



**COUNTY OF EL DORADO
COMMUNITY DEVELOPMENT AGENCY**

INTEROFFICE MEMORANDUM

Date: September 23, 2013

To: Board of Supervisors

From: Claudia Wade, Senior Civil Engineer

Subject: Initial Follow up to the Measure Y Presentation on August 26, 2013

On November 3, 1998, voters passed the "Control Traffic Congestion Initiative" (Measure Y), which added five Policies to the General Plan Transportation and Circulation Element. This measure required new development to be responsible for mitigating its road impacts. Measure Y was included in the 2004 General Plan and identified as Policy TC-Xa. The 2004 General Plan added supplemental policies to implement Measure Y (Policy TC-Xa): TC-Xb, TC-Xd, TC-Xe, TC-Xf, TC-Xg, TC-Xh, and TC-Xi.

Ten years later, in November of 2008, voters passed an amendment to Measure Y, and the Board adopted amendments to the supplemental policies. Therefore, all County and Development projects must be consistent with its Policies and Plans. For example, General Plan Policy TC-Xb states:

"To ensure that potential development in the County does not exceed available roadway capacity, the County shall:

- A. Every year prepare an annual Capital Improvement Program (CIP) specifying expenditures for roadway improvements within the next 10 years. At least every five years prepare a CIP specifying expenditures for roadway improvements within the next 20 years. Each plan shall contain identification of funding sources sufficient to develop the improvements identified;*
- B. At least every five years, prepare a Traffic Impact Mitigation (TIM) Fee Program specifying roadway improvements to be completed within the next 20 years to ensure compliance with all applicable level of service and other standards in this plan; and*
- C. Annually monitor traffic volumes on the county's major roadway system depicted in the Circulation Diagram."*

On August 26, 2013, representatives of the Measure Y Committee provided a presentation to the Board of Supervisors (See Attachment B). The general concern expressed by Measure Y Committee members is that the County may not be appropriately implementing Measure Y, specifically regarding impacts to U.S. Highway 50. Some of their specific concerns include:

- Highway 50 is currently at Level of Service (LOS) F from El Dorado Hills to the County Line.
- Highway 50 from Cameron Park Drive to El Dorado Hills Boulevard is at 95% Capacity (using 2012 & 2013 Caltrans Data from the U.S. 50 Performance Report (PeMS)).
- There are no plans by Caltrans, SACOG, or the City of Folsom to widen U.S. Highway 50.

- The Land Use Policy Programmatic Update (LUPPU) plans to build 20,000 more homes in the County without being able to mitigate traffic as required by Measure Y.
- No Land Development Projection is required. The County could use all Existing parcels + Entitlements + Regional Housing Needs Allocation (RHNA) as the total projected growth, with no identified end date.
- If the scenario is selected to analyze Existing Parcels + Entitlements + RHNA without the 20-Year projection as required by General Plan Policy TC-Xb, TIM Fees could be reduced by as much as 50% to 80%, with the exception of Zone 8.

Staff held an initial meeting with members of the Measure Y Committee and Rural Communities United (RCU) on September 3, 2013 to discuss their concerns, and offered to meet again prior to the Board hearing on September 30, 2013. See Attachment C for the meeting agenda provided by the Measure Y Committee/RCU. This memo provides an initial follow up discussion on the following topics to address issues raised:

1. Level of Service on State Highway 50 and Measure Y Interpretation
2. Land Development Projections
3. Land Use Policy Programmatic Update (LUPPU)
4. Traffic Impact Mitigation (TIM) Fee Program
5. Next Steps

Following today's workshop, staff will continue working with all interested stakeholders to address comments and concerns and will report back in October with further information.

1. LEVEL OF SERVICE ON HIGHWAY 50 AND MEASURE Y INTERPRETATION

How does the County Calculate LOS?

El Dorado County calculates LOS on the roadway network based on General Plan Policy TC-Xd, which is a supplemental Policy to General Plan Policy TC-Xa (Measure Y). Policy TC-Xd states that LOS shall be as defined by the latest edition of the Highway Capacity Manual. General Plan Policy TC-Xd reads as follows:

*“Level of Service (LOS) for County maintained roads and state highways within the unincorporated areas of the County shall not be worse than LOS E in the Community Regions or LOS D in the Rural Centers and Rural Regions except as specified in Table TC-2. The volume to capacity ratio of the roadway segments listed in Table TC-2 shall not exceed the ratio specified in that table. **Level of Service will be as defined in the latest edition of the Highway Capacity Manual (Transportation Research Board, National Research Council) and calculated using the methodologies contained in that manual.** Analysis periods shall be based on the professional judgment of the Department of Transportation which shall consider periods including, but not limited to Weekday Average Daily Traffic (ADT), AM Peak Hour, and PM Peak hour traffic volumes.”*

As the County processes CIP projects or reviews development projects, staff must abide by the General Plan Policies to ensure that they are not violated. Staff continually updates information to ensure that the roadway capacities and operations remain as defined in the current General Plan Policies.

How does the County calculate Level of Service (LOS) on Freeways?

The El Dorado County General Plan Policy TC- Xd dictates that Level of Service (LOS) is defined by using the latest version of the Transportation Research Board's *Highway Capacity Manual, 2010 (HCM2010)* methodologies. The *HCM2010* dedicated four chapters to defining LOS on freeways. These chapters are Chapter 10 – Freeway Facilities, Chapter 11 – Basic Freeway Segments, Chapter 12 – Freeway Weaving Segments, and Chapter 13 – Freeway Merge and Diverge Segments.

