



Shelton City Council
Study Session Agenda
November 14, 2023 – 6:00 p.m.
Civic Center & Virtual Platform

A. Call to Order

B. Roll Call

C. Study Agenda

1. Transportation Impact Fee Program Elements– Presented by Public Works Director Jay Harris

D. New Items for Discussion

E. Adjourn

The City of Shelton is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Council meeting, please call (360) 432-5103 at least 48 hours in advance of the meeting.



2023/24 Looking Ahead

(Items and dates are subject to change)

<p>Tues. 11/21 5:45 p.m.</p>	<p>Special SMPD Meeting</p>	<p>Consent Agenda</p> <ul style="list-style-type: none"> • Vouchers/Meeting Minutes <p>Business Agenda</p> <ul style="list-style-type: none"> • <p>Action Agenda</p> <ul style="list-style-type: none"> • Public Hearing Resolution No. SMPD 38-0923 2024 Budget • Public Hearing Resolution No. SMPD 39-0923 Ad Valorem Taxes <p>Administration Report</p> <ul style="list-style-type: none"> • 	<p>Packet Items Due: 11/9 @ 5:00 p.m.</p>
<p>Tues. 11/21 6:00 p.m.</p>	<p>Regular Meeting</p>	<p>Consent Agenda</p> <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes <p>Presentations</p> <ul style="list-style-type: none"> • Swearing-in of Police Chief & Captain • September Financial Status Report • Christmastown Marketing & Events LTAC Report • Overlook Park Mural Installation LTAC Report • School House Rocks LTAC Report <p>Business Agenda</p> <ul style="list-style-type: none"> • Public Defense Contract • Resolution No. 1300-1123 2024 Legislative Agenda <p>Action Agenda</p> <ul style="list-style-type: none"> • Resolution No. 1294-0923 Master Fee Schedule Update • Public Hearing Ordinance No. 2013-0923 2024 Budget • Public Hearing Ordinance No. 2014-0923 2024 Ad Valorem Taxes • Ordinance No. 2016-1023 Amending SMC Related to B & O Taxes • Resolution No. 1295-1023 Well #1 Pipeline Pressurization Contract Award • Resolution No 1298-1023 SCADA Services Contract Amendment • Resolution No. 1299-1023 2023 Mason Co. Multi-Jurisdictional Multi-Hazard Mitigation Plan 	<p>Packet Items Due: 11/9 @ 5:00 p.m.</p>

		Administration Report •	
Tues. 11/28 6:00 p.m.	Study Session	Study Agenda •	Packet Items Due: 11/22 @ noon
Tues. 12/5 6:00 p.m.	Regular Meeting	Consent Agenda • Vouchers/Payroll Warrants/Meeting Minutes Presentation • Business Agenda • Ordinance No. 2015-1023 2023 Budget Supplemental • Stormwater Capacity Grant Acceptance • Public Hearing Ordinance No. xxxx-xxxx Amending SMC related to Stormwater Utility • City Prosecutor Contract Action Agenda • Public Defense Contract • Resolution No. 1300-1123 2024 Legislative Agenda Administration Report •	Packet Items Due: 11/22 @ 5:00 p.m.
Tues. 12/12 6:00 p.m.	Study Session	Study Agenda • Property Maintenance Code • Height Limit Discussion	Packet Items Due: 12/8 @ noon
Tues. 12/19 5:45 p.m.	SMPD Meeting	Consent Agenda • Vouchers/Meeting Minutes Business Agenda • Action Agenda • Administration Report •	Packet Items Due: 12/8 @ 5:00 p.m.
Tues. 12/19 6:00 p.m.	Regular Meeting	Consent Agenda • Vouchers/Payroll Warrants/Meeting Minutes Presentation • October Financial Status Report Business Agenda • Natalie Heights Development Agreement • Resolution No. 1296-1023 Safe Routes to School Contract Award • Advanced Meter Infrastructure (AMI) Meter Installation Project (Overview) Action Agenda • Ordinance No. 2015-1023 2023 Budget Supplemental • Stormwater Capacity Grant Acceptance • Ordinance No. xxxx-xxxx Amending SMC related to Stormwater Utility • City Prosecutor Contract	Packet Items Due: 12/8 @ 5:00 p.m.

