Chapter 20.915
IMPACT FEES

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Section 20.915.010  Purpose.
Reasons for impact fees.  It is the purpose of this Chapter to ensure that adequate facilities are available to serve new growth and development, and to promote orderly growth and development by requiring that new development pay a proportionate share of the cost of new facilities needed to serve growth.  In addition, it is also the purpose of this Chapter to ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicate fees for the same impact.
(M-3643, Added, 01/26/2004)

Section 20.915.020  Applicability.
A. Uniform applicability.  This Chapter shall be uniformly applicable to development that occurs within a designated service area or overlay service areas.

B. For pre-development permit issuance.  No building permit shall be issued for a development in a designated service area or overlay service area as defined in this Chapter unless the impact fee is calculated and imposed pursuant to this Chapter.

C. For various types of development.  For single-family and duplex residential subdivisions and short subdivisions hereinafter approved, the per-lot impact fee shall be calculated at the time of preliminary subdivision plat or short subdivision plat approval, noted on the face of the final plat, and imposed on a per-lot basis at the time of building permit application.  For new multi-family and non-residential development hereafter approved, the impact fee shall be calculated at the time of site plan approval or building permit application if the proposed development is not sufficiently defined to permit such calculation.  Notwithstanding the foregoing, the fee shall be re-calculated for building permit applications filed more than three years following the date of the applicable preliminary subdivision plat, preliminary short subdivision plat or site plan approval.

D. For preliminary plats.  For development not necessitating or having been previously granted preliminary subdivision plat, preliminary short subdivision plat or site plan approval, the impact fee shall be calculated and imposed at the time of building permit application.
E. For development not requiring a building permit. For development not requiring a building permit, the impact fee shall be calculated and imposed at the time of site plan approval.

F. For manufactured home parks. For manufactured home parks, the impact fee shall be calculated and imposed at the time of site plan approval. 

(M-3643, Added, 01/26/2004)

Section 20.915.030 Establishment of Development Service Areas.

A. General. Service areas, which may vary by type of public facility, are established as shown on the Park Impact Fee Technical Document and Vancouver Transportation Impact Fees Program Technical Document, which are incorporated herein by reference.

B. Service areas and fees. Such areas will provide a nexus between those paying the fees and receiving the benefits to ensure that those developments paying impact fees receive substantial benefits.

C. Establishment of overlay service areas. Overlay service areas may be established for identified system improvements designed to serve geographic areas whose boundaries are not generally contiguous with established service areas.

D. Factors affecting service areas. Additional or revised service areas may be designated by the City Council upon consideration of the following factors:

1. The Comprehensive Plan;
2. Standards for adequate public facilities incorporated in the capital facilities plan;
3. The projections for full development as permitted by land use ordinances and timing of development;
4. The need for and cost of un-programmed capital improvements necessary to support projected development; and
5. Such other factors as the City Council may deem relevant.

E. Service areas and urban growth boundaries. Service areas adjoining an urban growth boundary shall automatically be adjusted to conform to any change in such boundary.

(M-4181, Amended, 11/07/2016, Sec 1-Effective 1/1/2017; M-4107, Amended, 12/01/2014, Sec 2-Effective 06/03/2015; M-3933, Amended, 11/16/2009, Sec 3-Effective 12/16/2009; M-3643, Added, 01/26/2004)

Section 20.915.040 Traffic Impact Fee.

A. Formula. The impact fee component for roads shall be calculated using the following formula:

\[ TIF = F \times T \times A \]

1. "TIF" means the traffic impact component of the total development impact fee.

1.2. "F" means the traffic impact fee rate per vehicle trip in dollar amounts, for each service area. Such rate shall be established in the Traffic Impact Fee Program Technical Document, incorporated herein by this
reference, for each service area by estimating the cost of anticipated growth-related roadway projects divided by the projected number of growth-related trips within that service area. Between major program updates, the calculated per trip fee will be adjusted annually to account for inflation using the Engineering News Record Construction Cost Index for Seattle, and as outlined in the Traffic Impact Fee Program Technical Document.

