



COMMUNITY DEVELOPMENT SERVICES

DEPARTMENT OF TRANSPORTATION

2850 Fairlane Court, Placerville, CA 95667
Phone (530) 621-4650, Fax (530) 642-0508

June 5, 2018

TO: Board of Supervisors

FROM: Natalie K. Porter, P.E., T.E., Senior Civil Engineer

Subject: 2018 Minor Technical Update to the Traffic Impact Mitigation Fee Program

PURPOSE

On December 6, 2016 the Board of Supervisors (Board) adopted the Major Update to the Traffic Impact Mitigation (TIM) Fee Program as required by the General Plan and in compliance with state law. The Board adopted the Annual Update to the TIM Fee schedule on December 12, 2017 and adjusted the fees for project costs and inflation.

The purpose of today's hearing is to adopt Resolution **#076-2018** certifying the Addendum to the Final Environmental Impact Report (EIR) (SCH2016022018) for the Western Slope Roadway Capital Improvement Program and Traffic Impact Mitigation Fee Program for El Dorado County (Attachment I), and to adopt Resolution **#077-2018** adopting the 2018 Minor Technical Update to the TIM Fee Program and the 2018 TIM Fee Program schedule for Scenario 1 (Attachment K).

BACKGROUND

A TIM Fee is a fee levied by a local government or public agency to ensure that new development projects pay for all or their portion of the costs of providing public infrastructure or services attributable to the new development. Since 1984, the County has adopted and updated various TIM Fee programs to ensure that new development on the western slope pays the costs of constructing and improving county and state roads necessary to serve new development. The TIM Fee is paid at the time of issuance of a building permit (i.e., for single family home or non-residential buildings). TIM Fees are calculated pursuant to Government Code 66000 et. seq. and the County's General Plan policy. Generally, fees are based on the type of land use, quantity, location, and impact on roads and highways.

TIM Fee funded projects are Capital Improvement Program (CIP) projects that are needed to accommodate new development projected through 2035, which includes roadway widenings, interchange improvements, etc. Since these new projects are needed to accommodate new development, there is a nexus, pursuant to the Mitigation Fee Act (Government Code 66000 et. seq.), to charge new development a fee to pay for these new projects.

The current TIM Fee Program was adopted on December 6, 2016 by Ordinance Number 5045 and Resolution 191-2016. The 2016 Major Update to the TIM Fee Program resulted in decreased TIM Fees for almost all zones and land use types. On December 12, 2017 the Board approved Resolution 172-2017 which adopted the 2017 TIM Fee Schedule. The 2017 Annual Update to the TIM Fee Schedule adjusted the TIM Fees based on revised project costs and inflation.

DISCUSSION

The TIM Fee Program helps fund improvements to the County's transportation network, which are identified based on existing and future level of service (LOS) for each facility. General Plan Policy TC-Xd states that the LOS shall be defined using the latest edition of the *Highway Capacity Manual (HCM)* (Transportation Research Board, National Research Council). The Sixth Edition of the HCM has been released; therefore the projects in the TIM Fee Program must be re-evaluated. The 2018 Minor Technical Update (Technical Update) also considers changes to the TIM Fee Zone map, updated land use growth forecast assumptions in adjacent jurisdictions, frontage improvements, a new line item for partial funding for safety projects, and updated project costs. Each component is discussed below.

Updated Methodology

As stated above, General Plan Policy TC-Xd states that LOS shall be defined using the latest edition of the HCM. The Major Update was based on the HCM 2010 (5th Edition); however, the HCM 6th Edition was released in 2017. The HCM 6th Edition incorporates new research and recommended modifications to the LOS methodology, as determined by the Transportation Research Board. The HCM 6th Edition is generally more conservative (i.e. lower capacity thresholds) for arterials and freeway segments. Attachment B displays the comparison of LOS thresholds between the HCM 2010 and the HCM 6th Edition. Additionally, the modeling methodology was refined to account for time of day variations in travel patterns.

