



**DEPARTMENT OF
TRANSPORTATION
TRANSPORTATION PLANNING**
2850 Fairlane Court, Placerville, CA 95667
Phone (530) 621-6543, Fax (530) 698-8019

July 13, 2021

TO: Board of Supervisors

FROM: Natalie K. Porter, Supervising Civil Engineer

Subject: 2021 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 196-2020, and County Ordinance 5045 require the fee program 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 16, 2021 (Item 22, Legistar 21-0304).

The purpose of today's hearing is to adopt the 2021 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. TIFs are calculated pursuant to the Mitigation Fee Act (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, 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. 5045 states, in part, “Fees shall be adjusted annually by an increase or decrease by either actual project costs or by Engineering News-Record (ENR) Building Cost Index, as appropriate. TIM Fees shall be set and updated by a resolution as adopted by the Board, and administered via a TIM Fee Administration Manual.” As the Major Update to the TIF was adopted in December, staff will only be adjusting the cost for projects currently in the design and pre-construction phase.

DISCUSSION

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

The Cameron Park Drive widening, Green Valley Road widening and the U.S. 50/EI Dorado Hills/Latrobe Road Phase 2B project costs have substantially changed. See specific details below:

- Cameron Park Drive widening – Palmer Drive to Toronto Road, CIP #72143/36105004. The project costs were increased to include the traffic signal equipment for the Cameron Park Drive/Hacienda intersection. The traffic signal was included with the project after a traffic analysis indicated the intersection is projected to meet the peak hour traffic signal warrant.
- Green Valley Road widening – Francisco Drive to East of Silva Valley Parkway, CIP #GP178/36105018. The estimate that was included in the December TIF update inadvertently included a raised median. The cost estimate was updated to remove the raised median. The reduction in project costs had a significant impact in the reduction of fees for Zone A (rural areas).
- U.S. 50 Highway/EI Dorado Hills Boulevard/Latrobe Road Interchange Phase 2B, CIP #71323/36104001. The estimate for the final phase of the interchange was updated by DOT design staff. The increase in construction costs have contributed to the overall increase of costs for the project. This increase is predominantly borne by Zone C (El Dorado Hills area).

The revised TIF for all zones and land use types are shown in Exhibit A of the proposed Resolution (see Attachment C). The updated project cost adjustments are

shown in Exhibit C of the proposed Resolution (Attachment C) and the comparison of the current 2020 TIF and the proposed 2021 TIF are shown in Attachment D. Depending on the zone and land use type, TIF have decreased in Zone A by approximately 3%, Zone B increased by 0.1% and Zone C increased by 1%.

Table 1: Revised Cost Estimates for CIP Projects with TIF Funding			
CIP Number	Project	2020 Cost Estimate	2021 Cost Estimate
77116/36105003	Bucks Bar Bridge over North Fork of the Consumnes River ¹	\$ 8,658,000	\$ 9,165,000
72143/36105004	Cameron Park Drive Widening – Palmer Drive to Toronto Road	\$ 3,621,000	\$ 4,110,000
72334/36105011	Diamond Springs Parkway, Phase IB – Missouri Flat Road to SR 49 South of Bradley Drive	\$28,293,000	\$30,163,000
GP178/36105018	Green Valley Road Widening – Francisco Drive to East of Silva Valley Parkway	\$14,498,000	\$10,941,000
77114/36105017	Green Valley Road Bridge over Weber Creek ¹	\$11,999,000	\$11,942,000
71375/36105022	Headington Road Extension – Missouri Flat Road to El Dorado Road	\$14,899,000	\$14,950,000
71323/36104001	U.S.50/El Dorado Hills Blvd./Latrobe Road Interchange – Phase 2B	\$ 9,517,000	\$12,637,000
71333/36104010 71338/36104008 71339/36104009	U.S. 50/Ponderosa Road/South Shingle Interchange; Durock Road Realignment; North Shingle Road Realignment	\$21,900,000	\$22,256,000
71345/36104004 71368/36104003	U.S. 50/Silva Valley Parkway – Remainder of Phase 1 & Phase 2	\$10,793,000	\$10,826,000
Total		\$ 124,178,000	\$ 126,990,000

Notes:

¹ The TIM Fee 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 only includes adjustments to project costs. 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 Resolution XXX-2021 for the 2021 TIF Schedule Annual Update.

CONTACT

Rafael Martinez
Director, Department of Transportation