I. SUMMARY OF PROPOSAL

The City of Bellingham and Sustainable Connections have collaborated on a set of ten tasks to be accomplished in 2010 to support and encourage green building. The “Ten In ’10” initiative (ATTACHMENT A) is part of the City of Bellingham’s on-going commitment to streamline permitting and support projects that conserve resources and minimize impact to the environment. Project #4 in the Ten in ’10 initiative is titled “Transportation Mode Shift Incentive” with the goal of lowering transportation impact fees for development in Urban Villages when performance measures proven to reduce vehicle trip generation are incorporated into the project.

More specifically, the “Transportation Mode Shift Incentive” is a proposal from Public Works transportation planners to amend Bellingham Municipal Code (BMC) 19.06 “Transportation Impact Fees,” adding new text, where needed and a new table (TABLE 2 AND ATTACHMENT B) to allow vehicle trip reduction credits for new development that is 1.) located in master-planned mixed-use Urban Villages; 2.) located in close proximity to WTA transit service; and/or 3.) enters into commitments for Transportation Demand Management (TDM) strategies that are proven to result in lower on-site vehicle trip generation rates (Examples: Commute Trip Reduction (CTR), provision of bus passes, or provision of car-share vehicles or memberships). The goal of the amendment to BMC 19.06 is to further implement the infill land use strategy and multimodal transportation policies of the Bellingham Comprehensive Plan by offering the incentive of lower Transportation Impact Fees (TIFs) for infill development in Urban Villages that includes performance measures proven to reduce vehicle trips.

II. TRANSPORTATION COMMISSION AND CITY COUNCIL ROLES

The proposed amendments are additions to BMC 19.06.030 C. and 040 E., which are not land use development regulations or Neighborhood or Comprehensive Plan Amendments, do not require a Type VI public process, and are therefore not subject to any particular criteria other than consistency with the Bellingham Comprehensive Plan (SEE SECTION V) and State law requirements for Transportation Impact Fees (RCW 82.02). Public Works has requested that the Transportation Commission discuss this proposal at the November 9, 2010 public meeting and provide a recommendation to the City Council. Sustainable Connections held a special evening forum for developers and other parties interested in this proposal on October 26, 2010. Public Works has also requested that the City Council hold a public hearing on December 6, 2010 to allow public comment from citizens and the development industry prior to adoption. If adopted, the proposed amendments to BMC 19.06 would become effective January 1, 2011.
III. BACKGROUND

BMC 19.06 contains the technical definitions, vehicle trip generation rates (BMC 19.06.030, Table 1), calculations, and process requirements for Bellingham to carry out the State law requirements (RCW 82.02) for implementing a Transportation Impact Fee (TIF) ordinance. These development regulations require that new development in the City limits of Bellingham pay a proportional share of the cost to provide city-wide transportation infrastructure based on the 20-year planning period in the Comprehensive Plan, the transportation capital investments made by the City, and the calculated transportation impact of new development.

BMC 19.06 Transportation Impact Fees was originally adopted in 1994 by the City Council when Bellingham completed its first GMA-compliant Comprehensive Plan. BMC 19.06 was significantly revised in 2006, after Bellingham completed the last significant update to the Comprehensive Plan, and the new TIF system became effective on January 1, 2007. Since then, several portions of the Bellingham Urban Growth Area (UGA) have been annexed to the City of Bellingham, Urban Village planning work has been completed for Old Town, North Samish Way, and the Fountain District. Planning for a Waterfront District Urban Village is underway, and when a master plan, development regulations, and adopting ordinances are completed, the Waterfront District will become eligible for vehicle trip reduction credits.

Public Works transportation planners have conducted research into vehicle trip generation rates in mixed use urban environments, have investigated accepted trip reduction methodology, and are proposing a menu of location factors and performance measures (TABLE 2 AND ATTACHMENT B), which may be applied to new development projects in master-planned Urban Villages in Bellingham. These changes require amendments to BMC 19.06 “Transportation Impact Fees.”

Public Works provided public notice and opportunities for comment on this proposal, as follows:

- April 19, 2010: City issues press release for “Ten in ’10 Initiative” with project #4 listed as “Transportation Mode Shift Incentive” - reduction in transportation impact fees for performance measures that are proven to reduce on-site trip generation, such as location on Whatcom Transportation Authority Go-Lines; 
- September 8, 2010: Planning Director signed DNS for SEP2010-00034 Minor text amendments to BMC 19.06 Transportation Impact Fees;
- September 9, 2010: SEPA DNS and Checklist mailed to State agencies, MNAC, and other interested parties;
- September 9, 2010: Planning Department posted SEPA DNS Notice on City web site;
- September 10, 2010: Legal Notice of SEPA DNS published in Bellingham Herald with 14-day public comment period ending on Monday, September 27, 2010;
- September 27, 2010: SEPA public comment period ended – no comments received;
- October 26, 2010: Sustainable Connections/Public Works special forum for developers to discuss proposed amendments to BMC 19.06.
- November 1, 2010: Staff report emailed and mailed to Transportation Commissioners and made available to public;
- November 3, 2010: Whatcom Community Transportation Advisory Group (CTAG);
- November 4, 2010: Whatcom Transportation Technical Advisory Committee (TTAC);
- November 9, 2010: Public Transportation Commission meeting to review proposal;
- November 22, 2010: 10-day notice issued for December 6 City Council public hearing;
- December 6, 2010: Public hearing before City Council; Vote; 1st & 2nd Reading; and
- December 13, 2010: City Council 3rd & Final Reading (Effective date January 1, 2011).
IV. ISSUES/PROPOSED CHANGES

A. Recommendations for Change

When the “Ten in ‘10” Initiative was being conceived, Public Works recommended incorporation of specific vehicle trip reduction credits that would result in lower vehicle trip generation, and thus lower TIF payments for development located in mixed use Urban Villages. Public Works stipulated, however, that TIF reductions must be based on transportation industry-accepted methodology and performance measures that have been documented to reduce vehicle trips.

The “Ten in ’10 Initiative,” the integrated land use-transportation policies in the Bellingham Comprehensive Plan, and the GMA all include goals to encourage infill development and multimodal transportation in a compact urban area to reduce environmental impacts. The proposal to incorporate vehicle trip reduction credits in BMC 19.06 implements these goals by providing incentives for the appropriate type of development (infill) in the appropriate types of places (Urban Villages) that the Bellingham community has stated support for.

B. Research on Accepted Trip Reduction Methodology

In recommending the incorporation of vehicle trip generation and TIF reduction credits, Public Works staff worked within the following framework:

1) **TIF reduction must be legally defensible**: State law (RCW 82.02) and BMC 19.06 are both very specific regarding impact fees and City TIF assessments can, and have been, appealed to both the Public Works Director and the City Hearings Examiner. There is substantial Washington State case law regarding TIF assessments and appeals and the Washington State Supreme Court has issued several decisions specific to transportation impact fees. Bellingham’s current TIF system was created in 2006 and is based on the City of Olympia’s, which was upheld by the Washington Supreme Court during that same year after being appealed by developers (*City of Olympia v. Drebick*). Therefore, any incorporation of trip reduction credits must be based on legally defensible practices using accepted methodology and practices within the field of transportation planning and engineering.

