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County of El Dorado

Legislation Details (With Text)

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On agenda:	3/21/2023	**Final action:**	3/21/2023
Title:	Department of Transportation recommending the Board adopt and authorize the Chair to sign Resolution 048-2023 approving the revised Traffic Impact Fee (TIF) Administrative Manual. FUNDING: Traffic Impact Fee Program.		
Sponsors:			
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Attachments:	1. A - Counsel Approval, 2. B - Proposed Resolution with Admin Manual, 3. C - TIF Program Admin Manual - Redline, 4. D - Executed Resolution 100-2022, 5. E - Ordinance 5173, 6. Executed Resolution 048-2023		

Date	Ver.	Action By	Action	Result
3/21/2023	1	Board of Supervisors	Approved	Pass

Department of Transportation recommending the Board adopt and authorize the Chair to sign Resolution **048-2023** approving the revised Traffic Impact Fee (TIF) Administrative Manual.

FUNDING: Traffic Impact Fee Program.

DISCUSSION / BACKGROUND

A Traffic Impact Fee (TIF) is a fee levied by a local government or public agency to ensure that new development projects pay for the costs of providing transportation infrastructure or services required for the new development. Since 1984, the County has adopted and updated various Traffic Impact 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. The TIF is paid at the time of issuance of a building permit (e.g., for single family home or non-residential buildings). TIF 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, impact on roads, and level of service.

TIF-funded projects are Capital Improvement Program (CIP) projects that are needed to accommodate new development projected over the next 20 years, which may include new roadways, roadway widenings, roadway intersection improvements, interchange improvements, transit, 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.

An Administrative Manual was created so that staff could consistently administer the fee program for all projects required to pay a Traffic Impact Mitigation (TIM) Fee. The original Administrative Manual was structured to be consistent with the TIM Fee Ordinance, which went into effect on February 13, 2017. On January 24, 2017 (Item 31, Legistar 14-0245 v24), the Board adopted Resolution 001-2017 implementing the TIM Fee Administrative Manual. The Administrative Manual was

subsequently updated via Resolution 100-2022, adopted on June 28, 2022 (Item 37, Legistar 22-0990), to reflect policy changes to the renamed Traffic Impact Fee (TIF) Program.

On November 15, 2022 (Item 30, Legistar 22-1653 v1), the Board directed Transportation to change the cost index used to perform annual updates to the TIF Program, which necessitates changes to the Administrative Manual to reflect the calculation methodology it contains. In addition, the update to the Administrative Manual in 2022 omitted a section regarding fee appeals; a paragraph has been added to Section VI.B of the Manual to allow for alternative fee payments pending a fee appeal as allowed in the County Code Section 12.28.070.B.

Department of Transportation recommends the Board adopt and authorize the Chair to sign the resolution revising the Traffic Impact Fee (TIF) Program Administrative Manual.

ALTERNATIVES
N/A

PRIOR BOARD ACTION
On June 8, 2021 (Item 33, Legistar 20-0120), the Board approved the Final Passage (Second Reading) of Ordinance 5142 amending County Ordinance code section 12.28.070(B) - Reductions and appeals, to revise the timing and means of certain Traffic Impact Mitigation Fee payments during the appeals process.

On August 31, 2021 (Item 24, Legistar 21-0749), the Board approved the Final Passage (Second Reading) of Ordinance 5144 amending County 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.

On February 14, 2023 (Item 14, Legistar 22-1653 v3), the Board approved the Final Passage (Second Reading) of Ordinance 5173 amending County Code Chapter 12.28.050, Amount of TIF, to revise the calculation method for the annual updates to the TIF Program. Ordinance 5173 went into effect on March 16, 2023.

OTHER DEPARTMENT / AGENCY INVOLVEMENT
County Counsel

CAO RECOMMENDATION / COMMENTS
Approve staff recommendation.

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

The change in the chosen cost index is used to adjust the projected costs of projects in the TIF Program, and the traffic impact fees are then calculated to cover those costs. This change to the cost index used will affect the percentage used to make such adjustments. Per the requirements of the General Plan, the TIF Program will remain fully funded regardless of the cost index used for annual adjustments. The revenues from TIF collected will still match the anticipated expenditures for projects included in the TIF Program.

CLERK OF THE BOARD FOLLOW UP ACTIONS

1) Clerk of the Board to obtain the Chair's signature on the Resolution.
2) Clerk of the Board to return a copy of the fully executed Resolution to the Department of Transportation, attention Lindsay Tallman.

STRATEGIC PLAN COMPONENT
The TIF Program 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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