		Administration Report •	
Tues. 12/26 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 12/22 @ noon
Tues. 1/2/24 6:00 p.m.	Regular Meeting	Consent Agenda • Vouchers/Payroll Warrants/Meeting Minutes Presentation • Business Agenda • Action Agenda • Resolution No. 1296-1023 Safe Routes to School Contract Award Administration Report •	Packet Items Due: 12/22 @ 5:00 p.m.
Tues. 1/9/24	Study Session	Study Agenda	Packet Items Due: 1/5/24 @ noon

Other – TBD

- Public Hearing Ordinance No. 1990-0522 Amending SMC 17.12
- Project and Funding Authorization for Wallace/Shelton Springs Intersection Improvements
- Property Maintenance Code

Transportation Impact Fee (TIF) Program Elements



Jay Harris, Public Works Director

November 14, 2023

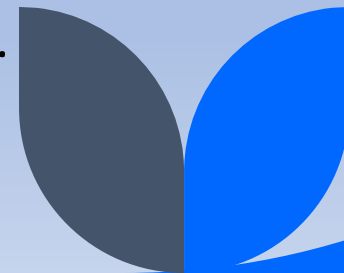
What is a Transportation Impact Fee (TIF)?

Impact fees are one-time charges assessed by a local government against a new development project to help pay for new or expanded public capital facilities that will directly address the increased demand for services created by that development.

RCW 82.02.050.110 and WAC 365-196-850 authorize counties, cities, and towns planning under the Growth Management Act (GMA) to impose impact fees for:

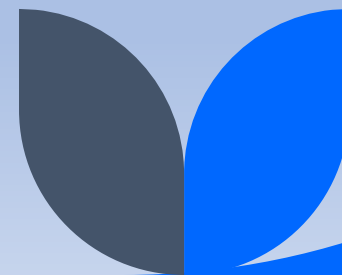
- Public streets and roads,
- Publicly owned parks, open space, and recreation facilities,
- School facilities, and
- Fire protection facilities.

TIF fees shift the cost of new transportation needs from the community at large (such as using property taxes) to charging the development creating the traffic impact. Shelton adopted the TIF program in 2009 by Ordinance #1733-1008, creating SMC Section 17.12, Traffic Impact Fees.



Key TIF Principles:

- ❖ Can be used for capital facilities only and cannot be used for operation & maintenance.
- ❖ Only used to pay for new or expanded facilities needed for a new development and can't be used to correct existing deficiencies.
- ❖ Impact fees cannot be used to fund 100% of the cost of a project.
- ❖ TIF credits can be given to developments that build identified capital improvement capacity projects.
- ❖ Impact fees can only be used for capital projects identified in the adopted capital improvement plan.
- ❖ Transportation impact fees can be used for on-street or off-street public bicycle and pedestrian facilities connecting two or more destinations.
- ❖ Impact fee reductions or waivers are allowed, as follows:
 - The impact caused by the development does not place a significant burden on the system.
 - Low-income housing, early learning facilities, developments with broad public purpose. Reductions or waivers for these items must still be reimbursed to the TIF fund by other public funds.



How much is the TIF?

The TIF is calculated per vehicle trip generated during the PM peak hour, which is determined by (a) the use of the property, (b) based on trip generation data from the Institute of Transportation Engineers. The rates are updated yearly for inflation in the City Master Fee Schedule.

The TIF for residential housing is a flat rate per unit, regardless of the size of the home, while the commercial fee is calculated per square foot of building gross floor area, apartments are by number of dwelling units, gas stations by the number of vehicle fueling positions (pumps), as shown on the fee table on the following page (table footnotes are included below).

Source: ITE "Trip Generation 7th Edition"

GFA = Gross Floor Area
GLA = Gross Leasable Area
VFP = Vehicle Fueling Position

(1) The New Trip Percentage reduces the average trip rate based on average pass-by trip percentages published in the ITE Trip Generation Handbook (2nd Edition, 2004)

(2) For uses with the unit of measure in "1000 sf GFA" or "1000 sf GLA" the trip rate is given as trips per 1000 square feet

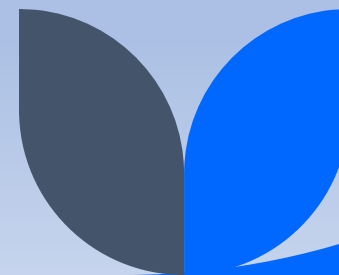
(3) For uses with the unit of measure in "1000 sf GFA" or "1000 sf GLA" the impact fee is given as dollars per square foot