2) **Consistency with ITE Methodology**: BMC 19.06 references the most recent edition (8th edition, 2009) of the Institute of Transportation Engineers (ITE) Trip Generation Manual, which is the transportation industry standard that has compiled trip generation rates\(^1\) for 161 different land use types based on thousands of studies over the past 40 years. This is the source of trip generation data that almost all jurisdictions in the United States use for traffic studies, transportation models, and transportation impact fee calculations. The ITE *Trip Generation Manual*, ITE *Trip Generation Handbook*, and ITE *Transportation Planning Handbook* all contain research and recommended practices for adjusting trip generation rates for mixed use development, downtown locations, development that is well-served by public transit, and application of TDM strategies. ITE also publishes research in the *ITE Journal* on the adjustment of trip generation rates for urban locations, mixed use development, internal capture rates, and the effect of various TDM strategies.

[Notes: 1. Institute of Transportation Engineers Trip Generation Manual, Weekday Peak Hour of Adjacent Street Traffic, One Hour Between 4 and 6 p.m., Average Rate.]
3) **Survey of trip reduction practices of other Washington and U.S. cities:** In May 2010, Public Works staff submitted a research request to the Washington State Municipal Research and Services Center (MRSC) for documentation of vehicle trip reduction practices being used by other jurisdictions in Washington and, more broadly, within the United States. The MRSC list of resources was used in addition to accepted ITE methodology to examine methods being used by other jurisdictions to achieve similar goals. This survey yielded some useful sources, but also confirmed that most research is rooted in ITE methodology and jurisdictions only cautiously stray from ITE’s Trip Generation Manual unless they have the financial resources to conduct extensive local trip generation studies for their specific jurisdiction.

4) **Sustainable Connections Coordination:** In May of 2010, Sustainable Connections hired an intern to assist Public Works staff in conducting the initial research for this part of the “Ten in ‘10” initiative. Sustainable Connections and Public Works staff met every two weeks between June and October to report on progress and coordinate public outreach to the development community.

5) **The Proposed TIF Reduction is Limited to 50%:** TIFs are collected to recover a proportional share of the cost of the City’s capital investment in the citywide transportation network, which everyone uses. All development, including infill development in Urban Villages, has transportation impact because vehicle trips are generated from both inside and outside of the Urban Village. Every Urban Village plan has had transportation investments made or have transportation improvements identified in the Urban Village Master Plan, all of which cost more than the amount of TIF generated by the full build-out potential of the plan (See Table 1. and Charts 1-3, below). Therefore, it is appropriate to offer TIF reduction incentives, but it is not appropriate to waive TIFs in Urban Villages. The menu of proposed trip reduction incentives is optional and additive, but may not exceed a 50% reduction of vehicle trips and TIF.

<table>
<thead>
<tr>
<th>Urban Village</th>
<th>Transportation Investments</th>
<th>TIF Revenue</th>
<th>TIF % of Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fairhaven</td>
<td>1,725,000</td>
<td>1,589,124</td>
<td>92.1%</td>
</tr>
<tr>
<td>Fountain</td>
<td>2,432,000</td>
<td>420,000</td>
<td>17.3%</td>
</tr>
<tr>
<td>N. Samish Way</td>
<td>5,458,100</td>
<td>1,253,336</td>
<td>23.0%</td>
</tr>
<tr>
<td>City Center</td>
<td>7,725,000</td>
<td>1,346,280</td>
<td>17.4%</td>
</tr>
<tr>
<td>Old Town</td>
<td>7,800,000</td>
<td>1,900,000</td>
<td>24.4%</td>
</tr>
<tr>
<td>Barkley</td>
<td>21,800,000</td>
<td>17,673,372</td>
<td>81.1%</td>
</tr>
<tr>
<td><strong>Averages</strong></td>
<td><strong>46,940,100</strong></td>
<td><strong>24,182,112</strong></td>
<td><strong>51.5%</strong></td>
</tr>
</tbody>
</table>

1.) Includes past (2000-2010), present, and future (2011-2032) transportation investments serving Urban Villages in adopted 6-Year TIPs and adopted Urban Village master plans.

2.) Based on 2010 TIF rates, Urban Village Master Plans or existing zoning for increased residential and commercial development, and presumed build-out by 2032.
Chart 1. Funds for Actual and Planned Transportation Investments (2000 - 2016)
Compared to Projected TIF Revenue (2010 – 2032) in Urban Villages

<table>
<thead>
<tr>
<th>Location</th>
<th>Projected TIF Revenue (2010 - 2032)</th>
<th>Transportation Investment (2000 - 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barkley</td>
<td>17,673,372</td>
<td>21,800,000</td>
</tr>
<tr>
<td>Old Town</td>
<td>1,900,000</td>
<td>7,800,000</td>
</tr>
<tr>
<td>City Center</td>
<td>1,346,280</td>
<td>6,700,000</td>
</tr>
<tr>
<td>N. Samish Way</td>
<td>1,253,336</td>
<td>5,458,100</td>
</tr>
<tr>
<td>Fountain</td>
<td>420,000</td>
<td>2,432,000</td>
</tr>
<tr>
<td>Fairhaven</td>
<td>1,589,124</td>
<td>1,725,000</td>
</tr>
</tbody>
</table>

Chart 2. Percent of Actual and Planned Transportation Investments (2000 - 2016)
Compared to Projected TIF Revenue (2010 – 2032) in Urban Villages

<table>
<thead>
<tr>
<th>Location</th>
<th>TIF Funds (2010 - 2032)</th>
<th>City Funds (2000 - 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barkley</td>
<td>81.1%</td>
<td>18.9%</td>
</tr>
<tr>
<td>Old Town</td>
<td>75.6%</td>
<td>24.4%</td>
</tr>
<tr>
<td>City Center</td>
<td>80.0%</td>
<td>20.0%</td>
</tr>
<tr>
<td>N. Samish Way</td>
<td>77.0%</td>
<td>23.0%</td>
</tr>
<tr>
<td>Fountain</td>
<td>82.7%</td>
<td>17.3%</td>
</tr>
<tr>
<td>Fairhaven</td>
<td>92.1%</td>
<td>7.9%</td>
</tr>
</tbody>
</table>
State law does not allow cities to charge 100% impact fees, developers do pay significant regulatory fees when making application for projects in Bellingham, and TIFs are only one aspect of transportation review for new development.

Development Review Elements
Some people think that developers should bear the maximum amount of the cost for City infrastructure needed to serve our growing community. However, each citizen born or moved here has added to the growth of our community and each citizen contributes to traffic congestion every time a choice is made to drive in an automobile, sometimes on new streets that were paid for and constructed by developers. There is a public share of the costs for new transportation facilities and everyone will use and benefit from them, not just the new residents of the development project.

