



## Legislation Text

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**File #:** 21-0775, **Version:** 1

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HEARING - Department of Transportation recommending the Board adopt and authorize the Chair to sign Resolution **079-2021** for the 2021 Traffic Impact Fee (TIF) Schedule Annual Update.

**FUNDING:** Traffic Impact Fee Program.

### **DISCUSSION/BACKGROUND**

On December 8, 2020, the Board adopted the Major Update to the TIF Program (formerly the Traffic Impact Mitigation or TIM Fee Program) as required by the General Plan and in compliance with state law (Item 39, Legistar 20-1585). The 2020 Major Update to the TIF Program was adopted by Resolution 196-2020. General Plan Implementation Measure TC-B and County Ordinance No. 5045 (Ordinance 5045) state that the fee program shall be updated annually for changes in project costs.

Ordinance 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."

The Major Update to the former TIM Fees, now TIF Program, in December noted that the Capital Improvement Program (CIP) would need to be updated to be consistent with the TIF Program. The 2021 Annual Update to the CIP reviewed the cost estimates from the 2020 TIF Program update. Cost adjustments as made by Transportation staff have been incorporated into this 2021 TIF Annual Update and are listed in Attachment C, Exhibit C.

The purpose of today's hearing is to adopt the 2021 Annual Update to the TIF Program, which adjusts project costs.

The 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 E. Depending on the zone and land use type, TIF have increased in Zone C by 1%. Zone A was reduced by approximately 3% and Zone B increased by 0.1%.

This update includes only adjustments to project costs that are currently in the design, pre-construction or construction phases. 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.

If adopted, the annual update to the TIF Program will go into effect 60 days after adoption of the resolution.

### **ALTERNATIVES**

Ordinance 5045 requires the Board to adjust the fees annually to reflect changes in construction costs.

### **PRIOR BOARD ACTION**

On December 8, 2020, the Board adopted the Major Update to the TIF Program (Item 39, Legistar 20-1585). The first Board workshop for the 2021 CIP was held on March 16, 2021 (Item 22, Legistar 21-0304).

### **OTHER DEPARTMENT/AGENCY INVOLVEMENT**

Planning and Building Department  
CAO, Community Development Finance & Administration  
County Counsel

### **CAO RECOMMENDATION**

Approve as recommended.

### **FINANCIAL IMPACT**

There is no change to Net County Cost associated with this agenda item. Funding for the TIF Program Update is included in the adopted Fiscal Year 2020-21 budget and is provided by the TIF Program. The TIF Program Update establishes County priorities for available funding and ensures that new development pays their relative costs of necessary infrastructure. Please reference Attachment E TIF Comparison for the specifics on how the fees are changing for each Zone.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

The Clerk of the Board to provide a copy of the signed Resolution to the Department of Transportation, attention Lindsay Tallman.

### **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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