

November 15, 2018

To: City of Seattle, Hearing Examiner

From: Roger Valdez, Director, Seattle For Growth

Re: SEPA Appeal, Record Number: 001763-18PN, Determination of Non-Significance (DNS) on proposal to amend the Comprehensive Plan to facilitate implementation of a transportation impact fee program.

Seattle For Growth is a non-profit organization that advocates for more housing of all kinds in all neighborhoods of the city for people of all levels of income. As the Director and a resident of the City of Seattle on behalf of Smart Growth Seattle I file this appeal of the City of Seattle (the "City") State Environmental Policy Act ("SEPA") Determination of Non-Significance ("DNS") issued for proposal to amend the Comprehensive Plan to facilitate implementation of a transportation impact fee program. Pursuant to public notice published October 25, 2018, appeals are due to your office by November 15, 2018.

APPELLANT INFORMATION

The Appellant is Seattle For Growth and Director Roger Valdez. Appellant would prefer to receive information from the Office of the Hearing Examiner via email. Contact information for the Appellant is:

Seattle For Growth
Roger Valdez, Director
P.O. Box 2912
Seattle, WA 98111-2912
Direct: (206) 427-7707
www.seattleforgrowth.org
roger@seattleforgrowth.org

DECISION BEING APPEALED

Seattle For Growth appeals the City's SEPA Determination of Non-Significance (DNS) on the City's proposal to amend the Comprehensive Plan to facilitate

implementation of a transportation impact fee program. A copy of the DNS is enclosed.

APPEAL INFORMATION

1. What is your interest in this decision? (State how you are affected by it)

Roger Valdez is the Director of Seattle For Growth, and a resident of the City of Seattle. Seattle For Growth is a non-profit organization that advocates for policies to increase housing supply and meet demand for housing created by new jobs. While named "Seattle For Growth," the group recognizes that the impacts of land use decisions taken by the City of Seattle extend beyond the City's incorporated boundaries. Therefore, Seattle For Growth advocates for the implementation of sound growth strategies under the State's Growth Management Act ("GMA"), including creating more housing choices and supply in Seattle that support more growth inside the City, rather than outside the Urban Growth Boundary. Seattle For Growth asserts that the current proposal to adopt impact fees are inconsistent with state law, antithetical to principles of smart growth, the GMA, and the City's own Comprehensive Plan.

Seattle For Growth and Roger Valdez have participated in public meetings and provided comment on impact fees and on this proposal. Housing is an element of the built environment under SMC 25.05.444, as is Transportation. Members of Seattle for Growth develop housing in the City, as well as live in housing in the City and use the City's transportation system.

Seattle for Growth's members are adversely affected by this proposal because it will increase the cost of housing and therefore lead them to build less housing or different kinds of housing in different places than they would build without the distorting effect on the market created by impact fees. The proposed changes to the transportation system that will result from impact fees will also adversely affect the housing they own because impact fees fund capacity for growth instead of addressing existing deficiencies in the transportation system, which is seriously overburdened and will become more so in the near future with the closing of the viaduct and the closing of the bus tunnel to buses.

Seattle for Growth cannot be more specific about the effect that the proposed legislation will have on it and its members because of one of the reasons this appeal should be granted: the City is improperly piecemealing its environmental review and not disclosing the terms of the ordinance that the City has drafted to implement the proposed amendment to the Comprehensive Plan for which the City issued its DNS. Without knowing the terms of the implementing ordinance it is impossible to fully or accurately determine the adverse impacts of the piecemealed proposal for which the DNS has been issued.

2. What are your objections to the decision? (List and describe what you believe to be the errors, omissions, or other problems with this decision.)

The City is piecemealing its environmental review, as its own documents admit: the first page of the DNS acknowledges that the proposed amendments to the Comprehensive Plan for which the DNS is issued "are a necessary, but not sufficient, step to establish an impact fee program under RCW 82.02.050." The same acknowledgement of piecemealing appears in the SEPA checklist, e.g., section A.11.

The City has failed to comply with SEPA's procedural requirements by adequately acknowledging and addressing the impacts of its piecemealed proposal, and SEPA's procedural requirements cannot be met until the proposed Comprehensive Plan amendments are considered together with the ordinance that would implement those amendments.