Prior to submitting an application, development projects are required to pay for Multimodal Transportation Concurrency evaluation (BMC 13.70). After submitting an application for development, many projects require SEPA review for traffic safety impacts (BMC 16.20) according to Public Works Development Guidelines and Improvement Standards. These requirements can result in street improvements, new traffic signals, sidewalks, bicycle lanes, curbs, gutters, storm water detention facilities, and other transportation improvements as a way of ensuring that the automobile traffic generated from the new development will not exceed adopted intersection safety and LOS standards in the Comprehensive Plan.

Conditions of development normally require construction of new public streets or enhancement of existing streets to City street standards (BMC 13.04). If the application is approved, then the developer must apply for building permits. If building permits are approved, Transportation Impact Fees, and all other impact fees and associated development fees, must be paid for in-full before the City will issue the building permit to the developer. These costs are translated into higher home prices and higher lease rates for commercial and office space, which can have a negative effect on housing affordability and centrally located employment opportunities. The proposed vehicle trip reductions will help to create incentives for development to locate in mixed use Urban Villages by lowering transportation impact fees to help offset some of the costs of development in exchange for performance measures that will reduce transportation impact.

C. General Proposed Amendments to Allow Vehicle Trip and TIF Reductions

Public Works proposes to amend two sections of BMC 19.06 “Transportation Impact Fees."

Amend BMC 19.06.030 C., as follows:

C. Reductions in PM peak hour traffic volume from a development as a result of traffic demand management strategies, linked trips, or other incentives to reduce PM peak hour traffic loads will be considered; and if valid, reduce the TIF.

1. Specific vehicle trip reduction credits are available in 19.06.040 E., Table 2, for Urban Village development. Auto-oriented commercial and drive-through are not eligible.

Amend BMC 19.06.040 E., as follows:

E. To further implement the infill land use strategy and multimodal transportation goals and policies of the Bellingham Comprehensive Plan, new development in Urban Villages with adopted master plans, are eligible for Vehicle Trip Reduction Credits listed in Table 2. Auto-oriented commercial and drive-through are not eligible.

Table 2. "Urban Village Vehicle Trip Reduction Credits"

[See Table 2 detail on next page as well as example of TIF reduction (ATTACHMENT B)]
### TABLE 2 – URBAN VILLAGE VEHICLE TRIP REDUCTION CREDITS

<table>
<thead>
<tr>
<th>Menu of Location Factors and Performance Measures to Reduce Vehicle Trips</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note: Reductions below are additive and may not exceed a total of 50%</td>
</tr>
</tbody>
</table>

#### 1.) MIXED USE URBAN VILLAGE LOCATION

*Based on ITE Internal Trip Capture - Mixed Use Urban Environment*

- 15% (Based on ITE Internal Trip Capture - Mixed Use Urban Environment)

#### 2.) WTA TRANSIT PROXIMITY (Only one transit proximity reduction below may be used)

- Development fronts on a high-frequency WTA GO Line: 10%
- Development within 1/4-mile of WTA GO Line: 7%
- Development fronts on standard WTA Route (< 60 min): 5%
- Development within 1/4-mile of standard WTA Route (< 60 min): 2%

#### 3.) EMPLOYER MANDATORY COMMITMENT TO COMMUTE TRIP REDUCTION (CTR)

- CTR/TDM commitment combining economic incentives with transportation services: 10%

#### 4.) VOLUNTARY ANNUAL WTA TRANSIT PASS PROVISION (Non-CTR)

- 2-year transit pass provided for residential units = 1% per unit pass: 1%
- 2-year transit pass provided for employees = 1% per employee pass: 1%

#### 5.) VOLUNTARY CAR SHARE PARTICIPATION OR PROVISION (Non-CTR)

- Car Share Vehicle(s) Parked On Residential or Employment Site = 2% per vehicle: 2%
- Car Share membership fee provided for residential units = 2% per unit: 2%
- Car Share membership fee provided for employees = 2% per employee: 2%
D. Specific Proposed Vehicle Trip and TIF Reductions

Each section that follows provides the rationale for offering trip generation reductions in Bellingham’s Urban Villages, highlights the research and methodology that supports the types of reductions examined, and proposes a specific trip reduction percentage based on the most applicable research and accepted methodology (Table 2 and Attachment C).

1) Urban Village Location: In recommending the incorporation of vehicle trip reduction credits, Public Works targeted Bellingham’s mixed use Urban Village (UV) locations that have adopted master plans (City Center, Old Town, North Samish Way, Fountain District, and potentially Waterfront District), adopted Urban Development Center (UDC) zoning (Barkley Village), or adopted Commercial/Historic District zoning (Fairhaven). It is anticipated that other UVs identified in the Comprehensive Plan will become eligible for vehicle trip reductions in the future as additional UV master plans are adopted.

a) Vehicle Trip and TIF Reductions in Urban Villages: TIFs are collected from new development and redevelopment to recoup a proportional share of the City’s cost to provide the transportation infrastructure to accommodate the 20-years of growth in the Bellingham Comprehensive Plan. TIFs are based on the number of vehicle trips generated by new development, or redevelopment, that creates a net new transportation impact due to more vehicle trips being generated than the previous use. Vehicle trip and TIF reductions are appropriate in UV locations for the following reasons:

- Most UV locations already have, or will have, more pedestrian, bicycle, transit, and auto capacity than non-UV or suburban locations
- UV locations are generally characterized by a mix of land use types in close proximity to each other and to non-auto transportation facilities and services, which is conducive to both internal trip capture and alternative mode trip-making
- Downtown metered parking helps to create a dis-incentive for over-use of automobiles while also creating an incentive for non-auto mode trips, especially by employees and downtown residents (No metered parking effect in other UV’s)
- ITE-accepted methodology and published research exists documenting location and proximity factors, as well as specific transportation demand management (TDM) performance measures, that have been proven to reduce vehicle trips for mixed use urban environments, thus providing justification and legal defensibility.
- Due to all of the above, most UV locations will require additional transportation investments for enhancing pedestrian, bicycle, and transit facilities, but should also require less new automobile transportation infrastructure investment than non-UV suburban or commercial auto-oriented locations. Because all UV plans require additional capital investments in multimodal infrastructure (Table 1. and Charts 1-3, above), UV development should continue to be required to pay a proportional, but reduced, share of the City’s cost to fund these multimodal improvements through TIF revenue generated from new UV development. Therefore, the TIF reduction is capped at 50%.

[Notes: 2. Adopted Urban Village Master Plan Examples: City Center, Old Town, Fairhaven, Barkley, N. Samish, Fountain District; Waterfront District]
b) ITE Methodology for Mixed Use Development Areas: “Internal trip capture” is a measure of the extent to which multimodal trips made within multi-use development areas are internalized with both origin and destination within the development area. ITE methodology for calculating “internal trip capture” from mixed use development areas generally suggests an average of 14.5% reduction of auto trips due to complimentary mix of land uses and close proximity between residential uses and commercial services, generally within ¼-mile (1,320 feet; 5-minute) walking distance.

[Notes: 3. ITE "Internal Capture" trips occur when mixed land uses complement each other and eliminate vehicle trips.

