



DEPARTMENT OF TRANSPORTATION TRANSPORTATION PLANNING

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TO: Board of Supervisors

FROM: Natalie K. Porter, Supervising Civil Engineer

Subject: 2022 Annual Update to the Traffic Impact Fee (TIF) Program

PURPOSE AND SUMMARY

On December 8, 2020 the Board of Supervisors (Board) adopted the Major Update to the now named Traffic Impact Fee (TIF) Program, formerly called the Traffic Impact Mitigation (TIM) Fee Program, as required by the General Plan and in compliance with state law. General Plan Implementation Measure TC-B, Resolution 191-2016, and County Ordinance 5144 state that the fee program shall be updated annually for changes in project costs. The Board directed staff to update the Capital Improvement Program (CIP) for consistency with the TIF Program. This process has begun with the first Board CIP workshop on March 8, 2022 (Item 31, Legistar 22-0284).

The purpose of today's hearing is to adopt the 2022 Annual Update to the TIF Program, which adjusts project costs.

BACKGROUND

A TIF is a fee levied by a local government or public agency to ensure that new development projects pay for all or a portion of the costs of providing public infrastructure or services 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. TIF's 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.

TIF funded projects are CIP projects that are needed to accommodate new development projected over the next 20 years, including 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 2020 Major Update to the TIF Program was adopted by Resolution 196-2020. The Resolution states, in part, "said fees shall be adjusted annually by an increase or decrease in the project costs by updating improvement cost estimates using actual construction costs of ongoing and completed projects, the most current cost estimates for those projects that are far enough along in the project development cycle to have

project cost estimates, and for all other projects, the Engineering News-Record Building Cost Index.” Additionally, County Ordinance No. 5144 states, in part, “The TIF amounts shall be adjusted for inflation no later than the end of the 3rd fiscal quarter of each year in accordance with the percentage change published by Engineering News-Record (ENR) Building Cost Index.” The fee requirements are reflected in the TIF Program Fee Schedule adopted by resolution and administered via the TIF Administrative Manual.

County Ordinance No. 5144 amended El Dorado County Ordinance Code Chapter 12.28, Traffic Impact Mitigation (TIM) Fee, which comprises Ordinances 5045 and 5142, to reflect changes approved as part of the 2020 Major Update to the Traffic Impact Fee (TIF) Program by Board action on August 31, 2021 (Legistar 21-0749, Item 24).

DISCUSSION

Department of Transportation staff has provided updated cost estimates for eighteen projects. Table 1 displays the revised project cost estimates.

The large increases applied to project costs are a result of inflation and the increase in the cost of construction materials. For projects that aren't far enough along in the project development cycle to have project cost estimates, a 15% increase was applied to all dollars in future years to account for the increase in the Building Cost Index published by Engineering News Record from March 2021 to March 2022.

The Green Valley Road Widening – Francisco Drive to East of Silva Valley Parkway (CIP #CP178/36105018) project costs did substantially change as a result of updating the project scope in addition to adjustments for inflation. The estimate that was included in the December 2020 TIF update inadvertently included a raised median. In preparation for the 2021 TIF Annual Update, the cost estimate was updated to remove that raised median. However, at the July 13, 2021 Board of Supervisors meeting, staff was directed to keep the raised median in the project scope for safety reasons. Per that direction, staff had updated the project cost estimate to account for the raised median in the 2021 annual adjustment and the 2022 annual adjustment is for inflation.

The ITS Elements line item added to Intersection and Safety Improvements will allow for the collection of TIF to go towards the implementation of multiple Intelligent Transportation Systems (ITS) projects at various intersections. These projects include, but are not limited to, various traffic signal hardware upgrades, the installation of Dynamic Message Signs, and fiber optic signal interconnects. These ITS projects are necessary to alleviate the impacts of new development on the County's roadway network because these projects will improve and/or maintain the existing LOS in the County by extending the lifespan of existing roadways and reducing traffic delay. The operational benefits of ITS are well documented¹. Delay reductions range between 2-20% depending on the type of ITS deployment. For example, a summary of the literature of ITS operational benefits of Adaptive Traffic Control System (ATCS) types indicates on average ATCS improves travel time by more than 10 percent. In areas

¹ <https://www.itsbenefits.its.dot.gov/>. For additional information on the potential ITS elements see *Smart Region Technology and Mobility Master Plan*, SACOG, February 2019 and *Smart Region El Dorado County Technology Implementation Plan*, February 2019

with particularly outdated signal timing, improvements can be 50 percent or more. ATCS deployment is also a cost-effective strategy to improve safety (i.e., reduce vehicle collisions). For instance, an assessment from Virginia and Pennsylvania determined that ATCS systems reduced the propensity of severe plus moderate and minor injury crashes between 4% and 12% depending on the type of system. ITS strategies also help to reduce the duration of incident clearance. Of 121,793 incidents across 4.5 years in New South Wales, Australia, application of CCTV reduced incident duration by 4.5 minutes, with a 9% reduction in duration variance. This is attributed to early detection (decreasing the response time) and a more uniform response (decreasing the variability of the time needed to clear the incident).

