CITY OF MONROE
ORDINANCE NO. 018/2015(SUB)

AN ORDINANCE OF THE CITY OF MONROE, WASHINGTON, AMENDING MONROE MUNICIPAL CODE CHAPTER 20.12, TRANSPORTATION IMPACT FEES; UPDATING AND REVISING THE CITY'S METHODOLOGY, RATE STRUCTURE AND SCHEDULE FOR IMPOSING TRANSPORTATION IMPACT FEES UPON CERTAIN DEVELOPMENT ACTIVITY; EFFECTING VARIOUS HOUSEKEEPING AMENDMENTS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Monroe (the "Council") finds that development activity in the City of Monroe will create additional demands upon and need for system improvements to public facilities; and

WHEREAS, the City of Monroe is authorized by Chapter 82.02 RCW to require new growth and development within the City to fund a proportionate share of new system improvements necessary to serve such new growth and development through the assessment of impact fees; and

WHEREAS, the City of Monroe is authorized by Chapter 82.02 RCW to impose impact fees for system improvement costs previously incurred by the City of Monroe to the extent that new growth and development will be served by the previously constructed system improvements; and

WHEREAS, the Council wishes to ensure that those system improvements necessary to support development and new growth shall be adequate to serve such growth at the time the development is available for occupancy and use, or shortly thereafter, without decreasing current service levels below the City's established minimum standards; and

WHEREAS, transportation impact fees are the form of impact fees available to local agencies to address transportation system improvements needed for new growth and development; and

WHEREAS, the City's Comprehensive Plan supports the use of transportation impact fees as a method of funding transportation system improvements in a manner that fairly distributes relevant costs and benefits.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MONROE DO ORDAIN AS FOLLOWS:

Section 1. Findings. The City Council hereby makes the following findings in support of the Transportation Impact Fee Program established by this ordinance:

A. The City Council has determined that the City of Monroe, like many communities in the Puget Sound Region, has significant transportation challenges. The Council is committed to fixing existing deficiencies and in ensuring that adequate transportation infrastructure will be available to meet the needs of new development. The Council is also committed to ensuring, to the extent permitted by law, that new growth pays for the transportation needs created by new growth rather than existing City residents. The Council views transportation impact fees as an effective tool in making new growth pay for its fair share of new transportation needs.

B. The City of Monroe retained the services of Studio Cascade to prepare the 2015 Monroe Comprehensive Plan. Fehr & Peers Transportation Consultants conducted the transportation studies and analysis necessary for the transportation element of the 2015 Monroe Comprehensive Plan. Fehr & Peers Transportation Consultants prepared a Transportation Impact Fee Rate Study Update, dated October 16, 2015. That study is incorporated into this ordinance by reference as if set forth in full and its findings and conclusions constitute the findings and conclusions of the City Council for purposes of this ordinance.

C. The updated Transportation Element of the Monroe Comprehensive Plan estimates that the cost of traffic improvements needed to meet the City's adopted level of service through 2035 is $35.5 million. A list of these improvements is located at Table 1 of the Transportation Impact Fee Rate Study Update. $35.5 million of this amount represents capacity costs attributable to new growth, of which $19.4 million is anticipated to be generated by growth within the City (as opposed to outside the City). There will be a total of 4,540 PM trip ends generated within the City responsible for $15.7 million of the $19.4 million cost, resulting in an average cost per trip of $3,449. The impact fees owed by new development will be the estimated PM trip ends generated by the development times the $3,449 average cost per trip, with modifications made for trip length as identified in the October 16, 2015 Rate Study Update.

Section 2. Amendment of MMC 20.12.030, Definitions. Subsection 20.12.030(A) of the Monroe Municipal Code is hereby amended as follows:

A. The following definitions shall apply for purposes of this chapter:

1. "Act" means the sections of the Washington State Growth Management Act codified at Chapters 36.70A and 82.02 RCW, as may be hereinafter amended.

2. Applicant" means a person or entity that has submitted a written application to the city for a building permit.

3. "Building permit" means the city's written authorization to commence development activity, as further defined by Chapter 18.02 MMC.

4. "City" means the city of Monroe, Washington.

5. "City engineer" means the Monroe city engineer or his/her designee. Any authority expressly or impliedly granted to the city engineer by this chapter shall supersede conflicting authority granted to the community development director in MMC 21.20.020.

6. **"Dwelling unit" means a single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.**[~~"MMC" MEANS THE MONROE MUNICIPAL CODE.~~]

7. "Development activity" means any construction or expansion of a building, structure or use, any change in use of a building or structure, or any change in the use of land, that generates at least one p.m. peak hour trip of additional demand on and/or need for transportation facilities.

8. "Impact fee" means a payment of money imposed by the city upon a building permit or other approval in order to fund system improvements needed to serve new growth and development, that is reasonably related to the new development that creates additional demand and need for transportation facilities, that is a proportionate share of the cost of the transportation facilities, and that is used for facilities that reasonably benefit the new development.

9. "Low-income housing" means a housing unit developed and maintained specifically for rental or ownership occupancy by households with incomes no greater than fifty percent of current median income as determined by reference to the most recently published income data for the Seattle-Bellevue PMSA published by the U.S. Department of Housing and Urban Development.

10. **"MMC" means the Monroe Municipal Code.**

11. "Owner" means the owner of record of real property; provided, that when real property is purchased under a real estate contract, the purchaser shall be considered the owner of the real property if the contract is recorded.

1**2**[~~1~~]. "Project improvements" means site improvements and facilities that are planned and designed to provide service for a particular development project, that are necessary for the use and convenience of the occupants or users of the project, and that are not system improvements. No improvement or facility included in the city's adopted capital facilities plan shall be considered a project improvement.

13[~~2~~]. "Proportionate share" means that portion of the cost of transportation facility improvements that is reasonably related to the service demands, impacts, and needs of new development.

14[~~3~~]. "Public facilities" means transportation facilities that are owned or operated by the city.

15[4]. "System improvements" means transportation facilities that are included in the city's capital facilities plan and that are designed to provide service to the community at large, in contrast to project improvements.

16[~~6~~]. "Transportation facilities" means public streets and roads, including all publicly owned streets, roads, alleys, and rights-of-way within the city, and all traffic control devices, curbs, gutters, sidewalks, facilities, and improvements directly associated therewith.