**Urban Village Location Trip Reduction Proposal**: Consistent with accepted ITE methodology for internal trip capture in mixed use development areas, Public Works is proposing a **15%** vehicle trip reduction for new development located within the boundaries of Urban Villages that have adopted master plans (City Center, Old Town, North Samish Way, Fountain District, and potentially the Waterfront District), adopted Urban Development Center (UDC) zoning (Barkley Village), or adopted Commercial/Historic District zoning (Fairhaven) [See Table 2. “Mixed Use Urban Village Location” and example of TIF reduction (ATTACHMENT B)]. All new development, with the exception of auto commercial and drive-thru/drive-in uses, in these mixed use Urban Villages would be charged 85% of the baseline TIF to reflect that residents, employees, customers, and visitors would be expected to make fewer automobile trips due to the complimentary mix of residential, commercial, and industrial land uses and the increased opportunities to walk, ride a bike, or ride transit. In downtown Bellingham, metered parking reinforces both internal trip capture and incentives to walk or ride a bike or bus.
2) Proximity to WTA Transit: In 2004, WTA and City transportation planners worked together to update both the WTA Strategic Plan and the Transportation Element of the Bellingham Comprehensive Plan. WTA completely revised their County-wide service delivery strategy and developed the WTA Primary Transit Network to provide high-frequency (15-minute) bus service on key corridors connecting Bellingham’s Urban Villages (See map on previous page). City transportation planners incorporated WTA’s Primary Transit Network into the Transportation Element of the Bellingham Comprehensive Plan and have integrated high-frequency transit routes, bus capacity, and ridership data into Bellingham’s multimodal transportation concurrency program, which is also designed to incentivize development in Urban Villages.

a) Transit Availability in Urban Villages: All Urban Villages that are eligible for TIF reduction (See map) are, or will be, well- served by WTA transit service and most of the Urban Villages encompass less than a ¼-mile radius of geographic area. The exceptions to this are the larger City Center/Downtown, which includes the Bellingham Station transit hub on Railroad Avenue, and the Waterfront District when fixed-route transit service becomes available. This means that from almost any point in any of the Urban Villages, it is a 5- to 10-minute walk (for the average person) to bus stops served by transit busses with frequencies of 15, 30, or 60 minutes. The availability of WTA high-frequency transit service creates both an opportunity for less reliance/dependence on automobiles and the likelihood that a certain percentage of the motorized trips into and out of Urban Villages are made on transit busses.

b) ITE Methodology for Proximity to Transit Corridors: There is ITE-accepted documentation of the trip reducing effect that proximity to transit can have on new development in mixed use development areas. The ITE Trip Generation Handbook, Appendix B “Effects of Transportation Demand Management (TDM) and Transit on Trip Generation,” cites documentation from an Oregon Department of Transportation study designed to estimate the trip reducing effects of various urban forms, TDM measures, and transit service and proximity. Table B.2. “Transportation Impact Factors for Development Around Bus Transit Corridors” shows that a 10% vehicle trip reduction can occur if development in a mixed use urban environment is within ¼-mile (1,320 feet; 5-minute walking distance) of a bus transit corridor.

Transit Proximity Trip Reduction Proposal: Consistent with accepted ITE methodology, varying degrees of vehicle trip reduction credit are proposed for new mixed use development located within the boundaries of Urban Villages that is within ¼-mile (1,320 feet; 5-minute walking distance) of a WTA transit bus route. Vehicle trip reduction credit for development in close proximity to transit is based on distance from and frequency of the transit service available, as follows:

- 10% for fronting on a WTA high-frequency transit corridor;
- 7% within ¼-mile of a WTA high-frequency transit corridor;
- 5% for fronting on a standard service (30-60 minute) WTA transit corridor; and
- 2% within ¼-mile of a standard service (30-60 minute) WTA transit corridor.

Note: Only one transit proximity credit above may be applied to lower TIF charges.
3) **Mandatory Commute Trip Reduction** (CTR) Performance Measures: Commute Trip Reduction (CTR) is a term that describes various Transportation Demand Management (TDM) measures that may be used by employers in an effort to reduce Single Occupant Vehicle (SOV) trips by employees to and from work sites. More generally, TDM measures can also be used to reduce vehicle trips that are not commute/work-related.

a) **Employer Mandatory Commitment to Commute Trip Reduction (CTR):** Washington State’s Clean Air Act (RCW 70.94) has specific requirements for cities and counties to adopt transportation demand management strategies, including a Commute Trip Reduction plan (RCW 70.94.527) with mandatory requirements for all employers with 100 or more employees to commit resources to reducing employee single occupant vehicle (SOV) trips 10% below the standard vehicle trip generation baseline.

State law requires the regional CTR coordinator to survey employers participating in the CTR program every two years to determine whether they are meeting their 10% SOV reduction goals. If not, the CTR coordinator works with the employer to identify additional methods that the employers could use to reduce SOV trips to achieve the target reduction goal. These CTR employer surveys and reports are submitted to the State. To date, employer compliance has been variable and enforcement has been relatively relaxed.

b) **ITE Methodology for CTR Performance Measures:** The ITE Trip Generation Handbook, Appendix B “Effects of Transportation Demand Management (TDM) and Transit on Trip Generation,” cites documentation from a Transit Cooperative Research Program (TCRP) Project B-4 Study that conducted a nationwide survey of employers to determine the effectiveness of various CTR performance measures. The study examined three primary categories of CTR/TDM measures that employers implement to reduce SOV commute trips with varying degrees of success.

1) **Support Measures:** Provided by employers to foster a work environment that supports commuting by alternative modes. Includes employee transportation coordinators, rideshare matching, promotional activities, on-site child care, and alternative work schedules (flexible work hours, compressed work weeks, staggered work hours, and telecommuting). The surveyed TDM programs that provide only support services (with no economic or service incentives) were measured to generally have no significant effect on the number of SOV trips made by commuters.

2) **Economic Incentives**: Employer-provided monetary incentives for employees to use alternative travel modes, such as transit subsidies/bus pass, parking fees for non-ride share vehicles, parking discounts for rideshare vehicles, and transportation allowances. The surveyed TDM programs that include employer-provided economic incentives to not drive alone were found to have an average of 16% reduction in the number of SOVs used by commuters.

3) **Transportation Services**: Employer-based efforts, such as vanpool programs, shuttle bus service to off-site transit stations and park-n-ride lots, guaranteed ride home programs, and provision of on-site showers and changing room facilities. The surveyed TDM programs that include employer-provided transportation services were measured to have an average 8% reduction in the number of SOVs used by commuters.

The TCRP study concluded that TDM programs that combine support measures, transportation services, and economic incentives produce the most significant effect.
of reducing commuter vehicles from employment sites and, under ideal mixed use
development circumstances in dense urban environments with high levels of public
transit and high parking rates, can have up to a 24% reduction of commuter vehicles.
Generally, however, the combined effect of all three TDM categories is an average
13% reduction in the number of SOVs used by commuters. Bellingham’s
moderate density, moderate transit service and frequencies, abundant surface
parking supply, and low or free parking rates can make the success of CTR
programs even more challenging.