El Dorado County has historically used the Basic Freeway Segment methodology to determine the LOS on U.S. Highway 50. The Freeway Facilities, Weaving Segments and Merge and Diverge Segment methodologies are typically addressed in a traffic impact analysis for an operational-level analysis. The updated Travel Demand Model (TDM) provides information to determine a planning-level LOS for basic freeway segments.

The *HCM2010*, Chapter 11 states that “Basic freeway segments are defined as those freeway segments that are outside the influence of merging, diverging, or weaving maneuvers. In general, this means that lane-changing activity is not significantly influenced by the presence of ramps and weaving segments. Lane-changing activity primarily reflects the normal desire of drivers to optimize their efficiency through lane changing and passing maneuvers.

The base conditions under which the full capacity of a basic freeway segment is achieved include good weather, good visibility, no incidents or accidents, no work zone activity, and no pavement deterioration serious enough to affect operations. This chapter assumes these conditions exist. If any of these conditions do not exist, the speed, LOS, and capacity of the freeway segment can be expected to be worse than those predicted by this methodology.”

Additionally, Chapter 11 of *HCM2010* states that, “LOS on a basic freeway segment is defined by density. Although speed is a major concern of drivers as related to service quality, it would be difficult to describe LOS by using speed, since it remains constant up to flow rates of 1,000 to 1,800 pc/h/ln (passenger cars per hour per lane), depending on the free flow speed. Density describes the proximity to other vehicles and is related to the freedom to maneuver within the traffic stream.”

The following Exhibits are from the *HCM2010*, Chapter 11.

Exhibit 11-4 visually demonstrates the six LOS defined for basic freeway segments. LOS are defined to represent reasonable ranges in the three critical flow variables: speed, density, and flow rate.

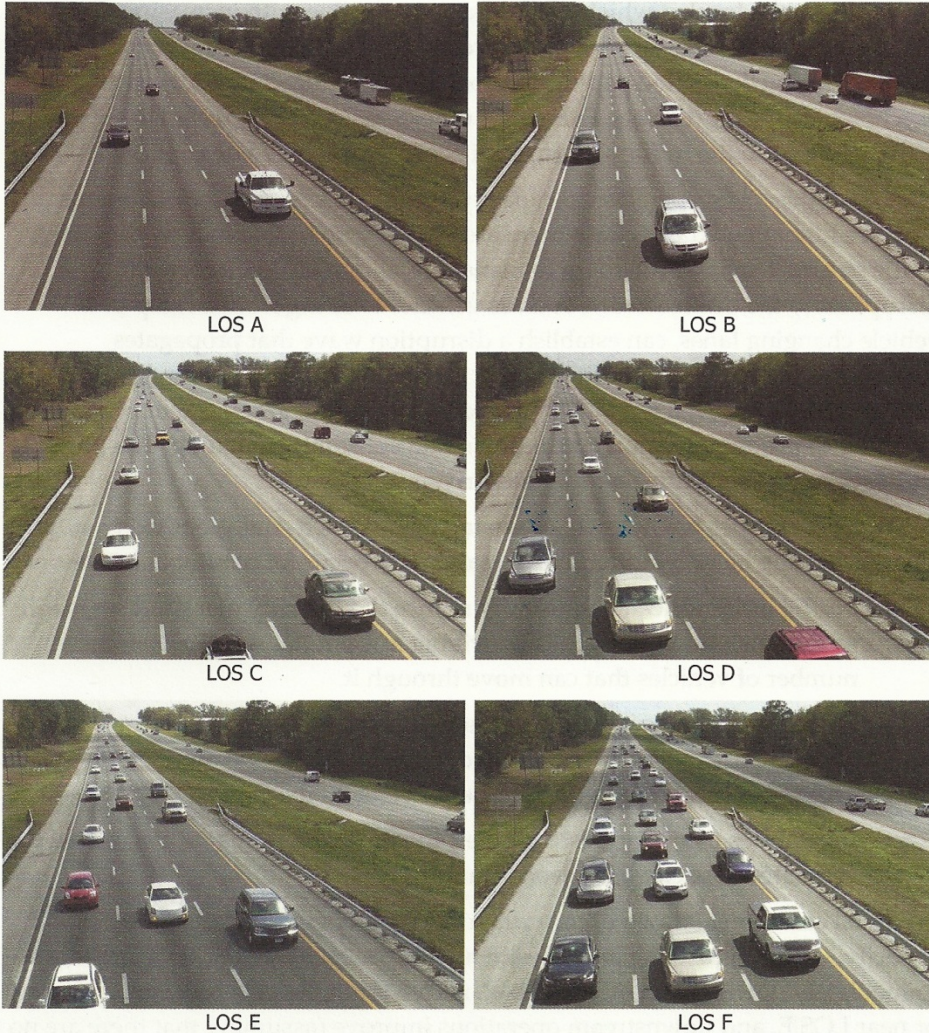


Exhibit 11-4
LOS Examples

Figure 1: *Highway Capacity Manual 2010*, Exhibit 11-4 – Basic Freeway Segments LOS

Figure 2, *HCM 2010* Exhibit 11-6 shows the relationship of flow rate, speed and density to LOS. As indicated in the table, free-flow speed below 50 mph is indicative of LOS F.