As a result of the HCM update, the County's consultant, Kimley-Horn, reevaluated all of the future year LOS results from the Major Update (Attachment C). The following new roadway projects were identified as future year deficiencies and included in the 2018 TIM Fee Program:

- Bass Lake Road – US 50 to Serrano Parkway
- Latrobe Road – Investment Boulevard to Golden Foothill Parkway (South)/Clubview Drive
- White Rock Road – County Line to Manchester Drive
- US 50 Westbound Auxiliary Lane – Cameron Park Drive to Cambridge Road

The revised analysis also shows that Cameron Park Drive should be widened from Palmer Drive to Sudbury Road, instead of the previous project extents from Palmer

Drive to Hacienda Road. Based on the analysis, the US 50 westbound auxiliary lane from Cambridge Road to Bass Lake Road was removed from the program. All other projects in the TIM Fee Program remain unchanged. Refer to Attachment C for the complete analysis results. Once the Technical Update is adopted, the new TIM Fee projects will be added to the proposed 2018 CIP Book.

The addition of projects into the TIM Fee Program triggered the need for environmental analysis, consistent with the California Environmental Quality Act (CEQA).

Addendum to Western Slope Roadway Capital Improvement Program and Transportation Impact Mitigation Fee Program Update Environmental Impact Report

Consistent with State law and policies of the General Plan, the County has minor updates to the CIP and TIM Fee Program every year and major updates approximately every five years to ensure it is appropriate and reasonable based on current market conditions and costs of construction and investment. The County completed a major update to the Western Slope Roadway CIP and TIM Fee Program in 2016. As the Lead Agency under CEQA of 1970 (as amended), the County prepared the Western Slope Roadway Capital Improvement Program and Transportation Impact Mitigation Fee Program Update Environmental Impact Report (EIR) (SCH# 2016022018) to evaluate the potential environmental impacts associated with the major update. The Final EIR was certified by the El Dorado County Board of Supervisors on December 6, 2016 (Attachment D).

The County now proposes a Technical Update to the TIM Fee Program; specifically, an amendment to the 2016 TIM Fee Program project list. The Addendum to the previously certified 2016 Final EIR has been prepared by the County to evaluate the potential environmental impacts of the proposed Technical Update and revisions to the 2016 TIM Fee Program project list. This Addendum has been prepared in accordance with the relevant provisions of CEQA and Section 15164 of the State CEQA Guidelines. See Attachment E.

Basis of the Addendum

When an EIR has been certified and the project is modified or otherwise changed after certification, additional CEQA review may be necessary. The key considerations in determining the need for the appropriate type of additional CEQA review are outlined in Section 21166 of the Public Resources Code (CEQA) and Sections 15162, 15163 and 15164 of the State CEQA Guidelines. Section 15162(a) of the State CEQA Guidelines provides that a Subsequent EIR is not required unless the following occurs:

- (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;*

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Pursuant to Section 15164(a) of the *State CEQA Guidelines*, an Addendum to an EIR may be prepared by the Lead Agency that prepared the original EIR if some changes or additions are necessary, but none of the conditions have occurred that require preparation of a Subsequent EIR. An Addendum must include a brief explanation of the agency's decision not to prepare a Subsequent EIR and be supported by substantial evidence in the record as a whole (Section 15164(e)). The Addendum to the EIR need not be circulated for public review but it may be included in or attached to the Final EIR (Section 15164(c)). The decision-making body must consider the Addendum to the EIR prior to making a decision on the project (Section 15164(d)).