Adding the ‘carrot’ of a 10% reduction in TIF charges, potentially worth thousands of
dollars, would require a contractual CTR agreement with the City, a specific time
commitment (2-3 years) to reach the 10% SOV reduction goal, demonstration of
good-faith efforts to comply, and the consequence of having to reimburse the City for
TIF-equivalent funds minus the cost of CTR measures implemented within the
contractual time period. While it is not expected that there will be a large number of
CTR-mandated employers locating in the UVs, the potential to save money in TIF
charges for something that State law already requires should be seen as an
additional incentive for large employers to locate in the UVs.

**Commute Trip Reduction Proposal:** Consistent with both accepted ITE methodology
and the RCW 70.94.527 (CTR law) target of 10% reduction of employee SOV commute
trips, Public Works is proposing a 10% CTR vehicle trip reduction credit for employers
located in Urban Villages with over 100 employees, which are required to comply with
RCW 70.94.527 (CTR law). In order to receive the 10% reduction in TIF, the employer
would be required to sign a CTR contract with the City, a specific time commitment (2-3
years) to reach the 10% SOV reduction goal, demonstration of good-faith efforts to
comply, and the consequence of having to reimburse the City for TIF-equivalent funds
minus the cost of CTR measures implemented within the contractual time period.

[Notes: 7. Employers >100 = Mandatory CTR; Employers <100 = Voluntary CTR with 2-Year Minimum
Commitment. Washington CTR Requires 10% Single Occupant Vehicle Reduction below Baseline
for Employers.
7.a. Economic Incentives = Transit passes, parking discounts for rideshare vehicles, parking fees for
SOVs, transportation allowances.
7.b. Transportation Services = Vanpools, shuttle bus service to transit station or park-n-ride, on-site
showers, lockers, changing facilities.
7.c. ITE Trip Generation Handbook, Appendix B, Section B.3. Reported Typical Experience TCRP
Project B-4 - Cost Effectiveness of TDM Programs.]

4) **Voluntary Transportation Demand Management (TDM) Performance Measures:**
As stated above, CTR programs are typically, and most effectively, packages of various
TDM measures offered to employees, but individual TDM measures can also be used to
reduce vehicle trips that are not commute/work-related.

a) **TDM Research and Methodology:** In addition to the ITE methodology for CTR/TDM,
referred to above, there is also research, based on ITE trip generation methodology,
that provides both legitimate guidance, and caution, in developing vehicle trip
reduction incentives for individual TDM performance measures. Nelson/Nyggaard
Consulting Associates, an international firm specializing in public transit and TDM,
(Nelson/Nyggaard helped to develop the 2004 WTA Strategic Plan), published
research in 2006 recommending trip generation reductions for CTR/TDM performance measures in the City of Berkeley, California.\(^8\)

The Nelson/Nygaard study recommended research-based methodology combined with policy incentives, but also cautioned that jurisdictions should not offer CTR/TDM trip reduction incentives without some requirement for post-occupancy reporting from participants, staff resources to monitor the effectiveness of participant TDM measures, and effective enforcement mechanisms to ensure compliance.

b) Provision of Bus Passes: Nelson/Nygaard’s research indicates that there can be a corresponding reduction in vehicle trip rates when bus passes are provided to residents or employees in mixed use urban environments and in close proximity to transit service. The degree of vehicle trip reduction depends on population size, urban density, frequency and type of public transit service, and, most importantly, parking rates as a disincentive to automobile use. Large and densely built cities with light rail or bus rapid transit (BRT) and expensive parking rates (Seattle, San Francisco, Vancouver B.C.) can have the highest degree of vehicle trip reduction (up to 30%) if residents or employees are provided with free transit passes.

At 77,000 residents, Bellingham is a comparatively small city with comparatively moderate density and fixed route transit bus service available, even in the planned Urban Villages. Parking meters only exist in the downtown area and the weekday parking rates are extremely low compared to larger cities. There is no metered parking in any of the planned Urban Villages outside of the downtown area, which does not create a disincentive for automobile use and reduces the effectiveness of public transit incentives, including the provision of free bus passes to residents and employees. Given Bellingham’s current circumstances, the research on individual TDM measures would suggest a 1% vehicle trip reduction credit for each residential unit or employee provided with a free bus pass, if a reporting and compliance requirement is included.

Offering the economic incentive of vehicle trip reduction credit, and thus lower TIF charges, for the voluntary provision of free bus passes to residents and employees also creates concerns for the City regarding compliance and longevity, as well as loss of TIF revenue. There is inherent turnover of apartment residents and employees, which can make permanent change of travel behavior challenging, especially without parking rate disincentives in place. The most effective way to provide free bus passes to non-permanent residents and employees is monthly or quarterly, rather than annually, over an established time period. It would be nice to require free bus passes “in perpetuity”, as per Transportation Goal 36 from the Bellingham Comprehensive Plan, below, but it would not likely be used by developers because it would not make economic sense to do so. The cost of permanently providing bus passes would exceed the benefit gained by the developer and thus remove the economic incentive to seek parking, or vehicle trip, reduction.

- TG-36 Establish parking reduction allowances for residential units in Urban Villages and within ¼ mile of the WTA Primary Transit Network that require each unit to receive WTA bus passes in perpetuity.

In order to maintain the proposed economic incentive of lower TIF while legitimately attempting to reduce vehicle trips, a limited time period must be balanced against a reasonable presumption that non-automobile travel behavior will be established and, hopefully, maintained over a longer period of time, even without other automobile
disincentives, such as metered parking, in place. Each developer or employer would be required to enter into a contractual agreement with the City to provide bus passes equivalent to 2 years worth of free passes to residents or employees with written verification of compliance to Bellingham Public Works by WTA. Failure to comply would constitute a breach of contract and would require full payment of the original TIF, minus any bus passes already purchased. It is reasonable to expect that after two years, general travel behavior to and from a site will be established and that, to some extent, there will be less reliance on private automobiles. As mixed use Urban Village environments become more established, this will be further reinforced.

In 2010, WTA bus passes cost $25 per month ($300/year), $70 per quarter ($280/year), or $250 for an annual pass,\(^8\) while one peak hour vehicle trip costs $1,932. Due to normal turnover of apartment residents, monthly or quarterly passes are more appropriate for Urban Village resident or employee bus passes. In the example used in Attachment C., a 1% reduction credit is offered for each residential unit or employee provided with a free bus pass and the developer has chosen to provide free quarterly bus passes to all 24 units to eliminate 24% (8.45) of the overall vehicle trips generated. At $560 per unit for two years worth of free quarterly WTA bus passes, this would cost the developer $13,440, but would save $2,885.40 (17.7%) that would otherwise have to be paid as part of the $16,325.40 in standard TIF charges. The City would forego $2,885.40 in TIF revenue for this 2-year provision of bus passes, which would be in addition to the 15% UV location reduction and the up to 10% transit proximity reduction. If annual WTA passes were purchased for owner-occupied condominiums, townhomes, or long-term lease apartment residents verified by the City, then the savings would be even greater with a cost of $12,000 for the annual passes and a savings of $4,325.40 (26.5%) in standard TIF charges. Transit-oriented travel behavior and lifestyle choice would be more likely from owner occupants or residents with long-term leases, which justifies the greater savings in TIF.

