Transportation Impact Fee Advisory Committee

July 26, 2017
Meeting Minutes

Meeting called to order at 9:00 AM

Attendance

- Committee Members Present: Bill White, Craig Soehren, Andrew Rolwes, Arthur Whitten, John Dietzman, Kerry Brooks, Jim Bakke, Amber Waldref, Sabrina Minshall
- Committee Members Not Present: E.J. Iannelli, Alan Springer, John Fisher, Ben Stuckart
- Staff Present: Inga Note, Eldon Brown, Patty Kells, James Richman, Katherine Miller, Louis Meuler

Discussion Items:

1. **Scope of the committee and schedule**
   Staff report: Inga Note

2. **Transportation Impact Fee Overview**
   Staff report: Inga Note

3. **West Plains District**
   Staff report: Inga Note
   - There was a general consensus that Airway Heights and WSDOT staff should be informed and kept up-to-date on the impact fee effort.
   - It would be good to have a mutual agreement with Airway Heights to honor each other's transportation impact fees. Is SEPA enough to do this?

4. **Code Incentives**
   Staff report: Inga Note
   This was a group discussion using the draft of the incentive code prepared by the PCTS.
   - Sabrina Minshall suggested looking at a connectivity index methodology in place of the complete street language. She later forwarded some examples to city staff.
   - Staff to look at adding language like "expands connectivity of trail network" to the connectivity section to address minor trails like the 44th Avenue pathway.
   - There were several questions on the bicycle parking incentive. What defines a "space"? Need to clarify what the "limit" is. Need to clarify that the lockable bicycle storage is dedicated to that use only, and not just a general storage area.
   - There was a long discussion on the incentive for development in low-income areas.
     - There is documentation that low-income areas generate fewer trips.
     - This is a proposal to add the credit to the code, it does not currently exist. It was discussed as an option in prior versions of the impact fee code.
     - Should it apply to any development in a low-income area or to housing only?
     - If the credit is applied to low-income housing there is no guarantee that it will remain low-income housing in the long term.
     - The credit would mostly apply to the downtown area. Does that meet the goal of the incentive? Downtown already benefits from the transit and mixed use credit. What about other parts of town?
     - One option that received general consensus was to eliminate the credit but instead built a different rate into the table for low-income housing rather than using the standard single family or multi-family rates. Staff would need to develop this rate.

Note: Minutes summarized by staff.

- John Dietzman (7/31/17 email) - I don't agree with the proposed 20% credit for "development" in low-income areas as stated. The rational is that low income people generate fewer trips, but it seems to me that unless we tighten up the definition of "development" to mean "development of low income housing" for low income people that it is not likely to meet the objective of lower trip generation. Without that constraint, there is no guarantee that additional low income people will be added to the area of the development.
  However, even if we amended the credit to be for "development of low income housing", there would be no guarantee that it would remain low income long term after it was built unless we set up a reporting and monitoring system like the 12 year MFTE. This of course would be costly for the developer and the City.
  The idea of giving a lower trip generation factor to housing in low income areas has the same flaws. HUD financing and Historical Preservation tax exemption appear to be the biggest drivers for incentivizing low income housing, and there is indication that Downtown already has adequate numbers of low income housing. I don't believe there is justification for setting up a third incentive from a credit or a lower trip generation factor that in order to be effective would require a costly monitoring system.
  Therefore, I recommend that we eliminate from the proposal the low income area credit entirely and not adopt a special trip generation factor for low income housing.
  If we just want to use an impact fee credit to incentivize housing development in certain areas, I suggest we consider utilization of the same requirements, definitions, monitor system, and selected target areas that are already in place for the MFTE. This credit would be for a development that had 20% "Affordable Housing" units with renters limited to 115% AMI and maximum rents limited to the related Federal guidelines. The impact fee would not reflect this credit, but an "impact fee refund" would be issued annually from the Impact Fee Fund. This refund would amount to 1/12th of the credit and would run for 12 years or until the developer was unable to comply with the income and rent limitations.
  A developer would be able to get both an MFTE exemption and an Impact Fee credit with no additional income/rent limitations and monitoring requirements and the City would have little additional administrative cost. This would be good for stimulating housing development in our target areas.
  BUT, would it have sufficient justification from the aspect of reducing the need for capacity improvement to our arterials? Is there any justification to say that the actual trip generation for housing or "affordable housing" **in our target areas** would be less than that **calculated by our current factors?** Is this difference enough to justify a credit?
- The group needs to have further discussion on whether to change the 20% cap on impact fee incentives.

5. **Next Meeting**
   Topics for the next meeting will include:
   - Further discussion on the incentives code
   - Review of additions and deletions to the land use tables
   - Initial look at capacity improvement projects

Meeting Adjourned at 10:55 AM

Next Transportation Advisory Committee Meeting is scheduled for **TBD**

Note: Minutes summarized by staff.