(4) No pass-by rate are available. Pass-by rates were estimated from other similar uses:

Code	Land Use
4a	Drive-in Bank (912)
4b	Auto Parts Sales (843)
4c	Gasoline/Service Station w/Convenience Market (945)
4d	No data available. 25% estimated pass-by
4e	Discount Supermarket (854)
4f	Electronic Superstore (863)
4g	Tire Store (848)

(5) No average PM peak hour trip rate available, Need to perform own PM peak hour traffic count for the identified land use to calculate impact fee.

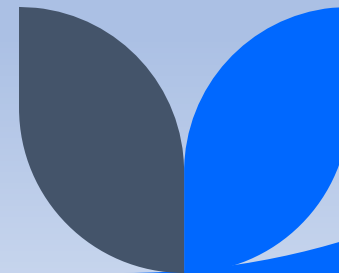
The Transportation Impact fee for uses located within the downtown core shall be subject to a reduced trip factor resulting in a fifteen (15) percent fee reduction. The downtown core is interpreted in this Ordinance as the properties west of Front Street, south of Cedar Street, east of 7th Street, with the southern limit extending to include properties with frontage on Cota Street between 7th and Front Street.



Transportation Impact Fee Schedule - 2024

Land Uses	ITE Land Use Code	Unit of Measure	Basic Trip Rate PM Peak Trips/Unit ⁽¹⁾	New Trips Percent	New Trip Rate ⁽²⁾	Fee Per Unit ⁽³⁾
Cost per New Trip Generated: \$4,654.57						
Residential						
Single Family (Detached)	210	dwelling	1.01	100%	1.01	\$4,701.11
Multifamily – Apartment	220	dwelling	0.62	100%	0.62	\$2,885.83
Low-Rise Apartment (1-2 Floors)	221	occupied dwelling	0.58	100%	0.58	\$2,699.65
Multifamily – Condominium/Townhouse	230	dwelling	0.52	100%	0.52	\$2,420.37
Mobile Home Park	240	dwelling	0.59	100%	0.59	\$2,746.19
Senior Adult Housing – Detached	251	dwelling	0.26	100%	0.26	\$1,210.19
Senior Adult Housing – Attached	252	occupied dwelling	0.11	100%	0.11	\$512.00
Congregate Care	253	dwelling	0.17	100%	0.17	\$791.28
Assisted Living	254	bed	0.22	100%	0.22	\$1,024.00
Recreational Homes	260	dwelling	0.26	100%	0.26	\$1,210.19
Industrial						
Light Industrial	110	1,000 sf GFA	0.98	100%	0.98	\$4.56
Industrial Park	130	1,000 sf GFA	0.86	100%	0.86	\$4.00
Warehousing	150	1,000 sf GFA	0.47	100%	0.47	\$2.19
Mini-Warehouse	151	1,000 sf GFA	0.26	100%	0.26	\$1.21
Commercial-Services						
Hotel	310	room	0.59	100%	0.59	\$2,746.19
Motel	320	room	0.47	100%	0.47	\$2,187.65
Walk-in Bank (4a)	911	1,000 sf GFA	33.15	53%	17.57	\$81.78
Drive-In Bank	912	1,000 sf GFA	45.74	60%	27.44	\$127.72
Day Care Center	565	1,000 sf GFA	13.18	100%	13.18	\$61.35
Quick Lubrication Vehicle Shop (4b)	941	servicing position	5.19	57%	2.96	\$13,777.51
Automobile Care Center (4b)	942	1,000 sf GFA	3.38	57%	1.93	\$8.98
Gasoline/Service Station	944	VFP	13.86	58%	8.04	\$37,422.70
Service Station/ Minimart	945	VFP	13.38	44%	5.89	\$27,415.39
Service Station/ Minimart/Carwash (4c)	946	VFP	13.33	44%	5.87	\$27,322.30
Carwash (4a)	947	stall	5.54	53%	2.94	\$13,684.42
Movie Theater	444	seat	0.07	100%	0.07	\$325.82
Health/Fitness Club	492	1,000 sf GFA	4.05	100%	4.05	\$18.85
Commercial-Institutional						
Elementary School (5)	520	1,000 sf GFA	n/a	100%	n/a	n/a
Middle/Junior High School	522	1,000 sf GFA	1.19	100%	1.19	\$5.54
High School	530	1,000 sf GFA	0.97	100%	0.97	\$4.51
Community/Junior College	540	Student	0.12	100%	0.12	\$558.55
College/University	550	Student	0.21	100%	0.21	\$977.46
Church	560	1,000 sf GFA	0.66	100%	0.66	\$3.07
Hospital	610	1,000 sf GFA	1.18	100%	1.18	\$5.49
Nursing Home	620	1,000 sf GFA	0.42	100%	0.42	\$1.95

