

**City of  
Bellevue**



# Transportation Commission Study Session

**DATE:** September 5, 2018

**TO:** Chair Wu and Members of the Transportation Commission

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**SUBJECT:** Level-of-Service in Bellevue – Toward a Multimodal Approach to Mobility

## DIRECTION REQUESTED

<input type="checkbox"/>	Action
<input checked="" type="checkbox"/>	Discussion
<input checked="" type="checkbox"/>	Information

At the study session on June 28, 2018, staff and the consultants at Fehr & Peers reviewed and discussed several options to implement projects and to achieve MMLOS standards and guidelines through private-sector developments. The Commission eliminated Option 1 from further consideration and provided feedback toward refining the remaining Options 2 and 3. Commissioner questions/comments and staff responses are in Attachment A.

Staff requests the Transportation Commission provide direction for any modifications to the Options 2 and 3 for final approval and transmittal to the City Council.

## BACKGROUND

The Transportation Commission's [MMLOS Final Report](#) (April 13, 2017) contains the recommended level-of-service metrics, standards and guidelines for each mode – vehicles, pedestrians, bicycles, and transit. The Commission previously identified a methodology that would help to identify projects, prioritize implementation and document trade-offs.

At meetings on [December 14, 2017](#) and [June 28, 2018](#), the Commission reviewed existing methods and discussed proposed options to implement projects to support each mode. Various MMLOS implementation options provide added opportunities to build projects for non-motorized travel and transit.

## IMPLEMENTING MMLOS

On June 28, staff and consultants presented three options to more fully integrate MMLOS implementation through development review. Potential new resources would supplement

existing CIP projects and programs to build facilities that support growth in multimodal trips, with a particular emphasis on supporting the development of non-auto transportation infrastructure.

### Option 1. Project-Level Analysis Through SEPA

Commission Recommendation – Eliminate from further consideration: implementation would be costly and complex, with uncertain outcomes.

Some of the features of Option 1 included:

- A statutory requirement for MMLOS analysis through SEPA
- A project-SEPA review would be required
- Mitigation to address off-site impacts – all modes would be analyzed
- Other development review requirements would be retained, including the Traffic Impact Fee program
- City would prepare transportation impact analysis content requirements to clearly define how to conduct a SEPA MMLOS analysis
- Developers would incur greater costs to conduct a comprehensive, multimodal transportation impact analysis
- Additional City staff time to review the above analysis
- Potential for dispute of mitigation projects
- Uncertain cost to developers of mitigation for each of 4 modes

### Discussion of Option 1

A development proposal would conduct a MMLOS transportation impact analysis and propose mitigation to address off-site impacts. Content requirements for a traffic impact analysis would be broadened to include: the MMLOS standards and guidelines used to identify projects; person-trip generation thresholds to trigger certain types of analysis; the geographic extent of the analysis; and a list of projects that would mitigate the level-of-service impacts for each mode. This would be similar to the current development review process except that it would specifically include all MMLOS metrics, standards, and guidelines as shown in red font in the graphic below.

<b>Transportation concurrency review</b> <ul style="list-style-type: none"><li>• Ensures compliance with Growth Management Act</li></ul>	<b>Transportation Impact Analysis – evaluate impacts and address:</b> <ul style="list-style-type: none"><li>• Traffic operations using Vehicle LOS</li><li>• Traffic safety issues</li><li>• Pedestrian, bicycle, transit travel <i>using MMLOS</i></li></ul>	<b>Traffic impact fee payment</b> <ul style="list-style-type: none"><li>• Funds the implementation of the <u>traffic</u> capacity improvements in the TFP that support growth</li></ul>	<b>Transportation management program (large buildings)</b> <ul style="list-style-type: none"><li>• Identifies actions, infrastructure, and programs to reduce vehicle trip generation</li></ul>
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## Option 2. MMLOS Impact Fee – Through the Growth Management Act (GMA)