While impact fees are allowed by state law and have been litigated extensively, they are not intended for creating general revenue but for carefully determining strain on infrastructure created by fulfilling a central principle of the Growth Management Act (GMA): more people per square mile (density) inside the Urban Growth Area (UGA). An impact fee for any purpose beyond directly addressing population growth, particularly new housing, is not allowed by state law.

The City appears to be attempting to use impact fees to pay for "existing deficiencies," something expressly prohibited by state law (RCW 82.02.060.8), although this cannot be determined with certainty because the City is piecemealing its SEPA review: the projects presented in the proposal include projects that are improvements for existing residents and show no clear connection to increased population density that would create a need for the improvement. In some cases, the project is already funded from other sources.

For example, according to Sound Transit, the Graham Street Infill Station proposed by the City for funding from impact fees would see a "reduction of ridership at adjacent stations" presumably because existing stations are crowded or deficient (Sound Transit 3 Document page 4). That same document also says that the "capital cost estimate does not include \$10M contribution from the City of Seattle (Move Seattle)," citing a bond measure passed by Seattle voters.

Also, the City has offered Complete Street projects, which, by there nature are improvements of existing streets, "so that more trips can be made by walking, biking or transit (SDOT, "Why Seattle Has a Safe Streets Policy)" A laudable goal, but there isn't any indication that these projects will make these improvements to accommodate new residents or simply make alternative modes accessible to people who already live in the neighborhoods. In fact, the City has decreased the growth that would require new transportation facilities, through policies like willfully reducing density in low-rise zones in legislation passed 4 years ago, eliminating

small-lot development, and eliminating congregate microhousing in most neighborhoods, as well as failing to allow more backyard cottages.

In essence, the City is on one hand making it harder to create the density impact fees were intended to address, and also asking for fees to improve deficient infrastructure for existing residents who have resisted the actual projects that would create the demand for lawful fees for that infrastructure. The City seems to want to both avoid new development to assuage neighbor resistance and charge a fee for it to pay for existing deficiencies; this is both illogical and illegal.

The appendix to the legislation for which the DNS was issued clearly states, on page one of attachment two:

A transportation impact fee program partially addresses service needs by helping to fund capacity improvements to *existing facilities* and new capital projects. The program identifies projects needed to address demands on the transportation network associated with growth and new development. In *determining existing deficiencies* the City utilizes a methodology based on a quantification of the value of the existing transportation system.

Taken together, this plan language saying that they are going to use fees to fund "existing deficiencies" and complete lack of analysis of how these projects are going to address growth impacts, clearly indicate an omission of diligence in the issuance of the DNS.

The Determination of Non-Significance asserts that the proposal will have "no probable significant adverse environmental impacts," (WAC 197-11-340(1)). This determination cannot be made because the proposal has been piecemealed in order to avoid adequate environmental review. In addition, the DNS does not consider the impacts of increases in housing prices to pay for the impact fees being proposed. In its own documentation submitted in support of the DNS, the City cites the Seattle Pedestrian Master Plan Implementation Plan 2018-2022 that says this about impact fees:

Additionally, there are well-documented arguments that hold that increased development fees will be passed on to consumers, exacerbating the alreadyhigh cost of housing in Seattle.

We believe the City must consider what those "well-documented arguments" mean not just for housing costs, but the collateral damage to the wider community when people cannot afford to live in the city and must make longer, more costly commutes.

City Councilmembers are fond of citing correlation as if it was causation. In a Council meeting this past summer, Councilmember Herbold, an advocate for impact and other fees and charges on new housing said,

Further a recent Zillow study shows that a 5 percent increase in the median rent correlates with a 250 percent increase in homelessness.

Fortunately, Herbold got the facts wrong. The Zillow study she mentions suggests a correlation of 250 new homeless people for each 5 percent increase in rent. Still, this demonstrates that the City is incoherent with this proposal. If they believe that increases in housing prices mean more homeless people, then impact fees have a significant impact on the environment, both from the increases in negative health outcomes from homelessness but displacement of people to communities outside Seattle.

Third, if the City believes that housing prices will go up, then it must also study how these impact fees would combine with already proposed fees to fund the City's Mandatory Housing Affordability (MHA) program to increase the costs of housing. Along with MHA, there are other mandates from the City affecting infrastructure like making new projects pay for redundant water infrastructure to keep utilities rates lower for existing homeowners. All these proposals are in total contravention to any rational effort by the City to lower housing prices. Impact fees will incrementally, but significantly, make this fusillade of ill conceived and incoherent exactions worse.

