

**CITY OF GRANITE FALLS
ORDINANCE NO. 668-03**

**AN ORDINANCE OF THE CITY OF GRANITE FALLS, WASHINGTON,
REPEALING ORDINANCE NO. 654, RELATING TO TRANSPORTATION;
ESTABLISHING DEVELOPMENT REGULATIONS TO IMPLEMENT THE
COMPREHENSIVE PLAN; ESTABLISHING TRANSPORTATION IMPACT
FEES.**

**The City Council of the City of Granite Falls, Washington, does hereby
ordain as follows:**

Section 1. Recitals and Findings.

- 1.1 The City adopted its Comprehensive Plan consistent with the Growth Management Act on November 9, 1994.
- 1.2 Subsequent to the adoption of its Comprehensive Plan, the City conducted studies concerning transportation in and around the Granite Falls community. Following those studies, the City considered amendments to its Comprehensive Plan during the 1999 Comprehensive Plan amendment process. Following public hearing, the City adopted its Ordinance No. 627 (June 14, 2000) amending the Comprehensive Plan to provide for a new transportation and capital facility known as the Granite Falls Alternate Route. The Granite Falls Alternate Route is included in the City's 6-year Transportation Improvement Program ("TIP").
- 1.3 The Granite Falls Alternate Route is to provide a major arterial route from the Mountain Loop Highway, 1500 feet north of Gun Club Road, and extending through Jordan Road and to intersect with SR92 approximately 900 feet West of the easterly SR92 and crooked Mile Road intersection. Principal purposes of the Granite Falls Alternate Route project are to remove truck and other heavy traffic volumes from the center of the City, to provide for safer streets and congestion relief, and to provide the City with opportunity to meet its level of service (LOS) standards as set forth in the Comprehensive Plan.
- 1.4 The City has adopted Development Guidelines for Public Works Standards (Gray and Osborne, Inc., May 2000) ("Development Standards"). The Development Standards include "Street and Asphalt Concrete Path and/or Bikeway Standards." The City has subsequently reviewed the Development Standards, and commissioned a further study on traffic impacts. The City has received and has considered the City of Granite Falls 2002 Traffic Impact Fee Study and revisions thereto (Gray &

Osborne Engineers, February 2002) ("Impact Fee Study"). The City has conducted a public hearing to receive comment on the Impact Fee Study and development regulations to implement the City Comprehensive Plan.

- 1.5 Having considered the Impact Fee Study and revisions thereto, public input, the Comprehensive Plan and the requirements for implementing development regulations under the Growth Management Act, the City adopts the following development standards, mitigation measures and impact fees.

Section 2. New Chapter 21.08 Added to Municipal Code. A new chapter 21.08 is added to the Granite Falls Municipal Code as follows:

CHAPTER 21.08

TRANSPORTATION IMPACT FEE AND MITIGATION PROGRAM

Sections:

- 21.08.O10 Transportation impact fees established.
- 21.08.O20 Definitions.
- 21.08.O30 Establishment of service area.
- 21.08.O40 Imposition of impact fee on development.
- 21.08.O50 Disposition of impact fee revenues
- 21.08.O55 Impact Fees – Calculation.
- 21.08.O60 Refunds.
- 21.08.O70 Appeals.
- 21.08.O80 LID Agreement Required.
- 21.08.O90 Reimbursement Agreements Authorized.
- 21.08.100 Exempt Projects

21.08.O10 Transportation impact fee and mitigation program established. There is established, subject to provisions of this chapter, a Transportation Impact Fee and Mitigation Program.

21.08.20 Definitions. Unless the context otherwise requires, the terms defined in this section shall, for all purposes of this chapter, having the meanings specified in this section, with word importing the singular number including the plural number and visa versa:
"Act" means the sections of the Washington State Growth Management Act, codified as RCW 82.02.O50 through 82.02.O90 as now in existence, or as hereinafter amended.

"Building Permit" means any written authorization from the City which authorizes the commencement of development.

"Capital facility plan" means the capital facilities plan element of the City's Comprehensive Plan, as now in existence or as hereinafter amended.

"City" means the City of Granite Falls, Washington.

"City Comprehensive Plan" means the City's Comprehensive Land Use Plan, adopted pursuant to the Act.

"Development" means the construction, reconstruction, conversion, structural alteration, relocation, enlargement, or change in use of any structure or property, or any project that will increase vehicle trips per day, or any project which negatively impacts the service level, safety, or operational efficiency of serving roads.

"Fair market value" means the price in terms of money that a property will bring in a competitive and open market under all conditions of a fair scale, the buyer and seller each prudently knowledgeable, and assuming the price is not affected by undue stimulus.