### Commission Recommendation – Retain and refine

- Strong policy and legal basis
- Programmatic, city-led SEPA review would support Options 2 and 3 - similar to the current SEPA documentation for the Transportation Facilities Plan
- Creates awareness, visibility and understanding of the development impact to non-motorized facilities
- A developer may prepare an alternative trip generation rate study if they don't agree with the trip generation rate in the fee program, but developer wouldn't be able to argue for a lower fee per trip
- The city would establish the impact fee per person trip
- City would prepare and maintain the project list and implementation priorities
- Mitigation impact fee per person trip would be predictable for developers

### Discussion of Option 2

Option 2 would require a project developer to pay a multimodal impact fee per person trip to improve the transportation system to support growth and help meet MMLOS standards and guidelines. This *multimodal* impact fee would replace the existing *traffic* impact fee and would support growth with projects to expand capacity for vehicles, pedestrians, bicyclists, and transit riders throughout the city. A developer would also prepare a transportation impact analysis with a MMLOS review focusing on the immediate project vicinity. The city would update the Impact Fee Program to include multimodal trip generation rates; create a list of eligible multimodal capacity projects for which a developer would pay an impact fee; and prepare a fee study and rate table. Bellingham, Kenmore, Kirkland and Redmond use this method, and also Portland, Oakland, and Pasadena. The fee could include zones or subareas, Downtown for instance, to retain fees within a given area; however, this would add complexity to the design and implementation of the impact fee. Red font in the graphic below represents changes from the current system.

<b>Transportation concurrency review</b> <ul style="list-style-type: none"><li>• Ensures compliance with Growth Management Act</li></ul>	<b>Transportation Impact Analysis – evaluate impacts and address the following:</b> <ul style="list-style-type: none"><li>• Traffic operations</li><li>• Traffic safety</li><li>• Pedestrian, bicycle, transit travel</li></ul> <i>using MMLOS around project site</i>	<b>Multimodal impact fee payment</b> <ul style="list-style-type: none"><li>• Funds the implementation of the <i>multimodal</i> capacity improvements in the TFP that support growth</li><li>• <i>Achieve MMLOS guidelines and standards</i></li></ul>	<b>Transportation management program (large buildings)</b> <ul style="list-style-type: none"><li>• Identifies actions, infrastructure, and programs to reduce vehicle trip generation</li></ul>
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### Option 3. MMLOS Mitigation Fee In-Lieu Through SEPA

#### Commission Recommendation – Retain and refine

- Option 3 allows a developer the choice of either paying a fee to the city (to construct projects to improve MMLOS) or to prepare a study to identify their impact and propose mitigation
- Allows developer to propose an alternate MMLOS improvement project appropriate to mitigate impacts
- Allows for an independent study to identify the project's specific impact, potentially reducing their financial obligation toward MMLOS improvements
- Opportunities for creative/alternative solutions to improve MMLOS from developers
- Retains the Traffic Impact Fee program in its current form
- Ability for the City to include projects not eligible for GMA Impact Fees
- Mitigation fee amount would be predictable for developers
- Mitigation fee revenue would be less predictable for City because some developers would elect to prepare a separate study
- Requires city-review of independent SEPA analyses and proposed mitigations, which could be complex and take significant staff resources
- Likely to generate fewer fees and less MMLOS mitigation than Option 2
- Advisable for City to prepare transportation impact analysis content requirements to clearly define how to conduct a SEPA MMLOS analysis

#### Discussion of Option 3

A citywide MMLOS impact analysis would identify mitigation projects eligible to receive funding. Mitigation projects on the citywide list would address MMLOS and would provide transportation capacity of all modes to support new development. A developer would choose to: a) build a MMLOS project to reduce impact to the transportation system; b) pay a fee-in-lieu; or c) conduct a study to determine an alternate approach. Rarely used in Washington - South Lake Union and Northgate, and Issaquah. Implementation in Bellevue could be limited to a subarea, Downtown for instance, to retain fees in the subarea where they are generated.