3. "T" means the trips generated by a proposed development and calculated according to the Traffic Impact Fee Program Technical Document. The calculation of “T” described in the Traffic Impact Fee Program Technical Document includes, for some retail commercial land uses, a “business enhancement factor (BEF)” adjustment. Refer to the Traffic Impact Fee Program Technical Document for land uses eligible for the BEF. In the absence of a land use code precisely fitting the development proposal, the director of public works or designee shall select the most similar code and may make appropriate adjustments to the trip equation applicable thereto. In selecting the appropriate land use code and in making adjustments thereto, the Review Authority shall be guided by the most recent edition of the Trip Generation Manual, Institute of Transportation Engineers.

4. "A" means an adjustment for the portion of anticipated additional tax revenues resulting from a development which is prorated to system improvements contained in the capital facilities plan. Such adjustment for traffic impacts is determined to be 15%, so that "A" equals 85%.

Section 20.915.050 Park Impact Fee.
A. Formula for parks, and natural areas. The impact fee component for parks, and natural areas shall be calculated using the following formula as further defined in the Park Impact Fee Technical Document adopted by the City Council in the impact fee revision process pursuant to VMC 20.915.100.B:

\[
\text{PIF} = \left( \frac{\text{Acquisition Cost} + \text{Development Cost}}{P} \right) \times \text{Cost Adjustment Factor} \\
\text{PIF} = \left[ \left( \frac{\text{Ca} \times \text{la} \times \text{Sa}}{P} \right) + \left( \frac{\text{Cd} \times \text{Id} \times \text{Sd}}{P} \right) \right] \times \text{U} \times \text{A}
\]

1. "PIF" means the park, and natural areas component of the total development impact fee.

2. a. "Ca" means the average cost per acre for land acquisition for each service area or overlay area as described in the Vancouver Comprehensive Parks Recreation and Natural Areas Plan and Park Impact Fee Technical Document for neighborhood parks, community parks and urban natural areas and adopted by the City Council in the impact fee revision process pursuant to VMC 20.915.100.B.
“Cd” means the average cost per acre for site development. Development cost shall be calculated assuming development standards described in the Vancouver Comprehensive Parks Recreation and Natural Areas Plan for neighborhood and community parks, and adopted by the City Council in the impact fee revision process pursuant to VMC 20.915.100.B.

3. a. “Ia” means the percentage annual inflation/deflation adjustment index applicable to the acquisition component, as outlined in the Park Impact Program Technical Document and annually determined by the City Council in the impact fee revision process pursuant to VMC 20.915.100.B.

   b. “Id” means the percentage annual inflation/deflation adjustment index applicable to the development component as outlined in the Park Impact Fee Technical Document and annually determined by the City Council in the impact fee revision process pursuant to VMC 20.915.100.B.

4. a. "Sa" means the parks acquisition standard in acres per thousand residents for neighborhood parks, community parks and urban natural areas as established in the Vancouver Comprehensive Parks Recreation and Natural Areas Plan.

   b. “Sd” means the parks development standard in acres per thousand residents for neighborhood and community parks as established in the Vancouver Comprehensive Parks Recreation and Natural Areas Plan.

5. "P" means one thousand (1,000).

6. "U" means the average number of occupants per single-family/duplex dwelling unit or per other multi-family dwelling unit, based on the most current applicable statistical census data (US Census Bureau or Washington State Office of Financial Management census data for persons per dwelling unit), and as adopted by the City Council in the impact fee revision process pursuant to VMC 20.915.100.B.

7. "A" means an adjustment to the cost of park facilities for past or future payments made or reasonably anticipated to be made by new development to pay for park system improvements in the form of user fees, debt service payments, or other payments earmarked for or proratable to park system improvements as outlined in the Park Impact Fee Technical Document.

B. Community and Economic Development shall maintain a schedule of current park impact fee rates.

C. At least one copy of the Park Impact Fee Technical Document adopted by the City Council including the current park impact fee schedule as calculated there under, shall be filed in the Office of the City Clerk for use and examination by the public.

