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Title: Department of Transportation recommending the Board consider the alternatives pertaining to the Major Update of the Traffic Impact Fee (TIF) Program and the Capital Improvement Program (CIP) and consider the following:

- 1) Approve the proposed non-residential and residential offsets using projected alternative funding sources;
- 2) Select the Three Zone Fee Program Alternative for implementation; and
- 3) Direct staff to return on December 8, 2020 with the appropriate resolution for adoption of the Major Update to the TIF Program and incorporate the changes to the 2021 CIP.

FUNDING: Traffic Impact Fee Program.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - EDC CIP TIF Program Update Methodology, 2. B - TIF Program Update - Cost Estimate Methodology, 3. C - EDC TIF Nexus Base Case 7-Zone Fee Structure, 4. D - Base Case Fee Schedule, 5. E - Base Case - Adopted 2016 TIF Zone Structure Map, 6. F - EDC TIF Nexus 3-Zone Fee Structure, 7. G - Three Zone Fee Schedule, 8. H - Three TIF Zone Fee Structure Map, 9. I - EDC TIF Nexus 2-Zone Fee Structure, 10. J - Two Zone Fee Schedule, 11. K - Two TIF Zone Structure Map, 12. L - Neighboring Jurisdiction Fees, 13. M - Powerpoint Presentation, 14. Memo from Supervisor Parlin

Date	Ver.	Action By	Action	Result
11/17/2020	1	Board of Supervisors	Approved	Pass

Department of Transportation recommending the Board consider the alternatives pertaining to the Major Update of the Traffic Impact Fee (TIF) Program and the Capital Improvement Program (CIP) and consider the following:

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- 2) Select the Three Zone Fee Program Alternative for implementation; and
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FUNDING: Traffic Impact Fee Program.

DISCUSSION / BACKGROUND

The Department of Transportation has been directed to accelerate the Major Update to the Traffic Impact Fee (TIF) Program and the CIP (see September 17, 2019, Item 32). This is the ninth workshop to discuss policy items related to the implementation of the TIF Program.

The County's TIF Program allocates the cost of roadway improvements based on the number of new vehicle trips generated in the PM peak hour for various land use types. For non-residential development, current land use categories include general commercial, hotel/motel/B&B, church,

office/medical, and industrial/warehouse.

Most non-residential development generally falls into one of these above listed categories, although a “per trip” fee may be charged when the County determines that use of the categories is not appropriate. This may be due to an uncommon land use or any other factors that, at the County’s sole discretion, render the category unrepresentative of the expected trip generation of the proposed land use.

List of Projects for Inclusion in the Major Update to the TIF Program

The County’s Consultant Kimley-Horn has used the El Dorado County Travel Demand Model and the latest update to the Highway Capacity Manual (HCM) to determine the list of projects to be included in the Major Update to the TIF Program. The Travel Demand Model has been updated to reflect the approved growth projections, the latest road improvements, and the growth that has occurred since the last major update. The analysis performed by Kimley-Horn was peer reviewed by DKS Associates. The methodology and assumptions of the analysis and peer review are documented in a technical memorandum (Attachment A, also Attachment A for October 20, 2020 BOS workshop, Item 31). Quincy Engineering prepared cost estimates for the projects identified in the deficiency analysis that did not have recent estimates in the current CIP (Attachment B - updated from October 20, 2020 BOS workshop, Item 31). The projects to be included in the Major Update are listed below.

- 1) Bass Lake Road Widening - U.S. Hwy 50 to North of Relocated Country Club Drive
- 2) Cameron Park Drive Widening - Palmer Drive to Toronto Road, including a traffic signal at Hacienda Road
- 3) Country Club Drive - El Dorado Hills Blvd. to Silva Valley Parkway
- 4) Country Club Drive - Silva Valley Parkway to Tong Road
- 5) Country Club Drive - Tong Road to Bass Lake Road
- 6) Diamond Springs Parkway 1B - Missouri Flat Road to S.R. 49
- 7) Green Valley Road Widening - Francisco Drive to East of Silva Valley Parkway
- 8) Headington Road Extension - El Dorado Road to Missouri Flat Road
- 9) Latrobe Connection - White Rock Road to Golden Foothill Parkway
- 10) Latrobe Road Widening - Golden Foothill Parkway (N) to White Rock Road
- 11) Missouri Flat Road Widening - China Garden Road to S.R. 49
- 12) Pleasant Valley Road Widening - S.R. 49 to Toyan Drive
- 13) Saratoga Way Phase 2 - Wilson Blvd. to El Dorado Hills Blvd.
- 14) White Rock Road Widening - County Line to Windfield Way
- 15) White Rock Road Widening - Post Street to South of Silva Valley Parkway