An addendum to the 2016 Final EIR is appropriate to address the proposed minor update and revisions to the 2016 TIM Fee Program project list because the proposed updates and revisions do not meet the conditions of Section 15162(a) for preparation of a Subsequent EIR. Neither the proposed new projects or changes to existing projects would result in new or more severe impacts related to: 1) substantial changes to the 2016 CIP and TIM Fee Program which requires major revisions to the 2016 Final EIR; 2) substantial changes to the circumstances under which the 2016 CIP and TIM Fee Program are being undertaken which will require major revisions to the 2016 Final EIR; or 3) new information of substantial importance showing significant effects not previously examined.

The proposed changes to the 2016 TIM Fee Program project list documented in the Addendum would either add new projects to or revise projects already on the 2016 TIM

Fee Program project list. These new and revised projects are consistent with the types of projects included in the 2016 CIP and TIM Fee Program Update and analyzed in the 2016 Final EIR. Therefore, the proposed changes to the 2016 TIM Fee Program project list are not information of substantial importance or substantially different than the projects analyzed in the 2016 Final EIR. More specifically, the proposed changes to the 2016 TIM Fee Program project list would not result in one or more significant effects beyond those discussed in the 2016 Final EIR or result in a substantial increase in the severity of previously identified significant effects disclosed in the 2016 Final EIR. Furthermore, no changes to the mitigation measures or alternatives contained in the 2016 Final EIR are necessary or being proposed that could trigger additional review regarding such measures.

Purpose and Scope of the Addendum

The County has prepared the Addendum to the 2016 Final EIR to demonstrate that the proposed update and revisions to the 2016 TIM Fee Program project list, satisfy the requirements contained in Section 15164 of the *State CEQA Guidelines* for the use of an Addendum to an EIR. The proposed changes to the project list do not require the preparation of a Subsequent or Supplemental EIR pursuant to Sections 15162 and 15163, respectively, of the *State CEQA Guidelines* due to the absence of new or substantially more adverse significant impacts than those analyzed in the previously certified 2016 Final EIR.

The 2016 Final EIR and the Addendum to the 2016 Final EIR serve as informational documents to inform decision-makers and the public of the potential environmental consequences of approving the proposed update and changes to the TIM Fee Program project list. The Addendum neither controls nor determines the ultimate decision for approval of the Technical Update and proposed changes to the 2016 TIM Fee Program project list. The information presented in the Addendum to the 2016 Final EIR will be considered by the Board alongside the 2016 Final EIR prior to making a decision on approval.

TIM Fee Zone Map Update

On December 12, 2017, the Board directed staff to “Move forward with a technical update for reconsideration of those Zones 2 and 3 projects to be considered for inclusion into Zone 8” (Legistar File 17-1284). The projects mentioned in the motion are Bell Ranch and Bell Woods, part of the Bass Lake Hills Specific Plan (BLHSP). The projects are currently located in Zone 2 (Cameron Park/Shingle Springs) but, at the time, the property owners have requested a change to Zone 8 (El Dorado Hills). The two projects consist of 167 new single family dwelling units; 54 units in Bell Woods and 113 units in Bell Ranch.

Two scenarios were considered for the Technical Update:

- Scenario 1 – Leave Bell Ranch and Bell Woods in TIM Fee Zone 2 (Figure 1)
- Scenario 2 – Move Bell Ranch and Bell Woods to TIM Fee Zone 8 (Figure 2)