17[6]. **"Transportation Impact Fee Rate Study Update" means the study prepared by Fehr & Peers in October 2015.**[~~"VERY LOW-INCOME HOUSING" MEANS A HOUSEHOLD WITH AN INCOME OF FIFTY PERCENT OR LESS OF THE AREA MEDIAN INCOME FOR SNOHOMISH COUNTY AS PUBLISHED BY THE WASHINGTON STATE OFFICE OF FINANCIAL MANAGEMENT. IN THE EVENT THAT SUCH INCOME DETERMINATION IS NO LONGER PUBLISHED, THE CITY MAY USE SUCH OTHER REASONABLE METHODS OF DETERMINING AVERAGE MEDIAN INCOME AS IT MAY CHOOSE.~~]

Section 3. Amendment of MMC 20.12.050, Exemptions. Subsection 20.12.050(B)(4) of the Monroe Municipal Code is hereby amended to provide as follows.

4. Previous mitigation, where:

a. The development activity is exempt from the payment of an impact fee pursuant to RCW 82.02.100, due to mitigation of the same system improvement under the State Environmental Policy Act (SEPA).

[~~B. THE IMPACTS OF THE DEVELOPMENT ACTIVITY HAVE BEEN MITIGATED PURSUANT TO A CONDITION OF PLAT OR PRD APPROVAL TO PAY FEES, DEDICATE LAND OR CONSTRUCT OR IMPROVE SCHOOL FACILITIES, UNLESS THE CONDITION OF THE PLAT OR PRD APPROVAL PROVIDES OTHERWISE; PROVIDED, THAT THE CONDITION OF THE PLAT OR PRD APPROVAL PREDATES THE EFFECTIVE DATE OF FEE IMPOSITION AS PROVIDED HEREIN.~~

~~C. ANY DEVELOPMENT ACTIVITY FOR WHICH SCHOOL IMPACTS HAVE BEEN MITIGATED PURSUANT TO A VOLUNTARY AGREEMENT ENTERED INTO WITH THE AFFECTED SCHOOL DISTRICT AND THE CITY TO PAY FEES, DEDICATE LAND OR CONSTRUCT OR IMPROVE SCHOOL FACILITIES, UNLESS THE TERMS OF THE VOLUNTARY AGREEMENT~~

~~PROVIDE OTHERWISE; PROVIDED, THAT THE AGREEMENT PREDATES THE EFFECTIVE DATE OF FEE IMPOSITION AS PROVIDED HEREIN.]~~

The city engineer is authorized to determine the applicability of any exemption to a particular development activity. All such determinations by the city engineer shall be in writing and shall be subject to appeal pursuant to MMC 20.12.080.

Section 4. Amendment of MMC 20.12.090, Transportation impact fee fund – Expenditure and encumbrance. Subsection 20.12.090(B) of the Monroe Municipal Code is hereby amended to provide as follows.

B. Impact fees shall be expended or encumbered within [~~SIX~~]**ten** years of receipt, unless the city council identifies in written findings extraordinary and compelling reasons for the city to hold the fees beyond the [~~SIX~~]**ten**-year period. Under such circumstances, the city council shall establish the period of time within which the impact fees shall be expended or encumbered.

Section 5. Amendment of MMC 20.12.130, Calculation of Impact Fees. Section 20.12.130 of the Monroe Municipal Code is hereby amended to provide as follows.

20.12.130 Calculation of impact fees.

A. The transportation impact fee assessed against a development activity shall be based upon the calculation methodology set forth in [~~THIS SECTION~~]**the *Transportation Impact Fee Rate Study Update*, Fehr & Peers (October 2015). This study includes the list of eligible impact fee projects enumerated in the transportation element of the city's comprehensive plan, a calculation of the share of cost related to new growth and development, the determination of an impact fee rate, and the development of an impact fee schedule.**

[~~B. THE LIST OF PROJECTS ENUMERATED IN THE TRANSPORTATION ELEMENT OF THE CITY'S COMPREHENSIVE PLAN THAT CONSTITUTE SYSTEM IMPROVEMENTS SHALL BE ASSIGNED AN ESTIMATED COST.~~

~~C. THE PERCENTAGE OF SYSTEM IMPROVEMENTS COSTS THAT WILL BE FUNDED BY NEW GROWTH OR DEVELOPMENT THROUGH THE TRANSPORTATION IMPACT FEE PROGRAM IS HEREBY DESIGNATED AS FORTY PERCENT.~~

~~D. THE CURRENT ESTIMATED NUMBER OF P.M. PEAK HOUR TRIP ENDS PREDICTED TO BE GENERATED BY NEW GROWTH OR DEVELOPMENT WITHIN THE CITY BY 2025 IS HEREBY DESIGNATED AS SIX THOUSAND FOUR HUNDRED FIFTY-SIX.~~

~~E. THE IMPACT FEE RATE SHALL BE DETERMINED BY DIVIDING THE TOTAL COST OF THE PORTION OF THE SYSTEM IMPROVEMENTS ASSESSED TO NEW GROWTH OR DEVELOPMENT WITHIN THE CITY BY THE ESTIMATED P.M. PEAK~~

~~HOUR TRIP ENDS PREDICTED TO BE GENERATED BY NEW GROWTH OR DEVELOPMENT.~~]

[~~F~~]**B**. Each applicant for development shall pay its share [~~BASED ON THE IMPACT FEE SCHEDULE AS FORMULATED IN CHAPTER 4 OF THE TRANSPORTATION IMPACT FEE RATE STUDY.~~]**in accordance with the following:**

Land Use	**Unit of Measure**	**Impact fee Rate**
Single Family (1 or 2 dwelling units)	**Dwelling Unit**	**$3,449**
Multi Family (3 or more dwelling-units)	**Dwelling Unit**	**$1,966**
Senior Housing	**Dwelling Unit**	**$931**
Commercial Services	**SF GFA**	**$13.73**
School	**Student**	**$448**
Institutional	**SF GFA**	**$2.55**
Light Industry/Industrial Park	**SF GFA**	**$3.14**
Warehousing/Storage	**SF GFA**	**$1.55**
Restaurant	**SF GFA**	**$17.42**
General Retail	**SF GFA**	**$8.45**
Supermarket	**SF GFA**	**$20.93**
Administrative Office	**SF GFA**	**$5.14**
Medical Office/Dental Clinic	**SF GFA**	**$12.31**

Exception: Permitted accessory dwelling units (as defined in MMC Title 18) contained within the structure of the primary dwelling unit or detached from the primary dwelling unit shall be exempt from transportation impact fees.