Fourth, and finally, while they are legal when imposed consistently with State law, impact fees aren't necessary. As we've stated repeatedly, the Real Estate Excise Tax (REET) already generates tens of millions of dollars that go into the Cumulative Reserve Fund (CRF) to fund transportation infrastructure. The City of Seattle has already made it a priority to increase the REET and expand its use. The City should compare what doing nothing would do with increases in price from impact fees. As pointed out, some of the projects offered as a shopping list with impact fee revenue already have money assigned to them.

3. What relief do you want? (Specify what you want the Examiner to do: reverse the decision, modify conditions, etc.)

The Hearing Examiner should remand the DNS to the City Council to conduct SEPA review of the proposed Comprehensive Plan amendment together with the proposed ordinance that would implement the amendment.

The City's SEPA analysis failed to identify and/or fully analyze, let alone propose mitigation for, the adverse significant environmental impacts of increasing housing prices. The City has failed to show that the proposed fees are not in the service of paying for existing deficiencies, illegal under state law. And the City has not shown that the fees don't incrementally and unnecessarily add to cost burdens that would exacerbate housing issues already having an environmental impact.

The DNS should be reversed and the City directed to prepare an environmental impact statement on these impacts. In the alternative, the DNS should be reversed

and remanded to DPD for additional analysis of the proposed imposition of impact fees, which requires review of the implementing ordinance as well as the proposed Plan amendment. In addition, the Appellants request such other and further relief as may be appropriate under law.

Respectfully submitted,

Director

Seattle For Growth

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Determination of Non-significance (DNS) for 2018 Amendments to the Seattle Comprehensive Plan Related to Transportation Impact Fees and the Adoption of Existing Environmental Documents

Proposal	Adoption of Transportation Impact Fee-related Amendments to the Seattle Comprehensive Plan, <i>Seattle 2035</i>	
Date of Issuance	October 25, 2018	
Proponent / Lead Agency	Seattle City Council	
SEPA Contact	A Contact Ketil Freeman, AICP, (206) 684-8178, ketil.freeman@seattle.gov	
Location	Non-project – Areas within the Seattle Corporate Limits	

Proposal Description

The 2018 amendments to Seattle 2035 related to transportation impact fees are non-project in nature, primarily procedural, and will have citywide applicability. The proposed amendments would (1) amend the Capital Facilities and Transportation Elements of the Comprehensive Plan and related appendices to identify deficiencies in the transportation system associated with new development and (2) incorporate a list of transportation infrastructure projects that would add capacity to help remedy system deficiencies.

Projects included in the list would be eligible for future investments with revenue from a transportation impact fee program. The amendments to *Seattle 2035* are a necessary, but not sufficient, step to establish an impact fee program under RCW 82.02.050.

The proposed amendments and related documents are available at: http://www.seattle.gov/council/issues

Threshold Determination

The lead agency has determined that this proposal will **not** have probable, significant adverse impacts on the environment. An environmental impact statement (EIS) is not required by RCW 43.21C.030(2)(c). This finding is made pursuant to RCW 43.21C, SMC 25.05 and WAC 197-11 and based on the attached SEPA environmental checklist and review of existing environmental documents.

As disclosed and described more fully in the environmental checklist, the proposed amendments are of a non-project nature, primarily procedural, and have a citywide effect, rather than a site-specific effect. As such, the amendments would not affect the extent, intensity or rate of impacts to the built and natural environments.

The amendments would accomplish the procedural requirements of RCW 82.02.050(5)(a) for establishing a transportation impact fee program to help mitigate a portion of the impacts attributable to planned residential and employment growth. Projects listed in the Comprehensive Plan would guide investment decisions by the City for mitigation payments made pursuant to a transportation impact fee program. Projects included in the list are drawn from capacity-improvement projects that are partially funded by the Move Seattle levy, projects identified in adopted modal plans, and Move Seattle vision projects identified through the Move Seattle levy planning process. The amendments would not in themselves create a transportation impact fee program. For future development of an impact fee program and a fee schedule, estimates for growth in trips on the transportation network would be based on growth estimates for *Seattle 2035*.

Documents Adopted

The following additional documents support environmental review and provide necessary SEPA disclosures and are hereby adopted for the purposes of this threshold determination of non-significance. The information in these documents is reasonably sufficient to evaluate whether the proposal will have probable, significant adverse impacts.