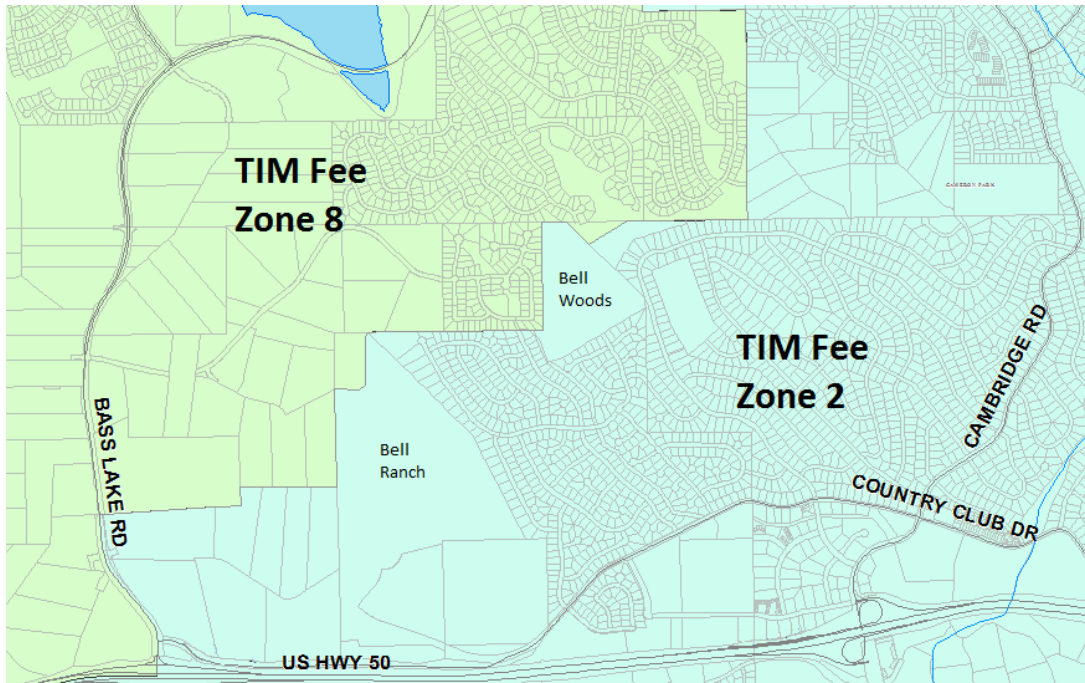


Figure 1: Scenario 1 - Existing TIM Fee Zone Boundaries

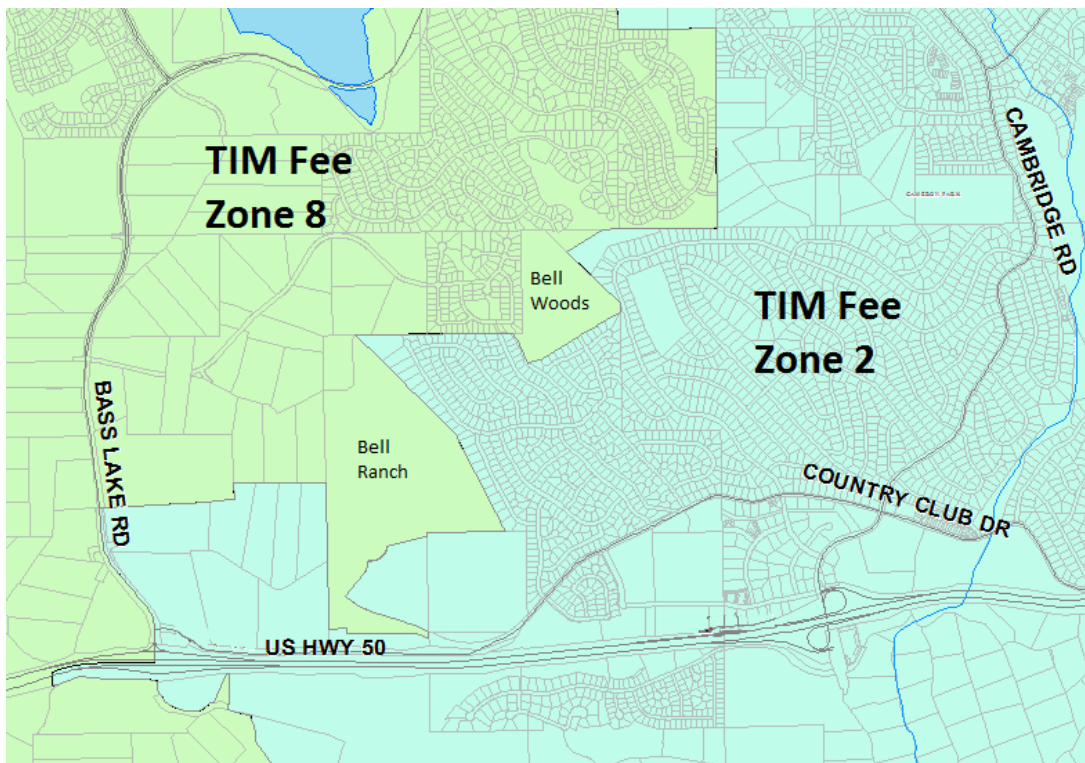


Figure 2: Scenario 2 - Potential TIM Fee Zone Boundaries

The TIM Fees are calculated by determining the percentage of new development trips from each TIM Fee Zone that would use each of the proposed projects. The percentage of trips is multiplied by the cost of each project to determine the fair share cost allocated to each TIM Fee Zone. The total cost of all projects allocated to a specific zone is then divided by the anticipated growth in each zone.

To change the TIM Fee Zone Map, the trip percentages and the anticipated growth must be updated for each zone. This analysis was performed for Scenarios 1 and 2 and includes all of the other updates discussed in this staff report. Attachment F shows the difference in TIM Fees between the two scenarios.

Scenario 1 results in slightly lower fees for TIM Fee Zone 2 and slightly higher fees in TIM Fee Zone 8 than Scenario 2. The fees in Zone 8 will go down slightly if the TIM Fee Map is revised, but not enough to offset the other changes (i.e., the new projects discussed above).

Scenario 1 provides a better balance of residential growth between Zones 2 and 8. Further, the property owner has since indicated that leaving Bell Ranch and Bell Woods in Zone 2 (i.e., Scenario 1) would help facilitate construction of the Country Club Drive realignment from Teirra De Dios Drive to Bass Lake Road (CIP # 71360). In addition to realigning the roadway, the project includes signalization of the new intersection of Bass Lake Road/Country Club Drive. This project would alleviate the LOS F condition that exists today at that intersection. For these reasons, staff included Scenario 1 in Resolution **#077-2018** adopting the 2018 TIM Fee Schedule update.

