

MEMORANDUM

DEPARTMENT OF PUBLIC WORKS
County of Placer

TO: BOARD OF SUPERVISORS

DATE: June 9, 2009

FROM: KEN GREHM / ANDREW GABER

SUBJECT: **FORESTHILL CAPITAL IMPROVEMENT PLAN UPDATE AND TRAFFIC
MITIGATION FEE ADJUSTMENT**

ACTION REQUESTED / RECOMMENDATION

Conduct a Public Hearing and, 1) Approve a Nexus Analysis for the Foresthill Traffic Impact Fee District; and 2) Adopt an Ordinance modifying the Capital Improvement Program (CIP) and corresponding Traffic Mitigation Fee for the Foresthill Traffic Impact Fee District.

BACKGROUND / SUMMARY

In April 1996, the Board adopted the Countywide Traffic Mitigation Fee Program. This program established traffic mitigation fees for eleven (11) separate districts in the County, each with its own Capital Improvement Program (CIP). The CIP consists of intersection and roadway improvements necessary to support the level of traffic created by new growth and development at acceptable service levels.

Future transportation system needs have been identified as part of the environmental analysis for the update to the Foresthill Divide Community Plan. With this information, a new CIP has been developed for the Foresthill District and is presented in the attached Ordinance. The current CIP is presented in Attachment A. The new CIP identifies \$25.5 million of needed transportation improvements, \$7.11 million of which will be funded through the Foresthill traffic mitigation fees. The current CIP, created in 1981, identified \$14.7 million of improvements, with \$3.1 being funded by fees. The remaining funding will come from various sources, including frontage improvements, and other local, State and Federal funding programs. The majority of improvements will be to Foresthill Road including widening and safety improvements.

The current fee for the Foresthill District is \$3,655 per dwelling unit equivalent (DUE). The new fee would be \$4,425 and \$2,301 per DUE for residential and non-residential, respectively. Foresthill is the first District in the County in which separate fees for residential and non-residential uses are proposed. This type of fee structure is justified in the Foresthill District because the commercial/retail land uses are located within the interior of the District and typically do not attract trips from outside the District. Traffic Mitigation Fees in the County range from \$3,148 to \$7,512 with the average of \$4,944 per DUE. The current and updated fees for the Foresthill District are presented in the attached Ordinance. The proposed new CIP, and associated traffic fees, were discussed with the Foresthill Forum. In adopting the fee, State law requires that the Board make various findings. These findings are presented in Attachment B, entitled Nexus Analysis. The updated fees for the Foresthill District are proposed to become effective sixty (60) days after passage and will be paid at the time of building permit issuance.

ENVIRONMENTAL

This action is categorically exempt from CEQA as it relates to obtaining funds for capital projects necessary to maintain service within existing service areas (Section 21080(b)(8)).

FISCAL IMPACT

The fiscal impact of this action would be to narrow the deficiencies between capital improvement costs and capital improvement funding. It will result in \$7.11 million of capital improvement funding needed to support anticipated new growth and development.

Attachment A - Current Foresthill Capital Improvement Program

Attachment B - Foresthill Nexus Analysis

Attachment C - Ordinance

Adjustments to the Foresthill Capital Improvement
Plan and Traffic Mitigation Fee

Current Foresthill Capital Improvement Program
ATTACHMENT A

Street/ Intersection		Segment	Description of Improvements	Est. Total Cost	Frontage Impr. Funding	Funding Source		State	County Traffic Impact Fee
						Local/Misc Programs	Other		
Foresthill Road		2.6 miles west of Moshiron to Madrone	Widen/realign	\$12,180.2			\$11,674.1		\$600.1
Foresthill Road		Drivers Flat Rd. to Pond Avenue	Purchase ROW	\$2,494.7					\$2,494.7
Foresthill Fee District Totals:				\$14,674.9	\$0.0	\$0.0	\$11,674.1	\$0.0	\$3,103.8

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Attachment B

FORESTHILL TRAFFIC IMPACT FEE
NEXUS ANALYSIS

In April 1996, the Placer County Board of Supervisors adopted a Countywide Traffic Fee Program. The program ensures new development pays their fair share for improvements required to the local and regional transportation system. With the updated infrastructure needs identified as part of the Foresthill Divide Community Plan environmental review process, an updated Capital Improvement Program (CIP) list has been developed for the future improvements needed within the plan boundaries for the 20 year plan horizon.

