From: Jeffrey Delapena
To: Rebecca Messinger; Heidi Pozzo
Cc: Oliver Orjiako; Jose Alvarez
Subject: RE: Traffic Impact Fee/Comp Plan
Date: Thursday, August 6, 2026 8:31:00 AM
Attachments: image001.png
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Good day, Heidi,

This is to also confirm receipt from Planning.

These comments will be added to the Comprehensive Plan Index of Record and brought to the attention of the Planning Commission ahead of tonight's Work Session.

Best,

Jeff Delapena
Program Assistant
COMMUNITY PLANNING

564.397.4558

From: Rebecca Messinger <Rebecca.Messinger@clark.wa.gov>
Sent: Thursday, August 6, 2026 8:24 AM
To: Heidi Pozzo <hcpheidi@yahoo.com>; Sue Marshall <Sue.Marshall@clark.wa.gov>; Glen Yung <Glen.Yung@clark.wa.gov>; Matt Little <Matt.Little@clark.wa.gov>; Michelle Belkot <Michelle.Belkot@clark.wa.gov>; Wil Fuentes <Wil.Fuentes@clark.wa.gov>
Cc: Kathleen Otto <Kathleen.Otto@clark.wa.gov>; April Furth <April.Furth@clark.wa.gov>; Michelle Pfenning <Michelle.Pfenning@clark.wa.gov>; Oliver Orjiako <Oliver.Orjiako@clark.wa.gov>; Jose Alvarez <Jose.Alvarez@clark.wa.gov>; Jeffrey Delapena <Jeffrey.Delapena@clark.wa.gov>

Subject: RE: Traffic Impact Fee/Comp Plan

Good morning, Heidi –

This is to confirm receipt of your comments. They will be added to the Council's record.

Best regards,

Rebecca Messinger
Clerk to the Council
COUNTY MANAGER'S OFFICE

Phone: 564-397-4305
Email: Rebecca.Messinger@clark.wa.gov

From: Heidi Pozzo <hcpheidi@yahoo.com>
Sent: Wednesday, August 5, 2026 3:44 PM
To: Sue Marshall <Sue.Marshall@clark.wa.gov>; Glen Yung <Glen.Yung@clark.wa.gov>; Matt Little <Matt.Little@clark.wa.gov>; Michelle Belkot <Michelle.Belkot@clark.wa.gov>; Wil Fuentes <Wil.Fuentes@clark.wa.gov>
Cc: Kathleen Otto <Kathleen.Otto@clark.wa.gov>; April Furth <April.Furth@clark.wa.gov>; Rebecca Messinger <Rebecca.Messinger@clark.wa.gov>; Michelle Pfenning <Michelle.Pfenning@clark.wa.gov>; Oliver Orjiako <Oliver.Orjiako@clark.wa.gov>; Jose Alvarez <Jose.Alvarez@clark.wa.gov>; Jeffrey Delapena <Jeffrey.Delapena@clark.wa.gov>
Subject: Traffic Impact Fee/Comp Plan

Dear Clark County Council and Planning Commission,

Attached is a memorandum for the Planning Commission and Council record on the 2025–2045 Comprehensive Plan Update, and the work session tomorrow. It addresses the Transportation Capital Facilities Plan's reliance on $356.2 million in traffic impact fee revenue against an Appendix A impact fee section stating that the supporting analysis is still forthcoming, together with the draft amendments to Chapters 40.610, 40.620, and 40.630 that would redirect the rate structure to that section.

Thank you,

Heidi

MEMORANDUM

To: Clark County Planning Commission and Clark County Council

From: Heidi Pozzo

Date: August 5, 2026

Subject: Adoption of a Transportation Financing Plan Without a Traffic Impact Fee Rate Analysis

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Summary

The Transportation Capital Facilities Plan proposed for adoption assumes $356.2 million in traffic impact fee revenue over the twenty-year planning period. That is 34.9 percent of all assumed transportation revenue and the second-largest revenue line in the plan, exceeded only by grants. The section of Appendix A that would support the figure is titled "Transportation Impact Fee Program." It contains no content. It consists of four headings — Program Overview, TIF Eligible Project List, Private-Public Shares, and Proposed Rates — beneath a note stating that additional information on updates to the Impact Fee Program will be forthcoming as project cost estimates are finalized and the analysis is completed to identify revised public-private shares.