[~~G THE AMOUNT OF IMPACT FEES IMPOSED PURSUANT TO THIS CHAPTER SHALL BE AS ESTABLISHED BY THE CITY COUNCIL BY PERIODIC RESOLUTION.~~]

[~~H~~]**C**. For uses that are not identified in the fees established by **Section B**[~~THE CITY COUNCIL BY PERIODIC RESOLUTION~~], the city engineer shall calculate the impact fee amount using the methodology employed in [~~CHAPTERS 4 AND 5 OF THE JULY 2007 MIRAI TRAFFIC~~]**the Transportation** Impact Fee Rate Study **Update**.

[~~I~~]**D**. For a change in use of an existing building or dwelling unit, including any alteration, expansion, replacement, or new accessory building, the impact fee shall be the applicable impact fee for the land use category of the new use, less the impact fee under the current rate schedule of the prior use. If no impact fee was required for the prior use, the impact fee for the new use shall be reduced by an amount equal to the current impact fee rate for the prior use. The "prior use" shall be construed as the last use of the property, excluding any intervening periods of vacancy except as further provided herein. Properties that have been vacant for five years or more shall be considered vacant for purposes of a change in use impact fee calculation if any improvements are made to the property that exceed fifty percent of the value of existing improvements.

[~~J~~]**E**. The city engineer may in his/her sole discretion adjust the standard impact fee at the time the fee is imposed in consideration of unusual circumstances, in specific cases, to ensure that impact fees are imposed fairly.

[~~K~~]**F**. Determinations made by the city engineer pursuant to this section may be appealed to the office of the hearing examiner as set forth in MMC 20.12.080.

[~~L~~]**G**. The transportation impact fees computed in this section will be adjusted annually in accordance with **a five-year rolling average of** the Washington State Department of Transportation Construction Cost Index ("CCI"), [~~WITH THE FIRST SUCH INCREASE TAKING EFFECT ON OR WITHIN TWO YEARS OF ADOPTION OF THE ORDINANCE CODIFIED IN THIS CHAPTER AND WITH SUBSEQUENT INCREASES TO COINCIDE~~]**coinciding** with the city's annual adoption of its six-year street plan.

[~~M~~]**H**. Pursuant to and consistent with the requirements of RCW 82.02.060, impact fee schedules have been adjusted for future taxes and other revenue sources to be paid by the new development which are earmarked or proratable to the same new public facilities which will serve the new development.

Section 6. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by State or federal law or regulation, such decision or pre-emption shall not affect the validity or enforceability of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 7. Effective Date. This ordinance shall be published in the official newspaper of the City and shall take effect and be in full force five (5) days after the date of publication.

PASSED by the City Council and APPROVED by the Mayor of the City of Monroe, at a regular meeting held this 1st day of December, 2015.

1st Reading:	November 24, 2015
2nd/Final Reading:	December 1, 2015
Published:	December 8, 2015
Effective:	December 13, 2015

CITY OF MONROE, WASHINGTON:

Geoffrey Thomas, Mayor

(SEAL)

ATTEST:

Elizabeth M. Smoot, MMC, City Clerk

APPROVED AS TO FORM:

J. Zachary Lell, City Attorney

Transportation Impact Fee Rate Study Update

Prepared for:
City of Monroe

October 16, 2015

SE13-0320

FEHR PEERS
Improving Communities Since 1985

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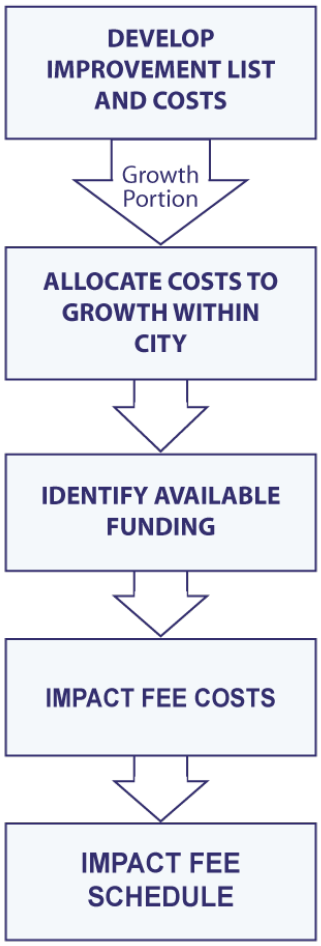
CHAPTER 1: INTRODUCTION

The City of Monroe developed its current transportation impact fee program in 2007, which is adopted by City Council in 2008. Over the past seven years, the City has used its transportation impact fee program to fund a variety of projects, including the roundabout at Chain Lake Road & Kelsey N Street, a signal at N Kelsey Street & Tjerne Place, and a signal on 179th Avenue & Main Street. In 2015, the City updated its Comprehensive Plan Transportation Element, which included a new 20 year project list.

To reflect the new Transportation Element project list, as well as updated assumptions around future growth, the City is updating its transportation impact fee program. This Transportation Impact Fee Rate Study documents the updated program, including the revised transportation impact fee rate schedule.

Figure 1 Steps to Develop a Traffic Impact Fee Program



IMPACT FEE STRUCTURE

The key steps involved in the impact fee process are shown in **Figure 1**. Steps include developing a list of roadway system 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.

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 reason 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, et al).

During the City's 2015 Transportation Element Update, the City identified projects needed by 2035 to meet the adopted Level of Service (LOS) standards. In addition, the city has recently completed projects that add capacity to the transportation system as part of the Transportation Improvement Program (TIP). These capital projects form the basis for the City's impact fee project list.

