

Attachment 8

Traffic Impact Fees Cost Basis

This document outlines the City of Lake Stevens's Transportation Impact Fee (TIF) program, detailing its methodology, eligible projects, and associated costs to accommodate growth-related transportation improvements. This outlines and explains the city's methodology for calculating the traffic impact fees and is broken down for applicants in the Traffic Impact Fee Developer's Workbook and the information contained in this 30-page document is summarized below.

- **TIF Program Overview:** The TIF program is updated based on the 2024 Comprehensive Plan and focuses on funding transportation improvements necessary for projected growth while adhering to the Growth Management Act (GMA).
- **Estimated Costs and Growth Impact:** TIF-eligible transportation project costs are estimated at \$91.6 million, with an anticipated increase of 12,201 PM peak hour trips through 2044 due to land use growth.
- **Traffic Impact Zones:** The city is divided into three Traffic Impact Zones (TIZs), each with specific TIF rates based on projected growth and associated costs.
- **Base TIF Rates:** The base TIF rates vary across the three TIZs, with TIZ 1 at \$11,882, TIZ 2 at \$3,911, and TIZ 3 at \$5,236 per PM peak hour trip.
- **Eligible Projects:** The TIF program includes various transportation projects, including pedestrian and bicycle facilities, with a total estimated project cost of \$235 million.
- **Funding Mechanism:** New developments in the city are required to pay TIFs at the time of building permit issuance, and funds will be allocated to the designated transportation projects.
- **Annual Updates:** The base TIF rates will be updated annually using the Consumer Price Index (CPI) to account for inflation and changes in construction costs.
- **Exemptions:** Certain developments, particularly those not increasing PM peak hour traffic, may be exempt from TIFs, including low-income housing and specific non-residential land uses.

**AI Summary*