The proposed amendments to Chapters 40.610, 40.620, and 40.630 compound the problem rather than resolving it. Those amendments would relocate the stated source of the traffic impact fee rate structure out of the Traffic Impact Fee Technical Document and into the capital facilities plan, which the amended definition would define, for purposes of the traffic impact fee program, to mean Appendix A. If both documents are adopted as drafted, the code will direct the reader to Appendix A for the trip generation rates and the fee per daily trip by district; Appendix A will state that those rates are forthcoming; and the document that presently contains them will no longer be referenced anywhere in Title 40.

This is not only a drafting defect. The Growth Management Act requires the capital facilities element to include a six-year financing plan within projected funding capacities that clearly identifies sources of public money, and a requirement to reassess the land use element if probable funding falls short of meeting existing needs. WAC 365-196-415 provides that the evaluation of funding adequacy must occur, at a minimum, as part of the periodic review and update required by RCW 36.70A.130. That evaluation cannot be performed on the record now before the Planning Commission and the Council. More than a third of assumed transportation revenue rests on a rate structure that has not been derived, disclosed, or reviewed, and the plan itself states that the analysis is incomplete.

I ask that the Planning Commission and the Council decline to recommend or adopt the transportation financing plan and the associated impact fee code amendments until the impact fee rate analysis is completed and placed in the record with adequate time for public review.

1. The Plan's Reliance on Traffic Impact Fee Revenue

Table 1 reproduces the twenty-year revenue and expenditure projections set out in Tables 11 and 12 of Appendix A and states each revenue source as a share of total assumed revenue. The projected shortfall is $584.5 million, or 36.4 percent of projected capital cost. Traffic impact fees are the largest local revenue source in the plan and are exceeded only by grants, which are themselves competitive and uncertain.

Table 1. Twenty-Year Transportation Revenue and Expenditure Projections

Category	2026–2031	2032–2045	20-Year Total	Share of Assumed Revenue
County Road Fund	$79,054,000	$42,721,690	$121,800,000	11.9%
Grants	$86,535,000	$339,767,950	$426,300,000	41.7%
REET 2	$35,500,000	$73,998,000	$109,500,000	10.7%
Traffic impact fees	**$38,222,000**	**$318,021,540**	**$356,200,000**	**34.9%**
Misc./Other	$7,454,000	—	$7,500,000	0.7%
Total assumed revenue	**$246,765,000**	**$774,509,180**	**$1,021,300,000**	**100.0%**
Total projected expenditure	**$246,765,000**	**$1,359,071,800**	**$1,605,800,000**	**—**
Projected shortfall	**—**	**—**	**$584,500,000**	**—**

Sources:

- Appendix A, Transportation Capital Facilities Plan, Table 11: 20-Year Revenue Projection.
- Appendix A, Transportation Capital Facilities Plan, Table 12: 20-Year Expenditure Projections.
- Appendix A, Transportation Capital Facilities Plan, "Strategies to Balance CFP," stating a projected revenue shortfall of $584.5 million representing about 36 percent of total projected capital cost.
- Share of assumed revenue calculated by the author from the twenty-year totals shown.

The $584.5 million figure should be read as a floor rather than as an estimate. At the July 15, 2026 Council work session, staff confirmed that no inflation factor is applied to the cost side and that the figures are stated in 2026 dollars, and further stated that the cost estimates carried in the capital facilities plan are understated. Roughly $1.359 billion of the $1.606 billion program falls in the 2032–2045 period, so costs frozen at a 2026 basis understate what those projects will cost in the years they would actually be built. Every observation that follows about the impact fee revenue line therefore sits against a gap larger than the one the plan reports.