- City of Seattle Department of Construction and Inspections, <u>Final Environmental Impact Statement for the Seattle Comprehensive Plan Update</u>, May 2016.
- City of Seattle Department of Construction and Inspections, <u>Draft Environmental</u> <u>Impact Statement for the Seattle Comprehensive Plan Update, May 2015.</u>
- Seattle Department of Transportation, <u>Seattle Transit Master Plan, Determination of Non-significance</u>, February 2012.
- Seattle Department of Transportation, <u>Seattle Bicycle Master Plan, Determination of Non-significance</u>, December 2013.
- Seattle Department of Transportation, <u>Seattle Freight Master Plan, Determination of Non-significance</u>, February 2016.
- Seattle Department of Transportation, <u>Seattle Pedestrian Master Plan</u>, <u>Determination of Non-significance</u>, January 2017.

Description of Adopted Documents

The <u>Draft Environmental Impact Statement for the Seattle Comprehensive Plan Update</u> analyzes the full range of impacts associated with four alternatives, including a no action alternative, for allocating 70,000 new housing units and 115,000 new jobs across the city by 2035. The Draft EIS, which is incorporated by reference in the Final EIS, identifies implementation of a transportation impact fee program as a potential mitigation measure.

The DNSs for the modal plans identify actions, strategies, and projects the City can take to improve the capacity, speed, reliability, and safety of the transit, bicycle, pedestrian, and freight transportation networks. The Final EIS for the Comprehensive Plan update also identifies implementation of the modal plans as a potential mitigation measure.

Comments

Comments regarding this DNS or potential environmental impacts may be submitted through November 8, 2018. Comments may be sent to:

Seattle City Council Central Staff Attn: Ketil Freeman P.O Box 34025 Seattle, WA 98124-4025 (206) 684-8178

ketil.freeman@seattle.gov

Responsible Official

Signature:	On File	October 25, 2018	
Ketil Freeman, AICP		Date	

Seattle Department of Transportation (transportation)

Linea Laird, Interim Director

Projects and 😭 <u>(/)</u> / <u>Home (transportation)</u> / <u>... (transportation/projects-and-programs)</u> / <u>... (transportation/projects-and-programs)</u> / <u>...</u> Permits and (transportation/projects-and-programs/programs/urban-design-program) / ... (transportation/psojects-and-programs/urban-design-program) / ... (transportation/psojects-and-programs/urban-design-programs/urban-design-program/complete-streets-in-seattle) / Why Seattle Has a Complete Streets Policy sdot) (transportation/gettiagsportation/p **Programs** around) and-services) andprograms)

Complete Streets in Seattle (transportation/projectsandprograms/programs/urbandesignprogram/completestreets-in-seattle)

What is a Complete Street? (transportation/projectsandprograms/programs/urbandesignprogram/completestreets-in-seattle/whatis-a-complete-street)

▶ Why Seattle Has a Complete Streets Policy (transportation/projectsandprograms/programs/urbandesignprogram/completestreets-in-seattle/whyseattle-has-a-completestreets-policy)

How Seattle Implements Complete Streets (transportation/projectsprograms/programs/urbandesignprogram/completestreets-in-seattle/howseattle-implementscomplete-streets)

Why Seattle Has a Complete Streets **Policy**

- Advances long-standing City land use, transportation and environmental policy
- Supports safe travel for all road users
- Promotes active transportation and supports healthy communities

The underpinnings of a Complete Streets policy in Seattle have been in place at least as far back as the 1994 Comprehensive Plan. It defines the urban village land use strategy to accommodate a majority of housing and employment growth; articulates a strong core value of environmental stewardship; and includes transportation policies aimed at creating a balanced transportation system that provides alternative choices to driving. Specific direction includes, "provide a range of viable transportation alternatives, including transit, bicycling and walking," and "make the best use of the City's limited street capacity, and seek to balance competing uses." The most recent version of Seattle's Comprehensive Plan (//www.seattle.gov/dpd/cityplanning/completeprojectslist/comprehensiveplan/whatwhy/) states that "Part of Seattle's growth strategy is to encourage people to use cars less than they do today. One way to do that is through the urban village strategy's goal of concentrating most new housing, jobs and services near one another in small areas, so that more trips can be made by walking, biking or transit."

