

A scenic view of a mountain valley. In the foreground on the left, a black sign with white text reads "El Dorado COUNTY LINE". The background shows a lush green valley with a river flowing through it, a stone bridge with multiple arches crossing the river, and forested hillsides under a clear sky.

Major Update to the
Traffic Impact Mitigation
(TIM) Fee Program and
Capital Improvement
Program (CIP)

Board of Supervisors April 22, 2019
Legistar #19-0579

AGENDA

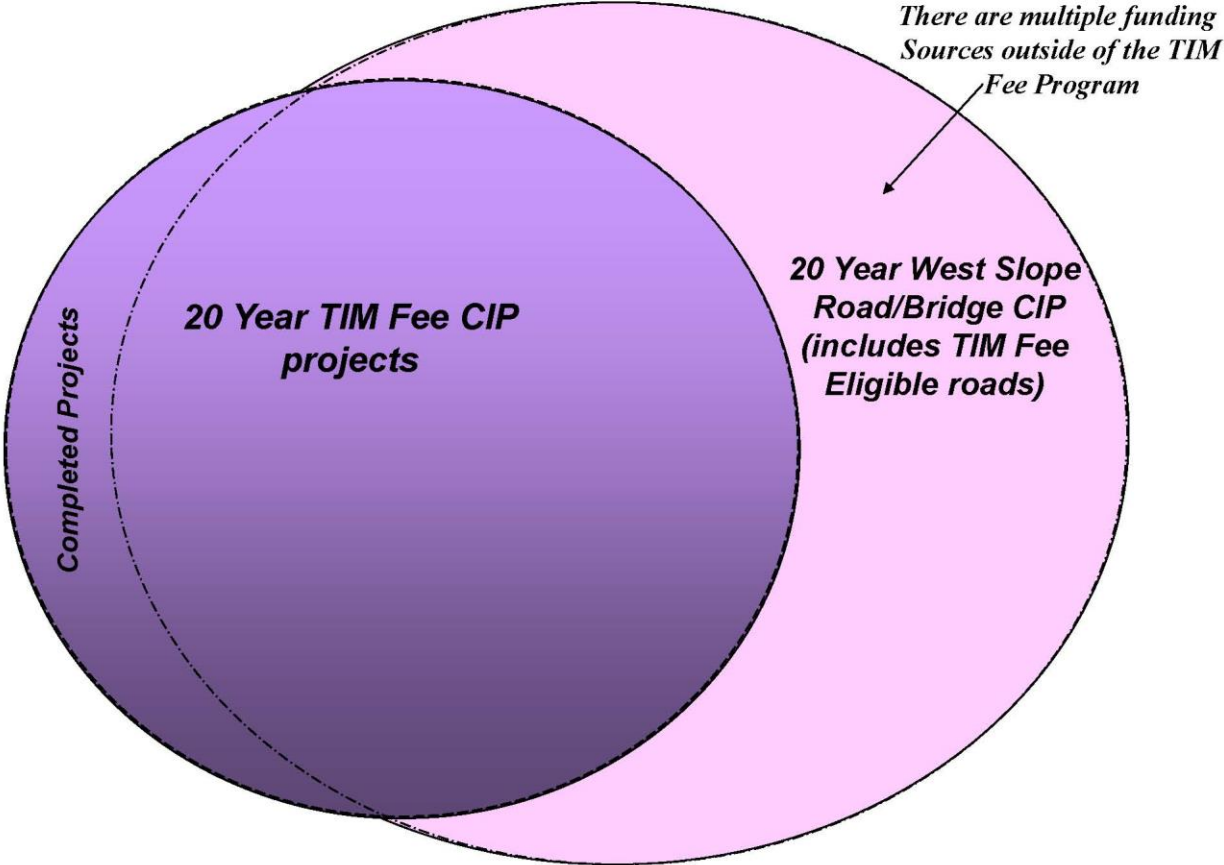
Relationship between the Traffic Impact Mitigation (TIM) Fee Program and the Capital Improvement Program (CIP)