Appendix A states that the Growth Management Act requires the six-year Transportation Improvement Program to be financially constrained and balanced, while the twenty-year plan is not required to be balanced. The distinction does not remove the difficulty. Traffic impact fees supply $38.2 million of the $246.8 million in six-year revenue, or 15.5 percent. The six-year program that must be balanced therefore depends on the same undisclosed rate structure as the twenty-year plan.

The assumed rate of collection is not constant across the planning period. Table 2 annualizes the two periods shown in Table 11.

Table 2. Assumed Traffic Impact Fee Revenue, Annualized by Period

Period	Years	Assumed Impact Fee Revenue	Average Annual
2026–2031 (Amended TIP)	6	$38,222,000	$6,370,333
2032–2045	14	$318,021,540	$22,715,824
Implied increase in annual collection	—	—	**3.57×**

Sources:

- Appendix A, Transportation Capital Facilities Plan, Table 11: 20-Year Revenue Projection.
- Annualized figures and the implied increase calculated by the author from the period totals shown.

The plan assumes that annual traffic impact fee collections will rise more than threefold between the six-year program and the balance of the planning period. An increase of that magnitude implies a substantial change in the fee rates, in the volume of development paying them, or in both. Appendix A does not identify which, and it cannot, because it states that the analysis required to identify revised public-private shares is not complete. The public-private share is the factor that determines what portion of a project's cost the fee may recover. Until it is set, the rate cannot be calculated, and until the rate is calculated, the $356.2 million figure has no derivation.

2. The Impact Fee Section of Appendix A Is a Placeholder

The "Transportation Impact Fee Program" heading in Appendix A is followed by a bolded note stating that additional information will be forthcoming, and then by four subordinate headings with no text beneath any of them: Program Overview, TIF Eligible Project List, Private-Public Shares, and Proposed Rates. The next substantive text in the document is the heading "Strategies to Balance CFP."

That section is itself now nearly empty. In the draft before the Council, the sentence that survives reads that there are a variety of strategies and policy actions available to the Board of County Councilors to balance the twenty-year CFP. Every strategy formerly identified in that passage is struck, including the discussion of updating traffic impact fees. The section that follows, "Additional Revenue Sources," identifies an increase to the county road levy, a local option gas tax, and transportation benefit district options. It does not identify traffic impact fees.

The structure of the document therefore treats traffic impact fees not as a strategy available to close the $584.5 million gap but as revenue already counted inside the $1,021.3 million baseline. A revenue line carried in the baseline is one the Council is being asked to rely on, not one it is being asked to consider. That makes the absence of a derivation more consequential, not less.

Appendix A also defers the reconciliation that the shortfall requires. It states that the Transportation Capital Facilities Plan will be reviewed on a regular basis, not to exceed every five years, to ensure that the projected gap between costs and revenues is declining, and that if the potential shortfall increases and becomes critical, the courses of action would include reduction in level of service standards and reassessment of the land use plan. The statutory condition is not a future contingency. It is admitted now, at $584.5 million and 36 percent of projected capital cost. A review that engages only if the shortfall later becomes critical postpones an obligation that the plan's own figures have already triggered.

The carried-forward assurance that the gap will be declining is also contradicted by the County's own revision to the same sentence. The strikeout shows the shortfall moving from $158.1 million, or about 23 percent of projected capital cost, to $584.5 million, or about 36 percent. The commitment made in the prior plan was not met. The plan now proposed repeats the same commitment without addressing why it failed. Whether the gap is in fact declining cannot be tested in any event while the second-largest revenue line in the plan has no stated basis.

3. The Proposed Amendments Move the Rate Structure Into the Comprehensive Plan

The traffic impact fee rate structure has historically resided in the Traffic Impact Fee Technical Document, a separately maintained document incorporated into Title 40 by reference in three places. The current definition of "capital facilities plan" at CCC 40.610.020 not only incorporates the Technical Document but gives it precedence, providing that in the event of an inconsistency the technical document governs. Table 3 sets out how the July 22, 2026 draft changes each of those references.