The resulting project list, shown in **Table 1**, includes 19 projects (12 projects in the current TIP and 7 previously completed projects) and $35.5 million total in costs. These projects are also shown in **Figure 2**. The GMA allows for Impact Fee Programs to include recently completed projects so long as they still provide capacity to accommodate future growth.

TABLE 1: LIST OF TRANSPORTATION CAPACITY PROJECTS

TIP#	Project	Description	Total Cost ($2015)
I1	US 2 / 179th Avenue SE intersection improvements	Add northbound right-turn pocket	$1,000,000
I2	S Lewis Street / Hill Street signalization	Install traffic signal	$500,000
I3	179th Avenue SE / 147th Street SE signalization	Install traffic signal	$387,000
I4	Main Street Gateway project	W Main Street / Madison Street / Fremont Street improvements	$1,000,000
I5	Fryelands Boulevard / Main Street roundabout	Install a roundabout or traffic signal. Cost for roundabout is provided.	$984,000
I6	Woods Creek Road / Tjerne Place Ext signalization	Install traffic signal	$387,000
I7	Old Owen Road/Oaks Street signalization	Install traffic signal	$387,000

TIP#	Project	Description	Total Cost ($2015)
R1	Oak Street widening and realignment	Realign Oak Street to meet Tjerne Place extension at Woods Creek Road. Widen Street between Woods Creek Road and Old Owen Road.	$1,215,000
R2	Tjerne Place extension	Extend Tjerne Place SE from Chain Lake Road to Woods Creek Road at Oaks Street	$4,091,000
R3	North Kelsey Area east/west connector	Construct new 2-lane collector between 191st Ave and Chain Lake Road w/ bike lanes, sidewalks, median within WSDOT ROW.	$5,032,000
R4	Woods Creek Road, Phase 1	Install pedestrian/bike trail with curb/gutter and drainage system on north/west side of Woods Creek Road from Oak Street to the existing trail entrance.	$2,130,000
R5	Chain Lake Road, Phase 2	Widen to 3-lane roadway section with curb, gutter, and sidewalk from Kelsey to Brown Road	$9,256,000
TIP 1	US2/ Kelsey	Construct a second eastbound left turn lane. (Completed)	$1,800,000
TIP 2	Kelsey/ Tjerne Place	Install traffic signal (Completed)	$600,000
TIP 3	US 2/ Chain Lake	Install 2nd SB lane from Tjerne Place to US 2 and right-turn only lanes on US 2 for both EB and WB traffic at Chain Lake Road (Completed)	$3,200,000
TIP 4	Chain Lake Rd/Kelsey Intersection	Construct a Roundabout (Completed)	$1,675,000
TIP 5	Kelsey/Main	Install traffic signal (Completed)	$700,000
TIP 6	179th/Main	Install traffic signal (Completed)	$530,000
TIP 9	US 2/ Main Street/ Old Owen	Add right turn lane from eastbound Main onto US 2 (Completed)	$600,000
		TOTAL:	$35,500,000