**Provision of Bus Pass Proposal**\(^9\): A variable vehicle trip reduction credit of up to 10% has already been offered for Urban Village development in close proximity to transit and, therefore, to avoid duplication of vehicle trip reduction credit, the provision of free bus passes is proposed as **1% for each Urban Village residential unit or employee provided with 2-years worth of free WTA transit passes**. A contract would be required with the City to ensure compliance with verification of bus pass purchases provided by WTA. Failure to comply would be a breach of contract requiring full TIF payment, minus the cost of any purchased bus passes.

[Notes: 8. Nelson/Nygaard "Recommended Refinements to Trip Generation Methodology." April 2006 Study for City of Berkeley, CA.
8.a. 2010 WTA bus pass cost = $250/year; 2-year minimum commitment for this reduction.
9. Not Available to Employers Participating in CTR to avoid duplication of TDM measures.]

c) **Provision of Car Share Membership or Accommodation of Car Share Vehicle:**

Car sharing is essentially having access and use of a vehicle without the requirement and cost of owning and insuring the vehicle.\(^10\) Community Car Share (CCS) of Bellingham was a local non-profit car share organization that existed from 2006 to 2010, but did not survive the economic recession. National for-profit car share companies like ZipCar\(^\text{®}\) exist in large city markets like Seattle, San Francisco, and...
Vancouver, B.C. Some national rental car companies have also begun exploring the possibility of offering car share services in communities that they serve.

Research on car share organizations and travel behavior of car share members indicates that once people become car share members they drive fewer vehicles miles annually than average vehicle owners (up to 47% according to one study). The Nelson/Nygaard research\textsuperscript{8} indicates that there can be corresponding vehicle trip reduction of 2\% when memberships to car share organizations are provided to residents or employees.

While there is currently not a local or national car share presence or membership opportunity in Bellingham, it is possible that a car share organization will have a presence here in the future. Providing a TDM incentive for developers and car share organizations at this time may help to create a market for car sharing in the future. Similar to the provision of free bus passes, developers could arrange to pre-purchase memberships to a local car share organization, which would then be provided to residential units or employees on a quarterly basis to avoid problems with turnover. Membership with the former CCS was $250 per year so the economics would be similar to the provision of bus passes. Additional requirements may be necessary to qualify residents and employees as members based on driving record and credit score, but business or organizational memberships may also be available. Damage deposits could be the responsibility of individual residents while the initial 2-years worth of membership fee ($500) would be paid by the developer or employer in exchange for vehicle trip reduction credit, which would lower the TIF.

The Nelson/Nygaard research\textsuperscript{10a} also indicates that vehicle trip reduction of 2\% can occur if car share vehicles are parked on-site or provided for use by residents or employees in mixed use urban environments. If a car share vehicle is parked on-site and is highly visible to residents or employees, then it becomes quite convenient to become a car share member. At its peak, CCS owned three vehicles, all of which were parked in the downtown and Fairhaven Urban Villages at locations where WTA high-frequency transit was easily accessible. National car share organizations with large vehicle fleets enhance this convenience to members by parking several vehicles in close proximity to major employment centers and residential neighborhoods. Urban density, limited parking supply, and higher parking fees are the key indicators of where car sharing is most likely to succeed.

Another possible method of parking a car share vehicle on-site would be for a developer to unbundle parking stalls from residential units, reduce the overall number of stalls available for use, and provide a car share vehicle, available by reservation, for use by building residents or Condominium Association members. The developer’s cost of providing the car share vehicle on-site could be off-set by the cost savings of building fewer structured parking stalls for the residential units, each of which are very expensive at $25,000 to $30,000 per parking stall. This arrangement would require additional coordination with the Planning Department, as well as parking code changes, to allow unbundled parking, but adopted Transportation Element goals call for both unbundled parking and car sharing in Urban Villages, as follows:

- TG-34 Encourage the “unbundling” (separate pricing) of parking spaces associated with residential development in Urban Villages to promote reduction in ownership of multiple automobiles.
• TG-35 Encourage the provision of car-sharing with new residential development within Urban Villages to reduce the residential parking demand.

**Provision of Car Share Membership or Vehicle Accommodation Proposal**: Similar to the provision of free bus passes, the vehicle trip reduction credit for provision of free car share membership is proposed as 2% for each Urban Village residential unit or employee provided with 2-years worth of free car share organization membership[^11] and 2% for each car share vehicle parked on an Urban Village residential or employment site. A contract would be required with the City to ensure compliance with verification of memberships provided by the car share organization. Failure to comply would be a breach of contract requiring full TIF payment, minus the cost of any purchased bus passes.

[^9]: Not Available to Employers Participating in CTR to avoid duplication of TDM measures.
[^10]: Car Sharing = Membership access to an automobile shared by multiple users in a Car Share Company or Non-Profit Organization.
[^10.a]: Nelson/Nygaard "Recommended Refinements to Trip Generation Methodology." April 2006 Study for City of Berkeley, CA.
[^11]: Requires Car Share Vehicle to be located within 1/4-mile (5-minute walk) of development.

**d) Other performance measures to reduce vehicle trips in Urban Villages**

There are no other TIF reductions proposed for specific performance measures at this time, but transportation planning staff would like to continue to conduct research to determine if there is documented vehicle trip reduction effects for other performance measures, including but not limited to secure bicycle parking (bike lockers or cages) and commercial/employer-provided shuttle bus service (WTA van pool or private shuttle). If a legitimate and documented vehicle trip reduction can be attributed to other performance measures, then these can be added to BMC 19.06 at a future time.
V. COMPREHENSIVE PLAN GOALS AND POLICIES SUPPORTING PROPOSAL

The proposed amendments to BMC 19.06 Transportation Impact Fees reflects the essential basis and intent of many infill land use strategy and multimodal transportation goals and policies in the Bellingham Comprehensive Plan. Most specifically, the proposed amendments are consistent with the adopted goal and policy direction of the Transportation Element, as follows:

Transportation Visions for Bellingham

TV-2 Development patterns that encourage walking, biking and transit use are fostered through incentives and zoning regulations, including provisions for developments which allow people to live within walking distance of shopping and employment. These provisions may encourage small scale neighborhood centers as well as cottage industry or home occupations.

Transportation Element Goals

TG-22 Support WTA high-frequency transit service by allowing higher density development in designated Urban Villages in Bellingham and the Bellingham UGA.

TG-23 When new development takes place, support WTA high-frequency transit service by encouraging transit-oriented development along and within ¼ mile of WTA’s Primary Transit Network within Bellingham and the Bellingham UGA.

TG-28 Set target goals to increase the mode share of pedestrian, bicycle, and transit trips and reduce automobile trips as a percentage of total trips, as listed below.

