

ORDINANCE NO. 1141

CITY OF LACEY

AN ORDINANCE OF THE CITY OF LACEY, WASHINGTON, CLARIFYING THE COMPUTATION OF NONRESIDENTIAL TRANSPORTATION MITIGATION FEES, AMENDING SECTION 14.21.040 OF THE LACEY MUNICIPAL CODE AND ADOPTING A SUMMARY FOR PUBLICATION.

WHEREAS, the Council adopted a Transportation Improvement Program pursuant to Chapter 39.92 of the Revised Code of Washington by the passage of Ordinance No. 1059, and

WHEREAS, pursuant to the requirements of RCW 39.92.030, the Council directed that in computing transportation mitigation fees the City take into account the increased tax revenues to be received from nonresidential developments to be located within the City, which revenues are in part used to provide for off-site transportation improvement costs, and

WHEREAS, the Council wishes to assure that its intent is carried forward by clarifying the terms of said Ordinance,

NOW, THEREFORE,

BE IT ORDAINED by the City Council of the City of Lacey, Washington as follows:

Section 1: Section 14.21.040 of the Lacey Municipal Code is hereby amended to read as follows:

**14.21.040. Methods of providing transportation improvements.**

A development proponent may be required to directly mitigate the transportation impacts of such proposed development or be required to pay transportation mitigation fees. Such mitigation methods shall be carried out as follows:

- A. Direct Mitigation. Construction of traffic improvements which are required of a proponent as direct mitigation under Section 14.10.030 must be completed by the time of completion of development or an assurance device to guarantee completion of such improvements must be deposited with the city. The assurance device shall be in an amount equal to one hundred fifty percent of the estimated improvement cost. Such assurance device shall be deposited with the city at the time of building permit issuance, final plat approval or other approval to proceed. The direct payment of a lump sum for signal timing shall be considered a direct mitigation under this subsection.
- B. The transportation impacts from each development within the plan area except those impacts directly mitigated as provided in subsection A of this section shall be mitigated by the payment of a transportation mitigation fee. Such fee shall be determined, paid and expended as follows:
1. The city shall determine, the number of PM Peak Hour Trips generated from or to such development which impact each transportation improvement project listed in the transportation improvement program. In making such determination, the city shall consider all relevant factors, including the developer's participation in public transportation, ride sharing and other transportation demand management programs and services. Further, in order to recognize the increased tax revenue to be received by the city to offset transportation improvement project costs from nonresidential developments to be located within the City and the jobs created by such developments the city shall divide the number of PM Peak Hour Trips generated from or to such nonresidential development which impact each transportation improvement project by a factor of two. Provided, however, that

such division shall not be made of those PM Peak Hour Trips generated which impact that transportation improvement project designated as Marvin and I-5 interchange improvements.

2. The number of PM Peak Hour Trips determined in subsection B.1. for each transportation improvement project shall be multiplied by the cost per trip as set forth on **Table 14T-15** as the same may annually be hereafter modified for each transportation improvement project included within the program. Such cost per trip is determined by dividing the total estimated or actual cost of the transportation improvement project by the consistent denominator of traffic volume set forth for each such project. The cost per trip is determined by such calculation in order to provide a reasonable portion of the funding of such projects to solve the cumulative impacts of planned growth and development within the plan area. A cost per trip which is less than the cost determined by such calculation may be approved by the city council as part of its periodic review of the transportation improvement program in order to assure that such transportation mitigation fees do not exceed those fees reasonably necessary as a direct result of a proposed development. If the cost per trip as set forth changes between the date of development approval and the date of mitigation fee payment or first payment pursuant to the installment method due to projected construction cost increases or decreases, the fee due shall be in accordance with the cost per trip in effect at the date of such payment or first installment. Provided, however, that the average cost per trip for a residential development not generating trips to or from that transportation improvement project designated as Marvin and I-5 interchange improvements shall not exceed the sum of \$1,040.00. The average cost per trip for those residential developments generating trips which impact the transportation improvement project designated as Marvin and I-5 interchange improvements shall not

exceed the sum of \$1,040.00 plus a sum equal to the per trip cost exceeding \$1,040.00 for those trips generated by the development and impacting the Marvin and I-5 interchange improvements project. The \$1,040.00 limitation set forth herein shall be increased on July 1 of 1998 and July 1 or each year thereafter in an amount equal to the increase in the Engineering News Record Construction Cost Index over a date one year earlier.