Table 3. Sources of the Traffic Impact Fee Rate Structure in the Clark County Code

Code Provision	Current Text	As Proposed (July 22, 2026 Draft)
40.610.020, definition of "Capital facilities plan"	For purposes of the traffic impact fee program, the capital facilities plan includes the traffic impact fee program technical document. In the event of an inconsistency, the technical document governs.	For purposes of the traffic impact fee program, the capital facilities plan also means Appendix A: Transportation Capital Facility Plan. The precedence sentence is deleted.
40.620.010(A), "unit of measure"	Trip generation rates and other factors by land use type are provided in the Traffic Impact Fee Technical Document, supplemented by the current ITE manuals. A second sentence states that the rates in the Technical Document are based on the ITE manuals.	Rates are provided in the capital facilities plan, supplemented by the current ITE manuals. The second sentence is deleted.

Code Provision	Current Text	As Proposed (July 22, 2026 Draft)
40.630.060(A), credit entitlement	Credit for dedication or construction of system improvements to facilities identified in the capital facilities plan, required as a condition of approval.	Credit limited to “qualifying” facilities, and the system improvement “must be provided in its entirety, as described in the capital facilities plan.”
40.630.060(B), traffic credit value	Credit equals the proportion of the total system improvement provided by the developer times the estimated cost in the capital facilities plan.	Unchanged.
40.630.060(F), Highway 99 Overlay	Credits or trip reductions as set forth in the Traffic Impact Fee Technical Document.	Credits or trip reductions as set forth in the transportation capital facilities plan.

Sources:

- Clark County Code 40.610.020, 40.620.010, and 40.630.060, current text.
- Draft amendments to CCC 40.610.020, 40.620.010, and 40.630.060, dated July 22, 2026, as posted for Council work session.

Three consequences follow. First, the Council is being asked to adopt code that identifies Appendix A as the source of the trip generation rates while Appendix A states that those rates are forthcoming. Second, the sentence at 40.620.010(A) establishing that the County’s rate table is based on the Institute of Transportation Engineers manuals is deleted, leaving those manuals in the code only as a supplement to a source that is presently blank. Third, the precedence clause is removed without any replacement provision addressing what governs if the Technical Document and Appendix A diverge, and without any provision stating whether the Technical Document continues to have effect at all.

The July 22, 2026 Council work session presentation characterizes this change as “clarifying reference to Transportation Capital Facilities Plan.” The change is not a clarification. It relocates the entire operative content of the fee program from one document into another, and the receiving document does not contain it.

The relocation also disposes of the argument that the rate structure is a post-adoption code matter outside the plan. By the County’s own proposed definition, the capital facilities plan for purposes of the traffic impact fee program means Appendix A, and Appendix A is a component of the Comprehensive Plan. Having proposed to define the rate structure as part of the plan, the County cannot treat it as external to the plan for purposes of element consistency and the balancing the Growth Management Act requires.

One further inconsistency arises within CCC 40.630.060 itself. The proposed subsection (A) would condition a credit on the system improvement being provided in its entirety, while the unamended subsection (B) calculates the traffic credit by multiplying the proportion of the total system improvement provided by the developer times the estimated cost in the capital facilities plan. Subsection (B) expressly contemplates partial provision; the new sentence in subsection (A) forecloses it. RCW 82.02.060(5) requires that the ordinance provide a credit for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer to facilities identified in the capital facilities plan and required as a condition of approval. The statute contains no entirety condition.

4. The Growth Management Act Requires This Analysis as Part of the Periodic Update

RCW 36.70A.070(3) requires the capital facilities plan element to consist, among other things, of at least a six-year plan that will finance capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes, and a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, the capital facilities plan element, and the financing plan within the capital facilities plan element are coordinated and consistent.