There has been a great deal of research establishing a connection between street attributes and safety for road users. Analyzing crashes across the country, researchers found that fewer than two percent of pedestrians who had been struck by a vehicle died in crashes where posted speed limits were slower than 25 mph; where posted speed limits were 50 mph or higher, more than 22 percent of pedestrians who had been struck by a vehicle died. Looking at actual speed, with every small increase in speed, the likelihood of dying in a crash also increases - but at a higher rate. For example, 5 percent of pedestrians struck at 20 mph will die, but that jumps to 45 percent for cars traveling 30 mph, 85 percent for cars going 40 mph. The data show a 100 percent fatality rate for cars actually going 50 mph or faster.

Here's a chart from the United Kingdom (UK) Department of Transportation that shows similar data:

Contact

Susan McLaughlin Susan.McLaughlin@se (mailto:Susan.McLaug (206) 684-0102 (tel:206

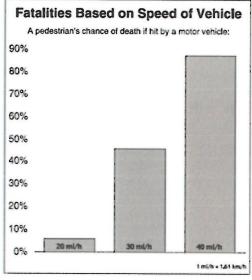
Related Progra

Vision Zero (/visionzer

Pedestrian Program (/transportation/proje programs/programs/p program)

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Bike Program



Source: U.K. Department of Transportation, Killing Speed and Saving Lives, London, 1987.

Ensuring that all residents of Seattle can walk, bicycle and have easy access to transit as part of their daily routine could drastically improve public health. Although most people don't think of it as a determinant of health, our transportation system has far-reaching implications for a variety of health risks. Regular physical activity provides a wide array of health benefits, including reducing the risk of some forms of cancer, heart disease, stroke, obesity, high blood pressure, diabetes, and injuries. In fact, research conducted by the Centers for Disease Control and Prevention found that "obesity is linked to the nation's number one killer-heart disease-as well as diabetes and other chronic conditions." In King County over half of the adult residents are overweight or obese (about 770,000 people), and just over half (55 percent) report that they exercise moderately about 30 minutes a day, five times a week. In school-age children, 21 percent are overweight and 9 percent are obese. Equity is also a concern; compared to whites, the prevalence of obesity among African American adults is 60 percent higher.

The report also states that one reason for Americans' sedentary lifestyle is that "walking and cycling have been replaced by automobile travel for all but the shortest distances". Automobile travel also produces harmful exhaust that lowers air quality, harms respiratory health and contributes to global warming.



Seattle Department of Transportation (http://www.seattle.gov/transportation)

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Address: C

Phone: 206-684-7623 (tel

Email: 684-Road@seattle.gov (mailto:684-Road

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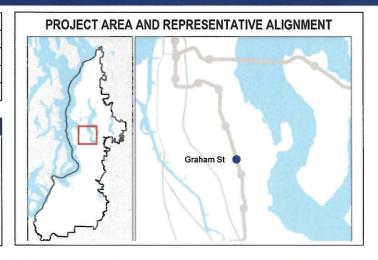
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Subarea	North King	
Primary Mode	Light Rail	
Facility Type	Infill Station	
Length	N/A	
Date Last Modified	July 1, 2016	

SHORT PROJECT DESCRIPTION

This project would provide a new infill station on the Central Link light rail line in the vicinity of Graham Street.

Note: The elements included in this representative project will be refined during future phases of project development and are subject to change.



KEY ATTRIBUTES		
REGIONAL LIGHT RAIL SPINE Does this project help complete the light rail spine?	No	
CAPITAL COST Cost in Millions of 2014 \$	\$65 — \$70	
RIDERSHIP 2040 daily project riders	1,500 — 2,500	
PROJECT ELEMENTS	 One at-grade station Station would be approximately 400 feet long to accommodate 4-car trains Peak headways: 6 minutes 1 percent for art per Sound Transit policy Non-motorized access facilities (bicycle/pedestrian), transit-oriented development (TOD)/planning due diligence, and sustainability measures (see separate document titled "Common Project Elements") 	
NOT INCLUDED	 Parking not included Light rail vehicles not included See separate documents titled "Common Project Elements" and "Light Rail Vehicles" Project costs do not include \$10M potential contribution from the City of Seattle included in the voter approved Move Seattle levy. 	
ISSUES & RISKS	 Additional station would increase travel time along the line This project would require the construction of a new station while maintaining operations on the existing Central Link line; likely effects during construction would include single track operations of the Central Link line between Othello and Mt. Baker stations, lane closures and detours on Martin Luther King Jr. Way and impacts to local access Utility relocation and construction Light rail currently operates in Seattle and specific station area standards are codified; light rail is included in the Comprehensive Plan and other planning documents 	