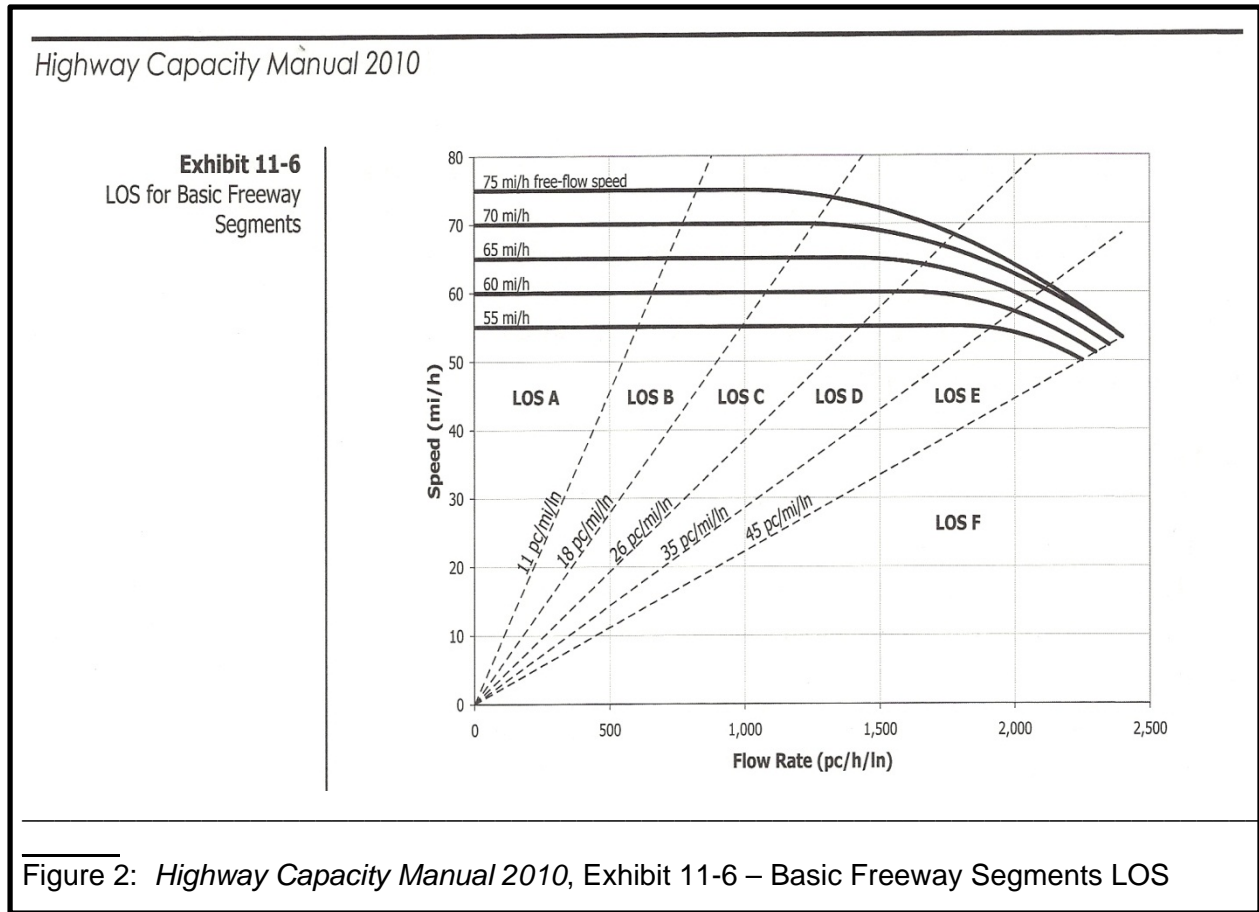
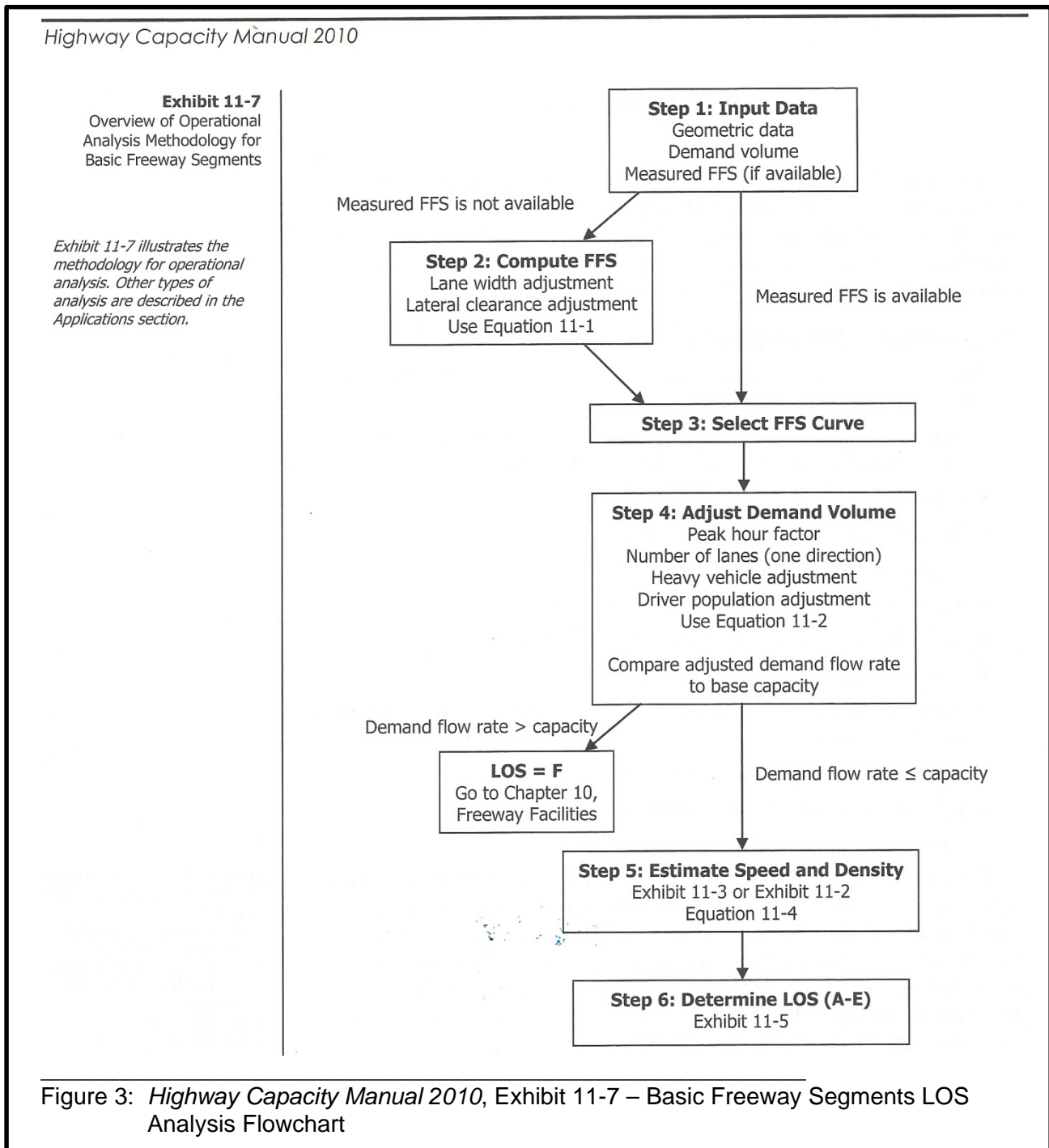