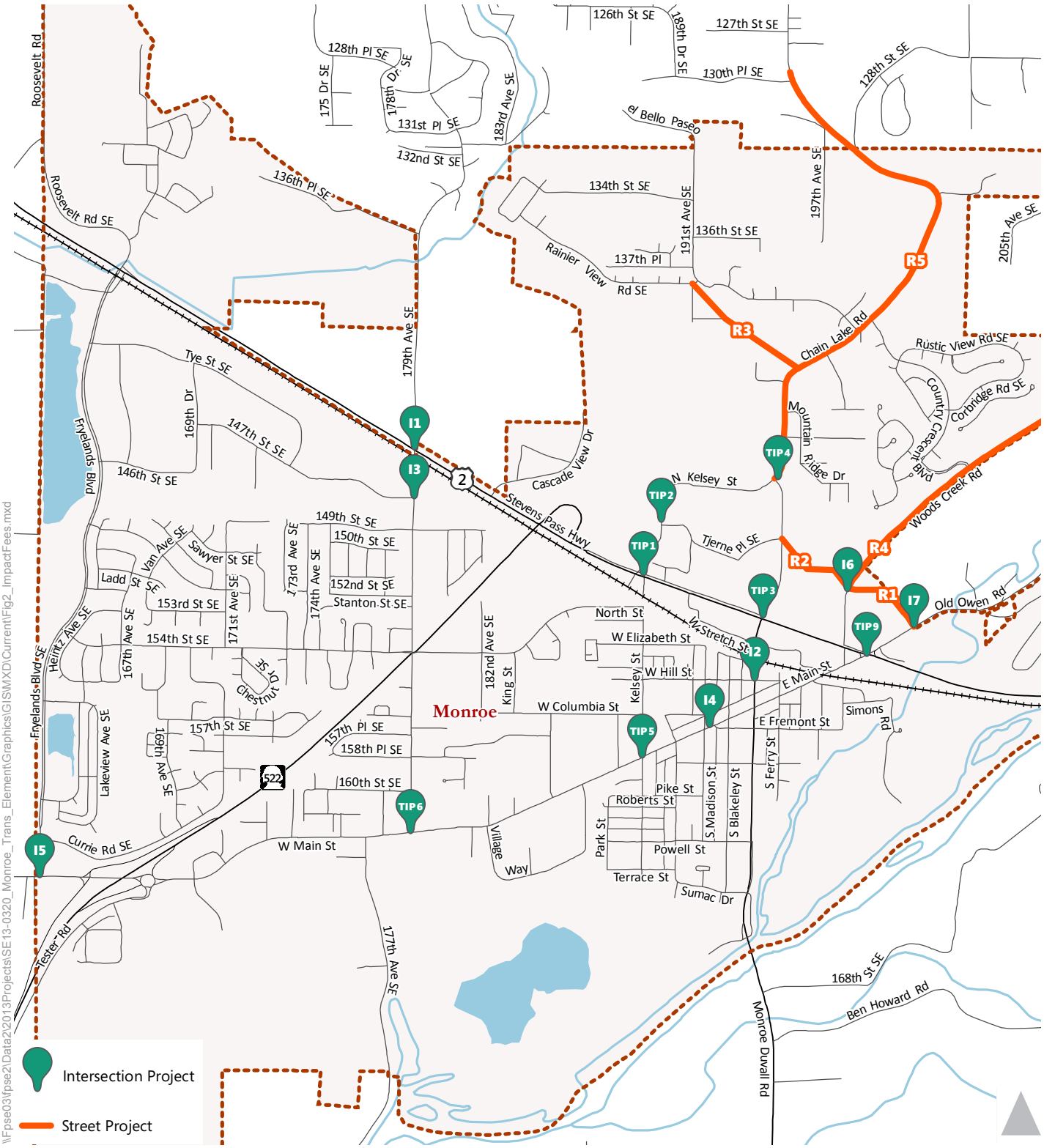


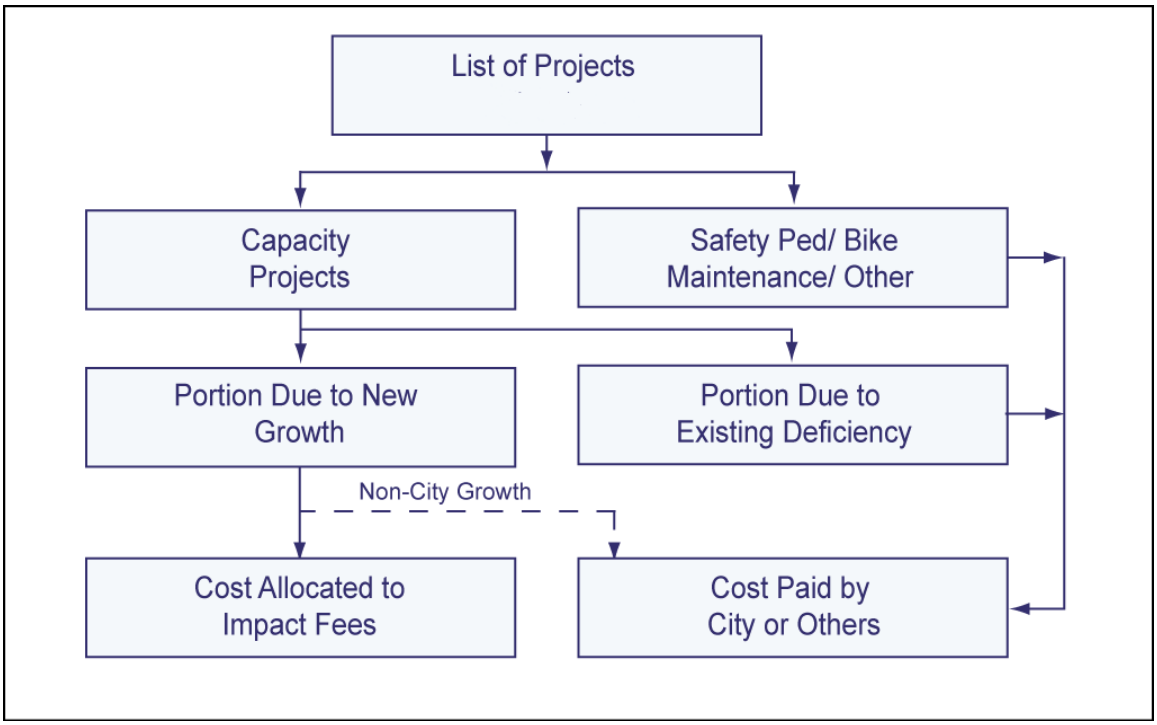
Figure 2

Transportation Impact Fee Projects

CHAPTER 3: COST ALLOCATION

The City used an impact fee methodology that distinguishes between facility improvements that address existing deficiencies and those needed to serve new growth. **Figure 3** diagrams the process.

Figure 3 Impact Fee Cost Allocation Concept



TRANSPORTATION DEFICIENCIES

RCW 82.02.050(4) (a) requires that the capital facilities element of a jurisdiction's comprehensive plan identify "deficiencies in public facilities serving existing development." Future development cannot be held responsible for the portion of added roadway capacity needed to serve existing development.

The City's 2015 Transportation Element established a LOS standard that is based on average vehicular delay experienced along a corridor. Corridors are considered deficient if average delay exceeds LOS C or D, depending on the corridor. As shown in **Appendix A**, none of the corridors currently exceed their standard, thus there are no existing deficiencies.

TRAVEL GROWTH

The City's travel demand model was used in this study to prepare traffic forecasts. The model generated "PM peak hour" vehicle trips based on housing and employment data. Then the model distributed the trips between different zones within the region. Finally, the model assigned the trips to the roadway network to predict traffic volumes.

A 20-year land use growth estimate was used in the forecasts. **Table 2** shows Monroe land uses in terms of housing units (single family and multi-family) and employment (retail, office, and industrial) for the years 2015 and 2035.

Using these land use forecasts, it is estimated that 4,540 new PM peak hour vehicle trip ends[i] would be generated within the City during the 20-year period. This growth in vehicle trip ends was used to calculate the impact fee rates.

TABLE 2: MONROE LAND USE GROWTH

	2015	2035	Volume Growth	% Growth
Households	5,501	7,191	1,690	31%
Employment	7,820	11,852	4,032	52%