Section 20.915.060 School Impact Fee.

A. Plan adoption. In order for the city to collect School Impact Fees on behalf of a school district, said school district's capital facilities plan shall be adopted as a portion of the City of Vancouver's Comprehensive Plan in accordance with the provisions of this section.
B. Plan submittal. In conjunction with mandated Comprehensive Plan updates, a school district requesting impact fees shall submit to the City Planning Commission a capital facilities plan adopted by the school board and consisting of the following elements:

1. A standard of service which identifies the program year, class size by grade span, number of classrooms, types of facilities, and other factors identified by the school district.

2. The district's capacity over the next six years based upon an inventory of the district's facilities either existing or under construction and the district's standard of service.

3. A forecast of future needs for school facilities based upon the district's enrollment projections.

4. At least a six-year financing plan component, updated as necessary to maintain at least a six-year forecast period, for financing needed school facilities within projected funding levels.

5. Application of the formula set out in Section 20.915.060(F) VMC based upon information contained in the capital facilities plan. Separate fees shall be calculated for single-family and multi-family types of dwelling units, based upon the student generation rates determined by the district for each type of dwelling unit. If insufficient information is available for a district to calculate a multi-family student generation rate, a county-wide average shall be utilized. For purposes of this chapter, manufactured homes and each unit of a duplex shall be treated as single-family dwellings.

C. Planning Commission review. The Planning Commission shall review a school district's capital facilities plan or plan update in accordance with the provisions of this Subsection.

1. Factors. The Planning Commission shall consider:

   a. Whether the district's forecasting system for enrollment projections appears reasonable and reliable;

   b. Whether the anticipated level of state and voter-approved funding appears reasonable and historically reliable;

   c. Whether the district appropriately applied the formula set out in Section 20.915.060(F) VMC.

2. Public hearing. In the event the district or the Planning Commission on its own motion proposes to modify the school impact fee, the Planning Commission shall not make its recommendation until holding a duly advertised public hearing on the proposal.

3. Recommendation. The Planning Commission may request a school district to review and to re-submit its capital facilities plan or update consistent with the provisions of this section. The Planning Commission shall submit an annual report to the board for each school district for which school impact fees are collected.

D. Council action. No new or revised school impact fees shall be effective until adopted by the council following a duly advertised public hearing to consider the school district's capital facilities plan or plan update.
E. Inter-local agreement. School Impact Fees shall not become effective until the school district has entered into an inter-local agreement provided for in Section 20.915.100 VMC.

F. Formula. The impact fee component for schools shall be separately calculated for each participating school district using the following formula:

$$SIF = \frac{(CS \times SF) - (SM) - (TC) - (FC)}{A}$$

1. **SIF** means the school component of the total development impact fee.

2. **CS** means the cost of the improvements for each type of facility listed in the school district's capital facilities plan less the cost to cure existing overcapacity divided by the capacity of the improvement. Type of facility means elementary school, middle school and high school. The development cost by service area is shown in Table 20.915.060-1.

3. **SF** means student factor. The student factor is the number of students typically generated from one residential unit for each type of school facility.

4. **SM** means state match. State match is the amount received from the state toward school construction costs. The state match component of the formula is that amount representing the per student amount of state matching funds. This is calculated for each type of facility as: student factor times Boeckh Index (average annual construction cost of a school facility per square foot) times square-foot standard per student established by the Superintendent of Public Instruction times state match percentage (that percentage of the total cost of a school facility funded by state funds). The state match for each school district shall be calculated annually.

5. **TC** means tax credit. This is calculated as:

$$TC = \frac{(1+i)^t - 1}{i(1+i)^t} \times (AAV) \times (SPTL)$$

   a. **AAV** means the average assessed value for the dwelling per single family unit.

   b. **SPTL** means the current school district capital property tax levy rate.

   c. **i** means the current interest rate as stated in the Bond Buyer Twenty Bond General Obligation Bond index.

6. **FC** means facilities credit. This is the value of any improvements listed in a school district's capital facilities plan provided by the developer.

