

CITY OF MONROE
ORDINANCE NO. 004/2025

AN ORDINANCE OF THE CITY OF MONROE, WASHINGTON, AMENDING CHAPTER 3.54 MMC TRANSPORTATION IMPACT FEES; UPDATING AND AMENDING THE CITY'S ADOPTED CALCULATION METHODOLOGY AND TRANSPORTATION IMPACT FEE SCHEDULE IN ORDER TO ACCURATELY REFLECT THE RECENT PERIODIC UPDATE OF THE MONROE COMPREHENSIVE PLAN AND THE CITY COUNCIL'S POLICY INTENT; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Monroe 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 to the extent that new growth and development will be served by the previously constructed system improvements; and

WHEREAS, pursuant to such authority, the City has adopted and implemented the Transportation Impact Fee program that is presently codified at Chapter 3.54 MMC; and

WHEREAS, the City 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; and

WHEREAS, the City Council desires to update and amend Chapter 3.54 MMC in order to ensure that the City's Transportation Impact Fee program accurately reflects the

City's recent periodic update of the Monroe Comprehensive Plan and is based upon the City's current calculation methodology;

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

Section 1. Findings. The City Council adopts the above recitals and the content of Agenda Bill 25-174 in support of the Transportation Impact Fee Program amendments established by this ordinance. The Council further enters the following additional findings:

- 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 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 MIG, Inc to lead a team of consultants and prepare the 2044 Comprehensive Plan. The Transpo Group conducted the transportation studies and analysis necessary for the transportation element of the 2044 Monroe Comprehensive Plan. The Transpo Group prepared a Transportation Impact Fee Update dated March 19, 2025. That study is incorporated into this ordinance by reference as if set forth in full and its findings and conclusions constitute additional 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 2044 is \$99.2 million. A list of these improvements is in Attachment A of the Monroe Transportation Impact Fee Update Methodology. \$99.2 million of this amount represents capacity costs attributable to new growth, of which \$46.87 million is anticipated to be generated by growth within the City (as opposed to outside the City) and therefore eligible for impact fee collection. There will be a total of 6,312 PM peak trip ends generated within the City responsible for the \$46.87 million proportional share, resulting in an average cost per trip of \$7,427. The impact fees owed by new development will be the estimated PM trip ends generated by the development times the \$7,427 average cost per trip.

Section 2. Amendment of MMC 3.54.030, Definitions. Subsection 3.54.030(A) of the Monroe Municipal Code is hereby amended to provide in its entirety as follows:

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

1. "Applicant" means a person or entity that has submitted a written application to the city for a building permit.
2. "Building permit" means the city's written authorization to commence development activity, as further defined by Chapter [22.12](#) MMC.
3. "City" means the city of Monroe, Washington.
4. "City engineer" means the Monroe city engineer or his/her designee.
5. " 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.
6. "Development activity" means any construction of a new building or structure or expansion of an existing building, structure, or use, or any substantial change in use of a building or structure, that generates at least one p.m. peak hour trip of additional demand on and/or need for transportation facilities.
7. "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.
8. "Low-income housing" means a housing unit developed and maintained specifically for rental or ownership occupancy by households with incomes no greater than sixty percent of current average 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.
9. "MMC" means the Monroe Municipal Code.
- 10. MMLOS means Multi-Modal Level of Service and represents a measurement of system performance based on different modes of travel, including vehicular, pedestrian, and bicycle mobility.**
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.
- 12. "Person-Trip" means movement of a human being from origin to destination, regardless of mode of travel by vehicle, bicycle, or by self.**

13. "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.

14. "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.

15. "Public facilities" means transportation facilities that are owned or operated by the city.

16. "Substantial change in use" means a change in the use of a building or structure necessitating or otherwise involving issuance of a building permit for improvements, the value of which exceeds fifty percent of the assessed value of the existing building or structure.

17. "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.

18. "Transportation facilities" means public streets and roads, including all publicly owned streets, roads, alleys, and rights-of-way within the city, **and bicycle and pedestrian facilities that were designed with multimodal commuting as an intended use**, and all traffic control devices, curbs, gutters, sidewalks, facilities, and improvements directly associated therewith.

19. "Transportation Impact Fee Rate Study Update **Methodology**" means the study prepared by **Transpo Group in March 2025** ~~Fehr & Peers in October 2015~~.

