



**BUILDING INDUSTRY  
ASSOCIATION**

September 22, 2007

The Honorable Helen Baumann, Chair  
and the El Dorado County Board of Supervisors  
330 Fair Lane  
Placerville, CA 95667

Re: Amended 2004 General Plan Transportation Impact Mitigation Fee Program

Dear Chairman Baumann:

I am writing on behalf of the North State Building Industry Association (BIA), and we would like to take this opportunity to follow up with the Board regarding our concerns with the County's amendment to the Transportation Impact Mitigation (TIM) fee program. Our concern is that an increase in the already excessive TIM fee program given this strained housing market will only further weaken the industry.

During the last budget discussion the Building Department provided information, which illustrated the current state of the departments budget due to the slow down in the real estate market as well as demonstrated the huge impact the current TIM fee program already has on the county's fee load. We feel that the current \$30,000 traffic fee per residential unit is already an onerous burden on new homeowners, a burden that greatly affects the homebuilding industry's ability to provide a diversity of housing options, which include providing housing that is affordable.

It is our understanding that the current Caltrans bids are coming in lower than expected; with this in mind, we would like to request further clarification of the cost index increase (CalTrans - 15%) as it relates to the construction costs. Are these increased costs based on current construction costs? How does the fee increase relate to the current update to the Capital Improvement Plan (CIP)?


Additionally, with respect to the distribution of the traffic impact contribution, (84% / 16% split) we would like to request that the Board direct the staff to begin a review of this item allowing for further consideration so that the fees be established at a level necessary to mitigate for impacts generated - if either commercial or residential development creates an impact, they should each pay their respective impact costs.

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EL DORADO COUNTY

While we understand that the TIM fee program will address the need for road capacity projects, the BIA respectfully requests that the Board delay the increase to the TIM Fee for a certain period of time allowing for a review of the contribution split share (84%/16%) working towards an equal distribution of the share in this current market.

Sincerely,

A handwritten signature in cursive script that reads "John M. Costa".

John Costa  
Senior Legislative Advocate

cc: Members of the EL Dorado County Board of Supervisors  
Richard Sheppard, Director of Transportation  
Dennis Rogers, Senior Vice President, North State BIA