



Community and Economic Development Department
920 SE Cedar Falls Way
North Bend, WA 98045
Phone: (425) 888-1211

CUSTOMER ASSISTANCE MEMO

#2501

Last Revised: 02/18/2025

Transportation Impact Fees



What is a Transportation Impact Fee (TIF)?

A Transportation Impact Fee (TIF) is a one-time charge that is determined by a local government when a development project is proposed to help pay for the costs associated with new, expanded, or enhanced public facilities. The fee is assessed to address increases in public infrastructure or services that correspond with a development proposal. The fee is comprised of anticipated improvement costs for public streets and bicycle/pedestrian facilities. Information about the city's TIF is located in [NBMC Chapter 17.38](#) and the current edition of the six-year [Transportation Improvement Program](#).

Why does North Bend Require a TIF?

Washington State grants local governments planning under the Growth Management Act (GMA) the ability to collect TIFs under RCW [82.02.050](#) through [82.02.090](#). A key purpose of the GMA is to facilitate orderly growth and development. Collecting impact fees gives local governments the ability to expand infrastructure as it corresponds to growth in residents, employees, or visitors, as necessary to maintain adopted transportation levels-of-service within the community.

Fee Amount

Each municipality has a method of calculating a TIF. The fee is based on the capital improvement plan projects and the associated estimated costs for identified improvement projects. Fees may not be collected to pay for anticipated maintenance and operations costs. Applicants may find the TIF in [NBMC 17.38.120](#) or in the most recently adopted Taxes, Rates, and Fee Schedule, which is available at City Hall or the city's website. City staff conduct periodic reviews of the fee rate to determine if adjustments are needed based on current costs of labor and materials.

When is the fee due?

Pursuant to [NBMC 17.38.030\(G\)](#), the City of North Bend requires full payment of the TIF prior to the issuance of any associated Building Permit to construct or remodel a structure. Limited deferrals are allowed under [NBMC 17.40](#) for single-family residential projects.

LEGAL DISCLAIMER: This Customer Assistance Memo (CAM) should not be used as a substitute for codes and regulations. The applicant is responsible for compliance with all code and rule requirements, whether or not described in this CAM. This memo is intended to provide general information only.



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Applicability

Any development project within city limits is required to pay the fee, unless otherwise identified as an exemption under [NBMC 17.38.040](#). There are specific conditions for certain types of projects. For more detail on project types, see [NBMC 17.38.030](#), including but not limited to:

- Mixed Use Developments
- Changes of Use
- Cottage Housing

Available Reductions

North Bend also offers a TIF reduction program that reduces the total fee in specific circumstances, as described in [NBMC 17.38.040\(A\)\(8-10\)](#). It is recommended that applicants reach out to a planner to confirm if a reduction is applicable to a proposal. The following, in general, are available fee reductions:

- A reduction of 89 percent for any restaurant (non-drive thru) or retail use in the downtown commercial (DC) zone.
- A reduction of 78 percent for any allowed commercial use within downtown commercial (DC) and neighborhood business (NMU or NB) zones.
- A reduction of 57 percent for any allowed commercial use within the interchange commercial (IC), interchange mixed use (IMU), employment park (EP), or parks, open space and public facilities (POSPF) zones, or any overlay zones within such zones.

Exemptions

Applicants should contact the North Bend Community and Economic Development Department to confirm if a proposed project is exempt from a TIF. See detailed exemption allowances in [NBMC 17.38.040\(A\)\(1-7\)](#). See [NBMC 17.38.040](#) for additional information regarding the exemptions.

Impact Fee Credit Program

North Bend offers a TIF credit program that allows a feepayer to request that a credit or credits for fees be awarded to his/her for the total value of dedicated land, improvements or construction provided by the feepayer. See [NBMC 17.38.050](#) for additional information.

Independent Fee Calculations

There are two (2) instances in which an alternative fee amount may be permitted as described in [NBMC 17.38.130](#): **Applicant opts for Independent Study or Director Determines Need for Independent Study**. In the event an independent study is requested or required, the applicant shall be responsible for associated costs of the study.

Appeals

Appeals to impact fees are only permitted after the fee is paid. No appeals are permitted prior to payment. Prior to filing an appeal, the applicant must first file a request for review with the Public Works Director. Determinations of the Director may be appealed within fourteen (14) calendar days from the date of the Director's decision. Appeals will be heard by a Hearing Examiner. See details in [NBMC 17.38.070](#).