	263	251
Zone 2	330	337	439
Zone 3	672	870	753
Zone 4	839	645	805
Zone 5	181	377	435
Zone 6	170	341	389
Zone 7	837	769	838
Zone 8	333	372	411
Zone 9	183	184	325
Zone 10	199	718	639
Zone 11	0	634	722
Zone 12	1085	561	967
Zone 13	276	325	373
Zone 14	114	313	491
Zone 15	644	546	626
Zone 16	208	407	490
Zone 17	1163	1427	1159
Zone 18	4403	3832	3825

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2006 TIF Zones
 BELLINGHAM, WASHINGTON

January 2005
 PREPARED BY
 THE CITY OF BELLINGHAM
 PLANNING DEPARTMENT

Residential Trip Rates	Floors	Rate
Single Family		1.01
Low-Rise Apartments	1-2	0.58
Mid-Rise Apartments	3-9	0.39
High-Rise Apartments	10+	0.35
Condo / Townhouse		0.54
Highrise Condo /	3+ Floors	0.37

RESIDENTIAL
 RETAIL
 NON-RETAIL

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

SEE 2006 TIF RATE TABLE