Land Uses	ITE Land Use Code	Unit of Measure	Basic Trip Rate PM Peak Trips/Unit ⁽¹⁾	New Trips Percent	New Trip Rate ⁽²⁾	Fee Per Unit ⁽³⁾
Commercial-Office						
General Office Building	710	1,000 sf GFA	1.49	100%	1.49	\$6.94
Medical-Dental Office/Clinic	720	1,000 sf GFA	3.72	100%	3.72	\$17.31
Commercial-Retail						
Retail Shopping Center						
up to 49,999 sf	820	1,000 sf GLA	9.98	50%	4.99	\$23.23
50,000-99,999 sf	820	1,000 sf GLA	6.9	55%	3.80	\$17.69
100,000-199,999 sf	820	1,000 sf GLA	5.45	60%	3.27	\$15.22
200,000-299,999 sf	820	1,000 sf GLA	4.58	65%	2.98	\$13.87
300,000-399,999 sf	820	1,000 sf GLA	4.09	70%	2.86	\$13.31
400,000 sf and over	820	1,000 sf GLA	3.75	75%	2.81	\$13.08
Automobile Parts Sales	843	1,000 sf GFA	5.98	57%	3.41	\$15.87
Car Sales – New/Used (4d)	841	1,000 sf GFA	2.64	75%	1.98	\$9.22
Convenience Market	851	1,000 sf GFA	52.41	39%	20.44	\$95.14
Discount Club (4e)	861	1,000 sf GFA	4.24	77%	3.26	\$15.17
Electronic Superstore	863	1,000 sf GFA	4.5	60%	2.70	\$12.57
Toy Superstore (4f)	864	1,000 sf GFA	4.99	66%	3.29	\$15.31
Furniture Store	890	1,000 sf GFA	0.46	47%	0.22	\$1.02
Hardware/Paint Store	816	1,000 sf GFA	4.84	74%	3.58	\$16.66
Home Improvement Superstore	862	1,000 sf GFA	2.45	52%	1.27	\$5.91
Nursery/Garden Center (4d)	817	1,000 sf GFA	3.8	75%	2.85	\$13.27
Pharmacy/Drugstore w/o Drive-thru	880	1,000 sf GFA	8.42	47%	3.96	\$18.43
Pharmacy/Drugstore w/Drive-thru	881	1,000 sf GFA	8.62	51%	4.40	\$20.48
Supermarket	850	1,000 sf GFA	10.45	64%	6.69	\$31.14
Tire Store	848	1,000 sf GFA	4.15	72%	2.99	\$13.92
Tire Superstore (4g)	849	1,000 sf GFA	2.11	72%	1.52	\$7.07
Video Rental Store (4a)	896	1,000 sf GFA	13.6	53%	7.21	\$33.56
Free-Standing Discount Superstore	813	1,000 sf GFA	3.87	72%	2.79	\$12.99
Free-Standing Discount Store	815	1,000 sf GFA	5.06	83%	4.20	\$19.55
Commercial-Restaurant						
Quality Restaurant	931	1,000 sf GFA	7.49	80%	5.99	\$27.88
High-Turnover (Sit-down) Restaurant	932	1,000 sf GFA	10.92	57%	6.22	\$28.95
Fast Food Restaurant w/o Drive-thru	933	1,000 sf GFA	26.15	50%	13.08	\$60.88
Fast Food Restaurant with Drive-thru	934	1,000 sf GFA	34.64	50%	17.32	\$80.62
Tavern/Drinking Place	936	1,000 sf GFA	11.34	65%	7.37	\$34.30



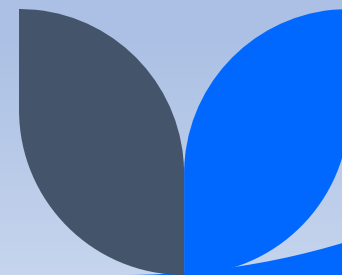
Sample TIF Calculations:

New Commercial Restaurant: Multiply the gross square footage of the building by the TIF (far right column) that corresponds with the business type.