Figure 2: *Highway Capacity Manual 2010*, Exhibit 11-6 – Basic Freeway Segments LOS

Figure 3 is an overview of the steps to determine an operational LOS on a basic freeway segment.



At this time, the County does not evaluate freeway facilities, weaving segments or merge and diverge segments for planning level purposes. These more detailed analyses are generally required for development proposals that impact U.S. Highway 50. These methodologies are described in Attachment D, and can be incorporated into the update of the traffic study protocols.

Measure Y Committee concerns regarding Highway 50 LOS

The Measure Y Committee raised several concerns relating to LOS on State Highway 50. Measure Y Committee members provided documentation of conversations, and data gathered with the assistance of Caltrans staff. The Measure Y Committee also obtained LOS data through the Caltrans website with the use of the Performance Measurement System (PeMS).

In order to clearly address the concerns raised by the public and the Measure Y Committee, Caltrans was contacted by El Dorado County staff, and a follow up letter was sent to Caltrans (Attachment E) seeking to find direct answers to the following questions:

1. How does Caltrans calculate LOS on U.S. Highway 50 (e.g., by using *Highway Capacity Manual 2010* Planning-level analysis, Design-level analysis, Operational-level analysis methodologies or other methodologies)? Were HOV and/or Auxiliary lanes and volumes considered? Which performance measure or alternative tools are used in the determination of service flow rates? If a 15-minute analysis period under prevailing conditions was assumed, what peak-hour factor was applied?
2. What effect, if any, does construction activity on the highway or within Caltrans Right of Way have on the LOS measurements or projections? Do temporary delays during such construction factor into the LOS analysis? If LOS is calculated during construction activity, is it annotated as such? Does LOS analysis reflect accident/incident history on U.S. Highway 50?
3. What has Caltrans determined the LOS to be along U.S. Highway 50 within El Dorado County? Specifically, what is LOS determined to be from the West County line on U.S. Highway 50 to Cameron Park Drive?
4. What does Caltrans project the LOS to be on U.S. Highway 50 through 2035 within El Dorado County?
5. What population growth rate was assumed by Caltrans in the LOS projection for the portion of U.S. Highway 50 through El Dorado County?
6. What Caltrans improvements are planned and assumed in the LOS projection for U.S. Highway 50 in El Dorado County through 2035?
7. What are the parameters and assumptions used for the PeMS data? How do these parameters and assumptions relate to question #1?

Staff will post the responses provided by Caltrans on the County Website, and present them to the Board in October.

The Measure Y Committee also expressed a concern that the City of Folsom is annexing 3,500 acres to build 10,000 homes without widening Highway 50. City of Folsom staff informed County staff that the proposed annexation was analyzed through the Folsom Plan Area Environmental Impact Report (EIR), which provided several mitigations relating to impacts on Highway 50. Some of the mitigation measures include the following:

- Contributing funding to the Capital Southeast Connector Project, which would reduce demand on Highway 50.