WAC 365-196-415 states that counties must reassess the land use element and other elements of the comprehensive plan if probable funding falls short of meeting the need for facilities determined to be necessary for development, and that this evaluation must occur, at a minimum, as part of the periodic review and update required in RCW 36.70A.130. The evaluation is not deferred to implementing ordinances adopted afterward. It is part of the update itself.

RCW 36.70A.070(6)(a)(iv)(C) imposes the parallel requirement on the transportation element. Where probable funding falls short of meeting the identified needs of the transportation system, the finance sub-element must contain a discussion of how additional funding will be raised, or how land use assumptions will be reassessed, to ensure that level of service standards will be met. Which of those paths the County takes is the County's choice, and nothing in this memorandum urges one over the other. What the statute does not contemplate is deferral. The reconciliation is required at adoption, measured against the shortfall the plan itself reports, and it cannot be performed against a revenue figure that has no derivation.

RCW 82.02.050(5)(a) points the same direction from the other side. Continued authorization to collect and expend impact fees is contingent on the county adopting or revising a comprehensive plan in compliance with RCW 36.70A.070 and on the capital facilities plan identifying deficiencies in public facilities serving existing development and the means by which existing deficiencies will be eliminated within a reasonable period of time, additional demands placed on existing facilities by new development, and additional facility improvements required to serve new development. The statute treats the fee program as derived from the capital facilities plan, not as a parallel exercise conducted afterward.

Every input to the fee formula prescribed by RCW 82.02.060(1) — the cost of public facilities necessitated by new development, an adjustment for other payments made or anticipated, the availability of other means of funding, the cost of existing facilities, and the methods by which improvements were financed — is an output of the capital facilities plan. The fee cannot be calculated before the plan is complete, and the plan's financing analysis cannot be verified before the fee is calculated. The record now before the Council contains neither.

5. The 2025 Amendments to RCW 82.02.060 Are Not Addressed

Laws of 2025, chapter 267, section 20 (Engrossed Third Substitute House Bill 1491) amended RCW 82.02.060 to add two subsections. Subsection (10) requires a 50 percent reduction in the transportation impact fee for a qualifying project within a station area. Subsection (11) requires that a jurisdiction adopt or amend by ordinance, and incorporate into its development regulations, zoning regulations, and other official controls, the requirements of the section, to take effect six months after the jurisdiction's next periodic comprehensive plan update required under RCW 36.70A.130.

The obligation in subsection (11) is not limited to the two new subsections. It reaches the requirements of the section as a whole, several of which the Clark County Code has never addressed. Table 4 sets out the comparison.

Table 4. Requirements of RCW 82.02.060 Compared to the Clark County Code

Requirement of RCW 82.02.060	Status in Clark County Code and in the July 22, 2026 Amendment Package
(1) The fee schedule shall reflect the proportionate impact of new housing units based on square footage, number of bedrooms, or trips generated, in order to produce a proportionally lower impact fee for smaller housing units.	Not addressed. CCC 40.620.010 states a uniform trip-based formula. Any differentiation among residential unit types resides in the rate table, which the amendments remove from the code without placing it in Appendix A.
(2) and (4) A local government may provide an exemption for low-income housing, subject to a recorded covenant.	Permissive, and not exercised. "Low-income housing" is defined at CCC 40.610.020, but CCC 40.630.050 exempts only publicly operated primary and secondary schools. The definition has no operative effect. CCC 40.630.050 is not among the sections proposed for amendment.
(3) The ordinance may not impose an impact fee on an early learning facility greater than that imposed on comparable commercial development.	Not addressed anywhere in Chapters 40.610, 40.620, or 40.630.
(10) The ordinance shall provide a 50 percent reduction in the transportation impact fee for a qualifying project within a station area.	Not addressed. Practical application in unincorporated Clark County may be limited, but the code contains no provision either way and the record contains no analysis of the question.
(11) The jurisdiction must adopt or amend by ordinance, and incorporate into its development regulations and other official controls, the requirements of the section, to take effect six months after its next periodic comprehensive plan update required under RCW 36.70A.130.	Not addressed. The July 22, 2026 Council work session presentation describes the impact fee code changes as four items: clarifying the reference to the Transportation Capital Facilities Plan, annual adjustment of rates, impact fee duration, and impact fee credit. RCW 82.02.060 is not among them.