For example, a new 1,500 square foot, quality restaurant would pay a one-time TIF at the time of building permit issuance of $1,500 \times \$27.88 = \$41,820$

Change of Use Example: If the use of an existing space changes, the new use is evaluated to see if it generates more or less vehicle trips than the previous verifiable uses of the space. If it generates more trips, the TIF rate is based on the difference between the previous use and new use. If the new use generates fewer trips than previous uses, there is no TIF.

For example, a supermarket submits a permit to remodel a former 6,000 square auto parts store. The TIF for the supermarket is $6,000 \times \$31.14 = \$186,840$. The former auto parts store TIF credit is $6,000 \times \$15.87 = \$95,220$. The TIF due would be $\$186,840 - \$95,220 = \$91,620$.



Transportation Impact Fee Capacity Increasing Project List (Current)

Priority Number	Project Name	Project Limits		Description	Funding Status	Federal Aid Number	Estimated Project Cost
		Beginning	End				
1	North Shelton Interchange Upgrade	SR101	Wallace-Kneeland	Widening, channelization improvement, and signal	P		\$3,200,000
2	Railroad Avenue West	7th Street	12th Street	Pavement Stabilization, Replacement, and/or Rehabilitation. ADA access upgrades.	P		\$3,000,000
3	Railroad Avenue	First Street	7th Street	Pavement Stabilization, Replacement, and/or Rehabilitation. ADA access upgrades and Intersection Improvements potentially including	P		\$4,000,000
4	Olympic Highway North	"C" Street	Wallace-Kneeland	Pavement Grinding and Overlay	P		\$3,500,000
5	Turner Avenue 5434	1st Street	16th Street	Paving, channelization, drainage, lighting & path	P		\$2,700,000
6	Alder Street / Olympic Highway North 5465	1st Street	8th Street	Paving stabilization, channelization, lighting, sidewalks, and intersection improvements including channelization.	P		\$3,000,000
7	Non-Motorized Plan (Bicycle/Trail/Sidewalk)	City Wide			P		\$25,000
8	Cota Street	Front Street	7th Street	Drainage, lighting, channelization, sidewalks, landscaping, Pavement, and road base	P		\$1,500,000
9	Wallace-Kneeland Blvd 5439 / N. 13th Intersection 5439 / Brockdale 5435			Intersection improvements	P		\$2,000,000
10	Wallace-Kneeland Blvd 5439/ Shelton Springs Road 5432			Intersection improvements	P		\$2,000,000
11	Signage Improvement Plan	City Wide		Update/Upgrade regulatory and warning signage to current standards where applicable.	P		\$150,000
12	Park Street	1st Street	7th Street	Roadway improvements including, sidewalk, curb & gutter, and drainage.	P		\$1,200,000
13	Angleside Rd 5426	7th Street	Turner Street	Guard rail, pedestrian walkway, intersection reconstruction, ROW acq., pavement, road base, and sidewalks	P		\$2,000,000
14	Alder Street / Olympic Highway North 5465	8th Street	C' Street	Paving stabilization, channelization, lighting, sidewalks, and intersection improvements including channelization.	P		\$2,500,000
15	Guardrail Replacement	City Wide		Upgrade guardrail to current standards.			\$500,000
16	Brockdale Road	Wallace-Kneeland	N City Limits	Pavement stabilization, drainage, landscaping, and intersection improvements including channelization.	P		\$2,500,000