- Contributing funding to the Highway 50 Corridor Mobility Partnership, which is a partnership of public agencies along Highway 50 that would act as partners in the funding and construction of Highway 50 improvements, the Connector, improvements to the Light Rail Gold Line, and any other project that improves Highway 50 capacity or provides parallel capacity.
- Paying a fair share towards construction of new interchanges at Oak Avenue Parkway and at Empire Ranch Road.
- Paying a fair share to modify existing interchanges at Prairie City Road and at Scott Road/E. Bidwell Street.
- Constructing auxiliary lanes between the four interchanges listed above, resulting in a continuous or nearly continuous additional lane in both directions along Highway 50.
- Part of the Folsom Plan Area Plan proposes a parallel capacity arterial which runs from future Empire Ranch Road to Prairie City Road, which will be constructed to provide relief along Highway 50.

The adopted EIR was reviewed by several agencies, including Caltrans. In summary, Folsom proposes rail, transit, parallel capacity infrastructure, and financial partnerships for funding of future projects to alleviate traffic from Highway 50.

Difference between El Dorado County LOS and Caltrans LOS

Forecast projections and the LOS designations determined by the County and by Caltrans will never be the same. Caltrans growth projections are typically higher. Current Caltrans staff members have requested the use of an annual population growth projection of more than 3%, whereas the County's historical growth projection is slightly above 1%. As a result, Caltrans' significantly higher growth projection may result in a different Level of Service and overall traffic projections than the County's.

In our preliminary discussions with Caltrans, their PeMS data demonstrates that Highway 50 is currently shown as LOS F in an a.m. peak hour at the El Dorado Hills Blvd. westbound on-ramp to the County line. The PeMS data indicates LOS F at the westbound on-ramp, as the large volume of merging traffic attempting to access U.S. Highway 50 at the same time causes the mainline vehicles to slow to less than 45 mph. However, this merge junction slowdown will be alleviated when the ramp-metering signals are activated on the westbound on-ramp. This improvement is a part of the County construction project at El Dorado Hills Blvd (CIP project #53124). The ramp-metering signal is scheduled for activation by the end of this calendar year.

Caltrans is in the process of updating their *Highway 50 Corridor System Management Plan*, May 2009. This version identifies the U.S. Highway 50 segments from the County line to Cameron Park Drive as LOS E. This plan was released prior to the opening of any of the HOV (High Occupancy Vehicle) lanes in El Dorado County. This is a planning level document that determines LOS based on volumes and is reported for the typical most congested daily peak travel period for large segments of U.S. Highway 50.

Staff is awaiting Caltrans response as to their methodologies for determining LOS on their facilities. Any differences or concurrence of methodologies will be documented and presented to the Board in October.

Do the TC-X (Measure Y and supplemental policies) policies take development projects into account?

General Plan Policy TC-Xa, TC-Xb, TC-Xd, TC-Xe, TC-Xf , and TC-Xg, require that any project that could impact U.S. Highway 50 traffic operations must mitigate its impacts. General Plan Policy TC-Xh requires payment of TIM fees, and General Plan Policy TC-Xi requires the County to coordinate with neighboring affected agencies such as the City of Folsom, the County of Sacramento and SACOG. A traffic study is required for each individual CIP or development project to determine its impacts and mitigation measures. These mitigation measures, just as those determined for the Folsom Area Plan, can include, but not be limited to, parallel capacity infrastructure (e.g., Latrobe Connection, Joint Powers Authority South East Connector, Saratoga Extension), improvements to the transit system, or bicycle and pedestrian facilities. Policy TC-Xg reads:

“Each development project shall dedicate right-of-way and construct or fund improvements necessary to mitigate the effects of traffic from the project. The County shall require an analysis of impacts of traffic from the development project, including impacts from truck traffic, and require dedication of needed right-of-way and construction of road facilities as a condition of the development. For road improvements that provide significant benefit to other development, the County may allow a project to fund its fair share of improvement costs through traffic impact fees or receive reimbursement from impact fees for construction of improvements beyond the project’s fair share. The amount and timing of reimbursements shall be determined by the County.”

Future Improvements on U.S. Highway 50

Table 4 lists the Adopted 2013 CIP improvements on U.S. Highway 50 Infrastructure.

Table 4: CIP Projects on U.S. Highway 50

<i>20-Year CIP Projects on U.S. Highway 50</i>			
Project Name	Project #	Estimated Total Cost	Construction Timeframe
U.S. 50 Auxiliary Lane Eastbound - Cambridge to Ponderosa	GP150	\$10,350,000	Future
U.S. 50 HOV Lanes Phase 0	53124	\$18,592,000	In Construction
U.S. 50/Bass Lake Road Interchange Improvements - Phase 1	71330	\$16,532,000	Future
U.S. 50/Bass Lake Road Interchange Improvements - Phase 2	GP148	\$19,063,000	Future
U.S. 50/Cambridge Road Interchange Improvements - Phase 1	71332	\$7,843,000	Future
U.S. 50/Cambridge Road Interchange Improvements - Phase 2	GP149	\$11,935,000	Future
U.S. 50/Cameron Park Drive Interchange Improvements	72361	\$47,626,000	Future
U.S. 50/Camino Area Parallel Capacity/Safety Study	71319	\$2,000,000	Future
U.S. 50/El Dorado Hills Boulevard Interchange Improvements - Phase 2B	71323	\$4,904,000	Future
U.S. 50/El Dorado Road Interchange Improvements - Phase 1	71347	\$2,892,000	Future
U.S. 50/El Dorado Road Interchange Phase 2	71376	\$5,870,000	Future
U.S. 50/Missouri Flat Road Interchange Improvements - Phase 1C Riparian Restoration	71346	\$1,768,000	Const. in FY 13/14-14/15
U.S. 50/Ponderosa Rd Interchange - Durock Rd Realignment	71338	\$7,152,000	Future
U.S. 50/Ponderosa Rd Interchange - N. Shingle Rd Realignment	71339	\$5,020,000	Future
U.S. 50/Ponderosa Rd/So. Shingle Rd Interchange Improvements	71333	\$16,339,000	Future
U.S. 50/Silva Valley Parkway Interchange - Phase 1	71328	\$56,817,000	Pending award of bid
U.S. 50/Silva Valley Parkway Interchange - Phase 2 - On Ramps and Auxiliary Lanes on U.S. 50	71345	\$12,070,000	Future
U.S. 50/El Dorado Hills Blvd Interchange - Pedestrian Overcrossing	71340	\$6,783,000	Future
U.S. 50/Missouri Flat Road Interchange - Phase 1B.2	71359	\$3,550,000	Future
U.S. 50/Missouri Flat Road Interchange - Phase 1B	71336	\$38,933,000	In Construction
U.S. 50 Auxiliary Lane Westbound - El Dorado Hills Boulevard to Empire Ranch Road	53115	\$2,809,000	Future
U.S. 50 HOV Lanes (Phase 3) - Ponderosa Road to Greenstone Road	53116	\$590,000	Future
U.S. 50 Mainline Widening at El Dorado Hills	53120	\$2,161,000	Future

