

What are Impact Fees?

Impact fees are a broad category of charges on new development assessed to pay for capital improvements (e.g., parks, schools, roads, etc.) necessitated by new development.

Transportation impact fees are collected to fund improvements that add capacity to the transportation system accommodating the travel demand added by new development. The revised Code of Washington (RCW 82.02.050) defines transportation impacts fee programs as intended to:

- Ensure that adequate facilities are available to serve new growth
- Establish standards by which new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development
- Ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same project

The Growth Management Act is the legislation that allows impact fees in Washington State. Prior to the passage of the GMA, local agencies primarily relied on the State Environmental Policy Act (SEPA) process to require developers to fund mitigation projects necessitated by new development.

Transportation impact fees are collected and spent on public road facilities needed for system improvements that are included within the capital facilities plan. The City recently completed an update of its Comprehensive Transportation Plan (CTP), which serves as the capital facilities plan for the transportation system. The CTP identifies capacity adding projects necessary to support the envisioned growth. These capacity adding projects are also included in the 2010 Update of the Transportation Impact Fee Program.