- 16) U.S. 50 Auxiliary Lane - Westbound - El Dorado Hills Blvd. to County Line
- 17) U.S. 50 Interchange - El Dorado Hills Blvd. / Latrobe Road Phase 2B
- 18) U.S. 50 Interchange - Silva Valley Parkway Phase 2
- 19) U.S. 50 Interchange - Bass Lake Road Phase 1
- 20) U.S. 50 Interchange - Cambridge Road Phase 1
- 21) U.S. 50 Interchange - Cameron Park Drive Phase 1
- 22) U.S. 50 Interchange - Ponderosa Road Phase 1 & 2
- 23) U.S. 50 Interchange - El Dorado Road Phase 1

The following projects have been moved to the Reimbursement section of the project list:

- 1) Country Club Drive Realignment - Bass Lake Road to Tierra de Dios Drive
- 2) Saratoga Way Phase 1- Iron Point to Wilson Blvd

Additionally, the Green Valley Road - County Line to Sophia Parkway project is nearing completion and the remaining costs are accounted for in the fund balance.

Intersection Improvements (traffic signals and match funds for safety projects), administration costs, bridges and transit are still included in the fee program. The Intersection Improvements line item has identified the intersections of El Dorado Hills Blvd. / Saratoga Way / Park Drive and Cameron Park Drive / Hacienda Road as projects for improvement. The Cameron Park Drive/Hacienda Road signalization will be included in the Cameron Park Drive widening project. Administration costs include the cost for annual updates and major updates to the TIF Program for \$6.22 million dollars or approximately 1.9% of the total program costs.

Projects that have been removed as there is no longer a level of service (LOS) deficiency include the following:

- 1) U.S. 50 Auxiliary Lane - Eastbound - County Line to El Dorado Hills Blvd. / Latrobe Road Interchange
- 2) U.S. 50 Auxiliary Lane - Eastbound - Bass Lake Road Interchange to Cambridge Road Interchange
- 3) U.S. 50 Auxiliary Lane - Eastbound - Cambridge Road Interchange to Cameron Park Drive Interchange
- 4) U.S. 50 Auxiliary Lane - Eastbound - Cameron Park Drive Interchange to Ponderosa Road Interchange
- 5) U.S. 50 Auxiliary Lane - Westbound - Ponderosa Road Interchange to Cameron Park Drive Interchange
- 6) U.S. 50 Auxiliary Lane - Westbound - Cameron Park Drive Interchange to Cambridge Road Interchange
- 7) U.S. 50 Auxiliary Lane - Westbound - Bass Lake Road Interchange to Silva Valley Parkway Interchange

- 8) Latrobe Road Parkway Widening - Investment Blvd. to Golden Foothill Parkway

The auxiliary lanes are typically within the existing Caltrans right-of-way; however, consideration should be given to including design costs for the ultimate project beyond the 20-year TIF Program in the next Major Update to the TIF.

Interchanges

The prior 2016 and 2018 analysis determined the operating status of interchanges based on the segment LOS of the under- or over-crossing service roads. For each interchange ramp and interchange over-crossing link volumes were compared between the previous County model, and the 2016 and 2018 updated County models. If the updated model yielded equal or higher volumes (in absolute terms) or an equal or higher traffic growth rate at one or more ramps and/or overcrossing, the previously identified deficiency was considered reaffirmed.