Sound Transit developed a conceptual scope of work for this project for the purpose of generating a representative range of costs, both capital and operating; and benefits, including ridership forecasts, TOD potential, multi-modal access and others. This information was developed to assist the Sound Transit Board as it developed the ST3 system plan, including phasing of investments and financial plan, for voter consideration. Final decisions on project elements (e.g., alignment, profile, station locations, and number of parking stalls) will be determined after completion of system planning, project level environmental review, and preliminary engineering during which additional opportunities for public participation will be provided. Therefore, this scope definition should not be construed as a commitment that all representative features will be included in the final developed project.

Long Description:

This project would construct a new station on Martin Luther King Jr. Way between Graham Street and Morgan Street along the existing Central Link light rail line. This project would affect approximately 1/3 of a mile of Martin Luther King Jr. Way. Key project elements include the following:

- Widening of Martin Luther King Jr. Way to accommodate the station and tapering to the north and south of the station
- . Modifications to existing sidewalks, landscaping, drainage, utilities and street lights along Martin Luther King Jr. Way in the station vicinity
- New pedestrian signal
- Modifications to the Martin Luther King Jr. Way/Graham Street intersection

Assumptions:

- No additional parking assumed
- Construction would be accomplished with an active Central Link light rail service
- For non-motorized station access allowances, the Graham Street station is categorized as an Urban station

Environmental:

Sound Transit will complete project-level state and federal environmental reviews as necessary; provide mitigation for significant impacts; obtain and meet the conditions of all required permits and approvals; and strive to exceed compliance and continually improve its environmental performance.

Utilities:

Utility relocation as needed to complete the project, including fiber optics, sewer, water, overhead electric/communications, etc.

Right-of-Way and Property Acquisition:

Property acquisition required for this proposed infill station.

Potential Permits/Approvals Needed:

- Building permits: Electrical, Mechanical, Plumbing
- Utility connection permits
- Construction-related permits (clearing and grading, stormwater management, street use, haul routes, use of city right-of-way)
- Land use approvals (Conditional use, design review, site plans, Comprehensive Plan or development code consistency, Special Use Permits)
- All required local, state, and federal environmental permits
- NEPA/SEPA and related regulations

Project Dependencies:

N/A

Potential Project Partners:

- City of Seattle
- Transit partner serving this project: King County Metro
- King County

FTA



Cost:

Sound Transit developed a conceptual scope of work for this project for the purpose of generating a representative range of costs, both capital and operating; and benefits, including ridership forecasts, TOD potential, multi-modal access and others. This information was developed to assist the Sound Transit Board as it developed the ST3 system plan, including phasing of investments and financial plan, for voter consideration. Final decisions on project elements (e.g., alignment, profile, station locations, and number of parking stalls) will be determined after completion of system planning, project level environmental review, and preliminary engineering during which additional opportunities for public participation will be provided. Therefore, this scope definition should not be construed as a commitment that all representative features will be included in the final developed project.

In Millions of 2014\$

ITEM	COST	COST WITH RESERVE
Agency Administration	\$3.51	\$3.75
Preliminary Engineering & Environmental Review	\$1.71	\$1.83
Final Design & Specifications	\$3.38	\$3.62
Property Acquisition & Permits	\$14.92	\$15.97
Construction	\$34.52	\$36.94
Construction Management	\$3.05	\$3.26
Third Parties	\$0.88	\$0.94
Vehicles	\$0.00	\$0.00
Contingency	\$3.38	\$3.62
Total	\$65.36	\$69.93

Design Basis: Conceptual

The costs expressed above include allowances for TOD planning and due diligence, Sustainability, Bus/rail integration facilities, and Non-Motorized Access. These allowances, as well as the costs for Parking Access included above, are reflected in the following table. Property acquisition costs are not included in the table below, but are included within the total project cost above. For cost allowances that are not applicable for this project, "N/A" is indicated.