7. **A** means an adjustment for the portion of anticipated additional tax revenues resulting from a development that is prorated to system improvements contained in the capital facilities plan. The adjustment for school impacts is determined to be 85%.

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Table 20.915.060–1 School District Impact Fees

<table>
<thead>
<tr>
<th>School District</th>
<th>Single-Family</th>
<th>Multi-Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Battle Ground</td>
<td>$6,397</td>
<td>$2,285</td>
</tr>
<tr>
<td>Camas</td>
<td>$5,371</td>
<td>$5,371</td>
</tr>
<tr>
<td>Evergreen</td>
<td>$6,100</td>
<td>$7,641</td>
</tr>
<tr>
<td>Vancouver</td>
<td>$2,880.75</td>
<td>$2,381.93</td>
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(M-4223, Amended, 12/04/2017, Sec 4-Effective 12/15/2017; M-4147, Amended, 12/07/2015, Sec 4-Effective 1/7/2016; M-3994, Amended, 11/07/2011, Sec 5 - Effective 12/7/2011; M-3959, Amended, 07/19/2010, Sec 45-Effective 8/19/2010; M-3952, Amended, 04/05/2010, Sec 1 - Effective 5/5/2010; M-3951, Amended, 04/05/2010, Sec 1 - Effective 5/5/2010; M-3909, Amended, 12/15/2008, Sec 1-Effective 01/14/2009; M-3854, Amended, 11/19/2007, Sec 1; M-3785, Amended, 12/18/2006, Sec 2; M-3736, Amended, 02/27/2006, Sec 1; M-3730, Amended, 12/19/2005, Sec 34; M-3663, Amended, 08/02/2004, Sec 23; M-3653, Amended, 05/03/2004, Sec 2; M-3643, Added, 01/26/2004)

Section 20.915.070 Calculation of Impact Fee.

A. For residential and non-residential development. The impact fee for a non-residential development shall be computed by applying the traffic impact fee formula set out in Section 20.915.040 VMC. The impact fee for a residential development shall be computed by applying the traffic impact fee, park impact fee and school impact fee formulae set out in Sections 20.915.050 VMC and 20.915.060 VMC, combining the results, provided that the school impact fee component shall not apply to housing which by restrictive covenant is exclusively for persons sixty-two years of age or older.

B. For mixed uses. If the development for which approval is sought contains a mix of uses, the impact fee must be separately calculated for each type of use.

C. Criteria to reduce or eliminate impact fees. The development approval authority setting the impact fee, upon application by the developer supported by studies and data, may reduce or eliminate such fee if it is shown that:

1. The formulae contained in Sections 20.915.040, 20.915.050 or 20.915.060 VMC do not accurately reflect traffic, park, or school impacts, respectively; or

2. Due to unusual circumstances:
   a. Facility improvements identified for the applicable service area are not reasonably related to the proposed development; or
   b. Such facility improvements will not reasonably benefit the proposed development.

3. The current development proposal implements a concomitant rezone agreement, development agreement or other development approval pursuant to which public facilities identified in the capital facilities plan were dedicated or constructed, and which are of benefit to the community at large and which fall within the definition of system improvements.

D. Request for impact fee determination. Prior to making an application for a building permit, an applicant upon payment of the applicable fee may request an impact fee determination from either the Parks or Public Works department, which determination shall be based upon information supplied by the
applicant sufficient to permit calculation of the impact fee. The impact fee determination shall be binding upon the city for a period of one (1) year unless there is a material change in the development proposal, the capital facilities plan or this chapter.

E. Impact fee collection. Except as provided for in Section 20.915.075, the impact fee imposed under this chapter shall be due and payable at the time of issuance of a building permit, or final site plan approval when no building permit is required for the development.

(M-4172, Amended, 08/15/2016, Sec 1-Effective 09/16/2016; M-4107, Amended, 12/01/2014, Sec 5-Effective 06/03/2015; M-3643, Added, 01/26/2004)

Section 20.915.075 Additional provisions for Deferral of Impact fees for Single-Family Housing

A. Prior to issuance of single-family detached or attached residential building permits, an application may be submitted for deferral of payment of full impact fees until scheduling of final building inspection by the City. For these purposes “attached single-family” shall be limited to common-wall housing with no more than one unit per legal lot.