This memorandum will provide the nexus between new development and the need for additional roadway and intersection improvements. These improvements are presented on the table in attachment 1 along with the identified financing for the specific improvements. These improvements will be used to update the existing Foresthill Impact Fees Program, pursuant to Placer County's police power in accordance with the procedural guidelines established in A.B.1600, codified in California Government Section 66000 et seq. These procedures require a reasonable relationship or nexus must exist between a government exaction and the purpose of the condition. Specifically, each local agency imposing a fee must:

- Identify the purpose of the fee
- Identify how the fees will be used
- Determine a reasonable relationship exists between the fee's use and the type of development project on which it is imposed
- Determine how a reasonable relationship exists between the need for the public facility and the type of development project on which the fee is imposed
- Demonstrate a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributed to the development on which the fee is imposed

Purpose of the fee:

Provide improvements to the transportation system within the Foresthill region that meet the goals and policies set in the Placer County General Plan, as well as the specific Community Plans with the region.

Use of the fee:

Expansion of existing roadway facilities and the construction of new facilities as identified in the Circulation Element of the Placer County General Plans and specific Community Plans within the region.

Relationship between type of development and the use of the fee:

Projects in the region will add new vehicular trips to the roadway network and roadway capacity improvements will be needed to maintain the County's Level of Service on area roadways and intersections. The fees will be used to expand capacity, which will facilitate traffic flow and mitigate future safety problems resulting from increased volume of traffic on the area's roadway network. The increase in capacity will be done to meet the goals and policies of the Placer County General Plan as well as the specific Community Plans in the region.

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Relationship between the need for the facility and the type of development:

Each new development will add incrementally to the need for increased roadway capacity and safety improvements. For the County's Level of Service standards and safety policies to be maintained, roadway capacity and safety improvements will be required. Different types of development must account for their relative traffic impacts and required improvements to the regional roadway network.

Relationship between amount of fee and the cost of, or portion of, the facility to development upon which the fee is imposed:

The remainder of the discussion is regarding the assumptions and methodology used to establish the relationship between the fee and the cost of the improvements attributed to development. Specifically, the land use assumptions, roadway improvements needs and costs, fee allocation, dwelling unit equivalents, and the proposed updated fee.

Land Use Assumptions:

Future land use was based on reasonable 20 year growth projection, the plan horizon, for the recently approved Foresthill Divide Community Plan.

Roadway improvements needs and costs:

The Environmental Impact Report for the Foresthill Divide Community Plan Update was used to establish the roadway needs in the region. The predominant policy guiding the needed improvements is the Level of Service (LOS) policies. The LOS standard is defined in the Placer County General Plan, as well as various community plans.

The costs of the improvements identified on the attached table have been developed using recent cost estimates for construction projects in the region. Economies of scale were used and other considerations were given to the total project costs. For instance, it is anticipated that large cuts or fills associated with the roadway improvements along Foresthill Road would be required and therefore, the cost per lane mile is higher than would be used if there were relatively flat terrain.

Fee Allocation Methodology:

The fee allocation establishes a nexus between the usage of the roadway improvements and of the new development in the region. The fee allocation is based on reasonable 20 year growth projection of the approved community plan. The projects on the existing CIP list have updated to include the list of projects identified in the approved community plan.

Foresthill Divide is a bedroom community and a majority of drivers on Foresthill Road in the peak hours are due to the residential development. Because all of the improvements required are based on the peak hours and are along the commute route, the cost for the improvement have been proportionally spread to residential and non-residential based on the number of vehicular trips on the roadway. In addition, some of the improvements identified are outside of the community plan area and the growth in the community plan area is a portion of the future growth facilitating the need for the

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improvements. The percent impact on these facilities is based on a fair share contribution toward the improvements. The fair share is based on the percent of total growth in trips at the facility.