Concern with Intersection Level of Service

It is currently not standard protocol for staff to perform detailed intersection level studies during a planning level analysis. The intersection level analysis is completed when Development projects or County Capital Improvement projects go through their traffic impact studies.

During the July 30th Board of Supervisors presentation of the Green Valley Road Corridor as well as during the Measure Y Committee Presentation on August 26th, there were discussions regarding resources available for staff to review and/or complete an intersection level (micro) analysis for all intersections in the County. Attachment F provides a discussion including the software options required to perform a micro analysis as well as the cost to analyze all intersections.

2. LAND DEVELOPMENT PROJECTIONS

Why is a Projection Required?

General Plan Policy TC-Xa (Measure Y) and the supplemental TC-X polices require the development of a 20-Year Capital Improvement Program (CIP) and Traffic Impact Mitigation (TIM) Fee Program. These policies require a 20-year land development projection based on reasonably foreseeable growth and development patterns.

The CIP program includes a current year work plan and a 5, 10, and 20-Year CIP. Land development projections are used to determine both the amount and type of infrastructure improvements needed, and when the improvements are required.

Effects of Forecasting Too High/Too Low

There are consequences of forecasting too high or too low. If the projected estimate is too high, the revenue forecast assumes the capacity to finance additional roadway projects in the 10-Year CIP. If the actual permits received are lower than forecasted, the County may not be able to complete programmed projects. Adding additional CIP projects could also cause a lack of sufficient revenue to repay existing reimbursement agreements.

Conversely, if the estimate is too low, opportunities can be missed to include CIP projects needed in the County. Additionally, a lower projection can artificially leave more capacity on roadways, resulting in future project mitigation that may be inadequate.

The County has a responsibility to develop, adopt, and maintain a legally adequate General Plan pursuant to State planning law. The General Plan must meet State planning requirements and other State and Federal mandates, while reflecting technical and financial realities. Land development projections are the foundation for development of a General Plan, and are also used as a baseline for ongoing review of its effectiveness.

The 20-Year projection is critical in proceeding with several tasks, including:

- Major 5 year update of the TIM Fee Program
- Major 5 year update of the CIP Program
- Missouri Flat Circulation and Financing Plan (MC&FP) Phase II (which is required to begin the necessary work for the delivery of Diamond Springs Parkway)
- Analysis of the Latrobe Road Connection (i.e. the new arterial roadway from the west side of the El Dorado Hills Business Park, as described in General Plan Policy TC-1u)

3. **LAND USE POLICY PROGRAMMATIC UPDATE (LUPPU)**

A concern was raised that LUPPU plans to build 20,000 more homes in the County without being able to mitigate traffic as required by Measure Y.

LUPPU is the name assigned by the County to the review and revision of several distinct yet interrelated planning issues, including:

- The Targeted General Plan Amendment (TGPA),
- Comprehensive Zoning Ordinance Update (ZOU),
- 2013 Housing Element Update (HEU) and;
- Development of a new Travel Demand Model (TDM).

The purpose of LUPPU is to implement the County's General Plan. The implementation of a jurisdiction's General Plan is required by State Law (Government Code §65860).

The current General Plan allows for a maximum number of 32,491 homes. Between 2000 and 2010, the County has built approximately 12,000 homes, leaving approximately 20,000 homes remaining within the thresholds of the 2004 General Plan. LUPPU does not plan to build or add 20,000 new homes to what the adopted General Plan already accommodates.

Does the Targeted General Plan Amendment change Land Use Designations?

The General Plan designates planned land uses in the County, such as Commercial, Industrial, Residential (with densities ranging from Multi-Family to Rural Residential), Agricultural, Natural Resources and Open Space. The Targeted General Plan Amendment does NOT modify any General Plan land use designations as shown on the map, except where necessary to correct a small number (one tenth of one percent of existing parcels) of errors discovered subsequent to the adoption of the General Plan in 2004. These corrections are identified on the Draft General Plan Amendment map (See Attachment G). Parcels proposed for corrections are identified on the maps by a black and white border:

Most of the confusion from the public is that privately-initiated General Plan Amendment applications which propose to change land use designations are NOT a part of the Targeted General Plan Amendment or LUPPU.