"Fund" means a fund, and accounts therein, to maintain information about and to account for receipt of impact fees and for payment of qualifying costs and expenses.

"Granite Falls Alternate Route (GFAR) Pre-design Report" means the Report identifying traffic projection improvement to provide level of service "D" and costs.

"Impact fee" means a payment of money imposed by the City upon development as a condition of development approval to pay for public facilities needed to serve new growth and development, and to mitigate the impacts of the development on the transportation facilities of the City, but does not include any permit or application fee.

"LID Agreement" means an agreement under RCW 35.43.182 to participate in and not protest formation of a local improvement district for construction of transportation and related improvements.

"Owner" means the Owner of record of real property, although real property is being purchased under a real estate contract, the purchaser shall be considered the Owner of real property if the contract is recorded.

"public facilities" as used in this section refers to public streets, road, and right-of-way owned or operated by the City for other governmental entities, including trails, paths, bikeways, other transportation facilities and all attendant improvements.

"Reimbursement Contract" or "latecomer contract" means an agreement under Chapter 35.72 RCW to provide for construction or improvement of street projects which the owner of real estate elects to install as a result of ordinances that require the projects as a prerequisite to further property development.

“Service area” means the development impact fee service area of the City identified in Section 21.08.O30.

“System improvements” means public facilities that are included in the City’s Capital Facilities Plan.

“Traffic Impact Fee Study” means the 2002 Traffic Impact Fee Study, and revisions thereto that identifies traffic mitigation fees and other means to implement the Comprehensive Plan and to address City Transportation needs,

“Transportation facilities” means and refers to streets and road, but includes all publicly owned streets, roads, alleys, and right-of-ways within the City and street services, traffic control devices, curbs, gutters, sidewalks, and related facilities and improvements.

“Transportation plan” means the transportation plan element of the City’s Comprehensive Plan, the City’s 6-year Transportation Improvement Program (6-year Street Plan), GFAR Pre-design Report, Traffic Impact Fee Study, and such other transportation programs, plans and studies adopted by the City.

21.08.O30 Establishment of service area. The City established as the service area for development impact fees the City of Granite Falls, including all property located within the corporate limits of the City. The scope of the service area is hereby found to be reasonable and established on the basis of sound planning and engineering principles. Areas outside of the City, also contributing traffic to City streets, shall be included within the service area as set forth in cooperative agreements with Snohomish County.

21.08.O40 Imposition of impact fees on development.

A. The City authorizes the assessment and collection of impact fees on development within the City, at the rate established in Section 21.08.O55. It is declared that such impact fees shall:

1. Only be imposed for System improvements that are reasonably related to development;
2. Not exceed a proportionate share of the cost of the System Improvements, including the costs of previously constructed System Improvements, reasonably related to development;
3. Be used for System Improvements that will reasonably benefit development;
4. Not be imposed to make up for deficiencies in any previously constructed System Improvements. Such impact fee schedule is based upon the formula for calculating the proportionate share of the cost of the System Improvements, including the costs of previously constructed System

Improvements, necessitated by development to be borne by impact fees, which formulas are described in the 2002 Traffic Impact Fee Study, and revisions thereto, which is adopted herein by this reference.

- B. The impact fee imposed pursuant to this chapter shall be paid in whole for subdivisions and short plats as a condition of final plat approval; as a condition for approval of planned residential developments and binding site plans; and for all other development, prior to the issuance of the building permit. Impact fees shall be assessed and paid at those rates in effect at the time of payment, and not at time of development application.
- C. Failure to pay the impact fees for a given development at the time of assessment shall result in denial of the development approval and/or building permit for which the Owner has applied.
- D. If, as a condition of approval of development, Owner dedicates land, or constructs System Improvements, in excess of the proportionate share of System Improvements attributable to the Owner's development as set out in the City's development regulations, the developer shall be eligible for a credit towards the transportation impact fees otherwise payable under this chapter. The amount of such credit shall be measured based on the pre-development fair market value of such land or improvements required in excess of the Owner's share and shall be deducted from the transportation impact fees charged under this chapter.
- E. The City Engineer with concurrence of the City Council may adjust the amount of the impact fee otherwise imposed in this chapter with respect to specific development activity upon determining that:
 - 1. Unusual circumstances requires such adjustments to ensure that such impact fees are imposed fairly; and
 - 2. Studies and data submitted by the Owner regarding the impacts of such owner's proposed development requires such adjustment to ensure that such impact fees are imposed fairly. Impact fees shall not be deemed unfair unless such unusual circumstances and studies and data support a finding that the impact fees otherwise imposed in this chapter allocate to the specific project in questions vehicle trips and resulting share of the cost of the Systems Improvements reasonably related to new developments that are greater than or substantially less than such development activity's allocable proportionate share of such trips and resulting costs.