Additional environmental analysis was not needed as the TIM Fee Zone Map will remain unchanged from the previously adopted map.

Land Use Growth Forecasts in Adjacent Jurisdictions

There are many factors that go into developing future year traffic volumes in the El Dorado County Travel Demand Model (EDC TDM). One of those factors is development growth in adjacent jurisdictions. The EDC TDM accounts for growth in Folsom, Rancho Cordova, Sacramento County and beyond. The original land use forecasts for this area were based on the SACOG 2012 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). In 2016, SACOG adopted a new MTP/SCS with revised base year and future year land use forecasts for the region. Kimley Horn reviewed these growth forecasts with staff from each adjacent jurisdiction and made changes as directed. These forecasts were incorporated into the EDC TDM for the areas outside the County (i.e. Folsom, Rancho Cordova, and Sacramento County). Land use growth forecasts for the County remain unchanged from the Major Update. Residential growth is projected to occur at an overall rate of 1.03% per year Countywide, with 75% of residential growth in the Community Regions and 25% in the Rural Regions and Rural Centers.

The adjusted land use growth forecasts contributed to the addition of new projects to the TIM Fee Program project list and was considered in the proposed Addendum to the 2016 Final EIR.

Country Club Drive Frontage Improvements

On February 23, 2016, the Board directed staff to include the costs to acquire right-of-way for the Country Club Drive segment between Silva Valley Parkway and Tong Road in the TIM Fee Program (Legistar File 14-0245). The frontage improvements were included in the TIM Fee Program in order to ensure the improvements would be funded and constructed with the roadway.