Proposed Large Residential General Plan Amendment Projects vs. Achievable Development Capacity

There is a great deal of misunderstanding and misinformation about what is included in LUPPU, even though this has been addressed on a number of occasions since 2011. It may be easier to clarify by defining the following issues of what is and is not in LUPPU.

- A. **LUPPU Does Not include the addition of new homes. LUPPU Does include an analysis of the Achievable Development Capacity of the General Plan.** Data presented to the Board included an achievable development analysis as a "stress test" to the effectiveness of the implementation of the General Plan. Achievable Development tests the capacity of the General Plan.

Achievable Development is an estimate of the reasonably expected intensity_of development that is anticipated for a particular parcel given known opportunities, constraints, and assumptions. The General Plan requires this test to determine if the

land use can accommodate the remaining capacity of the General Plan and support a 20-year forecast. It does not vest development rights for any existing parcel beyond one house and one Granny flat.

This level of detail was necessary to complete the first 5-year review of the General Plan as required by General Plan Objective 2.9. The analysis, going forward, provides the needed baseline data necessary to support the comprehensive update to the County's CIP. This baseline will also be useful in the 2016 second General Plan 5-year Review. This level of analysis was not completed in the 2004 General Plan EIR.

The goal of the achievable development analysis was to verify the actual residential growth densities achievable based on application of the 2004 General Plan Goals, Policies and Objectives, existing General Plan land uses, and on-site constraints. Prior to this research the only baseline analysis was on density projections estimated by planning staff as "Theoretical General Plan build-out". A theoretical build-out was nonrepresentational of reasonably foreseeable growth within the County. Adoption of a theoretical build out forecast as a "Reasonably Foreseeable" land development projection would require unnecessary expenditure of public dollars to mitigation impacts (expansion of roads or public facilities), needlessly increasing future development capacity.

- B. **LUPPU Does Not Include General Plan Land Use Changes.** LUPPU originated from the 2011 five-year review of the General Plan. That review determined that large scale changes in land uses were NOT necessary for implementation of the General Plan. The Board of Supervisors has determined that LUPPU will include the correction of a number of mapping errors in the General Plan land use map, many of which were identified during the Zoning Map update process. Maps and a list showing the proposed changes are available at <http://www.edcgov.us/landuseupdate/>.
- C. **LUPPU Does Not Include the Major Residential Development Projects at the Densities Proposed by the Landowner/Developers.** Several large residential developments proposed since initiation of LUPPU have generated significant controversy within their respective communities. These projects are not included in, facilitated by, or allowed by LUPPU. All of these projects require County approval of a separate General Plan Amendment to increase the allowable residential density of the property over and above what is designated in the General Plan. Without the General Plan Amendments, these developments cannot be approved, and the necessary amendments are not included in LUPPU. The landowner or developers of these projects have submitted GPA applications, and those applications are currently proceeding on a separate track.
- D. **Is the CIP in LUPPU?** No. The CIP is beyond LUPPU, and is a separate project required by General Plan Policies TC-X. Following the completion of the achievable development analysis, a revised draft growth forecast was prepared for the next 20-year planning cycle, as discussed in an early section of this memo. The forecast along with the inclusion of existing entitlements (existing lots plus approved projects) and the County's State Regional Housing Needs Allocation (RHNA) mandates are being studied now to prepare for the comprehensive update to the CIP.

4. TIM FEE PROGRAM:

2004 General Plan TIM Fee Program Background

On September 20, 2005, the Board approved Resolution No. 292-2005, adopting the 2004 General Plan TIM Fee Program. This Resolution adopted an interim 10-Year Fee Program.

On August 22, 2006, the Board approved Resolution No. 266-2006 adopting the 2004 General Plan TIM Fee Program pursuant to a comprehensive review. The Board also adopted Resolution No. 265-2006, which certified the TIM Fee Program Supplement to the 2004 General Plan Environmental Impact Report, issued a Supplemental Statement of Overriding Considerations, and made Supplemental Findings of Fact. These Resolutions created the 20-Year TIM Fee Program used today.

Resolution No. 266-2006 requires the annual review of the TIM Fee Program with a staff recommendation to the Board to adjust TIM fees based upon changes in construction or other costs. This kind of annual review is a “minor” update. The General Plan’s Policy TC-Xb, Item B, requires the staff to “at least every five years, prepare a Traffic Impact Mitigation (TIM) Fee Program specifying roadway improvements to be completed within the next twenty years to ensure compliance with all applicable level of service and other standards in this plan”. This five year analysis is considered to be a “major” update, requiring review and update of the 20-Year projection.

Since the TIM Fee Program was adopted on August 22, 2006, five minor updates have been adopted, from 2007-2011.

- On September 25, 2007, the Board adopted Resolution No. 243-2007 to raise TIM Fees by 14.16%, based on inflation of construction costs during the preceding year. The inflation index used in that adjustment was the Caltrans Price Index for Selected California Construction Items.
- On July 29, 2008, the Board adopted Resolution No. 205-2008 to:
 - Decrease TIM Fees by 1.73% based upon a decrease of construction costs during the preceding year;
 - Switch the inflation cost index from Caltrans to the Engineering News Record-Building Cost Index; and,
 - Shift the index from third quarter (October) to fourth quarter (December).
- On June 2, 2009, the Board adopted Resolution No. 114-2009, which left the TIM Fee Program rates unchanged from the 2008 annual review.
- On June 8, 2010, the Board adopted Resolution No. 070-2010, which also left the TIM Fee Program rates unchanged from the 2008 annual review.
- On February 14, 2012, the Board adopted Resolution No. 021-2012, which allocated approximately \$40.9M of a \$138.6M TIM fee reduction available to offset lower fees for Age Restricted categories added in Zones 2, 3, and 8. This action added 1,200 units in Zone 8, 600 units in Zone 2, and 400 units in Zone 3. The total 2,200 units represented approximately 10% of the total housing forecast in the TIM Fee Program.