\$33,775,000

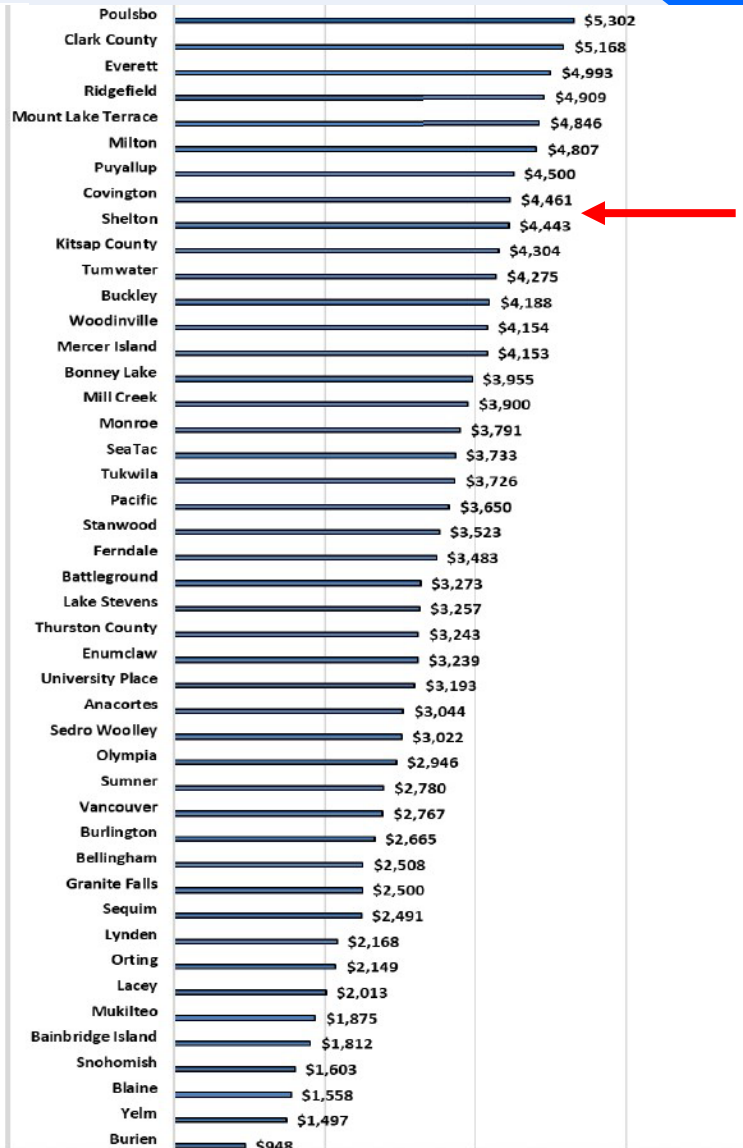
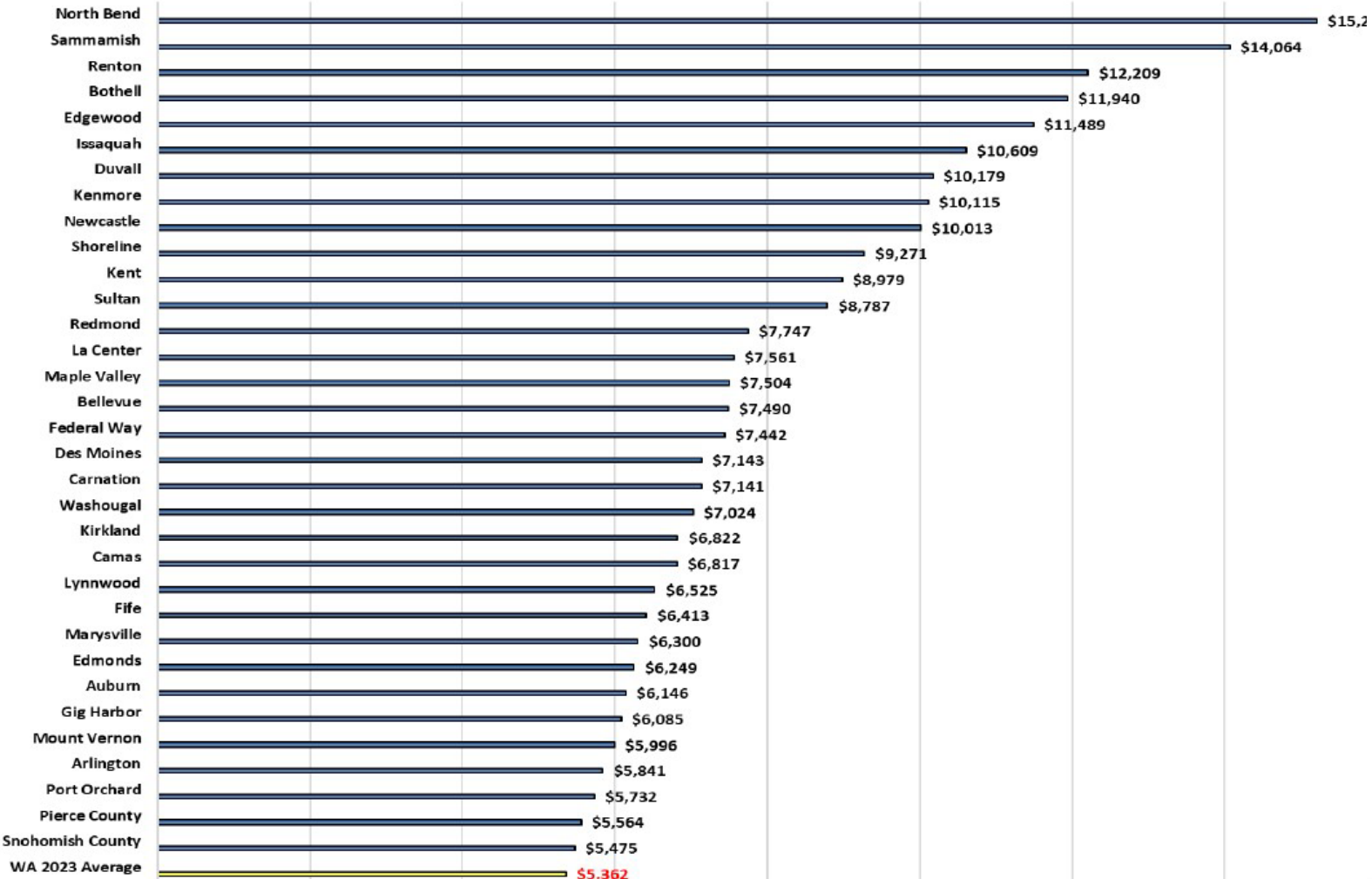