B. The amount of impact fees deferred shall be determined by the fees in effect at the time the applicant applies for a deferral. “Applicant” as defined in this section shall include an entity that controls the applicant, that is controlled by the applicant, or is under common control with the applicant.

C. An impact fee deferral application must be submitted for each parcel to be developed. This application shall include:

1. Administrative fees as specified under VMC 20.180.

2. A locally recorded impact fee deferral lien against the property involved, granted to the City of Vancouver in the amount of the deferral. The deed shall be signed by all owners of the property, with signatures acknowledged as required for a deed. The deed shall be binding on all successors, and subordinate to one mortgage for construction of the property granted by the impact fee deferral applicant.

3. The deferral period shall not exceed a period of 18 months from issuance of the building permit, at which time any deferred impact fees shall be due.

4. Upon receipt of all deferred impact fees, the City of Vancouver shall execute release of the lien for the property. The property owner at that time shall be responsible for recording the release, at their expense.

5. The City of Vancouver may institute foreclosure proceedings for unpaid impact fees due. For unpaid School Impact Fees, School Districts may also institute foreclosure proceedings if the City of Vancouver has not done so within 45 days after receiving notice from the District requesting initiation of such proceedings.

(M-4172, Added, 08/15/2016, Sec 2-Effective 09/16/2016)

Section 20.915.080 Impact Fee Exemptions, Reductions, and Waivers.

A. Exemptions from impact fees. The following developments shall be exempt from the requirement for payment of impact fees: publicly operated elementary, middle, junior high and senior high schools, and administrative, maintenance and other facilities of a school district and facilities of an Educational Service District.
B. Exemption or waiver from impact fees for low income housing pursuant to RCW 82.02.060(2).
Pursuant to RCW 82.02.060(2), the Review Authority may grant a total or partial exemption or waiver from
impact fees for housing developments containing up to three dwelling units and qualifying as low-income
housing as defined in this Chapter, to be owned and occupied by, or leased to, low-income persons.
Requests for exemption and/or waiver for four or more dwelling units must be approved by the City
Council. No such impact fee exemption and/or waiver shall be granted for any low income housing that has
been granted a property tax exemption pursuant to VMC 3.22, Multi-family Tax Abatement. Any such
exemption or waiver shall be subject to:

1. Provision being made for payment of the impact fee from public funds other than impact fee
   accounts; and

2. Adequate documentation that the housing meets appropriate standards regarding household
   income, rent levels, sales price, location, and number of units;

C. Alternative exemption from impact fees for low-income housing pursuant to RCW 82.02.060(3).
Pursuant to RCW 82.02.060(3), the City Council may grant an alternative exemption for low-income
housing under this Subsection C. No such impact fee exemption and/or waiver shall be granted for any
low income housing that has been granted a property tax exemption pursuant to VMC 3.22, Multi-family
Tax Abatement

1. The City Council may either:

   a. Grant a partial exemption of not more than eighty percent of impact fees, in which case
      there is no requirement to pay the exempted portion of the fee from public funds other than impact fee
      accounts; or

   b. Provide a full waiver, in which case the remaining percentage of the exempted fee must
      be paid from public funds other than impact fee accounts; and

2. Compliance with all of the requirements of Subsection D of VMC 20.915.080 is required.

D. An exemption for low-income housing granted under Subsection B or C of this section must comply
   with all of the following conditions:

1. The developer shall record a covenant with the Clark County Auditor. The covenant must:

   a. Prohibit using the property for any purpose other than for low-income housing.

   b. Require that if the property is converted to a use other than for low-income housing, the
      property owner must pay the applicable impact fees in effect at the time of conversion.

   c. Define low-income housing as housing for which the monthly housing expense is no
greater than thirty percent of eighty percent of the median family income adjusted for family size for Clark
County, Washington, as reported by the United States Department of Housing and Urban Development.