Background/History of the TIM Fee Program

Next Steps

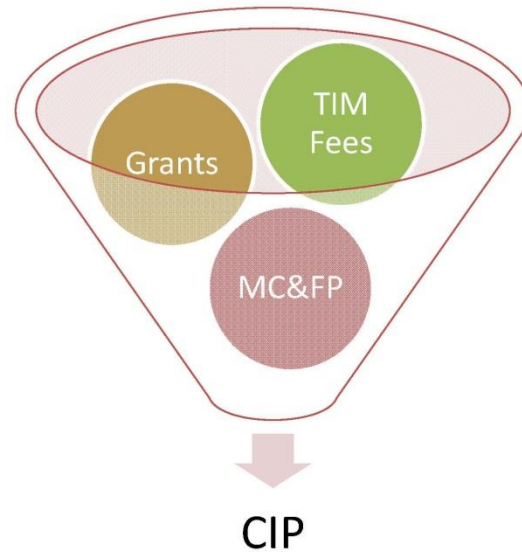
Recommendation

Background



Background

Various Funding Sources



Background

- The Major Update will include the CIP and the TIM Fee Program. This presentation will address primarily the TIM Fee Component.

Background

The TIM Fee programs are mandated by the County's General Plan.

Policy TC-Xb(B) - At least every five years, prepare a 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.

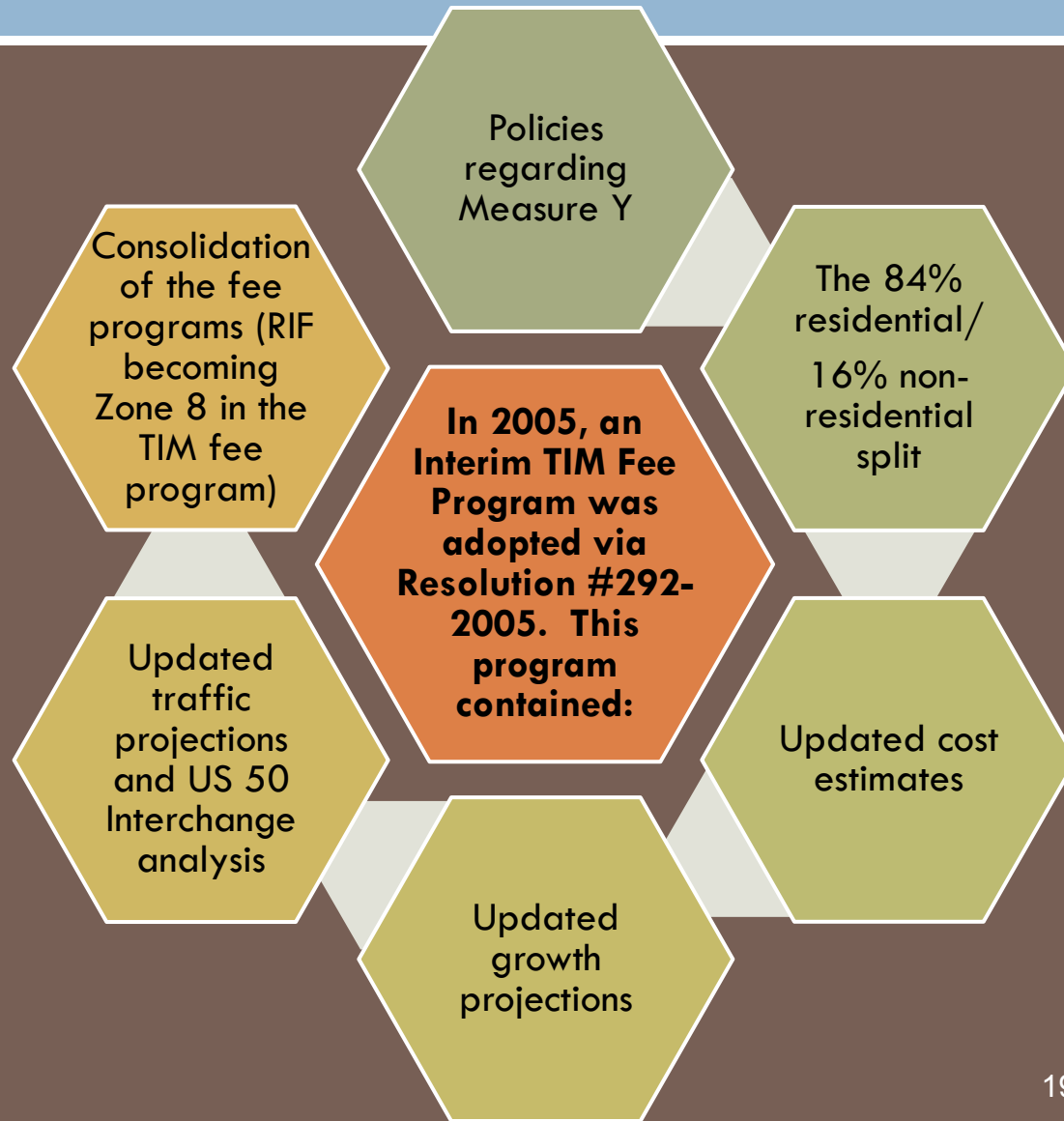
Policy TC-Xc – Developer paid traffic impact fees combined with any other available funds shall fully pay for building all necessary road capacity improvements to fully offset and mitigate all direct and cumulative traffic impacts from new development.