3. The transportation mitigation fee determined shall be payable for those designated transportation improvement projects constructed or to be constructed after the passage of this ordinance. The requirement to pay such fees shall apply even though the transportation project has been completed prior to development application or the due date of mitigation fee payments. Such requirement shall continue until the trips generated for a particular transportation improvement project from developments which have paid mitigation fees for that project equal the number of trips shown as mitigated volume on the transportation improvement mitigation list.
4. The city shall maintain accurate accounting records showing the amount of mitigation fees paid for each transportation improvement project, the source of the funds, the date the funds were contributed and the date, amount and purpose of all expenditures of such fees. The accounting records shall be public records and open to inspection.
5. Transportation mitigation fees collected as a result of a particular new development shall be used to pay for transportation improvements mitigating the impacts of such development within six years after actual receipt of such funds. Mitigation fees paid towards more than one transportation improvement may be pooled and expended on any one of the improvements impacted by the development. Application of fees received to reimburse the public or other developers for designated transportation improvement projects

previously completed shall be deemed to be an expenditure of such fees for purposes of this subsection. Any funds not expended in the manner set forth in this subsection within six years of collection of such funds shall be refunded in full to the property owner of record at the time of the refund.

6. The transportation mitigation fee as so determined, shall be due and payable at the time of issuance of a building permit. In all cases except residential subdivisions, the property owner may pay the transportation mitigation fee in a lump sum upon building permit issuance or, at the owners option, by annual installments, with interest, over a period of five years. In the case of residential subdivisions or short subdivisions, if the developer chooses to pay the transportation mitigation fee at the time of final plat approval, such developer shall have the same installment option as set forth for non residential developments. If the option to pay by installment is chosen, the property owner or developer shall be required to pay twenty percent of the total fee at the time the building permit is issued or in the case of residential subdivisions, at the time the final plat is approved and the remaining balance in equal installments over a period of five years with interest at the rate set by the State Treasurer and published in the Washington State Register pursuant to RCW 19.52.025 for the month December of the year immediately preceding the calendar year in which the promissory note is provided to the city. The developer or property owner may pay the outstanding balance with accumulated interest at any time without penalty. If any installment is not paid within ten days of the date it is due, the total outstanding balance shall immediately be due and payable. The installment method of payment may only be used if additional security, satisfactory to the city is provided to guarantee such payment. For those developments not requiring a building permit, the initial development or construction permit issued shall be treated as a building permit for

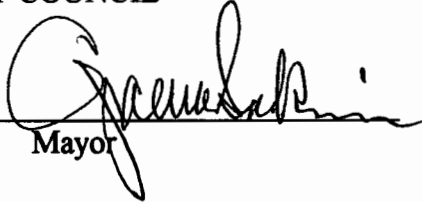
purposes of determining the due date and manner of payment of the transportation mitigation fee. Payment of a mitigation fee is intended to mitigate the transportation impacts for a particular location. Therefore, mitigation fee credit cannot be transferred to any other location.

7. Nothing herein shall prevent the city from approving local improvement districts, proposed transportation latecomer agreements or other means of financing transportation improvements. Provided, however, that the developer or owner of properties shall be given credit against such other means of financing for mitigation fees paid under this chapter for the specific transportation improvement project to be financed. .

Section 2. The Summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, this 12 day of October, 2000.


CITY COUNCIL

BY:   
Mayor

Attest:

*Deputy*  
Carol Litten  
City Clerk

Approved as to form:

  
City Attorney

Published: 10-16-00

SUMMARY FOR PUBLICATION

ORDINANCE 1141

CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on October 12, 2000, Ordinance No. 1141 entitled "AN ORDINANCE OF THE CITY OF LACEY, WASHINGTON, CLARIFYING THE COMPUTATION OF NONRESIDENTIAL TRANSPORTATION MITIGATION FEES, AMENDING SECTION 14.21.040 OF THE LACEY MUNICIPAL CODE AND ADOPTING A SUMMARY FOR PUBLICATION."

The main points of the ordinance are described as follows:

1. That portion of the City's Transportation Improvement Program which sets the transportation mitigation fee for nonresidential developments mandates that future tax revenues to be received by the City to offset transportation improvement project costs are to be taken into account in determining the appropriate mitigation fee. However, although the intent of the ordinance to limit such consideration to nonresidential developments within the City was clear, the specific wording is clarified by adoption of this Ordinance amending the language of Section 14.21.040(B)(1) of the Lacey Municipal Code.

A copy of the full text of this Ordinance will be mailed without charge to any person requesting the same for the City of Lacey.

Published: October 16, 2000