The County has previously collected fees toward ITS projects as conditions of approval of certain projects and under certain development agreements. Those funds are to be held in a separate account and included in annual Mitigation Fee Act reporting and similar reporting rules for fees under development agreements until they have been fully expended toward Intersection and Safety Improvement components.

The revised TIF for all zones and land use types are shown in Exhibit A of the proposed Resolution (see Attachment C). The TIF Zone boundaries are unchanged and are shown in Exhibit B of the proposed Resolution (see Attachment C). The updated project cost adjustments are shown in Exhibit C of the proposed Resolution (see Attachment C) and the comparison of the current 2021 TIF and the proposed 2022 TIF are shown in Attachment E. Depending on the zone and land use type, TIF have increased in Zone A by approximately 18.5%, Zone B increased by approximately 16% and Zone C increased by approximately 13.3%.

Table 1: Revised Cost Estimates for CIP Projects with TIF Funding

CIP Number	Project	2021 Cost Estimate	2022 Cost Estimate
72377/36105007	Country Club Dr. Extension – East of El Dorado Hills Blvd. to Silva Valley Pkwy	\$2,775,000	\$3,599,000
71362/36105008	Country Club Dr. Extension – Silva Velly Pkwy. to Tong Rd.	\$11,703,000	\$13,227,000
71361/36105009	Country Club Dr. Extension – Tong Rd. to Bass Lake Rd./Old Bass Lake Rd.	\$17,923,000	\$20,581,000
72334/36105011	Diamond Springs Parkway – Phase 1B	\$30,163,000	\$33,822,000
77127/36105014	Green Valley Rd. at Indian Creek – Bridge Replacement	\$5,663,000	\$5,945,000
77136/36105015	Green Valley Rd. at Mound Springs Creek – Bridge Replacement	\$6,226,000	\$6,560,000

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CIP Number	Project	2021 Cost Estimate	2022 Cost Estimate
GP178/36105018	Green Valley Rd. Widening – East of Francisco Dr. to East of Silva Valley Pkwy.	\$10,941,000	\$16,672,000
66116/36105024	Latrobe Connection	\$2,873,000	\$3,251,000
GP154/36105069	Latrobe Road – Golden Foothill Pkwy. (N) to White Rock Rd.	\$5,864,000	\$6,744,000
72142/36105027	Missouri Flat Road – China Garden Rd. to SR 49	\$7,629,000	\$8,773,000
53118/36109004	Transit Service Improvements	\$4,422,000	\$4,892,000
53115/36104021	US 50 Auxiliary Lane Westbound – El Dorado Hills Blvd. IC to Sacramento County Line	\$3,099,000	\$3,563,000
71330/36104005	US 50/Bass Lake Interchange Improvements – Phase 1	\$5,417,000	\$6,227,000
71332/36104006	US 50/Cambridgre Road Interchange Improvements	\$9,665,000	\$11,109,000
72361/36104007	US 50/Cameron Park Drive Interchange Improvements	\$22,836,000	\$25,997,000
71347/36104011	US 50/El Dorado Road Interchange Improvements – Phase 1	\$5,782,000	\$6,623,000
71345/36104004	US 50/Silva Valley Parkway Interchange – Phase 2 – On Ramps and Auxiliary Lane on US 50	\$8,593,000	\$9,882,000
72374/36105042	White Rock Road Widening (2 to 4 lanes) – Post St. to South of Silva Valley Parkway	\$9,466,000	\$10,886,000
Total		\$ 189,455,000	\$ 219,035,000

Notes:

¹ The TIF Program funds 11.47% of the cost of bridge projects shown in this table. Federal funds are used to cover the remaining project cost.

If adopted, the revised TIF schedule will go into effect 60 days after adoption of the resolution.

This Update includes adjustments to project costs and inflation adjustments based on the Building Cost Index as published in Engineering New Record. All other

assumptions, methodologies, and technical calculations are identical to the 2020 Major Update to the TIF Program. This Update does not include changes to the number, location, or type of CIP projects in the TIF Program. It does not include any changes to the magnitude or location of growth. It does not include any updates to analysis methodologies or the TIF Zone boundaries.

RECOMMENDATION

Staff recommends adopting the Resolution for the 2022 TIF Schedule Annual Update.

CONTACT

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