<table>
<thead>
<tr>
<th>Mode</th>
<th>2004</th>
<th>2010</th>
<th>2015</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile</td>
<td>87%</td>
<td>84%</td>
<td>80%</td>
<td>75%</td>
</tr>
<tr>
<td>Transit Bus</td>
<td>2%</td>
<td>3%</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Bicycle</td>
<td>3%</td>
<td>4%</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Pedestrian</td>
<td>8%</td>
<td>9%</td>
<td>11%</td>
<td>13%</td>
</tr>
</tbody>
</table>

(Note: 2004 data from FTA/Social Data Study)

TG-30 Bellingham reduces automobile trips on roadways and increases the efficiency of transportation facilities by developing and encouraging Transportation Demand Management (TDM) strategies to help achieve target goals for transportation mode shift, wherever possible.

TG-32 Emphasize and commit to the implementation of infill and Urban Village land use strategies to create residential densities that will support safe, viable, and convenient opportunities to use transportation modes other than the private automobile.

TG-33 Establish reduced parking requirements for transit-oriented development within master-planned Urban Villages and along and within ¼ mile of the WTA Primary Transit Network while ensuring that there will be minimal impacts to surrounding residential neighborhoods.

TG-34 Encourage the “unbundling” (separate pricing) of parking spaces associated with residential development in Urban Villages to promote reduction in ownership of multiple automobiles.
TG-35 Encourage the provision of car-sharing with new residential development within Urban Villages to reduce the residential parking demand.

TG-36 Establish parking reduction allowances for residential units in Urban Villages and within ¼ mile of the WTA Primary Transit Network that require each unit to receive WTA bus passes in perpetuity.

Transportation Element Policies

TP-1 Consider revision of land use plans to allow densities and mixes of uses that reduce the number and length of vehicle trips and increase the opportunity to use public transportation and non-motorized modes of travel.

TP-2 Reinforce the link between land use and public transportation by encouraging transit-oriented development along and within ¼ mile of WTA Primary Transit Network corridors and near urban villages, town centers, and neighborhood centers.

TP-4 Provide development incentives (such as increased density, increased square footage, and parking requirement reductions) for new development located within Urban Villages and along and within ¼ mile of WTA Primary Transit Network corridors when amenities for transit users, bicyclists and pedestrians are included, while minimizing impacts to surrounding residential neighborhoods.

TP-15 Develop regionally consistent and equitable transportation impact fees by which land developers are assessed fair-share contributions for any transportation improvements, including but not limited to pedestrian facilities, bikeways, or roadways that are that are identified in the six-year Capital Improvement Financing Plan listed in the Capital Facilities Element.

TP-22 Support pro-active marketing, advertising, and public education efforts by the WTA, WCOG, and City and County Bicycle Pedestrian Advisory Committees to encourage major employers and businesses to provide incentives for their employees to use transit, non-motorized transportation, or car-pooling/ridesharing to get to work rather than single-occupant private automobiles.

TP-32 Promote energy conservation by implementing transportation demand management policies and through the use of alternative fuels.

TP-37 Develop programs to reduce single-occupancy vehicle use, vehicle miles traveled, trip length, and travel during peak periods. Encourage more major employers and developments to implement transportation management plans (including flexible work schedules) that reduce single occupancy vehicle use and travel during the peak periods.

TP-39 Encourage use of non-automotive travel modes by developing parking management plans. Mechanisms to be considered include:

- An emphasis on short-term parking in retail areas;
- Market-based pricing of on-street parking meters to encourage short-term day time parking;
• Incentive-based pricing in garages to encourage long-term day time parking;
• Reduction of free or subsidized employee long-term parking availability;
• Re-evaluation of appropriate minimum and maximum parking ratios for development proposals; and
• Elimination of “free” public parking in Urban Villages.

TP-40 Consider revisions to current zoning code requirements for the area adjacent to the CBD, Urban Villages, and major retail districts, as part of a parking management plan designed to reduce the minimum number of on-site parking spaces required for development and to increase preferential space and lower costs for car pool and van pool parking in private developments.

TP-41 Consider imposing a maximum amount of number of parking spaces allowed within Urban Villages and along the WTA Primary Transit Network where high frequency transit service exists prior to or concurrent with development.

TP-46 The City should develop and promote Transportation Demand Management strategies and programs for the purpose of reducing automobile trips generated rather than increasing roadway capacity.

TP-91 Encourage the WTA to develop employer-subsidized transit pass programs in conjunction with major employers.

TP-92 Encourage employers to establish employee benefits for ridesharing and transit.
VI. Conclusion

State law allows jurisdictions to impose transportation impact fees for the purpose of recovering a proportional share of the cost invested in City transportation infrastructure that can be attributed to new growth. TIF revenue is an important contribution to the annual funding stream available to the Public Works Department and helps to fund the multimodal transportation improvements called for in all adopted Urban Village master plans.

While infill development in Urban Villages can be expected to generate fewer vehicle trips with less need for transportation capacity investments, it will still generate vehicle trips from both within and outside of the urban village boundary and will therefore create additional transportation impact. Every Urban Village plan has transportation capital improvements identified to support the level of infill development potential and, in every Urban Village plan, the cost of transportation investment is far more than the amount of TIF revenue generated by the full build-out potential of the plan.

There is no accepted transportation planning methodology or research-based justification to waive impact fees in mixed use urban environments and it is not appropriate to adopt policy that disproportionately adds cost to city-wide development in order to subsidize Urban Villages development and transportation investments. It is appropriate, however, to offer vehicle trip generation reductions, based on accepted transportation planning methodology to lower TIFs and thus further encourage infill development in the Urban Villages.

In order to recover a proportional share cost of the transportation investments needed to support the development potential in Urban Villages, a maximum trip reduction of 50% is proposed. The potential 50% TIF revenue reduction represents the opportunity cost of trying to further implement the infill land use strategy and multimodal transportation emphasis of the Bellingham Comprehensive Plan, while still generating some TIF revenue for the multimodal transportation infrastructure needed to support the existing and planned Urban Villages.

VII. STAFF RECOMMENDATION

The proposed amendments to BMC 19.06 “Transportation Impact Fees” are consistent with:

- Accepted trip reduction methodology with the field of transportation planning;
- The requirements of Washington’s Growth Management Act;
- Washington State law governing impact fees (RCW 82.02);
- The goals and policies of the Bellingham Comprehensive Plan;
- The purpose and intent of BMC 19.06 “Transportation Impact Fees”; and
- The goals of the joint City-Sustainable Connections “Ten in ’10” initiative.

The Transportation Commission should recommend approval of the proposed amendments to BMC 19.06 Transportation Impact Fees to the City Council.

VI. LIST OF ATTACHMENTS

A. Joint City-Sustainable Connections “Ten in ’10” Press Release – April 19, 2010
B. Table 2. Urban Village Trip Generation Reduction Incentives
   (with an example of vehicle trip and TIF reduction for a 5-story mixed use building)
City launches ten green building initiatives in 2010

The City of Bellingham and Sustainable Connections have collaborated on a set of ten tasks to be accomplished in 2010 to support and encourage green building. The Ten in '10 initiative is part of the City of Bellingham's ongoing commitment to streamline permitting and support projects that conserve resources and minimize impact to the environment.