#### **Transportation concurrency review**

- Ensures compliance with Growth Management Act

#### **Transportation Impact Analysis – evaluate impacts and address the following:**

- Traffic safety
- Pedestrian, bicycle, transit travel *using MMLOS around project site*
- Traffic operations

#### **Traffic impact fee payment**

- Funds the implementation of the traffic capacity improvements in the TFP that support growth

#### **Transportation management plan (large buildings)**

- Identifies actions, infrastructure, and programs to reduce vehicle trip generation

#### **Multimodal Fee In-Lieu Payment**

- Funds system completion of pedestrian, bicycle, and transit network
- Achieve MMLOS guidelines and standards

## Real-World Examples of Options 2 and 3

Commissioners asked the staff and consultant team to apply Options 2 and 3 to real-world development proposals to better understand the differences and implications of the two options. To support this effort, staff identified three projects that are either in the development review process or under construction. The projects are summarized in the table below.

Project	Location	Characteristics
<b>Project A</b> - Multifamily Project	BelRed/Crossroads	618 unit apartment complex that replaced 69 ksf of retail uses
<b>Project B</b> - Transit Oriented Development	BelRed/Spring District	419 multifamily units, 129 low-income units, 634 ksf office, 59 ksf retail replacing 180 ksf of industrial uses
<b>Project C</b> – Mixed-Use Development	Downtown	143 multifamily units, 2 ksf restaurant, and 10.5 ksf retail that replaced 11.5 ksf of retail/restaurant uses

Below are several potential scenarios for how the two MMLOS implementation options could be applied.

### Scenario 1 – Developer Is Satisfied with the Impact Fee or the Mitigation Fee In-Lieu

In the case where the developer does not have a concern with either the GMA Impact Fee (Option 2) or the Mitigation Fee In-Lieu (Option 3), the outcome of these two options would be very similar. Both options would include a fee schedule based on land uses (e.g., a fee per multifamily dwelling unit or a fee per square foot of retail) and the developer would look up their land use and scale by the size of the project. Project A, for instance, would simply identify the fee rate per multifamily dwelling units, take credit for any trips that occurred on the site prior to redevelopment, and take credit for any MMLOS projects that are required as part of a frontage improvement. After the credits are accounted for, the project would pay the remaining fee.

### Scenario 2 – Developer Has Concerns About the Trip Generation Rates in the Fee Study

In some cases, a developer may feel that their project is not accurately represented in the impact fee rate table or not represented at all. Examples of these types of projects include less-common land uses like an indoor skydiving facility, or mixed-use projects that have the potential for trips between uses to remain internal to the site and not impact the surrounding transportation system. In this scenario, Options 2 and 3 are again similar in terms of what the developer can do to contest the Impact Fee or Mitigation Fee In-Lieu.

Under either option, the developer would prepare a detailed trip generation study that would document the project's expected person trip generation and provide evidence for how many trips would remain internal to the site. These types of studies are fairly common and a qualified transportation engineer can prepare a trip generation study. City staff regularly review these

types of trip generation studies. For the sample projects above, a detailed trip generation analysis was performed, which indicated the following:

- Project A would generate 550 PM peak hour person trips; no project internalization; the previous retail uses on the site generated about 514 PM peak hour person trips resulting in a net increase of 36 PM peak hour person trips.
- Project B would generate 1,792 total PM peak hour person trips, but 36 would be internal between the residential, office, and retail uses. 166 trips were generated by the previous industrial uses, resulting in a net increase of 1,590 PM person trips.
- Project C would generate 652 PM peak hour person trips, with 19 trips internal trips between the residential and retail uses. 90 trips were generated by the previous retail uses, resulting in a net increase of 834 PM peak hour person trips.

After review of the developer's trip generation study, the City can either approve or reject the alternative trip generation rate. If the alternative rate is approved by the City, the developer would factor the approved trip rate by the published impact/mitigation fee, take credits for existing trips and frontage improvements, and pay the remaining fee.