Section 3. Amendment of MMC 3.54.130 Calculation of Impact Fees. Section 3.54.130 of the Monroe Municipal Code is hereby amended to provide in its entirety as follows:

A. The transportation impact fee assessed against a development activity shall be based upon the calculation methodology set forth in the **Monroe** Transportation Impact Fee Rate Study Update **Methodology, Transpo Group (March 2025)** ~~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. Each applicant for development shall pay its share in accordance with the following:

Land Use	Unit of Measure	Impact Fee Rate
Single-Family (1 or 2 dwelling units)	Dwelling Unit	\$4,231 <u>\$7,426</u>
Multifamily (3 or more dwelling units)	Dwelling Unit	\$2,412 <u>\$4,233</u>
Senior Housing	Dwelling Unit	\$1,140 <u>\$2,001</u>
Commercial Services	SF GFA	\$16.83 <u>\$29.49</u>
School	Student	\$549.50 <u>\$964.41</u>
Institutional	SF GFA	\$3.13 <u>\$5.49</u>
Light Industry/Industrial Park	SF GFA	\$3.84 <u>\$6.74</u>
Warehousing/Storage	SF GFA	\$1.36 <u>\$2.39</u>
Restaurant	SF GFA	\$21.38 <u>\$37.52</u>
General Retail	SF GFA	\$10.36 <u>\$18.18</u>
Supermarket	SF GFA	\$25.70 <u>\$45.11</u>
Administrative Office	SF GFA	\$6.30 <u>\$11.06</u>
Medical Office/Dental Clinic	SF GFA	\$15.10 <u>\$26.50</u>

Exception: Permitted accessory dwelling units (as defined in Chapter [22.12](#) MMC, Definitions) contained within the structure of the primary dwelling unit or detached from the primary dwelling unit shall be exempt from transportation impact fees.

C. For uses that are not identified in the fees established by subsection [\(B\)](#) of this section, the city engineer shall calculate the impact fee amount using the methodology employed in the Transportation Impact Fee Update **Methodology**.

D. For a substantial change in use of an existing building or dwelling unit, 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.

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.

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 [3.54.080](#).

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”), coinciding with the city’s annual adoption of its six-year street plan.

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 4. Amendment of MMC 3.54.060. Subsection 3.54.060(I) of the Monroe Municipal Code is hereby amended to provide in its entirety as follows:

I. In the event that the city adopts impact fees that are less than the amount determined in the ~~rate study~~ **Transportation Impact Fee Update Methodology**, and provided that the amount of the reduction is achieved by a discount or similar policy determination to reduce the fee without revising the underlying studies, data, or assumptions, then credits shall be given only in an amount by which the value of the credit exceeds the value of the discount used to adopt the impact fees.

Section 5. Amendment of MMC 3.54.135. Subsection 3.54.135(B) of the Monroe Municipal Code is hereby amended to provide in its entirety as follows:

B. Applicant-Initiated Independent Fee Calculations. If an applicant believes that the trip impact fee amounts set forth in MMC 3.54.130 do not accurately or fairly describe or capture the impacts of a development activity upon the city’s transportation system, the applicant may prepare and submit to the city engineer an independent fee calculation for the development activity at issue. The independent fee calculation submitted shall demonstrate the basis upon which it is made; provided, independent fee calculations shall use the same methodology used to establish impact fees set forth in MMC 3.54.130, shall be limited to adjustments in trip generation rates and trip lengths used in the ~~rate study~~ **Transportation Impact Fee Update Methodology**, and shall not include travel demand forecasts, trip distribution, transportation service areas, costs of road projects, or cost allocation procedures.

1. The city engineer shall consider the independent fee calculation submitted by the applicant, but is not required to accept such documentation or analysis which the city engineer reasonably deems to be inaccurate or unreliable, and may, alternatively, require the applicant to submit additional or different documentation for consideration. The city engineer is authorized, but in no manner obligated, to adjust the impact fee on a case-by-case basis based upon an independent fee calculation, specific characteristics of the development, and/or the demonstrated impact of the development upon the city's transportation system. Any alternative fee calculation approved by the city engineer shall be set forth in writing and mailed to the applicant.

Section 6. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 7. Effective Date. This ordinance shall be in full force and effect five (5) days from and after its passage and approval and publication as required by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Monroe, at a regular meeting held this 22nd day of April, 2025.

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First Reading: 04/08/2025
Adoption: 04/22/2025
Published: 04/25/2025
Effective: 04/30/2025

CITY OF MONROE, WASHINGTON:


Geoffrey Thomas (Apr 23, 2025 17:30 PDT)

Geoffrey Thomas, Mayor

ATTEST:

APPROVED AS TO FORM:


Jodi Wycoff (Apr 24, 2025 09:10 PDT)

Jodi Wycoff, City Clerk


Zach Lell (Apr 23, 2025 08:29 PDT)

J. Zachary Lell, City Attorney

Ord 004 2025 - Amending Transportation Impact Fees

Final Audit Report

2025-04-24

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