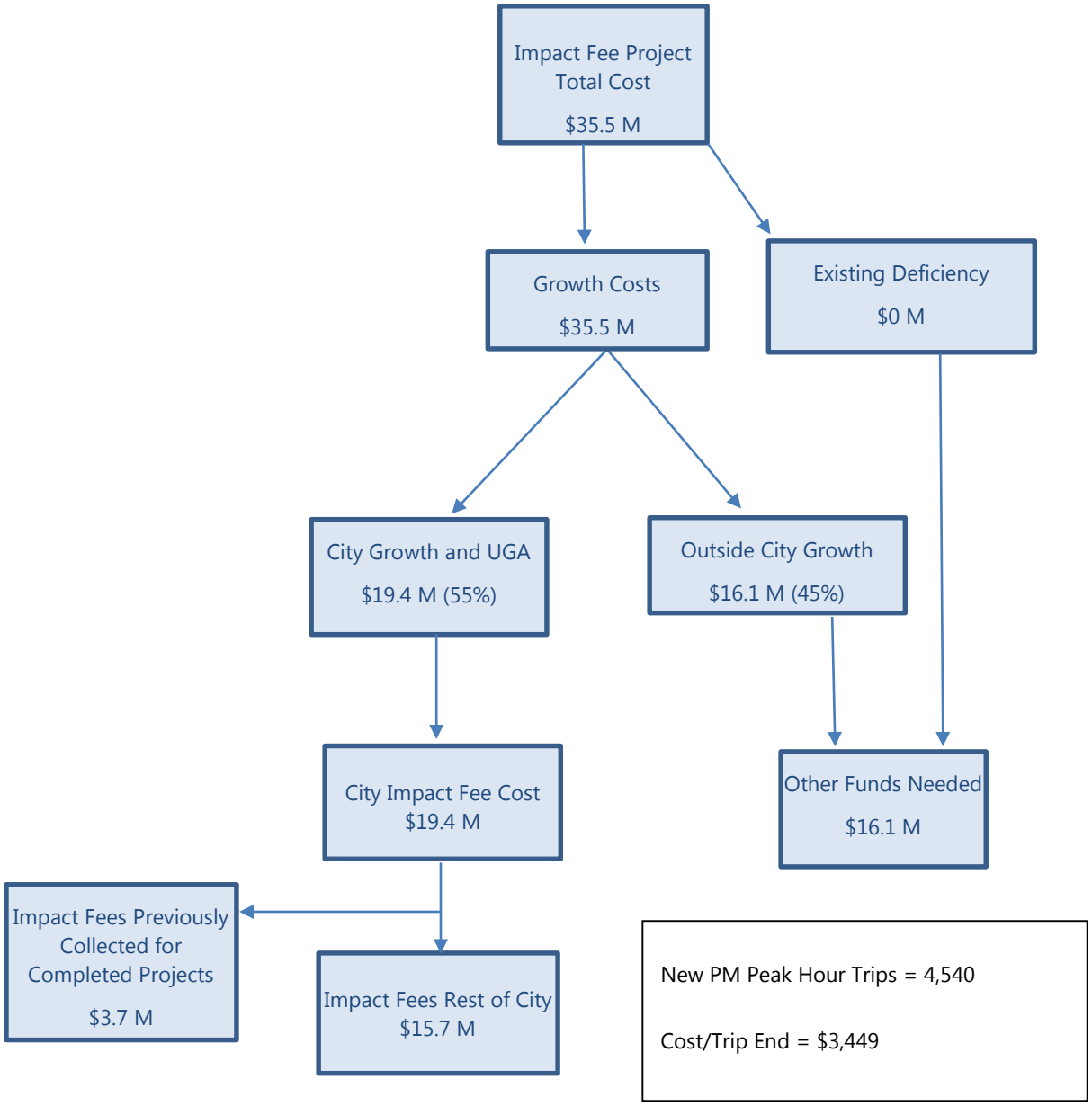
Includes land uses in the Urban Growth Area

COST ALLOCATION RESULTS

The cost allocation process distributed the growth costs for each project based upon the travel patterns between the different geographic areas within and outside the City limits. A "select link" assignment procedure provided the origin and destination information for each vehicle trip traveling through the intersection or route. Trips that pass through Monroe, but do not have any origins or destinations internal to Monroe, were not allocated to Monroe growth. That is, development in Monroe would not be charged for impacts by growth in trips passing "through" the City.

Figure 4 summarizes the cost allocation results. For discussion purposes, the dollar amounts shown in this figure and the following text descriptions are approximate values expressed in million dollars. The actual amounts used in the calculations are accurate to a single dollar.

Figure 4 Impact Fee Cost Allocation Results



The total cost of the capacity projects on the capacity project list is $35.5 million, as previously shown in Table 1. This was divided into growth costs and existing deficiencies; however, there are no deficiencies and that cost is $0. The growth costs were further divided into 'city growth' and 'outside city growth' components using the City's traffic model data. The details of this calculation are shown in **Appendix B**.

Using these data, the average percent of City growth responsibility equaled 55 percent. The City growth percentage, applied to the $35.5 million project list, yielded an amount equal to $19.4 million to be funded using impact fees and impact fee revenue previously collected for completed projects[1]. The remaining $16.1 million would be expected to be obtained from city funds, grants or reciprocal impact fees from Snohomish County.

Any fees collected from city developers to pay for reciprocal impacts to County roads would be assessed in addition to the proposed City Transportation Impact Fees[2].

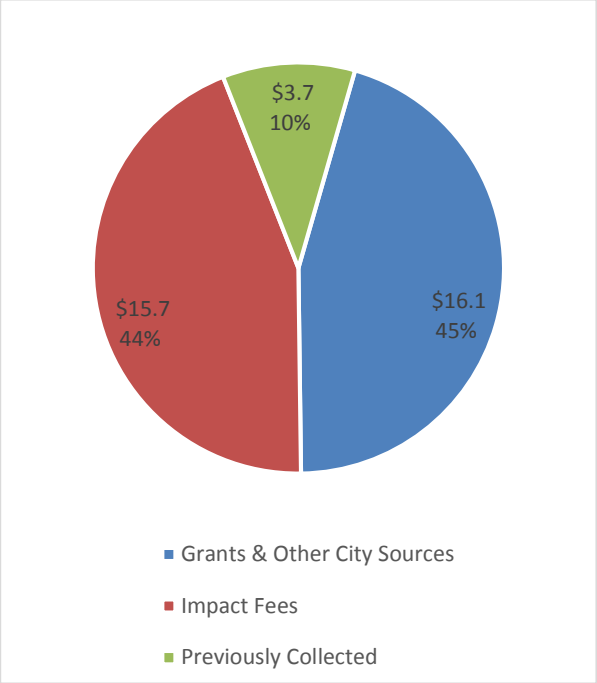
[1] The City has already received $3.7 million in impact fees for recently completed projects

[2] Any fees collected from city developers to pay for reciprocal impacts to County roads would be assessed in addition to the proposed City Transportation Impact Fees

As shown in **Figure 5,** the impact fees would constitute 44 percent of the total $35.5 million cost of the improvement projects. Previous funds collected would contribute 10 percent. City matching funds, new grants, and other sources would contribute the remaining 45 percent of the total project costs.