ITEM	COST	COST WITH RESERVE
TOD planning and due diligence	\$0.22	\$0.23
Sustainability	\$1.82	\$1.95
Parking access	Ņ/A	N/A
Non-motorized (bicycle/pedestrian) access	\$4.39	\$4.70
Bus/rail integration facilities	N/A	N/A



Evaluation Measures:

MEASURE		MEASUREMENT/RATING	NOTES
Anti-control of consecutive d	Regional Light Rail Spine Does project help complete regional light rail spine?	No	Adds a new station to the light rail spine
311411A	Ridership 2040 daily project riders	1,500 — 2,500	Reflects a reduction in ridership at adjacent stations
\$	Capital Cost Cost in Millions of 2014 \$	\$65 — \$70	Capital cost estimate does not include \$10M contribution from the City of Seattle (Move Seattle)
\$	Annual O&M Cost Cost in Millions of 2014 \$	\$1	
<u>(T)</u>	Travel Time In-vehicle travel time along the project (segment)	1 min	Approximate travel time added to corridor due to additional station
ON	Reliability Quantitative/qualitative assessment of alignment/route in exclusive right-of-way	N/A	
Ã⇔A	System Integration Qualitative assessment of issues and effects related to connections to existing local bus service and potential future integration opportunities	Medium-High	Medium-low number of existing daily transit connections vicinity of Graham Street on Rainier Avenue
5 1	Ease of Non-motorized Access Qualitative assessment of issues and effects related to non-motorized modes	Medium	Medium intersection density providing non-motorized access with some large parcels as barriers
⊕ ⁄ ⊙ ∧	Percent of Non-motorized Mode of Access Percent of daily boardings	70-80%	
	Connections to PSRC-designated Regional Centers Number of PSRC-designated regional growth and manufacturing/industrial centers served	0 centers	
	Land Use and Development/TOD Potential Quantitative/qualitative assessment of adopted Plans & Policies and zoning compatible with transit-supportive development within 0.5 mile of potential stations	Medium	Moderate support in local and regional plans; approx. 25% land is compatibly zoned
⊕ • ⊕ ••	Qualitative assessment of real estate market support for development within 1 mile of potential corridor Density of activity units (population and employment for 2014 and 2040) within 0.5 mile of potential station areas	Medium Pop/acre: 2014: 17; 2040: 16 Emp/acre: 2014: 3; 2040: 3 Pop+Emp/acre: 2014: 20; 2040: 19	Moderate market support
<u>i</u>	Socioeconomic Benefits Existing minority / low-income populations within 0.5 mile of potential station areas 2014 and 2040 population within 0.5 mile of potential station areas	81% Minority; 25% Low-Income Pop: 2014: 8,500; 2040: 7,900	
	2014 and 2040 employment within 0.5 mile of potential station areas	Emp: 2014: 1,500; 2040: 1,600	

For additional information on evaluation measures, see http://soundtransit3.org/document-library



Roger Valdez
Director
Seattle For Growth
Roger@seattleforgrowth.org
PO Box 2912
Seattle, Washington, 98111
(206) 427-7707

October 31, 2018

To: Ketil Freeman

Seattle City Council Central Staff

From: Roger Valdez

Director, Seattle For Growth

Re: Record Number: 001763-18PN, Determination of Non-Significance (DNS) on

proposal to amend the Comprehensive Plan to facilitate implementation of

a transportation impact fee program.

Seattle For Growth has long been on record as opposing any and all impact fees including those for transportation (see attached for an example) or housing. The reason is simple: developers do not pay impact fees but, in the end, people who need housing, whether they are paying for that housing with a mortgage or rent, bear that cost.

Meanwhile, the City and its elected officials have been on record over the past several years repeatedly saying that there is a housing "crisis" in Seattle. That crisis is higher prices for housing. Adding to that problem with impact fees is therefore at odds with broader stated City housing policy of trying to ameliorate that problem.

While we acknowledge that impact fees are legal, today we want to go on record not just opposing adding more costs to housing with impact fees but also to the DNS; the City Council must go back and study the impact of adding to housing prices on the environment.

Environmental impacts of deliberately increasing housing prices include more car trips made by people who can no longer afford to live near their place of employment, school, child's day, care, family or other necessities. In a previous appeal of the City's change in Floor Area Ratios we made a similar argument: housing scarcity created by limits production and higher prices has implications on emissions caused by increased car trips and impacts on overburdened transit service.