Dwelling Unit Equivalent:

The fees will be assessed on new development using the same method currently in place, based on their Dwelling Unit Equivalent (DUE). The total number of DUEs for residential and non residential are 1428 and 295, respectively.

Proposed Updated Fee:

The new fee is calculated by multiplying the percent impact by the total capital improvements divided by the total number of DUEs. For residential, the fee is \$4,425 and for non-residential uses, the fee is \$2,301.

**Attachment C
Ordinance**

**Before the Board of Supervisors
County of Placer, State of California**

In the matter of:

AN ORDINANCE MODIFYING
ARTICLE 15.28 OF THE PLACER COUNTY
CODE REGARDING TRAFFIC IMPACT FEES
IN THE FORESTHILL DISTRICT

Ord. No: _____

FIRST READING: _____

SECOND READING: _____

The following **Ordinance** was duly passed by the Board of Supervisors of the
County of Placer at a regular meeting held _____, by
the following vote on roll call:

Ayes: .

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

Ann Holman

THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1: The Capital Improvement Program for the Foresthill Traffic Impact Fee District is hereby amended and restated in entirety as shown on Attachment 1, "Proposed Foresthill Capital Improvement Program."

Ord # _____

Section 2. Exhibit C of Article 15.28 of the Placer County Code is hereby amended to replace the fee stated for the Foresthill District with Four Thousand Four Hundred and Twenty Five Dollars (\$4,425.00) for residential uses and Two Thousand Three Hundred and One Dollars (\$2,301.00) for non-residential uses, as shown in Attachment 2.

Section 3: This Ordinance shall take effect and be in full force and effect August 10, 2009. The Clerk is directed to publish this Ordinance, or a summary therefore, within fifteen (15) days in accordance with Government Code Section 25124.

Attachment 1 - Proposed Foresthill Capital Improvement Program
Attachment 2 - Exhibit C, Countywide Traffic Mitigation Fees

Foresthill Benefit District		All Costs in Thousands \$						
Street/ Intersection	Segment	Description of Improvements	Est. Total Cost	Frontage Impl. Funding	Funding Source			County Traffic Impact Fee
					Local/Misc Existing Deficiencies	Other	State	
Foresthill Road	Bridge to Spring Garden Road	Add 0.2 miles WB Passing Lane	\$1,000.0					\$1,000.0
Foresthill Road	Spring Garden Road to Todd Valley Road	Add 0.2 miles WB Passing Lane	\$1,000.0					\$1,000.0
Foresthill Road	Entire Length	Safety Improvements	\$500.0					\$500.0
Foresthill Road	Auburn Ravine/Lincoln Way	Add EB RTL Add 2nd NB LTL	\$3,000.0			\$690.0		\$2,310.0
Auburn Ravine Road (Fair Share Contribution to AB Fee District)	I-80 Overcrossing	Widen to 4 Lanes	\$20,000.0			\$17,700.0		\$2,300.0
Foresthill Fee District Totals¹:			\$25,500.0	\$0.0	\$0.0	\$18,390.0	\$0.0	\$7,110.0

¹Foresthill District not annually adjusted for 08-09

Exhibit C

Placer County Code Article 15.28
 Placer County Road Network
 Traffic Mitigation Fees

COUNTYWIDE TRAFFIC MITIGATION FEES
 Fees per DUE by Benefit District

Benefit District	Countywide Fee Per Dwelling Unit Equivalent (DUE)
Auburn/Bowman	\$4,590
Dry Creek	\$3,280
Foresthill	\$3,655 \$4,425 (Residential)
	\$2,301 (Non-Residential)
Granite Bay	\$5,706
Meadow Vista	\$4,744
Newcastle/Horseshoe Bar/Penryn	\$4,521
Placer Central	\$1,946
Placer East	\$3,148
Placer West	\$2,411
Sunset	\$2,774
Tahoe Resorts	\$4,475

Note: 1) DUE = Dwelling Unit Equivalent