The U.S. 50 Interchanges at Cameron Park Drive and Ponderosa Road do not have projected volumes that exceed LOS standards by 2040. The Bass Lake Road, Cambridge Road and El

Dorado Road interchanges will have scaled back phases to address the lower projected volumes. As a result of the lower annual growth rate the need for improvements at these interchanges is projected to be required shortly after 2040. Interchange projects traditionally have long lead times for project delivery. The Cameron Park Drive interchange project has been the most expensive project included in the fee program with the Ponderosa Road Interchange the second most expensive project in the program.

Transportation staff has had discussions with Caltrans staff regarding the interchange projects. Caltrans staff agreed in concept that phasing of the projects might be acceptable as long as the whole interchange project is not abandoned. It is conceivable that the each interchange will be required to be replaced in the future, beyond 2040, as the General Plan policies regarding LOS have not been changed. Caltrans staff is researching their latest proposal at the Cameron Park Drive interchange to identify potential improvements that could address projected LOS issues in the next 20 years. Once Caltrans makes a determination that their project could provide additional life for the interchange, Transportation can incorporate the costs into the Cameron Park Drive project.

As the lead time for interchange improvements and right of way acquisition are substantial, and the technical analysis indicates that a queue spillback issue is identified for the eastbound off-ramp of the Cameron Park Drive interchange within the time frame of this update, costs for these improvements and studies are included in the fee program. The 2018 Cameron Park Drive interchange project identified four alternatives for additional study. The Board chose three of the four alternatives to carry forward into the preliminary engineering and preferred alternative studies. An average cost of the three alternatives for preliminary engineering, including the required Caltrans documentation such as project study reports, environmental documentation, and right of way are being incorporated into the fee program. Additionally, construction costs for widening the eastbound off-ramp are also included. This improvement will address the most pressing queue spillback issue; however, studies will need to be expanded to ensure all such impacts can be accommodated within the 20-year time frame of this Major Update.

The widening of the eastbound (EB) off-ramp involves adding a second right turn lane and a second left turn lane. This does not solve the sight distance issue under the highway overcrossing; Caltrans' previously planned project would have addressed the sight distance and right turn restriction issue. However, having two lanes for right turns almost doubles the number of vehicles that can make right turns during each green phase and would substantially reduce the delay for right turn vehicles. The extra left turn lane does the same thing for left turning vehicles and together the two new lanes would solve the queuing problem on the EB off-ramp.

The ramp widening is an element of the least expensive of the four ultimate interchange alternatives. A widening of this off-ramp is also needed for one of the other alternatives. Thus, it is a building block for two of the ultimate interchange designs.

If Caltrans can make their planned widening under the bridge, it would:

1. Solve the sight distance problem
2. Allow right turns on red, further reducing delay for right turning vehicles
3. Separate bikes and pedestrians along the west side of Cameron Park Drive under the freeway
4. Provide a new bike lane along the east side of Cameron Park Drive under the

freeway

5. Provide a portion of the exact design concept for widening under the bridge envisioned for two of the four ultimate interchange alternatives

No matter what improvements are made to the interchange, Caltrans will require that the preliminary engineering and environmental document be completed. That effort, which is funded by the TIF, would consider at least three of the four ultimate alternatives and select both the first phase and the ultimate design. This effort provides the County with an agreement with Caltrans and certainty on what it needs to fund and implement. The feasibility of the Rodeo Road Alternative would be discussed further with Caltrans during that effort. With agreement from Caltrans, right of way could then be preserved for the selected ultimate design and funded by the TIF.

The recommendation for TIF funding allows the County to work with Caltrans on logical steps to the ultimate improvement while providing funds for a first phase of construction. That first phase would result in decreases in delay for vehicles using the interchange to happen sooner rather than waiting for full funding of the ultimate improvement.

Additional analysis has been conducted for the Ponderosa Road interchange. The technical analysis indicates that a queue spillback issue will occur without the relocation of the frontage roads near the interchange within the time frame of this update. Transportation staff had previously identified three separate projects for improvements to the interchange, with the Caltrans Project Study report and the CEQA document complete, and NEPA documentation nearly complete. To address the queue spillback issues, the costs for construction of the relocation of Durock Road (CIP 71338 / 36104008) and North Shingle Road (CIP 71339 / 36104009) are included in this update to the TIF Program. The preliminary engineering costs and right of way costs for the entire interchange are also included in order to facilitate the total interchange project that is anticipated to be required shortly after 2040. The certification of the environmental documents will allow the right of way work to begin.