2. When the City grants an exemption for low-income housing granted under Subsection B or C of
   this section, it may not collect revenue lost through the granting of the exemption by increasing impact fees
   unrelated to the exemption.
3. A school district that receives school impact fees collected by the City must consent in writing prior to City approval of any exemption from school impact fees granted under Subsection B or C of this section. Failure of a school district to provide consent in writing within 30 days of written request for approval by the City shall constitute disapproval of the requested exemption.

E. Reduction in traffic impact fees for qualifying businesses. To promote business development, the Review Authority may grant a reduction of traffic impact fees as specified in Table 20.915.080-1 below for businesses which meet all of the following requirements:

1. The business owner shall commit, through a Development Agreement approved by City Council, to locate a number of new employees that coincides with the TIF incentive in Table 20.915.080-1. Such new employees shall locate to the City within the first year of the business obtaining an occupancy permit; and

2. The median salary of all company employees to be located shall, at a minimum, coincide with the specified percent of median individual income in Table 20.915.080-1. Median individual income shall be based on the most recent available information from US Department of Housing and Urban Development for the Portland-Vancouver MSA at the time of the Development Agreement approval; and

3. If the owner or developer of the property or building is not the business locating within the city, documentation shall be submitted to the City that satisfactorily demonstrates that the business received the benefit of the fee reduction rather than the owner or developer; and

4. The business shall provide the city with such documentation and access to records as needed to verify satisfaction of the foregoing requirements. In the event that the business fails to satisfy any of the requirements criteria, the business shall pay to the city the amount of the fee reduction together with interest at the statutory rate provided for at RCW 19.52.010 upon demand.

The city shall make provision for payment of the impact fee reduction to the transportation impact fee account from public funds other than impact fee accounts.

<table>
<thead>
<tr>
<th>Table 20.915.080 - 1 Business Development TIF Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Salary of All Business Employees</td>
</tr>
<tr>
<td>------------------------------------------</td>
</tr>
<tr>
<td>1. 200% of Median Individual Income</td>
</tr>
<tr>
<td>2. 150% of Median Individual Income</td>
</tr>
<tr>
<td>3. 125% of Median Individual Income</td>
</tr>
<tr>
<td>4. 200% of Median Individual Income</td>
</tr>
<tr>
<td>5. 150% of Median Individual Income</td>
</tr>
<tr>
<td>6. 125% of Median Individual Income</td>
</tr>
</tbody>
</table>
This provision shall be operative until December 31, 2020 unless renewed by City Council.

F. Criteria for calculating impact fees. The impact fee for an exempt or waived development shall be calculated as provided for in this Chapter and paid with public funds; except that there is no requirement to pay the exempted portion of the fee from public funds other than impact fee account for a partial exemption of not more than eighty percent of impact fees that has been approved under Subsection C of VMC 20.915.080. Such payment may be made by including such amount(s) in the public share of system improvements undertaken within the applicable service area. If an impact fee(s) is waived, the Review Authority, pursuant to Section 20.915.070 VMC, or state law may determine whether a public share-contribution or a reduced public-share contribution is required.

(M-4154, Amended, 01/04/2016, Sec 3-Effective 02/04/2016; M-4108, Amended, 12/01/2014, Sec 1-Effective 01/01/2015; M-3643, Added, 01/26/2004)

**Section 20.915.090 Impact Fee Credits.**

A. For the developer. The developer shall be entitled to a credit against the applicable impact fee as follows:

1. The developer shall be entitled to a credit against the applicable impact fee for the fair market value of any dedication of land for and reasonable documented construction costs acceptable to the City associated with the improvement to, or new construction of any system improvements provided by the developer that are identified in the capital facilities plan and that are required by the City as a condition of approval to the development proposal against which the impact fee is assessed.

2. No credit shall be given for project improvements as defined under VMC20.150.

3. Traffic Impact Fee Credit. Effective June 3, 2015 (effective date of ordinance), the maximum traffic impact credit shall be in the amount of the impact fee applicable to the development proposal against which the impact fee is assessed. The credit shall be applied to the impact fee as calculated for the development proposal against which the impact fee is assessed and shall not exceed the impact fee due.