21.08.O50 Disposition of impact fee revenues.

- A. A Fund is hereby created for receipt of impact fees. One account in the Fund shall be designated for the Granite Falls Alternate Route. Forty (40%) percent of all traffic mitigation fees shall be designated for the Granite Falls Alternate Route. The remaining portion shall be used for the other traffic improvements as identified in the 2002 Traffic Impact Study, and revisions thereto.
- B. The impact fees collected pursuant to the provisions of this chapter shall be deposited into the Fund. Pending application as provided in this chapter, the monies deposited in the accounts of the Fund shall be invested in any investment authorized for the investment of City funds. All interest and profits derived from the investments of monies in each account in the impact fee fund shall be retained in such account.
- C. The impact fees deposited in each account in the Fund, and the interest and profit received from the investments therefrom, shall be expended only for public facilities of the type for which such impact fees were collected, in conformity with the City's Comprehensive Plan, capital facilities plan element, the 2002 Traffic Impact Fee Study and revisions thereto and expended or encumbered within six-years of receipt by the City, unless written findings by the City Council identify an extraordinary and compelling reason for the City to hold the fees for a longer time. The City shall account for annual expenditures and shall comply with this section in successive comprehensive plans, transportation plans and capital facilities plans as appropriate.
- D. The City shall prepare an annual report on the Fund which shows the source and amount of all monies collected, earned or received and the public facilities that were financed in whole or in part by impact fees.

21.08.O55 Impact Fees – Calculation.

- A. The impact fees for each single family residence ("SFR") as set forth in the Traffic Impact Fee Study and revisions thereto, is \$2500.00 ("SFR Fee"). Each development shall be subject to and pay an impact fee based on the average weekday total trips ("AWDT") attributable to the development. The SFR Fee shall be multiplied by the AWDT to arrive at the impact fee. The impact fee calculation may be expressed , as follows:

$$\text{Impact fee} = \frac{\text{SFR Fee} \times \text{Development AWDT}}{9.57}$$

- B. AWDT shall be calculated by the forecast method set out in the ITE Trip Generation Manual, as described in the Traffic Impact Fee Study and revisions thereto. Provided, trucks shall be converted to passenger car equivalents ("PCE") using the following formula:

Trucks, with 5 or more axles = 4 PCE; and
Busses, and trucks with 3 or 4 axles = 2 PCE.

21.08.O60 Refunds.

- A. The City shall refund, to the current owners of property on which an impact fee has been paid, any impact fees paid with respect to such property that has not been expended or encumbered for public facilities of the type of which such impact fees were collected within six-years from the date of receipt or such longer period of time as is established in the event that the City Council finds that an extraordinary or compelling reason exists to hold the fees longer than six-years as provided in Section 21.08.O50. Impact fees shall be considered encumbered on a first-in, first-out basis. The City shall notify potentially refund claimants by first-class mail deposited within the United States Postal Service at the last know address of the claimants.
- B. The City shall also refund to the current owner of property which an impact fee has been paid all impact fees paid with respect to such property if the development for which the impact fee was imposed did not occur and no impact has resulted; provided that, if some, but not all, of the development for which the impact fee was imposed occurred, the impact will be deemed to have occurred, and no refund shall be available under this section.
- C. Owners seeking a refund of impact fees must submit a written request for a refund of impact fees to the City Clerk or designee within one year of the date of the right to claim the refund arises, which, for purposes of refund claims authorized pursuant to subsection (B) of this section only, shall be the date of voluntary or involuntary abandonment of the building permit, or the date that notice is given as provided in subsection (a) of this section, whichever occurs later. Refunds of impact fees shall include interest and any profits earned on the impact fees from the date of their receipt to the date of refund, as a percentage of the interest/profits earned by the fund on an annual basis. Any impact fees not expended within the time limitations described in Section 21.08.O50(b) and for which no application for a refund has been made within the one-year claim period, shall be retained by the city and expended on public

- facilities of the type for which such impact fees were initially collected, without further limitation as to the time of expenditure.
- D. In the event a refund is made by the City pursuant to this section, the City may, but is not required to, review the original approval or authorization for which the mitigation fees had been paid under this chapter. Refund of the mitigation fees shall be deemed to be a change in conditions which allows for review of the development for which approval was previously given. Review of such development shall be governed by the provisions of local and state law.