Frontage improvements along this section of Country Club Drive were originally left in the TIM Fee Program, because the site plans for the adjacent proposed development showed a significant difference in grade (elevation) from the proposed buildings to the roadway. Due to the slopes, the proposed development believed it was not possible to take access off of Country Club Drive.

However, more recent site plans have been submitted to the County which indicate the proposed development will be able to take access off of this section of road. Additionally, the Frontage Improvement Ordinance (Ordinance Number 5044) states that frontage improvements shall be required as a condition of approval for all discretionary projects. Therefore, frontage improvements, including right-of-way, curb, gutter, and sidewalk costs for the south side of Country Club Drive will be removed from the TIM Fee Program. This results in an estimated reduction of \$1.8 million in the TIM Fee Program. The change in the funding source is not an environmental consideration and therefore was not addressed in the proposed Addendum to the 2016 Final EIR.

Safety Projects

On December 6, 2016, as part of the discussion on the Major Update (Legistar File 14-0245) several Board members expressed support of finding a consistent funding source for safety projects. This Technical Update includes partial funding for safety projects. Projects can include curve corrections, lane or shoulder widenings, sight distance improvements, installation of guardrails, construction of turn lanes, enhanced pedestrian crossings, and other safety improvements. Safety improvements occur throughout the West Slope of the County at various locations.

Between 2001 and 2016, the County funded and constructed seven CIP projects exclusively focused on safety with an average cost of \$1,196,000 per location. TIM Fees can be used to fund up to 20% of a given safety project as new development's fair share, if the funding is specified in the TIM Fee Program. The 2018 Technical Update assumes funding for 10 safety projects through 2035. The total cost of these safety improvement projects is estimated to be \$12 million. New development would fund approximately \$2.4 million. This line item will provide potential grant match funds that

the County can use to accelerate safety projects throughout the County. The types of projects that could be funded are consistent with the projects previously identified in the 2016 Final EIR.

Cameron Park Drive Interchange Cost Estimate

Long Range Planning is currently working on the Cameron Park Drive Interchange Alternatives Analysis. Staff is working to identify feasible alternatives for the interchange that will be more cost effective than the preferred alternative from the 2008 Project Study Report. County staff and consultants have developed four alternatives. Over the next several months, staff will be finalizing the technical studies and receiving feedback on the alternatives from key stakeholders, such as the public, the Board, and Caltrans.

Preliminary cost estimates were developed for the four alternatives. The overall costs range from \$45 million to \$62 million in 2018 dollars. This is significantly lower than the current cost estimate of \$94 million (2017 TIM Fee Program Nexus Study). Since the Board has not selected a preferred alternative, the alternative with the highest cost was included in the TIM Fee Nexus Study. After a preferred alternative is selected, the cost estimate can be incorporated into the TIM Fee Program during the next Annual Update. The change in the cost of a project is not an environmental consideration and therefore was not addressed in the proposed Addendum to the 2016 Final EIR.

Saratoga Way Extension Cost Estimate

The Department of Transportation held a bid opening for the construction of Saratoga Way Extension Phase I on May 9, 2018. The lowest responsible bid was \$6 Million higher than the Engineers Estimate. It has been opined that the bid was significantly higher due to the plethora of projects ready for construction and the scarcity of skilled workers to perform the work. A increase in the project costs has been incorporated into the updated TIM Fee Nexus study.

Net Effect of 2018 Technical Update

Due to the updated methodology, revised land use in adjacent jurisdictions, and projects, the proposed fees in TIM Fee Zones 2, 3, and 5 are reduced and TIM Fee Zones 1, 4, 6, 7 and 8 have increased. The *Addendum to Western Slope Roadway Capital Improvement Program and Transportation Impact Mitigation Fee Program Update Environmental Impact Report* addresses the inclusion of the new projects as a result of the updated analysis.

Cost estimates for all projects have been updated to match the 2018 CIP Book.

CONTACT

Rafael Martinez, Director
Community Development Services, Department of Transportation