The final step in the cost allocation process dealt with calculating the "cost per new trip end" within Monroe, derived by dividing the total eligible project cost by the total number of new PM peak hour trip ends based in Monroe. A total of 4,540 new PM peak hour vehicle trip ends are estimated to occur within the City between 2015 and 2035.

Figure 5 Impact Fee Program Funding Sources



The analysis produced the following results.

Impact fee costs	$15,660,424
New PM peak hour trip ends	÷ 4,540
Cost per new trip end	= $3,449

CHAPTER 4 - IMPACT FEE SCHEDULE

The impact fee schedule was 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 fee schedule is a table where fees are represented as dollars per unit for each land use category. **Table 3** shows the various components of the fee schedule (trip generation rates and new trip percentages).

TRIP GENERATION COMPONENTS

Trip generation rates for each land use type are derived from the Institute of Transportation Engineers (ITE) *Trip Generation* (9th Edition). The rates are expressed as vehicle trips entering and leaving a property during the PM peak hour.

PASS-BY TRIP ADJUSTMENT

The trip generation rates represent total traffic entering and leaving a property at the driveway points. For certain land uses (e.g., general 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.[3]

SCHEDULE OF RATES

The impact fee schedule of rates is shown in **Table 3,** as well as the various components of the fee schedule. 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 use does not fit into one of the categories, an impact fee can be calculated based on the development's projected trip generation.

[3] Trip Generation Sources: ITE *Trip Generation* (9th Edition); ITE *Trip Generation Handbook: An ITE Proposed Recommended Practice,*(2014);

TABLE 3: IMPACT FEE SCHEDULE

Land Uses	Unit of Measure[1]	Basic Rate PM Peak Trips/Unit[2]	New Trips %[3]	New Trip Rate	Impact Fee Rate
Single Family (1 or 2 dwellings)	dwelling	1.00	100%	1.00	$3,449
Multi Family (3 or more dwellings)	dwelling	0.57	100%	0.57	$1,966
Senior Housing	dwelling	0.27	100%	0.27	$931
Commercial Services	SF GFA	3.98	100%	3.98	$13.73
School	student	0.13	100%	0.13	$448
Institutional	SF GFA	0.74	100%	0.74	$2.55
Light Industry/ Industrial Park	SF GFA	0.91	100%	0.91	$3.14
Warehousing/Storage	SF GFA	0.45	100%	0.45	$1.55
Restaurant	SF GFA	9.02	56%	5.05	$17.42
General Retail	SF GFA	3.71	66%	2.45	$8.45
Supermarket	SF GFA	9.48	64%	6.07	$20.93
Administrative Office	SF GFA	1.49	100%	1.49	$5.14
Medical Office/Dental Clinic	SF GFA	3.57	100%	3.57	$12.31

1: For uses with unit of measure in "SF GFA" the impact fee is dollars per square foot, and Trip rate is given as trips per 1000 sq ft

2: ITE Trip Generation (9th Edition): 4-6 PM Peak Hour Trip Ends

3: Excludes pass-by trips: see "Trip Generation Handbook: An ITE Proposed Recommended Practice" (2014)

SF= Square Foot GFA= Gross Floor Area

APPENDIX A: DEFECIENCY CALCULATION

EXHIBIT A: TRANSPORTATION DEFICIENCY CALCULATION

TIP#	Project	Existing LOS	LOS Standard	Existing Deficiency %
I1	US 2 / 179th Avenue SE intersection improvements	C[1]	D	0
I2	S Lewis Street / Hill Street signalization	C	D	0
I3	179th Avenue SE / 147th Street SE signalization	C	C	0
I4	Main Street Gateway project	C	D	0
I5	Fryelands Boulevard / Main Street roundabout	C[1]	D	0
I6	Woods Creek Road / Tjerne Place Ext signalization	B	D	0
I7	Old Owen Road/Oaks Street signalization[2]	C	D	0
R1	Oak Street widening and realignment	B	C	0
R2	Tjerne Place extension	C[2]	C	0
R3	North Kelsey Area east/west connector	Not Yet Built	D	-
R4	Woods Creek Road, Phase 1	B	D	0
R5	Chain Lake Road, Phase 2	B	D	0
TIP 1	US2/ Kelsey	C[1]	D	0
TIP 2	Kelsey/ Tjerne Place	B	D	0
TIP 3	US 2/ Chain Lake	D[1]	D	0
TIP 4	Chain Lake Rd/Kelsey Intersection	B[1]	D	0
TIP 5	Kelsey/Main	C	D	0
TIP 6	179th/Main	B[1]	D	0
TIP 9	US 2/ Main Street/ Old Owen	C	D	0

1: Used intersection LOS due to location being on 2 or more corridors

2: Used worst rated intersection on route

APPENDIX B: COST ALLOCATION RESULTS

The cost allocation results are summarized in this appendix. **Exhibit A** illustrates how the impact fee project costs (shown in Table 1) were divided into growth-related costs attributable to the City. 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. Each project used a specific select link. After the percentage of Monroe trips and external trips were calculated, the cost of each project was multiplied by the percent of new traffic due to growth within the City. This, as well as the sum of the results, can be seen in Exhibit A.

EXHIBIT B LIST OF TRANSPORTATION CAPACITY PROJECTS

TIP#	Project	Total Cost	Percent of New Project Traffic due to Growth within City	Project Costs Allowable for Impact Fees
I1	US 2 / 179th Avenue SE intersection improvements	$1,000,000	47%	$472,996
I2	S Lewis Street / Hill Street signalization	$500,000	63%	$315,302
I3	179th Avenue SE / 147th Street SE signalization	$387,000	71%	$275,370
I4	Main Street Gateway project	$1,000,000	67%	$666,175
I5	Fryelands Boulevard / Main Street roundabout	$984,000	43%	$424,054
I6	Woods Creek Road / Tjerne Place Ext signalization	$387,000	43%	$164,961
I7	Old Owen Road/Oaks Street signalization	$387,000	33%	$126,726
R1	Oak Street widening and realignment	$1,215,000	48%	$583,319
R2	Tjerne Place extension	$4,091,000	39%	$1,597,592