"After last year's successful development of five incentives for green building in 12 months (the "FIVE/12" program), the City's Planning and Community Development Green Team staff and Sustainable Connections have identified a number of tasks to be incorporated into the Green Team Strategic Plan for 2010," explained Tim Stewart, Planning & Community Development Department Director.

This collaborative effort is called the Ten in '10 Initiative, and includes the following items:

1. **Green Building "Bin-Bump-Up" Pilot** - an expedited permit review program for documented green projects, including a Green Permit Review Team;
2. **Construction Waste Recycling Pilot** - development of policies to reduce construction and demolition debris entering the waste stream;
3. **Green Code Adoption** - adoption of standards set forth in the International Green Building Code to reduce existing code barriers to green building techniques;
4. **Transportation Mode Shift Incentive** - reduction in transportation impact fees for performance measures that are proven to reduce on-site trip generation, such as location on Whatcom Transportation Authority Go-Lines;
5. **Subject-To-Field-Inspection Permits** - initially designed as a quick review system for energy efficiency upgrades, this program has been expanded to include a wide range of simple building permits;
6. **Sustainable Water Management Program** - creation of rules and policies encouraging grey water and rain water harvesting where appropriate;
7. **Green Roof Initiative** - grant-funded case study of the effectiveness of the green roof on the Whatcom Museum's Lightcatcher Building and opportunities for streamlined adoption of green roofs throughout Bellingham;
8. **Compilation of public and private utility incentives** - a single source of comprehensive information on energy conservation;
9. **Staff training for review and inspections of green building methods**; and
10. **Advanced Materials and Methods (AMM)** - clear guidance and requirements for advanced green building techniques (i.e. solar water heaters, porous concrete and composting toilets).

For more information, contact Nicole Oliver, Communication Coordinator, at 778-8353, noliver@cob.org, or Nick Hartrich, Green Building and Smart Growth Program Manager for Sustainable Connections, 647-7093 X107, nick@sconnect.org or visit Sustainable Connection's website at www.sustainableconnections.org
### Attachment B - TABLE 2: Trip Generation Reduction Incentives for Infill Development in Urban Villages

**Proposed Addition to BMC 19.06.040 Transportation Impact Fee (TIF) Rate Schedule and Zone**

<table>
<thead>
<tr>
<th>EXAMPLE DEVELOPMENT TYPE:</th>
<th>New 5-Story Mixed Use Development - Downtown Bellingham</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10,000 SF Ground Floor Commercial (4 x 2,500 SF Spaces); 24 Residential Apartments (6 Units/Floor)</strong></td>
<td></td>
</tr>
</tbody>
</table>

**BASELINE TIF CALCULATION:** Average trip rate for specific land uses listed in most current edition of ITE Trip Generation Manual

- Ground Floor Commercial = ITE - B14 Specialty Retail: 2.71 trips per 1,000 SF = 27.1 trips
- Standard Pass-by % Reduction: Mixed Use Specialty Retail = 25% = 20.3 trips
- Upper Floor Residential = ITE - 220 Apartments: 0.62 trips per unit = 14.3 trips

**TOTAL BASELINE VEHICLE TRIPS = 35.2**

**MENU OF LOCATION FACTORS AND PERFORMANCE MEASURES TO REDUCE VEHICLE TRIPS**

**Note:** Reductions below are additive and may not exceed a total of 50%

<table>
<thead>
<tr>
<th>VEHICLE REDUCTION TRIPS</th>
<th>NET TRIPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TRIPS</strong></td>
<td><strong>REDUCED</strong></td>
</tr>
<tr>
<td>35.2</td>
<td>0</td>
</tr>
</tbody>
</table>

1. **MIXED USE URBAN VILLAGE LOCATION**

- ITE Internal Capture**: Reduction - Mixed Use Urban Environment**
  - Downtown: 35.2 trips with a 15% reduction, resulting in 29.92 trips.

2. **WTA TRANSIT PROXIMITY**

- (Only one transit proximity reduction below may be used)
- Development Fronts on a high-frequency WTA GO Line: State Street, WTA Red Line
  - Development Within 1/4-mile of WTA GO Line: 7% reduction, 3.52 trips reduced to 26.4 trips.

3. **EMPLOYER MANDATORY COMMITMENT TO COMMUTE TRIP REDUCTION (CTR)**

- CTR/TDM commitment combining economic incentives with transportation services
  - 10% reduction

4. **VOLUNTARY ANNUAL WTA TRANSIT PASS PROVISION**

- 2-year transit pass provided for residential units = 1% per unit pass
  - 24 units w/pass = 24% reduction, 35.2 trips reduced to 8.45 trips.

5. **VOLUNTARY CAR SHARE PARTICIPATION OR PROVISION**

- Car Share Vehicle(s) Parked On Residential or Employment Site = 2% per vehicle
- Car Share membership fee provided for residential units = 2% per unit
- Car Share membership fee provided for employees = 2% per employee

**SAVINGS ($33,327.00)**

**% SAVED -49%**
Attachment B - Continued

Notes:
1. Institute of Transportation Engineers, Weekday Peak Hour of Adjacent Street Traffic, One Hour Between 4 and 6 p.m., Average Rate.
2. Adopted Urban Village Master Plan (Examples: City Center, Old Town, Fairhaven, Barkley, N. Samish, Fountain District; someday Waterfront).
3. ITE "Internal Capture" trips occur when mixed land uses complement each other and eliminate vehicle trips.
   4.1. WTA high-frequency GO Lines provide a transit bus every 15 minutes in each direction; 40-seat bus = Two-way capacity of 320 riders/hour.
5. Research widely recognizes 1/4-mile (1,320 feet) as a 5-minute walk for the average person.
6. Transit bus frequency of greater than 60 minutes would not support significant vehicle trip reduction.
7. Employers > 100 = Mandatory CTR; Employers < 100 = voluntary CTR with 2-year minimum commitment

   WA CTR Requires 10% Single Occupant Vehicle Reduction below Baseline for Employers
7.1. Economic Incentives = Transit passes, parking discounts for rideshare vehicles, parking fees for SUVs, transportation allowances.
7.2. Transportation Services = Vanpools, shuttle bus service to transit station or park-n-ride, on-site showers, lockers, changing facilities.
7.3. ITE Trip Generation Handbook, Appendix B, Section B.3. Reported Typical Experience TCRP Project 8-4: Cost Effectiveness of TDM Programs

   8.1. 2010 WTA bus pass cost = $250/year; $70/quarter; $25/month; 2-year minimum commitment for this reduction.
9. Not Available to Employers Participating in CTR to avoid duplication of TDM measures.

10. Car Sharing = Membership access to an automobile shared by multiple users in a Car Share Company or Non-Profit Organization.
   10.1. Nelson/Nygaard "Recommended Refinements to Trip Generation Methodology," April 2006 Study for City of Berkeley, CA.

11. Requires Car Share Vehicle to be located within 1/4-mile (5-minute walk) of development.