



Legislation Text

File #: 20-0519, **Version:** 1

Department of Transportation recommending the Board receive and consider action on two Technical Memoranda regarding policy issues pertaining to the Major Update of the Traffic Impact Mitigation (TIM) Fee Program and the Capital Improvement Program (CIP). Staff is recommending that the Board:

- 1) Receive Technical Memorandums pertaining to establishing Trip Rates for Cannabis (Attachment A) and Wineries (Attachment B) and provide direction as to next steps;
- 2) Receive Information about the Proposed Change of Local Serving Share of Non-Residential Employment and provide direction as to which option to select (Attachment C);
- 3) Receive information pertaining to the Project Changes Incorporated in the 2016 Major TIM Fee Update (Attachment D);
- 4) Receive information pertaining to the Collection of TIM Fees from Non-Residential uses (Attachment E); and
- 5) Receive TIM Fee Offset Program Information (Affordable Housing TIM Fee Offset). (Est. Time: 1 Hr.)

FUNDING: TIM Fee Program.

DISCUSSION / BACKGROUND

The Department of Transportation has been directed to accelerate the Major Update to the TIM Fee Program and the CIP (see September 17, 2019, Item 32). This is the sixth workshop to discuss policy items related to the implementation of the TIM Fee Program. Two technical memoranda have been prepared by the County's consultant, DKS & Associates (DKS). Each technical memorandum covers a specific policy subject as it relates to implementation of the TIM Fee Program.

The County's TIM Fee 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.

Technical Memorandum 3A: Cannabis Production Trip Rates (Attachment A). Cannabis production, including growing and processing cannabis products, is an emerging industry in El Dorado County. Like other industrial uses, cannabis producers generate employment and delivery-related trips that use the County's roadways, and should pay a fair share toward improving those roadways. County staff asked their consultant (DKS) to evaluate whether cannabis production should be considered a unique land use meriting its own category in the TIM Fee Program, or whether it should be considered under an existing category. DKS presented the County with two options that are both

justified by engineering data:

- Approach 1: Classify cannabis production as an “industrial/warehouse” use and pay the appropriate TIM Fee for that category.
- Approach 2: Create a new cannabis production category, based on ITE *Trip Generation* data for manufacturing uses and no assumption of pass-by traffic.

County staff and DKS request direction on whether Approach 1 or Approach 2 should be applied for cannabis production in the TIM Fee Program Major Update.

Technical Memorandum 3B: Winery Trip Rates (Attachment B). Wineries and agritourism are growing industries in El Dorado County. Like other industrial and commercial uses, these uses generate employment, commercial/tourism, and delivery-related trips that use the County’s roadways, and should pay a fair share toward improving those roadways. Agritourism includes, but is not limited to, pumpkin patches, Christmas tree farms, fruit stands, U-pick orchards, and microbreweries. Sufficient data exists to implement a TIM fee for wineries, which would be based on gross floor area (GFA) of the tasting room. There is not sufficient data to support a broad agritourism category, due to the different independent variables involved and limited data sources. A per-trip fee, assessed based on a development’s traffic impact study, is appropriate for agritourism uses other than wineries.

County staff and DKS request direction on whether wineries should be included as a new category in the TIM Fee Program Major Update, and if local data should be collected to develop trip rates for other agritourism-related uses.

Additional Requested Information

The Board had requested the following additional information on the TIM Fee Program:

- 1) Proposed Change of Local Serving Share of Non-Residential Employment (Attachment C). The Board requested a comparison of the updated Local Serving Share of Non-Residential Employment with the previous 64% percent used to adjust the non-residential share in the TIM Fee Program. Staff used the current fee program nexus to prepare the comparison. The decrease in the residential fee ranges from 0 to 2%. The largest percent decrease is for TIM Fee Zones 2 and 3 for \$315. The non-residential share increases from 0% to 9%, with the largest percentage increase occurring for the office/medical category for \$0.08/sq. ft. in TIM Fee Zone 1 and \$0.20/sq. ft. in TIM Fee Zone 7.
- 2) Project changes incorporated in the 2016 Major TIM Fee Program Update (Attachment D). The attached list shows the 2012 TIM Fee project list amended to reflect the program due to the Major Update in 2016. This does not reflect the addition of projects in the 2018 Technical Update to the TIM Fee Program. Projects that were removed have an additional column with the 2035 projected volumes included for reference. The projects were regrouped into the following categories, i.e., Constructed, Removed, Scope Changes, and New. Highlights of the spreadsheet include:
 - Twenty-five (25) constructed projects were removed, with four (4) additional projects moved to the Reimbursement category,
 - Three (3) projects had portions constructed and the remainder was removed as the projected

- volumes no longer warrant further improvements,
- Three (3) projects were removed as they are now included in another TIM Fee project;
 - Twenty (20) projects were removed - seventeen (17) as the projected volumes no longer warrant further improvements, one (1) partially removed due to lack of projected volumes, and two (2) due to an interim project addressing the deficiency.
 - Thirty (30) projects remain with the majority having a scope change and updated costs. Two (2) are new projects.
- 3) Historical TIM Fees from non-residential uses (Attachment E). Staff received detailed information from the Administration and Finance Division for the years 2017-2019. The sorting of the type of TIM Fees paid are shown in the attachment. The data indicates that approximately 91% of the fees collected were residential (\$8.4 M) and approximately 9% were from non-residential uses (\$835K). The non-residential uses can easily be categorized since the switchover to the TRAKIT system in May of 2018. From May 2018 through the end of 2019 the non-residential uses are: Office/Medical - 55%; General Commercial - 33%; Industrial/Warehouse - 10%; and Church - 2%.
- 4) TIM Fee Offset Program information. The offset program uses grant funding that is already applied to a particular project as the source to offset affordable housing TIM Fees. It is not additional or new funds that can be used for another project.

NEXT STEPS

Based on input from the Board, County staff and our Consultants will incorporate the direction from the Board to the Major Update to the TIM Fee program.

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.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Planning and Building Department

CAO

Auditor Controller

County Counsel

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board receive presented information and provide direction to staff.

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

TIM Fee 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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