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Spokane traffic-impact fee could be enacted this year Mayor-appointed groups studying way to generate more money for streets

By <u>Rocky Wilson</u>

Developers of projects within the city of Spokane could begin facing new traffic-impact fees as early as this summer.

Spokane Mayor Dennis Hession has appointed a 12-member citizen committee and a six-member internal committee to help draft an ordinance and fee schedule for the proposed impact fees, and those committees are expected to make a joint recommendation to the City Council in July.

Traffic-impact fees, as authorized by Washington law, can be used to help finance street improvements to handle increased traffic generated by new developments. The Legislature also has authorized the use of impact fees to cover the cost of needed new parks and schools and enhanced fire protection, but the city of Spokane is looking only at traffic-related impact fees for now.

Tom Arnold, Spokane's director of engineering services, says the proposed ordinance could be enacted by mid to late summer.

If the city enacts such a fee, its program would be the first in Spokane County, although the cities of Post Falls and Coeur d'Alene both already have such programs "to equitably generate funds to start tackling transportation-growth needs," says Arnold.

He claims traffic-impact fees, which are set fees based on the type and location of a development, would let developers know in advance what their traffic-related costs from the city would be for a project and would help the city distribute those costs evenly if more than one developer had projects in an area.

Unlike with the proposed set fees, the city currently charges developers for traffic improvements only when they are deemed necessary, such as when a project would create traffic counts that would exceed city standards for one or more nearby streets, Arnold says. He says the developer whose project would cause traffic to crest the standards would have to pay the brunt of the traffic-improvement costs, while developers who built in the area earlier, even if their projects were bigger and put more stress on the streets, assumed none of those expenses because the counts hadn't yet hit the standard.

Arnold says he knows of developers who purposefully have designed the size of their developments to come in just under a traffic-count threshold, thus avoiding the expense of paying for street improvements. He says traffic-impact fees would help address that problem.

Hession appointed the 12-member citizen committee in December. It includes a cross section of developers,

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business representatives, traffic specialists, neighborhood leaders, and others. Their mission was to work with the six-member committee of city specialists to produce recommendations for implementation of a traffic-impact fee plan as quickly as possible, hopefully by June, Arnold says.

The citizen committee is behind schedule to reach that projected June deadline, but hopes to complete its studies soon, he says. It would then hold an open house for the public and conduct a workshop for the city's planning commission, says Arnold. He says the planning commission likely would schedule a public hearing and, barring unforeseen obstacles, bring the proposed ordinance and fee schedule before the City Council in July.

"The ordinance would become effective 30 days after it's passed by the City Council," says Arnold.

The recommendations made by the two committees would include a prioritized list of street projects for which the money could be spent, he says.

Mary Ann Ulik, operations director of the Downtown Spokane Partnership and a member of the citizen committee, says it's too early in the process to estimate how much money could be generated from traffic-impact fees here.

She says the committees currently are leaning toward creating five transportation zones in Spokane downtown, northeast, northwest, southeast, and southwest. Traffic-impact fees collected in each zone only could be used to address growth-related street issues within that respective zone.

Arnold says one goal is to create a simplified fee structure, although each zone would have its own fees. Those fees would be based on expected growth needs in each zone, and the goal is to have fees set for each condominium unit, apartment unit, single-family home, or other form of development to be built there.

He says the committees also are working to establish a credit system through which developers who pay for needed street upgrades to support their projects would be given credits if, for instance, they also built other projects within the same zone. Such credits would keep developers from having to pay for a street upgrade more than once.

The committees haven't decided on a recommendation for a fee schedule yet, says Arnold. He says factors that will determine the amount of those fees will include the city's list of projects in its six-year street plan and predicted traffic counts in the five transportation zones. The committees also will research how much state and federal money the city normally gets to help fund such projects.

"Asking for state and federal funding for these projects puts us in a competitive arena, and traffic-impact fee money will help supply local match money," he says.

Under state law, local governments that collect traffic-impact fees must provide some of their own money for street improvements on which impact fees are to be spent. What the city of Spokane's contribution to support such projects would be is still under discussion, he says.

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