The Ponderosa Road interchange is farther along in the preliminary engineering and environmental review process than the Cameron Park Drive interchange. Continued coordination with Caltrans is required. Transportation will continue to work in tandem with Caltrans to evaluate and analyze the phases of the interchange to ensure all impacts can be accommodated within the 20-year time frame of this Major Update as well as addressing the ultimate configuration needs beyond 2040. Inclusion of the relocation of Durock Road and North Shingle Road, plus the remaining preliminary engineering costs and right of way costs for the entire interchange reduces the TIF project costs for the entire interchange by approximately 50%.

2020 Update Traffic Impact Fee Schedule Alternatives

At the October 20, 2020 Board workshop (Item 31), the Board provided direction to staff to 1) Pursue Alternative Funding Sources; 2) Add a Residential offset for all Zones and consider applying the same offset for Residential and Non-Residential by Zone; 3) In coordination with consultants, analyze consolidation of fee structure of Zones as follows: a) Zones 2 and 3 (current configuration); b) Combine Zones 2 and 3, plus combine Zones 1, 4, 5, 6 and 7; and c) Combine all Zones excluding Zone 8.

The State and Federal Funding levels had been provided by Woodrow Deloria, Executive Director of the El Dorado County Transportation Commission. The projected funding levels were limited to the types of funding that are the most appropriate for the projects included in the fee program. During

these uncertain times, this funding is not guaranteed, however, the assumption is conservative and staff is not advocating allocating all of the identified potential funding sources. The maximum projected alternative funding is less than half of what was included in the current fee program assumptions. Staff has determined to assign no more than 50% of the projected Congestion Mitigation and Air Quality funding to projects and no more than 80% of the projected remaining Federal and State funding to the program. As a reminder, these projections do not include other competitive grants, such as SB 1 Local Partnership Program, that the County could be eligible for, or any Highway Bridge Program funds.

The County's economic consultant, Urban Economics, has used the parameters identified above to assign non-residential and residential offsets that are funded with the projected alternative funding sources. Zone 8 was not assigned any residential offset, as it was the only TIF Zone projected to have a reduction.

The alternatives were consistently assigned a proportionate share of a residential offset using a portion of the projected alternative funding source. The consultants attempted to normalize the offsets across the zones and have the residential offset equal to the non-residential offset.

The following three fee schedule alternatives are presented to the Board for consideration:

- 1) Base Case - eight zones with Zones 2 and 3 combined (Nexus is Attachment C, Fee Schedule is Attachment D, and the Map is Attachment E);
- 2) Three Zones - Combining Zones 2 and 3, plus combining rural Zones 1, 4, 5, 6 and 7; Zone 8 remains separate; (Nexus is Attachment F, Fee Schedule is Attachment G, and the Map is Attachment H);
- 3) Two Zones - Combining Zones 1 - 7, Zone 8 remains separate (Nexus is Attachment I, Fee Schedule is Attachment J, and the Map is Attachment K).

As Zone 8 was not assigned a residential offset, nor was it combined with any other zone, the single family dwelling unit fee is consistent across the alternatives. The Base Case includes the reduction in cost for the Ponderosa Interchange and the other non-TIF funding sources for the Diamond Springs Parkway Phase 1B. Should the County not be successful in acquiring the local assistance grant, approximately \$5.3 million in additional costs will be added to the Diamond Springs Parkway Phase 1B project. The increase in the fee amounts for Zones 1 - 7 are not as big as was presented in October.

The Three Zone alternative normalizes the rural zones with increases in Zones 1, 4, 5 and 6; and a decrease for Zone 7. Zones 2 and 3 have a slight increase compared to the October presentation. The Two Zone alternative has dramatic increases to all the rural zones and a very small increase in Zones 2 and 3.

A table with traffic impact fees of neighboring jurisdictions is included as Attachment L.