While the documents cited in the DNS fail to address what higher prices would mean for the environment, one of them, the Seattle Pedestrian Master Plan Implementation Plan 2018-2022 says this about impact fees:

Additionally, there are well-documented arguments that hold that increased development fees will be passed on to consumers, exacerbating the alreadyhigh cost of housing in Seattle.

We believe the City must consider what those "well-documented arguments" mean not just for housing costs, but the collateral damage to the wider community when people cannot afford to live in the city and must make longer, more costly commutes.

The City must also study how these impact fees would combine with already proposed fees to fund the City's Mandatory Housing Affordability (MHA) program to increase the costs of housing. Along with MHA, there are other mandates from the City affecting infrastructure like making new projects pay for redundant water infrastructure to keep utilities rates lower for existing homeowners. All these proposals are in total contravention to any rational effort by the City to lower housing prices. Impact fees will incrementally, but significantly, make this fusillade of ill conceived and incoherent exactions worse.

Finally, while they are legal, impact fees aren't necessary. As we've stated repeatedly, the Real Estate Excise Tax (REET) already generates tens of millions of dollars that go into the Cumulative Reserve Fund (CRF) to fund transportation infrastructure. The City of Seattle has already made it a priority to increase the REET and expand its use. The City should compare what doing nothing would do with increases in price from impact fees.

We would urge the City Council to withdraw the DNS determination and study what the implications are for higher prices for housing, especially for those people who earn less, travel farther to work, and would bear the largest burden of the costs of the fees on housing and transit service.

Sincerely,

Roger Valdez Director

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Charging impact fees will make Seattle housing prices worse

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Impact fees would just add to an array of existing fees already boosting housing costs.

By <u>Roger Valdez</u> Special to The Times

THREE Seattle City Council members have announced their intention to seek to impose impact fees on new housing at a time when they, the mayor and candidates seeking city office all have declared a "housing crisis" because of rising prices ["Seattle is overdue for developer impact fees," Opinion, July 26.]

But does it make sense to impose fees that will contribute to higher production costs and increase the price of housing? Of course not. But shouldn't, "growth pay for growth"? The fact is new development already does pay for itself while providing much needed housing. Impact fees would just add to an array of existing fees already boosting housing costs. Impact fees will make housing prices worse.

What you can't see is lots of drainage infrastructure, too, both to deliver water service to the project but also to drain water from impervious surfaces and into existing pipes and drains. New projects also pay sewer capacity charges that cover costs of operating the Brightwater facility. All the improvements made by new housing are paid for not by the city but by the new development. Not a single stick of housing is built that doesn't pay for improvements in proportion to demands it puts on the system.

Housing development also pays lots and lots of fees, taxes and charges that contribute to infrastructure (e.g. sidewalks and drainage) all over the city. Take a look at Seattle's Cumulative Reserve Subfund (CRS), funded by Real Estate Excise Taxes (REET), taxes charged whenever land changes hands in the city. This year the REET will generate more than \$80 million that will be spent on projects like maintaining bridges (\$2.6 million), roads (\$1.1 million) and even funds the city's Tenant Relocation Assistance Ordinance (TRAO) with \$382,000. And the fees builders and developers pay when they get an alley or right of way vacated by the city will generate \$16 millionfor infrastructure needs. And this doesn't count sales tax and property tax that fund city programs.

What will impact fees do to the cost of housing? A recent study by the city of Portland estimated that on average, "government fees" add 13 percent of the total development cost of housing.

That's a conservative estimate compared to our own assessment that almost 25 percent of the costs of a new unit of housing in Seattle are fees and taxes. Along with fees being proposed citywide as part of the HALA recommendations to charge

builders for forcing them to build additional density, impact fees would add more fuel to an inflationary furnace of housing prices in the city.

Finally, there are strict legal limitations to impact fees. Here's what the Municipal Research Services Center (MRSC) reminds us about impact fees:

Impact fees may not be used to correct existing deficiencies. For instance, a school district may use the impact fees from a development to pay for construction of new classrooms at specific schools to accommodate the increased enrollment anticipated from that specific development.

Impact fees on a project pay only for improvements that benefit the residents of that development, not for general improvements.

When added to climbing housing-production costs and swelling demand, impact fees will only make much needed housing harder and more expensive to produce at a time when housing prices are rising because housing is scarce.

Instead of thinking up more ways to make housing more costly to produce, City Hall, if it truly cared about rising prices, would cut back on rules, fees and process so that new housing production could more easily meet surging demand.