### Scenario 3 – Developer Has Concerns About the Mitigations They Are Being Obligated to Fund

In some cases, a developer may feel that their project is being charged a disproportionately high cost to help provide multimodal transportation infrastructure to offset their project's impact to MMLOS. In this case, the outcomes of Option 2 and 3 differ substantially.

For Option 2, the developer can only challenge the trip rate being calculated for the project. Once a GMA Impact Fee Program is adopted, a developer cannot challenge the project list funded by the impact fee or the impact fee rate. However, at the City's sole discretion, a developer could propose to build a project on the Impact Fee list if they feel they could implement the improvement for a lower cost and the City agrees that this project would provide equivalent value to the development's fee payment.

Under Option 3, the developer could elect to prepare an alternative SEPA MMLOS evaluation to show that their impact is less than what is assumed by the city-prepared programmatic SEPA study. *Keep in mind that the only incentive for a developer to go through the expense of a new MMLOS SEPA analysis is if he or she is convinced that she could pay less or construct less-expensive MMLOS mitigation project than is identified in the Mitigation Fee In-Lieu program.* In this case, the developer would work with the City to determine the method, impact thresholds, findings, and appropriate mitigations as part of a SEPA MMLOS analysis.

The project examples above are intended to test what a detailed SEPA MMLOS study might look like. Detailed information is available for all three projects, on request, but this memo will focus on Project B because it has several unique characteristics that might make it a strong candidate for an alternative SEPA analysis.

To understand how a SEPA MMLOS analysis could be conducted, we will assume the following:<sup>1</sup>

- Based on Puget Sound Regional Council (PSRC) regional household travel survey data, the average pedestrian trip is about a half-mile; this distance will be used to assess potential pedestrian LOS impacts<sup>2</sup>
- PSRC data also identifies that the average bicycle trip is about 1.5 miles; this distance will be used to assess potential bicycle LOS impacts
- All local transit stops within a quarter-mile and all frequent transit stops within a half-mile will be evaluated against MMLOS transit stop amenity guidelines

With the area of impact identified, the SEPA analysis is assumed to include the following steps:

1. Trip generation – calculate PM peak hour person trip generation
2. Estimate mode split – use the BKR model to estimate person trips by mode
3. Identify MMLOS deficiencies/projects to meet MMLOS standards and guidelines – focus on pedestrian crossings, bicycle corridors in MMLOS report, and transit stops; these projects may already be identified if the City prepares a SEPA Mitigation Fee In-Leiu study
4. Determine share of impact and identify mitigation – use BKR model trip generation rates to calculate share of total trip generation by mode to identify proportional share of mitigation
5. Credit frontage improvements – consider any required frontage improvements that help to meet MMLOS standards and guidelines

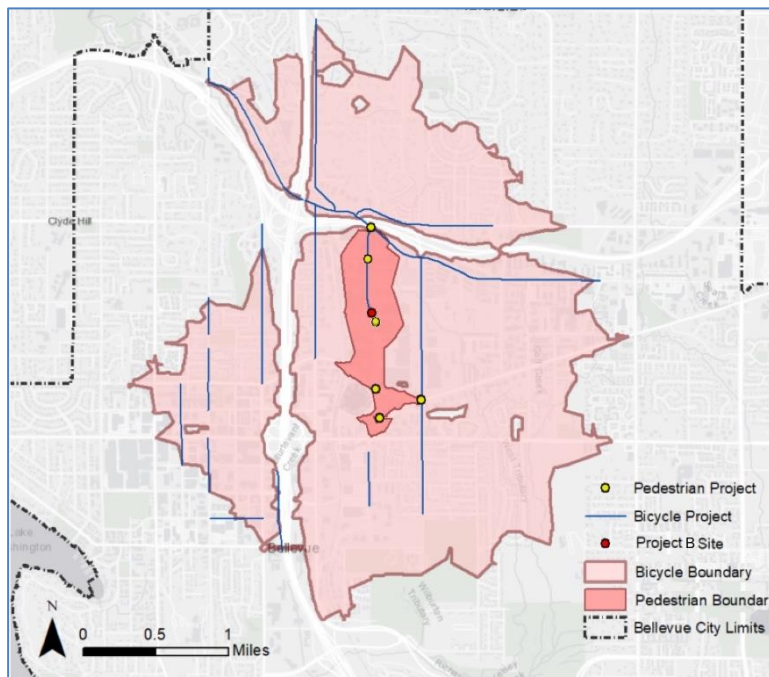
Below is how the calculations work out for Project B:

1. Trip generation – using person trip generation data from the ITE 10<sup>th</sup> Edition and Portland's Multimodal Transportation Impact Fee program, the estimated PM peak hour person trip generation for Project B is 1,590 PM peak hour person trips. This includes a reduction of 36 trips that are internal to the site and 166 trips that were generated by previous uses on the site.
2. Mode split – Based on data from the BKR travel model, the PM peak period mode split for Project B is 79% auto, 13% walk, 1% bike, and 7% transit.
3. Deficiencies and projects to meet MMLOS – When applying the distance thresholds over which to assess impacts described above, we get the following map and list of projects:

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<sup>1</sup>There are numerous ways in which this type of SEPA analysis could be conducted, the example in this memo is just one option that is biased in a way that would minimize the identification of impacts. The City could also prescribe a SEPA analysis method if there is a desire to streamline and standardize the process, but this approach adds complexity and erodes the benefits of Option 3.

<sup>2</sup> 2017 Puget Sound Regional Travel Study Draft Final Report, RSG, March, 2018.



- Six intersections/ crossings do not meet the Pedestrian LOS crossing guidelines
- 9.7 miles of arterials do not meet Bicycle LOS guidelines
- All transit facilities meet Transit LOS stop guidelines

4. Share of impact and mitigation - Based on data from the BKR model, Project B has the following shares of overall modal trip generation within each of the impact areas:

- Pedestrian: 37%
- Bicycle: 4%
- Transit: 38%

Based on the results above, Project B's proportionate share of mitigation would include approximately 37% of the cost of intersection/crossing projects and 4% of the bicycle projects. Since there are no transit stop LOS deficiencies, no mitigation is required.

5. Credit for frontage improvements – Project B's design calls for the construction of a multipurpose path along 120<sup>th</sup> Avenue NE between NE Spring Blvd and the beginning or the Eastside Rail Corridor trail near Northup Way. The frontage value of this trail along the Project B site would count as a credit toward the project's responsibility toward other MMLOS mitigations. In addition, any arterial crossings of 120<sup>th</sup> Avenue NE constructed as part of the project would also count as a mitigation fee in-leiu credit.

Conclusions from the Project B Analysis

Project B has a relatively small area of impact for pedestrian travel and is located in a part of the City with limited transit service (and therefore limited transit stop infrastructure requirements). These features make it more likely that a detailed SEPA study would find a lower MMLOS impact mitigation obligation than would be calculated by the City's programmatic SEPA study. On the other hand, the project's pedestrian travel shed is relatively small, which means that it's share of MMLOS improvements is relatively large (although the cost of the mitigations is likely to be small overall).



As described in the Option 3 summary, the opportunity for the developer to prepare a separate SEPA mitigation and impact study would tend to reduce the City's fee collections compared to a GMA-based program and could lead to developers building projects that are either not on the City's priority list, or lower priority projects. Additionally, there may be some additional costs related to reviewing the SEPA studies, but based on discussions with Bellevue Development Services staff, many projects already prepare similar studies, so the workload may not be substantially different.

#### **NEXT STEPS**

Based on Commissioner feedback and direction, staff will return with a final version of the MMLOS implementation options for approval and recommendation to the City Council.