4. Street Project Assessment Reimbursement Contract for Excess Costs. If a developer has incurred costs for street project system improvements in excess of the amount of the traffic impact fee applicable to the development proposal against which the impact fee is assessed, the developer may apply to the City for a street project assessment reimbursement contract pursuant to VMC Chapter 11.10.

5. Existing traffic impact fee credits. TIF credits that existed prior to June 3, 2015 (effective date of ordinance) shall be utilized consistent with the provisions of the TIF Program Technical Document. The value and ownership of such TIF credits as of June 3, 2015 (effective date of ordinance) shall be documented by a list thereof published by the City and distributed by US mail to the last known addresses of said owners on June 3, 2015 (effective date of ordinance).

B. Traffic Impact Fee reduction. The developer may be provided a TIF reduction pursuant to Section 20.550.050A VMC.

C. Traffic Impact Fee Credit for the developer. Additionally, the developer may be provided a credit against the impact fee in an amount up to 10% of the traffic component to account for contributions of mass transit facilities that are approved by the City and made a condition of approval for the development.
D. Impact fee reduction. Where impact fees are owing prior to completion of a system improvement undertaken by the developer, the impact fee shall be reduced by 85% from the Director of Public Works estimate of the credit to be due upon dedication and completion of the required work, provided, if the same has been assured by a bond or other guarantee, as governed by Chapter 20.909 VMC, to be completed no later than the date of occupancy for commercial/industrial/multi-family structures or the final building inspection for single-family and other uses. Upon completion of the required system improvement, appropriate refunds shall be made and credits recognized up to but not to exceed the amount of the impact fee applicable to the development proposal against which the impact fee is assessed based upon the Director of Public Works’ determination of the value of dedication and reasonable construction costs.

E. City credit utilization. Traffic impact fee credits issued by the City after June 3, 2015, (effective date of adopted ordinance) may be utilized in lieu of cash payment only for traffic impact fees for the development proposal against which the impact fee is assessed, as provided in subsection A.3 above. Other impact fee credits recognized by the City may be utilized in lieu of cash payment of impact fees for the subject development and/or any other development within the same service area.

(M-4107, Amended, 12/01/2014, Sec 6-Effective 06/03/2015; M-3643, Added, 01/26/2004)

Section 20.915.100 Other provisions.
A. Process for revision of traffic impact fees. Traffic impact fee rates shall be adjusted periodically to reflect changes in costs of land acquisition and construction, facility plan projects and anticipated growth. Traffic Impact Fee Program Technical Document may contain provision for automatic revision of traffic impact fee rate no more than once annually to reflect the change in a generally recognized and applicable inflation/deflation index.

B. Park impact fee rates may be revised. Rates may be revised using the following process:

1. The adopted Park Impact Fee Technical Document may be revised periodically by the City Council when financial analysis establishes that there is a need for a major program update. Such adjustments shall only become effective upon adoption by the City Council.

2. Between major program updates, the calculated park impact fee will be adjusted annually to account for inflation/deflation using the indexing methodology described in the adopted Park Impact Fee Technical Document. Such adjustments shall only become effective upon adoption by the City Council.

C. Process for revision of school impact fees. School impact fee rates shall be adjusted periodically to reflect changes in costs of land acquisition and construction, facility plan projects and anticipated growth. Such adjustments shall only become effective upon adoption by the City Council of a modification to the Capital Facilities Plan.

D. Operation of impact fee fund. The City has created and established a special purpose, non-lapse impact fee fund. The City Finance Director shall establish separate accounts within such fund and maintain records for each such account whereby impact fees collected can be segregated by type of facility and by service area:
1. Collected interest. All interest shall be retained in the account and expended for the intended purposes that the impact fees were imposed.

2. Impact fee fund annual report. By April of each year, the Finance Director shall provide a report for the previous calendar year on each impact fee account showing the source and amount of moneys collected, earned or received and system improvements that were financed in whole or in part by impact fees.

