

**CITY OF MERCER ISLAND
ORDINANCE NO. 22C-06**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON,
AMENDING MERCER ISLAND CITY CODE 19.19.100 TO AMEND THE
PROCESS FOR UPDATING TRANSPORTATION IMPACT FEE RATES;
PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE
DATE.**

WHEREAS, the procedures for updating transportation impact fee rates are established in MICC 19.19.100 Fee schedule, review of schedule and updates. MICC 19.19.100 was adopted by Ordinance 16C-01, Section 1; and

WHEREAS, the current transportation impact fee rates are based on a rate study conducted in 2015; and

WHEREAS, it is a best practice to update impact fee rate studies periodically to reflect changes in capital project lists and project costs; and

WHEREAS, the City added a code amendment to update the transportation impact fee rates to the 2021 CPD work program through the annual development code and comprehensive plan docket and the adoption of Resolution 1594; and

WHEREAS, on March 23, 2022, the Planning Commission provided initial direction on the proposed code amendment; and

WHEREAS, on March 21, 2022, CPD issued a State Environmental Policy Act (SEPA) threshold determination of non-significance (DNS) consistent with the procedures established in Chapter 19.21 MICC and notified the Washington State Department of Commerce of the City's intent to adopt development code amendments; and

WHEREAS, on April 27, 2022, the Planning Commission held a duly advertised public hearing and made a recommendation to the City Council; and

WHEREAS, on May 17, 2022, the City Council was briefed on the Planning Commission recommendation and had their first reading of this ordinance; and

WHEREAS, on **June 7, 2022**, the City Council had their second reading of this ordinance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. MICC 19.19.100 Amended. MICC 19.19.100 is amended to update the process for updating transportation impact fee rates as provided below:

19.19.100 - Fee schedule, review of schedule and updates.

A. ~~The impact fees on exhibit A to the ordinance codified in this chapter are based on the city's 2015 rate study. The transportation impact fees shall be~~

adopted in the development and construction fee schedule based on the most recent rate study approved by the city council and updated annually thereafter as described in MICC 19.19.100 (B).

- B. Transportation impact fee rates shall be updated annually using the following procedures:
1. The code official shall use the Construction Cost Index for Seattle (June-June) published by the Engineering News Record to calculate annual inflation adjustments in the impact fee rates. The transportation impact fees shall not be adjusted for inflation should the index remain unchanged.
 2. The indexed impact fee rates shall be effective January 1. ~~A copy of the indexed impact fee rates shall be provided to the city council but the indexed rates shall become effective without further council review.~~
- C. The code official shall review the transportation impact fee rates annually to determine ~~when-if~~ a new transportation impact fee rate study ~~should be prepared~~ is necessary and recommend to the city council when a new study should be prepared.

Section 2. Severability. If any section, sentence, clause, or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, or its application held inapplicable to any person, property, or circumstance, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this Ordinance or its application to any other person, property, or circumstance.

Section 3. Publication and Effective Date. A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City. This Ordinance shall take effect and be in full force five days after the date of publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, AT ITS REGULAR MEETING ON **XXXXXX**, 2022.

ATTEST:

CITY OF MERCER ISLAND

Andrea Larson, City Clerk

Salim Nice, Mayor

APPROVED AS TO FORM

Bio Park, City Attorney

Date of publication: _____