Background

2016 Measure E
Implementation Statement 3
– All 2004 General Plan
Traffic Impact Mitigation Fees
for all projects shall be paid
at the building permit stage.

General Plan Implementation Measure TC-B – Revise and adopt traffic impact fee program(s) for unincorporated areas of the county and adopt additional funding mechanisms necessary to ensure that improvements contained in the fee programs are fully funded and capable of being implemented concurrently with new development as defined by Policy TC-Xf.

Background



Background

Residential projects pay a higher share of TIM fees resulting in lower cost for non-residential development

Economic & Planning Systems (EPS) reported that substantial portions (65%) of the non-residential uses are directly attributable to growth in the county's population or residential growth

Those non-residential trips are applied to the residential growth which results in the new residential growth allocated approximately 84% of the total costs, and the remaining 16% allocated to non-residential growth

This allocation has been essentially applied to the TIM Fee programs since 2005

Background

The County has assumed approximately 25% of the TIM Fee costs will be paid through grant funding, to comply with the General Plan requirement that the TIM Fee program be fully funded, without additional costs to residential and non-residential developers.

To promote commercial development, the County allocates more than \$25 million in grant funding to offset the costs of non-residential development. For example, if this was not applied to general commercial development, the costs would increase from \$8.70/sq. foot to \$14.98/sq. foot in Zone 8 (El Dorado Hills).

Grant Funding Detail

Table 20: Federal, State & Local Grant Funding Summary

	Amount	Share
<i>Allocation of Grant Funding</i>		
Total Federal, State & Local Grant Funding (Table 12) ¹	\$ 187,530,000	100%
TIM Fee Program Allocation		
External Trip Share (Table 11)	\$ 99,260,000	53%
Affordable Housing Subsidy ²	17,700,000	9%
Nonresidential Offset		
Hwy. 50 TIM Fee (Table 14)	\$ 10,490,000	6%
Local TIM Fee (Table 15)	<u>14,500,000</u>	<u>8%</u>
Subtotal	\$ 24,990,000	13%
Total TIM Fee Program Allocation	<u>141,950,000</u>	<u>76%</u>
Net Available Grant Funding After TIM Fee CIP Allocation	\$ 45,580,000	24%
<i>Grant Funding Share of TIM Fee Program Costs</i>		
Total TIM Fee Program Costs (Table 9)	\$ 450,950,000	
Allocation of Federal, State & Local Grant Funding	<u>141,950,000</u>	
Grant Funding Share of TIM Fee Program Costs		31%

¹ Excludes grant funding sources that are restricted to uses that do not overlap with TIM Fee Program projects.