E. Inter-local agreements and fees. The City of Vancouver may enter into an inter-local agreement with Clark County to establish a coordinated program for the imposition, collection, administration and expenditure of traffic and park impact fees.

F. School impact fees. School impact fees shall not be collected on behalf of any school district until such district enters into an inter-local agreement with City of Vancouver providing for submittal of capital facilities plans, fund administration, report of expenditure, allocation of risk, and other appropriate matters. Where Clark County adopts a substantially similar school impact fee for a district whose boundaries include portions of the City of Vancouver, such an inter-local agreement may include the County. The inter-local agreement may include a fee to cover the City's cost of administering the School Impact Fee Program.

G. Imposition of impact fees for costs previously incurred. The Review Authority may impose an impact fee for system improvements costs previously incurred by the City of Vancouver to the extent that new growth and development will be served by the previously constructed improvements, provided such fee shall not be imposed to make up for any system improvement deficiencies.

H. Expenditures for system improvements with impact fees. Impact fees for system improvements shall be expended only in conformance with the capital facilities plan. Impact fees shall be expended or encumbered for a permissible use within ten years of receipt, unless an extraordinary and compelling reason exists for fees to be held longer than ten years. Such extraordinary or compelling reasons shall be identified in written findings by the City Council.

I. Refunds for the current owner. The current owner of property on which an impact fee has been paid may receive a refund of such fee if the City fails to expend or encumber the impact fees within ten years of when the fees were paid, or such other period of time established pursuant to this subsection, on public facilities intended to benefit the development activity for which the impact fees were paid. In determining whether impact fees have been encumbered, impact fees shall be considered encumbered on a first-in, first-out basis. The current owner likewise may receive a proportionate refund where the public funding of applicable service area projects by the end of such ten-year period has been insufficient to satisfy the ratio of public-to-private funding for such service area as established in the capital facilities plan. The City shall notify potential claimants by first-class mail deposited with the United States Postal Service at the last known address of claimants.

1. Refund time period. The request for refund money must be submitted to the Vancouver City Council in writing within one year of the date the right to claim the refund arises or the date the notice is given, whichever is later. Any impact fees that are not expended within these time limitations, and for which no application for refund has been made within this one year period, shall be retained and expended on the indicated capital facilities. Refunds of impact fees under this subsection shall include interest earned on the impact fees.

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2. **Criteria for a refund with interest.** A developer may request and shall receive a refund, including interest earned on the impact fees, when the building permit for which the impact fee has been paid has lapsed for non-commencement of construction. A partial refund shall be provided where the project for which a building permit has been issued has been altered resulting in a decrease in the amount of the impact fee due.

J. **Impact fees as additional and supplemental requirements.** The impact fee is additional and supplemental to, and not in substitution of, any other requirements imposed by the City on the development of land or the issuance of building permits. This is provided that any other such City development regulation which would require the developer to undertake dedication or construction of a facility contained within the City Capital Facility Plan shall be imposed only if the developer is given a credit against impact fees as provided for in Section 20.915.090 VMC.

(M-4181, Amended, 11/07/2016, Sec 3-Effective 1/1/2017; M-4107, Amended, 12/01/2014, Sec 7-Effective 06/03/2014; M-4034, Amended, 12/03/2012, Sec 31-Effective 01/03/2013; M-3959, Amended, 07/19/2010, Sec 46-Effective 8/19/2010; M-3952, Amended, 04/05/2010, Sec 2 - Effective 05/05/2010; M-3951, Amended, 04/05/2010, Sec 2 - Effective 5/5/2010; M-3933, Amended, 11/16/2009, Sec 5-Effective 12/16/2009; M-3909, Amended, 12/15/2008, Sec 2-Effective 01/14/2009; M-3854, Amended, 11/19/2007, Sec 2; M-3785, Amended, 12/18/2006, Sec 2; M-3653, Amended, 05/03/2004, Sec 1; M-3643, Added, 01/26/2004)