



**City of Tacoma
Transportation Commission**

October 20, 2025

Subject: Tacoma Transportation Impact Fees and System Development Charges

Dear Infrastructure, Planning, and Sustainability Committee:

The Transportation Commission received several informative presentations from Public Works staff on the development and evolution of Transportation Impact Fees along with a presentation from Environmental Services staff on System Development Charges. **We want to express our support for City Council to adopt Transportation Impact Fees and System Development Charges, which we believe are essential for accommodating the growth projected for the city and for funding the goals set forth in the recently adopted Transportation and Mobility Plan (TMP).** The Commission has invested countless hours to develop and adopt a plan that is right for Tacoma and to ensure that it is a livable place that connects people to places and people to people

The Transportation Commission has been considering Impact Fees since 2014. Through our review, we have been committed to ensuring that the fees would not negatively affect development in areas of the city that have a history of under investment, and thus may need significantly more transportation investment to provide safe and equitable access.

The Transportation Commission acknowledges that the city is experiencing both a homelessness crisis and housing affordability crisis. The city needs significantly more housing supply to address both of those problems. The Commission believes that Impact Fees on a per peak trip and per new residence will not significantly reduce the number of new homes being built in the city. We know that developers and home builders are challenged by increased interest rates and cost inflation, however, we strongly believe that funding transportation and mobility improvements are vital to accommodate new growth in Tacoma, especially for people who rely on walking and rolling, biking, or transit. **The current proposal includes a balanced fee structure that supports development across the districts. It also includes reduction and exemptions to support city priorities, including affordable housing, transit-oriented development, and transparent spending.**

Implementing Transportation Impact Fees is critical to the success of the TMP, which lays out a dramatic new way to think about how the city is going to grow and change. The TMP identifies

approximately \$2.6 billion to deliver the necessary transportation projects and programs to move the city towards a series of 15-minute neighborhoods. Impact fees are just one of the critical funding tools available to help deliver necessary improvements. The Commission encourages City Council to explore potential future funding sources to balance the responsibility across the community, including automated enforcement fines, ballot measures to increase new taxes or bonds, and street utility taxes.

In addition to Transportation Impact Fees, the Transportation Commission supports Environmental Services' proposal for System Development Charges. Similar to Transportation Impact Fees, System Development Charges are a tool for the city to fund stormwater system expansion necessary to accommodate the growth in residents and jobs that Tacoma is expected to see over the next 25 years.

The TMP states that to manage "growth while supporting long-time residents, the city needs a multimodal transportation system that can move more people while also increasing safety, reducing emissions, and improving accessibility...expanding access to other transportation options including high-quality public transit, walking, rolling, and bicycling." **Adopting Transportation Impact Fees is the right decision to demonstrate our commitment to creating a safe, equitable, and reliable transportation system for all.**

Sincerely,



Bruce Morris
Co-Chair, Transportation Commission



Matt Stevens
Co-Chair, Transportation Commission

Cc:

Interim Tacoma City Manager Hyun Kim

Public Works Director Jeff Jenkins

Environmental Services Director Ramiro A. Chavez, P.E. PgMP

Interim Transportation Division Manager Jennifer Kammerzell

Planning Commission

Climate and Sustainability Commission