EXHIBIT B LIST OF TRANSPORTATION CAPACITY PROJECTS

TIP#	Project	Total Cost	Percent of New Project Traffic due to Growth within City	Project Costs Allowable for Impact Fees
R3	North Kelsey Area east/west connector	$5,032,000	85%	$4,301,275
R4	Woods Creek Road, Phase 1	$2,130,000	39%	$840,679
R5	Chain Lake Road, Phase 2	$9,256,000	60%	$5,578,880
TIP 1	US2/ Kelsey	$1,800,000	40%	$720,449
TIP 2	Kelsey/ Tjerne Place	$600,000	63%	$375,686
TIP 3	US 2/ Chain Lake	$3,200,000	31%	$985,605
TIP 4	Chain Lake Rd/Kelsey Intersection	$1,675,000	65%	$1,095,398
TIP 5	Kelsey/Main	$700,000	58%	$405,446
TIP 6	179th/Main	$530,000	56%	$295,159
TIP 9	US 2/ Main Street/ Old Owen	$600,000	23%	$135,355
	TOTAL	$35,474,000	55%	$19,360,424

APPENDIX C: LAND USE DEFINITIONS

The following land use definitions are derived from the ITE *Trip Generation* (9th Edition). They have been modified as appropriate for the City of Monroe.

RESIDENTIAL

Single Family: One or more detached housing units located on an individual lot. Also includes accessory dwelling units and duplexes. (ITE # 210)

Multi Family: A building or buildings designed to house three or more families living independently of each other. Includes apartments, condos and attached townhouses. (ITE # 220, 221, 230, 233)

Senior Housing: Residential units similar to apartments or condominiums restricted to senior citizens. (ITE # 251, 255)

COMMERCIAL-SERVICES

The following land use categories fall under the impact fee category "Commercial Services" The rate of 3.98 trips per ksf is based on the average of rates for Auto Care Center, Movie Theater, and Health Club GFA, which represent a broad variety of uses.

- Walk-in Bank (ITE # 911)
- Drive-in Bank (ITE # 912)
- Hair Salon (ITE # 918)
- Copy, Print and Express Ship Store (ITE # 920)
- Drinking Place (ITE # 925)
- Coffee/Donut Shop (ITE # 936, 937, 938)
- Bread/Donut/Bagel Shop (ITE # 939, 940)
- Automobile Care Center (ITE # 942)
- Automobile Parts and Service Center (ITE # 943)
- Automated Car Wash (ITE # 948)
- Health/Fitness Club (ITE # 492, 493)

COMMERCIAL-INSTITUTIONAL

School: The following land use categories fall under the impact fee category "school". The rate is based on the "High School" ITE trip generation, due it to being most like other types of schools in Monroe.

- Elementary School (ITE # 520)
- Middle School/Junior High School (ITE # 522)
- High School (ITE # 530)
- Private School (ITE # 534, 536)

Institutional: The following land use categories all fall under the impact fee category "Institutional". The rate of 0.74 trips per ksf is based on the average of rates for Church, and Hospital.

- Church (ITE # 560)
- Day Care Center (ITE # 565)
- Museum (ITE # 580)
- Library (ITE # 590)
- Hospital (ITE #610)
- Animal Hospital/Veterinary Clinic (ITE # 640)

INDUSTRIAL

Light Industrial/Industrial Park: Industrial parks are a mix of manufacturing, service, and warehouse facilities with a wide variation in the proportion of each type of use from one location to another. Industrial parks include research centers facilities or groups of facilities that are devoted nearly exclusively to research and development activities. Light industrial facilities include printing plants, material testing laboratories, bio-technology, medical instrumentation or supplies, communications and information technology, and computer hardware and software. (ITE #s 110, 130)

Warehousing/Storage: Facilities that are primarily devoted to the storage of materials, including vehicles. They may also include office and maintenance areas. (ITE # 150)

RESTAURANT

Restaurant: The following land use categories fall under the impact fee category "restaurant". The rate is based on the "Quality Restaurant" ITE trip generation, due it to being similar to other restaurants in terms of new trips, and most similar to the types of restaurants in Monroe.

- Quality Restaurant (ITE # 931)
- High-Turnover (Sit-Down) Restaurant (ITE # 932)
- Fast-Food Restaurant (ITE # 933, 934, 935)

COMMERCIAL-RETAIL

General Retail: The following land use categories fall under the impact fee category "General Retail". The rate is based on the "Shopping Center" ITE trip generation, due it to being most like other types of retail shops in the Monroe.

- Tractor Supply Store (ITE # 810)
- Construction Equipment Rental Store (ITE # 811)
- Building Materials and Lumber Store (ITE # 812)
- Free-Standing Discount Superstore (ITE # 813)
- Variety Store (ITE # 814)
- Free-Standing Discount Store (ITE # 820)
- Hardware/Paint Store (ITE # 816)
- Nursery (ITE # 817, 818)
- Shopping Center (ITE # 820)
- Factory Outlet Center (ITE # 823)
- Specialty Retail Center (ITE # 826)
- Automobile Sales (ITE # 841)
- Tire Store (ITE # 848, 849)
- Convenience Market (ITE # 851, 852)
- Discount Club (ITE # 857)
- Wholesale Market (ITE # 860)
- Sporting Goods Superstore (ITE # 861)
- Home Improvement Superstore (ITE # 862)
- Electronics Superstore (ITE # 863)
- Toy/Children's Superstore (ITE # 864)

- Baby Superstore (ITE # 865)
- Pet Supply Superstore (ITE # 866)
- Office Supply Superstore (ITE # 867)
- Book Store (ITE # 868)
- Discount Home Furnishing Store (ITE # 869)
- Bed and Linen Superstore (ITE # 872)
- Department Store (ITE # 875)
- Apparel Store (ITE # 876)
- Arts and Crafts Store (ITE # 879)
- Pharmacy/Drugstore (ITE # 880, 881)
- Furniture Store (ITE # 890)
- DVD/Video Rental Store (ITE # 896)
- Medical Equipment Store (ITE # 897)

Supermarket: Retail store which sells a complete assortment of food, food preparation and wrapping materials, and household cleaning and servicing items. (ITE # 850, 854)

COMMERCIAL-OFFICE

Administrative Office: An administrative office building houses 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. (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 either a single private physician/dentist or a group of doctors and/or dentist. (ITE # 720)