21.08.70 Appeals.

- A. An owner may pay an impact fee imposed pursuant to this chapter under protest in order to obtain development approval and after such payment, may file an appeal regarding the amount of such impact fee in accordance with this section. Pending the completion of the appeal process as set forth herein, no building permits shall be issued for any development for which the mitigation fees about which appeal is being sought were imposed.
- B. The determination of the City Engineer or designee regarding the applicability of the impact fee to a given development within the service area shall be final. The City Council shall have the power to hear and decide appeals where it is alleged that there is an error in the City Engineer or designee's determination of the impact fee imposed upon a development pursuant to this chapter.
- C. Appeal to the City Council regarding the amount of the impact fee imposed on any development may only be taken by the owner of the property where such development shall occur. No appeal shall be permitted unless and until the impact fee at issue has been paid. Such appeals shall be taken within a reasonable time, not exceeding ten days after the date the impact fee was paid, and in the case of subdivisions or short plats, prior to the recording of the final plat. An appeal shall be commenced on filing with the City Clerk or designee a notice of appeal specifying the grounds thereof and depositing an appeal filing fee of two hundred fifty dollars. The City Clerk or designee shall forthwith transfer to the City Council all papers constituting the record upon which the amount of the impact fee was determined.
- D. The City Council shall fix a reasonable time for the hearing of the appeal, give public notice thereof as well as due notice to the parties of interest, and decide the same within a reasonable time of the hearing. Any party may appear in person or by agent or through his/her attorney.

- E. In exercising the abovementioned powers, the City Council may, so long as such action is in conformity with the terms of this Chapter, reverse or affirm, wholly or partially or may modify the determination of the amount of the impact fee appealed from only upon a determination that it is proper to do so based on principal of fairness, and may make such order, requirements, decisions or determination as ought to be made, and to that end shall have the powers with respect to the determination of the impact fees as they are granted to the City pursuant to this chapter.
- F. Any person or persons, or any board, taxpayer or department or division of the City aggrieved by any decision of the City Council may seek review by a court of record of such decisions, in the manner provided by the laws of the state of Washington.

21.08.O80 Lid Agreement Required. An Owner, as a condition for approval of development, is required to enter into a LID Agreement. LID Agreements shall be consistent with RCW 35.43.182, on a form prepared and approved by the City Attorney, and authorized by the Council. LID Agreements shall require Owner participation in LID(s) to construct transportation and related improvements that are required to support the development. A LID Agreement shall include provision for credit of any amounts paid as impact fees under this Chapter 21.08 GFMC, against any special benefit assessment for transportation facilities funded all or in part by such impact fees. Provided, however, the City shall identify or otherwise account for the use of impact fee funds and there shall be not credit for impact fees paid for or applied to transportation facilities not included within a LID.

21.08.O90 Reimbursement Agreements Authorized.

- A. In the event Public facilities are inadequate to support a proposed development, the City may deny approval of such development. Alternatively, the City is authorized to enter into reimbursement agreements under Chapter 35.73 RCW.
- B. The City is authorized to enter into agreements with Owners, consistent with RCW 35.43.184 to provide for LID preformation activity.

21.08.100 Exempt Projects.

- A. Projects filed prior to the enactment of the moratorium, Ordinance No. 644, shall be exempt from the requirements of this ordinance.
- B. Development of properties that have been vacant for a period of less than five years, unless said development constitutes a change in use of the property and impacts traffic.

- C. Additions to individual residential units, providing no new dwelling unit is added.

Section 3. Development Standards Amended.

The City's Development Guidelines for Public Works Standards (Gray and Osborne, Inc.) are hereby amended to include the 2002 Traffic Impact Fee Study and revisions thereto.

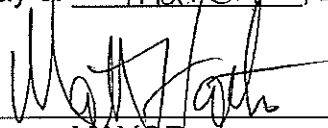
Section 4. Repealer.

Ordinance No. 654 and Ordinance No. 644, are hereby repealed.

Section 5. Effective Date.

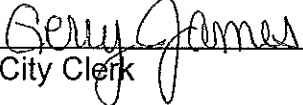
This Ordinance shall take force and be effective five (5) days after publication as provided by law.

PASSED AND APPROVED this 12 day of March, 2003.



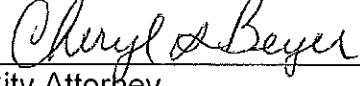
 MAYOR

Attest:



 City Clerk

Approved as to form:



 City Attorney

DATE OF FIRST READING:	February 26, 2003
DATE OF SECOND READING:	March 12, 2003
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