Sources:

- RCW 82.02.060, as amended by Laws of 2025, ch. 267, § 20.
- Clark County Code 40.610.020, 40.620.010, 40.630.050, and 40.630.060, current text.
- Draft amendments to Chapters 40.610, 40.620, and 40.630 dated July 22, 2026.
- Clark County Council work session presentation, July 22, 2026, slide titled "Impact Fee Code: Overview of Changes."

The Legislature tied the compliance deadline in subsection (11) to the periodic comprehensive plan update rather than to a fixed calendar date. That choice is consistent with the structure described in Section 4 above: the fee schedule is derived from the capital facilities plan, and the update is when the capital facilities plan is set. The six-month interval is best understood as time to move an ordinance through hearing and adoption once the underlying analysis exists, not as time in which to perform the analysis.

Clark County's periodic update was due December 31, 2025 under RCW 36.70A.130(5)(b). Adoption is now anticipated in October 2026. The County should state on the record the date from which it measures the six-month period, and should identify what portion of RCW 82.02.060 it considers already satisfied and what it intends to adopt later. The record presently contains neither statement.

6. The Trip Generation Rate Change Is Unquantified

The July 15, 2026 Council work session presentation identifies, among the transportation impact fee work items, an update of land use trip generation rates to the Institute of Transportation Engineers Trip Generation Manual, 12th Edition. A change of edition can move trip rates materially in either direction across land use categories, and trip rates are a direct multiplier in the fee formula at CCC 40.620.010. The magnitude and direction of that change for the land uses that predominate in the unincorporated Vancouver Urban Growth Area are not disclosed anywhere in the record.

The County therefore proposes to adopt a twenty-year financing plan carrying $356.2 million in impact fee revenue while simultaneously committing to a revision of the multiplier that produces that revenue, without quantifying the revision, and while deleting from the code the sentence that ties its rate table to the Institute of Transportation Engineers manuals in the first place.

7. Requested Action

First, complete the traffic impact fee rate analysis and place it in the record before any recommendation or adoption. The four headings that Appendix A already identifies — Program Overview, TIF Eligible Project List, Private-Public Shares, and Proposed Rates — define what is missing. The public should have a meaningful opportunity to review that material before the Council relies on it.

Second, do not adopt the amendments to CCC 40.610.020, 40.620.010(A), and 40.630.060(F) that redirect the rate structure to the capital facilities plan until the capital facilities plan contains it. If those amendments are adopted on the current schedule, the code will point to an empty section and the document that holds the operative rates will have no status under Title 40.

Third, reconcile proposed CCC 40.630.060(A) with the unamended subsection (B) and with RCW 82.02.060(5), which requires a credit for any dedication or improvement and imposes no requirement that a system improvement be provided in its entirety.

Fourth, direct staff to prepare a written comparison of the Clark County Code against RCW 82.02.060 as amended in 2025, and to state on the record the date from which the six-month compliance period is measured and the date by which conforming amendments will be brought forward.

Completing the rate analysis would not by itself discharge the reconciliation obligation under RCW 36.70A.070(6)(a)(iv)(C). It would establish the size of the gap against which that reconciliation must be performed. The two are distinct, and the first is a precondition to the second.

The request in this memorandum is procedural and does not take a position on what the traffic impact fee rate should be. That is a legislative judgment for the Council. The point is narrower:

neither the Planning Commission nor the Council can make that judgment, and the public cannot comment on it, on a record in which the analysis is described as forthcoming.

Respectfully submitted,

Heidi Pozzo