RECOMMENDATION/DIRECTION

Department of Transportation recommending the Board consider and provide direction on the alternatives pertaining to the Major Update of the Traffic Impact Fee (TIF) Program and the Capital Improvement Program (CIP) and 1) Approve the proposed non-residential and residential offsets using projected alternative funding sources; 2) Select the Three Zone Fee Program Alternative for implementation; 3) Direct staff to return on December 8, 2020 with the appropriate resolution for

adoption of the Major Update to the TIF Program and incorporate the changes to the 2021 CIP.

ALTERNATIVES

N/A

PRIOR BOARD ACTION

May 14, 2019 (Item 41) the Board directed staff to move forward with the major update to the TIM Fee Program.

September 17, 2019 (Item 32) the Board directed staff to expedite the 2020 Major TIM Fee update and provide public outreach by holding workshops at the Board.

October 8, 2019 (Item 26) the Board received Technical Memorandum 1A: Vehicle Miles Traveled Based Equivalent Dwelling Units Rates, Technical Memorandum 1B: Fee Rates by Size of Single-Family Unit, Technical Memorandum 1C: Age-Restricted Fee Category, and the proposed schedule for the Major Update to the TIM Fee Program and Capital Improvement Program (CIP).

October 22, 2019 (Item 21) the Board approved Agreement 4324 with DKS Associates in the amount of \$300,000 to provide staff assistance in developing the Major Update to the TIM Fee Program and CIP.

November 19, 2019 (Item 35) the Board approved the use of a 0.70% annual growth rate for residential growth and 0.67% annual growth rate for non-residential growth for the next twenty year period for the TIM Fee Major Update.

December 17, 2019 (Item 53) the Board gave direction to staff to continue to pursue the eight (8) TIM Fee zones and to explore a 20 year Benefit Cost Analysis.

February 11, 2020 (Item 23) the Board gave direction to staff to: 1) Set 10% as the level of Grant Funding for the non-residential offset that staff should assume in the TIM Fee Update; 2) Provide the Board an analysis of both the current percentage (62%) and the previous percent (65%) as the basis for shifting non-residential equivalent dwelling units to residential uses; 3) Direct staff to review the employment data in conjunction with each future major update to the TIM Fee program; 4) Direct staff to analyze both the current methodology and the methodology to only shift retail /commercial and office uses; and 5) Return to the Board with historical numbers for the different non-residential categories of use for TIM Fees.

March 17, 2020 (Item 28) the Board approved the El Dorado Countywide Housing and Employment Projections, 2018 - 2040 Memoranda.

April 21, 2020 (Item 26) the Board gave direction that cannabis processing shall be treated as a light industrial facility for purposes of the TIM fee assessment, continue the use of a per trip category for wineries, and use 62% as the basis for shifting non-residential equivalent dwelling units to residential uses in the TIM fee program.

August 25, 2020 (Item 41) the Board directed staff to incorporate the six categories by size for single family houses into the TIM Fee Program. The Board also received information on Smart Growth Discount and the initial project list for the impact fee program.

October 20, 2020 (Item 31) the Board directed staff to 1) Pursue Alternative Funding Sources; 2) Add a Residential offset for all Zones and consider applying the same offset for Residential and Non-Residential by Zone; 3) In coordination with consultants, analyze consolidation of fee structure of Zones as follows: a) Zones 2 and 3 (current configuration); b) Combine Zones 2 and 3, plus combine Zones 1, 4, 5, 6 and 7; and c) Combine all Zones excluding Zone 8.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Planning and Building Department

CAO RECOMMENDATION / COMMENTS

The Chief Administrative Office did not receive the staff report, supporting documents and recommendations from the Department of Transportation on this item until Monday, November 9th, and as a result has not had sufficient time to adequately review the recommendations. To keep this matter on schedule as directed by the Board, and ensuring compliance with the Brown Act, the item will be included in the November 17, 2020, agenda which is being posted on November 12, 2020. A recommendation from the CAO will be provided prior to the item being considered by the Board.

FINANCIAL IMPACT

There is no change to Net County Cost associated with this agenda item.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

TIF Program funding is a major funding source for the CIP, which is a vital part of the Infrastructure component of the County Strategic Plan. Adequate infrastructure is necessary for the Economic Development component and is a requirement of the County General Plan. Safe roads are a crucial factor in the Public Safety component of the County Strategic Plan.

CONTACT

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