² Affordable housing subsidy used to fully offset TIM Fees on affordable housing and is based on 20-year estimate of future affordable housing units.

Comparison of TIM Fee Rates With Neighboring Jurisdictions (August 2018)

	El Dorado County TIM Fee Zone 8 (EDH) ¹	City of Folsom Road Fees (North of US 50) ²	City of Folsom Road Fees (South of US 50) ³	City of Rancho Cordova ⁴ (Area 2)	Placer County Traffic Fee ⁵ (Granite Bay)
General Commercial (per sq. ft.)	\$8.70	\$11.67	\$17.32	\$12.32	\$11.02
Office (per sq. ft.)	\$5.63	\$5.08	\$12.32	\$9.43	\$20.31
Industrial (per sq. ft.)	\$3.92	\$5.08	\$12.32	\$4.80	\$6.59
Single Family Dwelling Unit	\$29,384	\$7,774	\$11,968	\$16,742	\$7,242

¹ 2018 Minor Technical Update – Effective Date 8/27/18; Zone 8 (EDH) has the highest fees, Zone 1 (East County) is the lowest (General Commercial - \$1.31 per sf, Office - \$0.85 per sf, Industrial - \$0.59 per sf, Single Family DU - \$4,439)

² City of Folsom Road Fees ([https://www.folsom.ca.us/community/fees_\(planning_permit_plan_check_impact\).asp](https://www.folsom.ca.us/community/fees_(planning_permit_plan_check_impact).asp))

³ City of Folsom Specific Plan Infrastructure Fees – On & Off Site Roadways ([https://www.folsom.ca.us/community/fees_\(planning_permit_plan_check_impact\).asp](https://www.folsom.ca.us/community/fees_(planning_permit_plan_check_impact).asp))

⁴ City of Rancho Cordova – Updated Fees January 1, 2018; Area 1 is In-fill (Gen. Comm. - \$9.52 per sf, Office - \$9.32 per sf, Industrial - \$4.80 per sf, Single Family DU - \$10,134), Area 2 is New Development

⁵ Placer County Countywide Traffic Fee Program Schedule, 2018; Granite Bay has the highest fees; Foresthill (Non-Residential) is the lowest (Gen. Comm. - \$3.85 per sf, Office - \$7.09 per sf, Industrial - \$2.30 per sf). Values are converted to per square foot value. <https://www.placer.ca.gov/1741/Traffic-Impact-Fee-rogam>

Background



The last Major Update to CIP and TIM Fee Program was completed in December of 2016

An annual update for costs was done in December 2017

A technical update was completed in June of 2018 to address General Plan Policy TC-Xd, "...Level of Service will be defined in the latest edition of the Highway Capacity Manual and calculated using the methodologies contained in that manual."

An annual update for costs is scheduled for Board consideration in May of 2019

Next Steps for a Major Update

Update the Long Range Planning work matrix to re-prioritize this task from a priority 2 to priority 1

Update the 20-year land use projections – hire an Economic Planning consultant to work with Long Range Planning to determine projections

Board approves new growth projection

Update the Travel Demand Model to reflect the new land use projections, perform the level of service analysis and run the select link analysis – hire a Transportation Consultant working with Long Range Planning

Update the Nexus Study – hire an Economic Planning consultant to work with Long Range Planning and Administration and Finance to prepare the update

Next Steps

Depending on the results of the analysis:

A Supplemental EIR may be required – hire an Environmental Consultant to work with DOT to produce the appropriate CEQA document

A General Plan Transportation and Circulation Element Amendment may be required

Next Steps

- Each of the steps actually encompass many intermediate steps
- Approximately 2 year process – not including an environmental document or General Plan Amendment

Recommendation

- Move forward with the annual update for costs in May
- Direct staff to begin the Major Update to the TIM Fee Program