Measure Y Effect on the TIM Fee Program

Measure Y is one of the major factors affecting the TIM Fee Program. On November 3, 1998, voters passed the “Control Traffic Congestion Initiative” (Measure Y), which required new development to be responsible for mitigating its road impacts. It also states that residential development cannot cause LOS F or worsen LOS.

In November 2008, voters passed an amendment to Measure Y. The amendment allowed the Board, with a 4/5 vote, to add road segments to Table TC-2 of the General Plan that are permitted to go to LOS F. Policy TC-Xf was also amended to clarify when residential subdivision (five or more parcels) and commercial projects would be required to mitigate their roadway impacts. Policy TC-Xf deems development projects that worsen (as defined in Policy TC-Xe) traffic on the County road system to be mitigated, if the necessary road improvement traffic mitigation measures are included within:

- the ten-year CIP (for residential projects of five or more parcels)
- the twenty-year CIP (for all other discretionary projects)

TIM Fee Cost Reduction Process:

In April, 2011, staff began to explore five areas for possible cost reductions. These five areas included:

- A) Deletion of projects not absolutely necessary for Traffic Impact Mitigation. The trigger would be in compliance with General Plan LOS requirements.
- B) Deletion of the remaining HOV Lane Project (Bass Lake Road to Cameron Park Drive section) from the TIM Fee Program, as it was expected that this project would be funded by grants and/or payments under the MOU with the Shingle Springs Band of Miwok Indians.
- C) Reduction of the Traffic Signals, Operational and Safety Improvements line item in the TIM Fee Program. This has implications as to what the County will need to require from developers (i.e., developer constructed signals with no reimbursement).
- D) Identify the likely impacts of eliminating any expenditure on the State Highway System, with the exception of the Silva Valley Parkway Interchange Project.
- E) Review 2011 CIP Cost Estimates in coordination with a third party Cost Estimate Review Committee (CCERC).

Based on the nature of review required to further reduce costs in items A, C, and D, staff advised the Board that a revised TDM would be required, including the revised 2010 Baseline and a 20-Year projection.

Many components come into play when considering removing projects from the TIM Fee Program. These components are interrelated – changing one component may affect another component. Factors that influence and/or constrain TIM fees include:

- Federal laws and agency rules;
- State laws and agency rules;
- General Plan policies;
- Land use entitlements;
- Travel Demand Model;
- Improvement standards;
- Regulations/guidelines;
- Grants and Reimbursement Agreements;
- Economic development;
- Political pressure;
- Special interests;
- Litigation;
- Utilities;
- Oak woodlands; and
- Rare plants.

It should be noted that further reductions in TIM Fees may reduce revenues, which could contribute to current cash flow challenges. Lower fees may mean there will be less revenue in the near term available to repay existing Reimbursement Agreements or work on critical CIP Projects. Conversely, lowering fees may also stimulate permit activity and potentially increase revenues into the TIM Fee Program. Strategies for additional TIM Fee reductions are included in Attachment H.

Major 5-Year TIM Fee Update Process:

General Plan policies require a major update of the TIM Fee Program every five years. The next step for staff is the Major 5-Year Update of the TIM Fee Program. The basic steps required to complete the major 5-Year TIM Fee update are as follows:

- Adopt a 20-year forecast consistent with General Plan and Current 5-yr planning cycle objectives*
- Review LOS General Plan Policies*
*Note: If the BOS determines that the existing General Plan policies are not those desired to meet the desired outcome for the 20-year forecast, staff must suspend the TIM Fee Update until new Board Objectives are obtained and General Plan Policies have been amended. This process will be independent of the current LUPPU process.
- Obtain concurrence from Caltrans & SACOG on methodology of 20-year projection
- Run roadway scenarios to identify required roadway improvements
- Examine Roadway Standards
- Determine what will be included in the TIM Fee Program (e.g. Right of Way, design costs, sidewalks, etc.)
- Obtain preliminary TIM Fee Program Cost
- Identify revenues and how they will apply toward the TIM Fee Program (e.g., MC&FP, Local Tribal Funds, etc.)
- Obtain State & Federal funding estimates from El Dorado County Transportation Commission (may use existing projections)
- Hire a consultant to run the appropriate analysis to determine the revised TIM Fee per Zone and for each of the 14 categories (e.g., single family residence, multi-family residence, commercial, industrial, etc.).

If the Board adopts a forecast by the end of October without the requirement to amend General Plan policies, the estimated time frame to update the TIM Fee Program is November 2014.

5. NEXT STEPS:

Staff will:

- Return in October with various land development projection scenarios and TDM results for each, and request direction from Board regarding which scenario to use for Major 5-Year CIP and TIM Fee Update;
- Start Major 5-year CIP Update;
- Start Major 5-Year TIM Fee Update;
- Hire consultant to prepare TIM Fee Program Update;
- Start the Missouri Flat Area Master Circulation and Funding Plan II
- Continue to update design standards.