1st Street Improvements

TIF City by City Comparison:

2023 Transportation Impact Fee Comparison: 74 Cities + 5 Counties in Western Washington

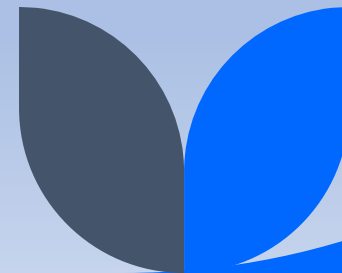
Produced by Chris Comeau, FAICP-CTP, Sr. Transportation Planner, chris.comeau@transpogroup.com
 Data compiled March 2023 from web sites, fee sheets, telephone, and email



Past TIF Funded Projects:

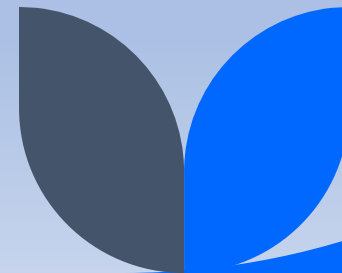
- 2015– Laurel Street Project Design - \$1,626.10
- 2016- 13th and Laurel Project - \$92,612.33
 - Stevens Design - \$4,032.00
 - Multiple Projects Construction - \$76,263.15
 - Lake Boulevard Construction - \$183,958.24
- 2019 – Downtown Connector Design - \$76,751.22
 - Downtown Connector Construction - \$198,729.80
 - Western Gateway Design - \$78,403.42
- 2022 – Western Gateway Construction - \$414,100.00

TIF Fund Balance currently at \$702,000.



Suggested TIF Municipal Code Changes

- ❖ Changing the name of the title to transportation impact fees, rather than “traffic” impact fees to match RCW Section 39.92.040
- ❖ Update the transportation related capacity improvement project list adoption as part of the annual Transportation Improvement (TIP) Program, reviewed and approved by the City Council.
- ❖ Credits can be considered when developers construct eligible capacity increasing projects that are identified within the adopted plan) that are outlined and negotiated within a formal development agreement.
- ❖ Identifying the types of improvements that are eligible for credits towards Transportation Impact Fees.
- ❖ Formalizing a legally mandated deferral system, compliant with Washington State Statutes, including payment deferral just prior to formal occupancy approval.
- ❖ Updating the definition of infill lots to match the recently updated design and construction standards. Consider removal of the provision of waiving traffic impact fees for infill lots, which doesn't meet current RCW provisions.





Thank you

Questions?